1. May 07, 2019 Regular City Council Meeting Agenda
   
   Documents:
   
   MAY 07, 2019 REGULAR CITY COUNCIL MEETING AGENDA.PDF

2. May 07, 2019 Regular City Council Meeting Packet
   
   Documents:
   
   MAY 07, 2019 REGULAR CITY COUNCIL MEETING PACKET.PDF
AGENDA FOR REGULAR CITY COUNCIL MEETING

Tuesday May 07, 2019
7:00 PM

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE AND INVOCATION

3. ROLL CALL

4. APPROVAL OF AGENDA

5. REPORT FROM CITY MANAGER

6. PRESENTATIONS
   A. To adopt a resolution recognizing May 11, 2019 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause (Presentation – Mike Sheridan – Food Drive Coordinator-Branch 4374).

7. PUBLIC HEARINGS

8. CONSENT AGENDA
   A. Special Meeting Minutes April 09, 2019
   B. Regular Meeting Minutes April 16, 2019
C. Bill Listing

D. To approve the purchase of miscellaneous maintenance, repair, and operating (MRO) supplies and library materials from Amazon Services, LLC through a U.S. Communities cooperative bid (Estimated annual expenditure of $60,000).

E. To approve the purchase of two (2) 2019 Ford Interceptor Utility Police Pursuit AWD vehicles from Bartow Ford (Total cost of $62,208).

F. To award a bid for materials and services for removal and replacement of fencing for a two-year period (Estimated annual expenditure of $20,000).

G. To award a bid for sewer maintenance supplies for a one-year period (Estimated total expenditure of $10,000).

H. To receive a report from the Purchasing Manager pursuant to City Code §2-221(B) regarding the emergency purchase of a pump for discharging of storm water collected at the Moravian Pointe retention basin situated west of Hayes Road, south of 15 Mile Road, Section 36 (Total expense of $32,550).

I. To receive a report from the Purchasing Manager pursuant to City Code §2-221(B) regarding the emergency purchase of a pump for the Viceroy Sewage Lift Station situated east of Dequindre Road, North of 14 Mile Road, Section 31 (Total expense of $15,765).

J. To purchase voting booths for use at City election precincts (Total cost of $53,364).

K. To approve final payment in the amount of $111,691.12, plus interest on retainage, for Dodge Park Road Resurfacing, 15 Mile Road to Metropolitan Parkway, City Project #18-304, and 15 Mile Road Resurfacing, Mustang Drive to Schoenherr Road, City Project #18-314.

L. To authorize the partial vacation of an existing watermain easement in conjunction with the proposed Chaldean Community Foundation building addition at 3601 15 Mile Road in Section 30; PSP18-0030, EG18-0024.

M. To set a public hearing date to consider the request by Des-Claw, LLC to transfer Industrial Facilities Tax Exemption Certificate # 2016-103 currently held by Ric-Man Construction, Inc. at 42600 R. Mancini Drive.

N. To accept a proposal for managed janitorial services at select City facilities (Estimated annual expenditure of $600,000).
9. **CONSIDERATION**

   A. To consider a First Amendment to Amended and Restated Conditional Rezoning Agreement for property situated on the north side of 15 Mile Road, west of Ryan Road, in Section 30; Case No. PZ18-0002 - The Chaldean Community Foundation (Presentation - Chris McLeod, City Planner).

10. **COMMUNICATIONS FROM CITIZENS**

    This item shall be taken up at 9:30 p.m. if the business portion of the agenda has not been concluded.

    In accordance with the Sterling Heights Governing Body Rules of Procedure, under this agenda item, citizens are permitted to address the City Council on issues not on the agenda. Citizens are afforded a reasonable opportunity to be heard. Generally, no response shall be made to any communication from a citizen until all citizens have been permitted to speak.

    You may be called to order by the Chair or a Council member if you:

    • Attempt to engage the Council or any member in debate
    • Fail to address the Council on matters germane to City business
    • Use vulgarity
    • Make personal attacks on persons or institutions
    • Disrupt the public meeting

    If you are called to order, you will be required to take your seat until the Council determines whether you will be permitted to continue.

    These rules are in place and will be followed to ensure order and civility.

11. **REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL**

12. **UNFINISHED BUSINESS**

13. **NEW BUSINESS**

14. **CLOSED SESSION PERMITTED UNDER ACT 267 OF 1976 - (roll call vote required)**

15. **ADJOURN**

    Clerk of the Council

    The City of Sterling Heights will provide necessary reasonable auxiliary aids and services to individuals with disabilities at the meeting upon 7 days notice to the Community Relations Department at 446-CITY.

    The backup information for this agenda is available on the City’s website. Go to [www.sterling-heights.net](http://www.sterling-heights.net) and click on City Council e-Packets.
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A. **UPCOMING COMMUNITY EVENTS**
   - **Plant Exchange – May 11**
     The Sterling Heights Beautification Commission will once again sponsor its annual Plant Exchange on Saturday, May 11 at 10 am-12 pm at the Nature Center. The free “green” event allows gardeners to exchange plants of various varieties. Residents may contact the Community Relations Department at 586.446.2489 for additional information.
   - **SHPD Law Day Ceremony – May 16**
     The contributions police officers make to the community will be celebrated during the Sterling Heights Law Enforcement Day on Thursday, May 16. The ceremony will begin at 10 am at the north entrance to City Hall. If inclement weather, the event will be held in the Council Chambers in City Hall. For additional information, residents may contact the Community Relations Department at 586.446.2489.

B. **CLOSED SESSION**
   Lastly, at the conclusion of tonight’s agenda, I am requesting that the City Council convene a Closed Session pursuant to Sections 8(e) and (h) of the Open Meetings Act to consult with the City Attorney regarding two confidential written legal opinions, and to discuss legal strategy in connection with the City’s pending litigation in Macomb County Circuit Court Case No. 2017-000052-AS.

C. **MISCELLANEOUS**

Respectfully submitted,

Mark D. Vanderpool, City Manager
AGENDA STATEMENT

Item Title: To adopt a resolution recognizing May 11, 2019 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause (Presentation – Mike Sheridan – Food Drive Coordinator-Branch 4374).

Submitted By: Community Relations Department

Contact Person/Telephone: Bridget Kozlowski, Director of Community Relations - 586.466.2471

Administration Approvals:
- MR City Clerk
- JV Finance & Budget Director
- MK City Attorney
- MV City Manager

Executive Summary

The National Association of Letter Carriers (NALC) National Food Drive is being held on Saturday, May 11th. On this date, letter carriers and numerous volunteers will be picking-up donations of nonperishable food items that people have set out by their mailboxes for collection.

Food donations collected by the Utica and Sterling Heights post offices are donated to the Macomb Food Program. Volunteers then sort and distribute the food to more than 50 neighborhood food pantries and hunger relief organizations. Access to the Macomb Food Program is open to any Macomb County resident in need of emergency food assistance.

This is the 27th year for the NALC National Food Drive. The goal is to surpass last year’s total of 70 million pounds of nonperishable food. In the last 26 years, NALC has collected over 1.67 billion pounds of food donations.

Mike Sheridan, Food Drive Coordinator for the National Association of Letter Carriers - Branch 4374 serving South Macomb County will be making a brief presentation regarding the National Food Drive and is available to answer any questions from the City Council.

Suggested Action:

Resolved, to adopt the resolution recognizing Saturday, May 11, 2019 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause.
STERLING HEIGHTS CITY COUNCIL

A resolution of the City Council recognizing Saturday, May 11, 2019 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause.

- The National Association of Letter Carriers (NALC) National Food Drive is being held on Saturday, May 11th. On this date, letter carriers and numerous volunteers will pick-up donations of nonperishable food items that people have set out by their mailboxes.

- Food donations collected by the Utica and Sterling Heights post offices are donated to the Macomb Food Program which provides immediate relief to those in need of emergency food through a network of more than 50 neighborhood food pantries and hunger relief organizations.

- This is the 27th year for the NALC National Food Drive. The goal is to surpass last year’s total of 70 million pounds of nonperishable food. In the last 26 years, over 1.67 billion pounds of food donations have been collected.

- The demand placed on the inventories of the emergency food pantries never ceases, in good times or bad times. In some instances, the pantries have run out of food for those in need.

- The City of Sterling Heights has always been a generous and caring community, especially in times of great need. May 11th is an opportunity for this City to once again extend a helping hand to our most vulnerable populations of children, seniors and the working poor.

NOW, THEREFORE,

BE IT RESOLVED, to recognize Saturday, May 11, 2019 as Letter Carriers Food Drive Day in the City of Sterling Heights and to encourage residents to participate in this worthy cause by setting out nonperishable food items next to their mailboxes for collection on this date.

This Resolution was approved at the May 7, 2019 Sterling Heights City Council meeting.

Melanie D. Ryska, City Clerk
AGENDA STATEMENT

Item Title: 2019/20 Budget Public Hearing and Adoption (Presentation – Jennifer Varney, Finance & Budget Director).

Submitted By: Office of the City Manager

Contact Person/Telephone: Mark D. Vanderpool, City Manager - 586.446.2305

Administration Approvals:  
MR City Clerk  
JV Finance & Budget Director  
MK City Attorney  
MV City Manager

Executive Summary

• The City Charter requires that a formal Public Hearing be held on the budget before its adoption.

• The proposed 2019/20 budget was submitted to the City Council on March 28, 2019. For the past six weeks, the budget has been available for public inspection on the City’s website, at the City Clerk’s office, and the Public Library. In addition, the City Council held two budget workshops on April 9th and April 23rd to review the proposed spending plan.

• The Appropriations Ordinance is the legislative vehicle that allows for the expenditure of funds throughout the City. The Ordinance reflects the City Council’s plans for expenditures and revenues and sets the property tax millage rate to fund those expenditures for the 2019/20 fiscal year. The City’s total millage rate will decrease the City’s operating millage by 0.9735 mill due to the roll back of the one-time 1.0 mill increase in the prior fiscal year to fund major road improvements and reductions in the Safe Streets and Recreation millages due to Headlee roll backs. These decreases were partially offset by an increase to the Police & Fire Pension millage.

• The Appropriations Ordinance was introduced at the April 9th City Council meeting. On April 23rd the City Council approved four budget amendments resulting in a net decrease of $1,460 to General Fund expenditures. Administrative changes to the Ordinance include adjustments to millage rates due to the receipt of final taxable values. These amendments are reflected in the final amended Appropriations Ordinance that is now ready to be adopted.

Suggested Action:

BE IT ORDAINED, to adopt the Annual Appropriations Ordinance, as amended, for the 2019/20 fiscal year with the following property tax millage rates:
9.4940 mills for Operations, 1.0038 mills for Refuse Collection, 2.1984 mills for Police & Fire Pension, 2.4505 mills for Safe Streets, 0.9506 mills for Recreating Recreation and 0.1096 mills for Public Improvements (Proposal F) for a total property tax levy of 16.2069 mills.
Financial Organization Chart

Total City Budget
2019/20
$246,748,860

General Fund
$105,310,460

Legislative
$179,860
City Administration Department
$9,403,120
Public Library Department
$2,884,530
Police Department
$35,203,920
Fire Department
$20,913,150

Public Works Department
$11,003,720
City Development Department
$5,056,280
Community Relations Department
$1,522,870
Non-Departmental Services
$19,143,010

Capital Projects Funds
$37,412,490

Facilities Improvement Fund
$8,611,650
Road Bond Construction Fund
$2,500,000

Water & Sewer Fund
$53,939,170

Water & Sewer Administration
$4,751,390
Water Distribution
$18,757,370
Sewage Collection
$30,430,410

Special Revenue Funds
$42,823,090

Major Road Fund
$13,101,280
Local Road Fund
$9,230,080
Land & Water Conservation Fund
$0

Parks & Recreation Fund
$17,785,100

Parks & Recreation Department
$17,785,100

Indigent Defense Fund
$232,190

Limited Tax General Obligation Debt Fund
$3,432,670

Neighborhood Stabilization Fund
$37,000

General Drain Fund
$43,000

Voted Tax Obligation Debt Fund
$553,260

Road Bond Retirement Fund
$3,234,720

Public Safety Forfeiture Fund
$443,110

Community Development Block Grant
$1,036,930

Corridor Improvement Fund
$110,000

Economic Development Fund
$0

Brownfield Redevelopment Authority Fund
$0

Local Dev. Finance Authority Fund
$847,400

Limited Tax General Obligation Debt Fund
$3,432,670

Chart figures correspond to budget tabs and include all transfers.
March 28, 2019

Honorable Mayor and
Members of the City Council

INTRODUCTION

Over the course of the City’s history, this document has been integral to the City’s ability to remain financially strong and resilient, regardless of the economic times. Although the process is not always smooth or easy, the commitment of City Administration and the City Council to good stewardship of the City’s finances has always been reflected in a fiscally sound budget. This commitment, as set forth in annual budgets, has garnered state and national awards. Even more important than these accolades is the positive impact the budgetary process has on the Sterling Heights community in terms of the assured delivery of quality, efficient, and essential public services.

It is also true the budget is more than numbers on paper. It is a living document that reflects what this community strives to be - a safe, vibrant, and welcoming place to live and work. It is in this spirit that City Administration submits the proposed fiscal year 2019/20 Annual Budget.

YEAR IN REVIEW AND PREVIEW

The City of Sterling Heights completed an historic amount of road improvement projects in 2018 that have greatly improved the condition of our roads. Mound Road, Schoenherr Road, Utica Road, and Canal Road are a partial listing of road improvement projects that the City expedited and completed in the 2018 construction season. Unfortunately, there is much more work to be done to improve our roads.

The City continues to meet this daunting challenge by leveraging Federal, State, County and local resources equating to $416 million in road improvement funding between 2014 and 2022. This funding will result in another aggressive construction season in Sterling Heights. In addition to the $23.2 million plan to improve roads in the 2019 construction season, the Department of Public Works Streets Division will be making semi-permanent repairs to neighborhood roads throughout the City. The City’s maintenance contractor will also be hard at work sealing pavement joints on various roadways which is necessary to extend the longevity of roads.

It is also important to acknowledge the positive impact that the Safe Streets dedicated millage is having on our local street system. With the completion of this season’s local road projects, the City will have improved 252 local streets situated throughout Sterling Heights in the past six years. With Safe Streets expiring this year, the City will be requesting renewal of the 0.8 mill dedicated to local streets by the voters at the November 5, 2019 City election. Due to inadequate funding from the state of Michigan, the City simply cannot keep up with the demand to repair our local streets without the funding source provided by the Safe Streets dedicated millage.
Over the past 10 years we have been laser focused in solidifying the City’s financial position on the heels of major restructuring due to declining revenues caused by the great recession. More recently, after completing the City’s Visioning 2030 Plan, it was determined that there must be a focus on Quality of Life Services in order to realize long term prosperity. Thankfully the community agreed and the Recreating Recreation Initiative was approved. Combined with additional grant funding, a $55 million investment was made in upgraded parks, new amenities and structures, extended hike trails, restoration of the Clinton River and so much more. This massive investment in quality of life assets, not to mention an impressive investment in road infrastructure and improvements, is paying dividends for the community. Nowhere is this payoff more evident than property values. Among the five communities with the highest overall property values, Sterling Heights now ranks third highest statewide and number one in Macomb County in terms of residential property valuation! We should all take pride in this remarkable achievement.

While continuing to invest in quality of life services and infrastructure is critical, it is equally important to focus on the need to reinvest in the City’s human assets. The Sterling Heights success story is not possible without the continued growth and performance of our employees. If we expect to continue operating as an innovative and high performance organization we must do more to invest in employees. While good wages and benefits are important, providing a fulfilling, rewarding and meaningful work environment is necessary to not only retain our quality employees, but also to promote growth and entice fresh, new talent to the organization. With this in mind, the proposed budget allocates funding to expand Sterling University. This unique program allows employees to spend time in other departments learning first-hand the services provided by their colleagues. Having Community Relations employees learn how to drive a plow truck, for example, is invaluable and ultimately will result in a more knowledgeable workforce and enhance customer service. This year the City Council will attend Sterling U and soon we hope to make it available to the public. The proposed budget also allocates funding to leadership training for directors and managers, technical training for all employees and Lean Six Sigma productivity training through Macomb Community College. For the first time, the City will also offer a one day sabbatical for any employee to attend training of their choice. Employees perform best when they feel valued and know their employer is investing in them under the premise of continuous improvement.

**PROPOSED BUDGET**

The 2019/20 Budget for all City Funds totals $246.7 million - an increase of $2.5 million or 1.0% from the prior year. The increase can be broken down as follows:

- $14.4 million due to an increase in the Capital Project Funds resulting from budgeted funds of $21 million to demolish and reconstruct a new building for the Department of Public Works (to be funded through bond proceeds), offset by a decrease of $5.5 million in the Road Bond Construction Fund due to the proceeds of an $8.2 million Michigan Transportation Fund bond spent in the prior year. The current year budget for Road Bond Construction includes $2.5 million in preliminary engineering for the Innovate Mound total reconstruction project. These funds will be reimbursed through a Michigan Transportation Fund Bond to be issued in 2020.
- A $1.9 million increase in the Debt Service Funds due to the payment on the planned bond
issuance of $22 million for the new Department of Public Works Building.

- An increase of $0.3 million in the Water & Sewer Fund resulting from an increase in water and sewer costs primarily due to rate increases from the Great Lakes Water Authority.
- Offset by a $14.1 million decrease in the Special Revenue Funds due to:
  - $5.8 million less spending on Major Road construction in the budget year. The prior year included a one-time one mill increase to augment road spending significantly. That millage is rolled back in the current year, resulting in a tax rate decrease. The current year includes $7.3 million in Major Road reconstruction projects, which is detailed later in this document.
  - $10.4 million less spending on Parks & Recreation construction projects due to the timing of project completions. A total of $50 million in new Parks & Recreation buildings and amenities was funded through the voter approved Recreating Recreation millage.
  - $1.2 million decrease in construction projects funded through the Local Development Finance Authority. Two road projects were funded in the prior year.
  - Offset by $2.7 million increased spending in the Local Road Fund. The voter approved Safe Streets millage will fund the reconstruction of 13 neighborhood streets and an additional 21 streets will be repaired through the Sectional or Asphalt repair program,
  - And $0.7 million increased spending in the Parks & Recreation Fund due to contractual maintenance for services formerly performed by the Parks & Grounds division.
- Also, offset by a $0.1 million decrease in the General Fund due to:
  - A decrease of $6 million in the General Fund transfer to Major Roads, as a result of the rollback of the one-time 1.0 mill tax increase that funded this transfer in the prior year, offset by a $1.7 million increase in the General Fund transfer to the Debt Service funds, as a result of the increased debt payment to finance the new Public Works building construction.
  - Also offset by an increase of $2.8 million in personnel costs to fund a $0.8 million increase in long-term retirement liabilities, as well as contractual employee wage increases.
  - And a $1.3 million increase to Other Charges primarily due to increased software maintenance costs, an increase in General Liability insurance and investment in employee training and development.

The City establishes a budget for 23 separate funds or accounting divisions. These 23 funds can be further grouped into five major fund categories as the graph above illustrates. The largest is the General Fund, which provides $105.3 million in funding towards the majority of services available to City residents through the City’s eight departments. The second largest fund is the Water & Sewer Operating Fund,
which provides $53.9 million in funding for the water distribution and sewage disposal services purchased from the Great Lakes Water Authority and Macomb County. Both the General and Water & Sewer Funds will be discussed in depth later in this Executive Summary.

**GENERAL FUND**

The General Fund revenues of $106.3 million in the proposed budget exceed the proposed General Fund expenditures of $105.3 million by $1.0 million. This marks the sixth consecutive year the City has added to reserves and is estimated to increase the total reserves to 25.6% of General Fund expenditures, reaching the City goal of obtaining and maintaining fund balance reserves of at least 25% of General Fund expenditures. A General Fund balance of 25% - 30% of General Fund expenditures will help ensure the City’s ability to weather any future economic downturn.

The General Fund derives its revenue from a variety of sources as the graph to the left illustrates. The largest source is from property taxes. The City’s tax rate of 16.2069 mills will provide $64.2 million or 60.3% of the total General Fund budget. This is a decrease of $1.3 million in tax revenue from the prior year. Taxes are levied for General Operations, Safe Streets, Recreating Recreation, Refuse Collection, Police & Fire Pensions, and Public Improvement Proposal F debt. Tax revenue for General Operations decreased $2.4 million due to a rollback in the millage rate, partially offset by taxable value growth. Tax revenue from the Safe Streets and Parks & Recreation millage increased by a total of $333,000 due to taxable value inflationary growth of 2.4%. Tax revenue from the Police & Fire pension millage increased $777,000 due to an increase in the required contribution to the pension fund, resulting from actuarial changes to the assumed rate of return and updated mortality tables.

<table>
<thead>
<tr>
<th>CITY MILLAGE RATES</th>
<th>2018/19 Actual</th>
<th>2019/20 Proposed</th>
<th>Increase/Decrease</th>
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</thead>
<tbody>
<tr>
<td>City Operating</td>
<td>10.4940</td>
<td>9.4940</td>
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<tr>
<td>Safe Streets</td>
<td>2.4678</td>
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<td>-0.0173</td>
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<tr>
<td>Recreating Recreation</td>
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<tr>
<td>Refuse Collection</td>
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<td>1.0038</td>
<td>-0.0382</td>
</tr>
<tr>
<td>Police &amp; Fire Ret.</td>
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<td>2.1984</td>
<td>0.0705</td>
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<tr>
<td>Fire Station Imp.</td>
<td>0.0971</td>
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<td>0.0125</td>
</tr>
<tr>
<td><strong>Total City Millage</strong></td>
<td><strong>17.1804</strong></td>
<td><strong>16.2069</strong></td>
<td><strong>-0.9735</strong></td>
</tr>
</tbody>
</table>

The City’s Operating millage rate of 9.4940 mills represents a decrease of 1.0 mill below the prior year. This tax reduction is due to the promised rollback of the one-time, one mill increase in the prior year that funded over $4 million in additional Major Road projects.

The City’s tax rate continues to be lower than most cities in the State and is one of the lowest of any city in Macomb County. For the 2018 tax year, which included the one-time, one mill increase, the City’s tax rate was still 5.9 mills lower than the average tax rate of all Macomb County cities. The proposed tax decrease will ensure the City will continue to have one of the lowest city millage rates in Macomb County.

The City’s total taxable value in 2019 increased by 5.5%. Although Proposal A allowed only a 2.4%
inflationary adjustment, due to increased investment in our community, Real Property taxable value increased 6.6%. However, this was offset by a 9.8% decrease in Personal Property value. The Personal Property taxable value decrease is a result of the elimination of certain manufacturing personal property taxes due to a change in State law. The State will be reimbursing the City for the lost personal property tax revenue. The City’s total taxable value has started to climb, but is still 17% below 2008 values. As a result, the City has now lost $128.6 million since 2008 in lower property tax revenues compared to receipts in a normal housing market based on historical data. While total Property Tax revenue has been increasing in recent years and now exceeds 2008 levels, this has been primarily accomplished through additional millages such as Safe Streets and Recreating Recreation. As noted above, current year taxable values are still significantly below their peak in 2008.

To lessen the burden and reliance on property taxes, the General Fund also realizes revenue from a variety of smaller revenue sources, as detailed in the Chart on the previous page.

Significant changes from the prior year budget in other revenue sources include:

- An increase of $696,000 in State Revenue Sharing due to projections provided by the State of Michigan, which include an expected sales tax growth rate of 2.8%, however the State is still not fully funding statutory revenue payments, which now costs Sterling Heights over $5 million annually and has reduced revenue sharing to the City in the cumulative amount of $57 million since 2003
- An increase of $450,000 in ALSTransport revenue, which began in November 2017, due to a higher number of runs and a higher collection rate than originally estimated
- Increased investment income due to higher rates of return and increased General Fund balance
- A decrease of $380,000 in Federal Grant Revenue due to the lower expected reimbursement in the final year of the SAFER (Staffing for Adequate Fire and Emergency Response) Grant, which funds a portion of the cost of the 15 firefighters hired for EMS Transport in 2018 (75% in years 1 and 2, 35% in year 3)
- A reduction of $250,000 in revenue from cable television fees due to a downward trend in cable television subscriptions

**Expenditures by Category**

The $105.3 million General Fund budget represents a $120,000 or 0.1% decrease compared to the prior year. The General Fund is comprised of four separate categories as the graph above illustrates. The largest category is Personnel costs, which is made up of wages and fringe benefits and comprises 71.0% of the total budget. Supplies, which is primarily made up of operating supplies, fuel, parts for the repair and maintenance of City vehicles, and the purchase of Library books, totals 2.5% of the budget. Other Charges totals 14.8% of the budget and is primarily for refuse, dispatch, detention facility and custodial contract costs, utility bills, and legal costs. Transfers to other City funds total 11.7% of the General Fund budget.
The total $119,510 decrease in General Fund expenditures can be explained by the following illustration showing where the expenditure changes have occurred:

<table>
<thead>
<tr>
<th>Dollar Change</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>$2,760,550</td>
</tr>
<tr>
<td>Supplies</td>
<td>167,830</td>
</tr>
<tr>
<td>Other Charges</td>
<td>1,270,270</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>(4,318,160)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>($119,510)</strong></td>
</tr>
</tbody>
</table>

**Personnel Services** increased by $2,760,550 or 3.8%. Wages for full-time employees increased $1,462,710 or 4.7% primarily due to contractual wage increases for all employees ranging from 2.0% - 2.5% annually and employee wage-step increases for those not at the top of the wage scale. A net of three full-time positions were also added to the General Fund.

The City will again fully fund its actuarially required contribution for current and future pension and retiree medical liabilities. The total amount the City is required to contribute to fund these liabilities has increased by $830,720 or 9.1% next year.

Overtime costs increased $354,200 or 13.6% primarily due to an increase in overtime in the Fire Department to staff a fifth ambulance and to backfill for required training.

Total active employee health insurance costs decreased by $235,060 or 4.4% due to a 1.5% decrease in the 2019 illustrated rates for the Simply Blue plan and a 5.8% decrease in the CB4 plan. In addition, the first year phase in of an eventual 10% employee cost share for most employee groups, begins January 1, 2020.

The budget (across all funds) includes funding for 486 full-time positions - a net increase of seven positions, as detailed in the table to the right.

In total, the City has reduced funding for 163 full-time positions or 25% of its workforce since 2002, saving $15.5 million annually. The City’s employee per resident ratio has decreased by 36%. The City has worked hard to minimize the staffing impact to the Police and Fire Departments. As a result, since 2002, public safety staffing is down only 19% compared to a nearly 34% reduction in other City departments.

The budget also reflects a net decrease of seven part-time positions, primarily due to the elimination of eleven seasonal laborers (whose scope of work was replaced by contractual services ) in the Department of Public Works, offset by the addition of college interns in Human Resources and Information Technology, and a part-time Facilities Maintenance Mechanic and Code Enforcement Officer.

<table>
<thead>
<tr>
<th>Full-Time Position</th>
<th>Cost Center</th>
<th>Headcount</th>
</tr>
</thead>
<tbody>
<tr>
<td>GIS/CAD Coordinator (advance for planned retirement)</td>
<td>Information Technology</td>
<td>1</td>
</tr>
<tr>
<td>Assessing Coordinator (succession planning)</td>
<td>Assessing</td>
<td>1</td>
</tr>
<tr>
<td>Police Sergeant</td>
<td>Police Admin.</td>
<td>1</td>
</tr>
<tr>
<td>Mechanic</td>
<td>Fleet Maintenance</td>
<td>1</td>
</tr>
<tr>
<td>Deputy Court Clerk (convert from part-time)</td>
<td>41A District Court</td>
<td>1</td>
</tr>
<tr>
<td>Recreation Superintendent</td>
<td>Parks &amp; Recreation</td>
<td>1</td>
</tr>
<tr>
<td>Facilities Maintenance Mechanic</td>
<td>Parks &amp; Recreation</td>
<td>1</td>
</tr>
<tr>
<td><strong>Net Increase</strong></td>
<td><strong>7</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Supplies** increased $167,830 or 6.8% primarily due to an increase in Fleet Maintenance parts for the anticipated replacement of two dump truck boxes and the cost of the outfitting equipment for new police cruisers.

**Other Charges** increased $1,270,270 or 8.9%. Software Maintenance costs increased $616,940 due to new subscriptions and licensing for a security overlay program and annual license fees now
required for MicroSoft Windows. Additional annual licensing is also required for other financial software including Kronos timekeeping and Citiwoks. General Liability insurance increased $250,000 based on recent higher claim activity and $100,000 was added to the Economic Development budget to fund a targeted marketing and advertising campaign to highlight the City and its amenities.

Capital Outlay is budgeted in the Capital Projects Fund. All capital equipment and vehicles used by General Fund departments, with the exception of drug forfeiture purchases, are expensed in the Capital Projects Fund and are funded through a Transfer Out from the General Fund. A complete list of all capital equipment, vehicles, and projects is located in the Capital Projects section of this document.

General Fund Transfers Out to other City Funds decreased by $4,318,160 or 25.9% primarily due to a reduction of $6 million in the General Fund transfer to the Major Road fund. In the prior year, a one-time, one mill tax increase generated $4.2 million and additional funds were transferred to finance nearly $20 million in major road repairs. This is offset by an additional transfer to the Limited Tax General Obligation Debt fund of $1.7 million to fund the annual payment on the planned $22 million debt issuance for the new Public Works building.

Expenditures by Budgetary Center

The General Fund can be further broken down into the departmental or budgetary center level. These centers are comprised of the eight City operating departments as well as other ancillary expenditure cost centers. As you will note on the graph, nearly 64% of the budget is used to fund the three largest City departments - Police, Fire and Public Works.

Detailed information regarding changes in expenditures by department can be found in each department’s specific section of this document.

The Special Revenue Funds provide a total of $42.8 million for major and local road maintenance and construction, park development, public safety drug forfeiture purchases, the Local Development Finance Authority, the Corridor Improvement Authority, and for the federally subsidized Community Development Block Grant and the State subsidized Indigent Defense Fund. Due to the passing of the Recreating Recreation millage, the 2018 budget established a new special revenue fund for the Parks and Recreation department.

Several notable items in the Special Revenue Funds Budget include:

- CDBG funding to replace the Senior Center Roofing system, to replace the concrete on Hamilton Drive, and to assist low and moderate-income families in making minor home repairs, for property maintenance code enforcement efforts, funding for not-for-profit service organizations, and funding for the Special Recreation program
- Funding for continued operation of the business incubator, including the replacement of the flooring at the Velocity Center
- Enhancement to the landscape and streetscape in the Corridor Improvement Authority district
• Increased investment for indigent defense counsel funded through a grant from the State of Michigan
• The continuation of Parks and Recreation improvements funded through the Recreating Recreation millage including the construction of the Community Center and enhancements at Delia Park and other neighborhood parks
• Continued investment in major and local road maintenance including additional asphalt repairs, right of way mowing, and street sweeping improvements and information technology improvements to be funded through the Facilities Improvement Bond issued in May 2018. A wide range of facilities improvements, which were identified as part of a Facilities Condition Assessment, will be made at City Hall, 41-A District Court, the Police Department and the Public Library. The 2018/19 fiscal year, several projects will be completed including: replacement of the roofing systems, renovations of elevators and replacement of the heating & cooling system at the 41A District Court. It is anticipated that the entire project will be completed over a three-year period.

A summary of the estimated total cost of the improvements for each building is shown below:

<table>
<thead>
<tr>
<th></th>
<th>2018/19</th>
<th>2019/20</th>
<th>2020/21</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Department</td>
<td>$815,215</td>
<td>$2,796,070</td>
<td>$2,000,000</td>
<td>$5,611,285</td>
</tr>
<tr>
<td>Public Library</td>
<td>651,290</td>
<td>1,058,060</td>
<td>2,000,000</td>
<td>3,709,350</td>
</tr>
<tr>
<td>City Hall</td>
<td>697,875</td>
<td>1,639,760</td>
<td>2,000,000</td>
<td>4,337,635</td>
</tr>
<tr>
<td>41A District Court</td>
<td>1,518,710</td>
<td>1,823,020</td>
<td>—</td>
<td>3,341,730</td>
</tr>
<tr>
<td>Technology Upgrades</td>
<td>1,000,000</td>
<td>1,294,740</td>
<td>705,260</td>
<td>3,000,000</td>
</tr>
<tr>
<td></td>
<td>4,683,090</td>
<td>8,611,650</td>
<td>6,705,260</td>
<td>20,000,000</td>
</tr>
</tbody>
</table>

Other notable capital projects include:

• $1.3 million for replacement vehicles, including ten Police vehicles, nine City Development vehicles and eight other fleet vehicles, a tandem axle dump truck with plow and a street sweeper
• $500,000 for replacement equipment including two additional high speed ballot tabulators, replacement service pistols for Police Officers; five CPR machines, replacement air packs and replacement diesel exhaust systems for the Fire Department
• $1.1 million for technology upgrades including a new integrated financial system, a Human Resources information system and replacement computers for City Administration, the Fire Department, Police Department and the Court

Extensive Major Road improvement projects are budgeted next year including:

• 18 Mile asphalt resurfacing from Mound to Ryan and from Ryan to Dequindre (Two projects)
• Hayes Road resurfacing from 14 to 15 Mile
• Metro Parkway resurfacing from Dequindre to Ryan
• Utica Road resurfacing from Hayes to Schoenherr
• 19 mile asphalt resurfacing from Hayes to Schoenherr
• Merrill Road rehabilitation from 18 1/2 Mile to M-59
• The preliminary engineering for the $216 million complete reconstruction of Mound Road from I-696 to M-59

In addition, nearly $7 million will be invested into neighborhood roads, including both sectional repairs and full reconstruction of over 35 local streets.

Please see the Capital Projects section of this document for a complete list of every Major and Local Road project planned for 2019/20.

The Capital Project Funds total $37.4 million. These funds are used for the road construction projects financed by the sale of bonds, the purchase of capital equipment and vehicles, and the repairs to municipal facilities, sidewalks, and storm drains.

A total of $8,611,650 (of a total of $20 million) is budgeted this year for facilities infrastructure
Finally, the Debt Service Funds total $7.3 million and provide funding for the debt payments on road construction projects, the City Center, and the debt resulting from the voter approved Proposal F. Total debt service increased $1.9 million or 34.7% over last year primarily due to new debt service on the anticipated Capital bond to be issued in the spring of 2019 to finance the new Public Works building. Even with this additional debt, the City’s debt levels are far below what is authorized by charter and among the lowest of our comparable communities and the new debt does not result in a tax increase.

**WATER & SEWER FUND**

The Water & Sewer Fund is a completely self-supporting activity that does not receive funding from property taxes. It is not designed to make a profit; however, reserves may be built up for future infrastructure improvements. The fund is solely for the purpose of providing water distribution and sewage disposal services to the City of Sterling Heights’ residents.

Sterling Heights purchases its water and sewage services from the Great Lakes Water Authority (GLWA) and the Macomb County Public Works office, which directly influences the rates we must charge.

Effective July 1, 2019, the GLWA rates to the City of Sterling Heights will increase by 5.0% primarily due to an increase of operation expenses of 3.1% and a reallocation of fixed costs resulting from contract amendments with 49 other GLWA customers. In addition, Macomb County sewer and debt service charges are estimated to increase 3%. City costs also increased 5.2%, as detailed in the next paragraph. To cover these costs and begin to build up the Water & Sewer fund balance that has been depleted by nearly $17 million in the past six years, a net 3.3% rate increase and an inflationary increase in fixed fees will be passed on to Water & Sewer customers.

This is the second year in a row with an increase below 4.0% and even lower than last year’s net increase of 3.9%.

The City continues to control its discretionary costs within this fund. Personnel costs increased by $403,260 or 8.9%, due to contractual wage adjustments and an increase to the required funding for long-term liabilities of $41,000. A General Supervisor and a Laborer position were also transferred from the Parks & Grounds division and a temporary part-time Account Clerk will be hired to
catalog domestic water line service information as required by the MDEQ. Other Charges decreased slightly due to funding in the prior year to televising sanitary sewer lines. Capital Outlay includes the purchase of a Sewer Service Worker truck, a flat bed dump truck and a tandem axle dump truck. $494,000 is budgeted to be added to fund balance to continue to build up reserves for future infrastructure improvements.

The City of Sterling Heights strives to create a rate structure that offers quality service at a good value for its customers. The charge below compares the average monthly water & sewer bill for Sterling Heights to our surrounding communities for the 2018/19 fiscal year. We continue to have the lowest rates in Macomb County and have the same rates as the City of Warren, which operates its own sewage treatment plants.

<table>
<thead>
<tr>
<th>Average Macomb County Residential Monthly Water &amp; Sewer Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Fraser $167</td>
</tr>
<tr>
<td>2. Eastpointe 147</td>
</tr>
<tr>
<td>3. St. Clair Shores 114</td>
</tr>
<tr>
<td>4. Mount Clemens 102</td>
</tr>
<tr>
<td>5. Shelby Township 102</td>
</tr>
<tr>
<td>6. Clinton Township 98</td>
</tr>
<tr>
<td>7. Utica 96</td>
</tr>
<tr>
<td>8. Macomb Township 91</td>
</tr>
<tr>
<td>9. Centerline 83</td>
</tr>
<tr>
<td>10. Roseville 83</td>
</tr>
<tr>
<td>11. <strong>Sterling Heights</strong> 77</td>
</tr>
<tr>
<td>12. Warren 77</td>
</tr>
</tbody>
</table>

Rates as of 3/19 using 12,000 cf.

The average Sterling Heights residential customer will pay $80 per month for water & sewer services, a $3/month increase over last year. According to a 2016 Black & Veatch rate survey, the average monthly water & sewer bill for the City of Sterling Heights is 29% below the average rates and 23% below the median rates of the 50 largest cities in the United States.

### CONCLUSION

It is an exciting time for Sterling Heights as transformative projects are well underway. The proposed budget continues to fund initiatives and projects that will foster continued synergy contributing to yet another successful and prosperous fiscal year 2019/2020 - best summed up in two words - **Innovating Living**.

In closing, I would like to acknowledge the efforts of the Finance & Budget staff: Jennifer Varney, Janice Schoenrath, and Sharon Wennerstrom for their hard work and effort during the budget process. The City’s solid financial position is due in large part to their dedication. The City’s department directors and managers are also commended for their team effort and continued commitment to service excellence. I am especially grateful to the City employees who remain dedicated to this great organization and work tirelessly on behalf of our customers, delivering exemplary services.

I would also like to thank the Mayor and City Council for their continued leadership and support throughout the year, especially during the months required to prepare and present the annual budget. Thanks to the entire Sterling Heights Team, the City’s success story is as strong as ever.

Respectfully submitted,

Mark D. Vanderpool
City Manager
Total City Budgeted Funds
Percent of Total Expenditures

- Water & Sewer Fund
  - $53,939,170
  - 22%
- Special Revenue Funds
  - $42,823,090
  - 17%
- Capital Projects Funds
  - $37,412,490
  - 15%
- Debt Service Funds
  - $7,263,650
  - 3%
- General Fund
  - $105,310,460
  - 43%

Total City Expenditures of $246,748,860
(including transfers)
This graph illustrates total fund expenditures as a percent of all City Funds.

Total City Budgeted Funds
Expenditure History

This graph illustrates the expenditure history of all City budgeted funds.
## 2019/20 ALL FUNDS – COMBINED BUDGET SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

<table>
<thead>
<tr>
<th>REVENUES BY SOURCE</th>
<th>General</th>
<th>Water &amp; Sewer</th>
<th>Special Revenue</th>
<th>Debt Service</th>
<th>Capital Projects</th>
<th>Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Property Taxes</td>
<td>$64,163,220</td>
<td>0</td>
<td>$7,759,670</td>
<td>$463,770</td>
<td>0</td>
<td>$72,386,660</td>
</tr>
<tr>
<td>Water &amp; Sewer Service</td>
<td>0</td>
<td>51,613,820</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>51,613,820</td>
</tr>
<tr>
<td>Proceeds - Long-Term Debt</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>29,000,000</td>
<td>29,000,000</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>13,419,480</td>
<td>2,176,380</td>
<td>797,540</td>
<td>0</td>
<td>0</td>
<td>16,393,400</td>
</tr>
<tr>
<td>Interfund Transfers In</td>
<td>0</td>
<td>0</td>
<td>3,800,000</td>
<td>6,575,860</td>
<td>4,878,840</td>
<td>15,254,700</td>
</tr>
<tr>
<td>Highway &amp; Street Grants</td>
<td>0</td>
<td>0</td>
<td>12,876,560</td>
<td>0</td>
<td>0</td>
<td>12,876,560</td>
</tr>
<tr>
<td>State Revenue Sharing</td>
<td>12,614,150</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>12,614,150</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>2,831,020</td>
<td>166,250</td>
<td>555,210</td>
<td>193,020</td>
<td>911,020</td>
<td>4,656,520</td>
</tr>
<tr>
<td>Personal Property Tax Reimb.</td>
<td>4,007,680</td>
<td>0</td>
<td>528,100</td>
<td>29,440</td>
<td>0</td>
<td>4,565,220</td>
</tr>
<tr>
<td>Federal, State &amp; Local Grants</td>
<td>1,107,800</td>
<td>179,880</td>
<td>2,142,870</td>
<td>27,010</td>
<td>0</td>
<td>3,457,560</td>
</tr>
<tr>
<td>Licenses &amp; Permits</td>
<td>2,545,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,545,000</td>
</tr>
<tr>
<td>Fines &amp; Forfeitures</td>
<td>2,384,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,384,000</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>950,000</td>
<td>297,000</td>
<td>438,200</td>
<td>14,000</td>
<td>612,500</td>
<td>2,311,700</td>
</tr>
<tr>
<td>Cable Revenue</td>
<td>2,300,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,300,000</td>
</tr>
<tr>
<td>TIF/LDFA-SmartZone Capture</td>
<td>0</td>
<td>0</td>
<td>1,748,800</td>
<td>0</td>
<td>0</td>
<td>1,748,800</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>106,322,350</strong></td>
<td><strong>54,433,330</strong></td>
<td><strong>30,646,950</strong></td>
<td><strong>7,303,100</strong></td>
<td><strong>35,402,360</strong></td>
<td><strong>234,108,090</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENDITURES BY OBJECT</th>
<th>General</th>
<th>Water &amp; Sewer</th>
<th>Special Revenue</th>
<th>Debt Service</th>
<th>Capital Projects</th>
<th>Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>74,767,850</td>
<td>4,917,390</td>
<td>2,592,400</td>
<td>0</td>
<td>0</td>
<td>82,277,640</td>
</tr>
<tr>
<td>Capital Improvement Projects</td>
<td>0</td>
<td>0</td>
<td>24,679,000</td>
<td>0</td>
<td>33,167,820</td>
<td>57,846,820</td>
</tr>
<tr>
<td>Other Charges</td>
<td>11,255,580</td>
<td>39,820,590</td>
<td>3,947,990</td>
<td>4,330</td>
<td>0</td>
<td>55,028,490</td>
</tr>
<tr>
<td>Interfund Transfers Out</td>
<td>12,337,940</td>
<td>0</td>
<td>3,100,190</td>
<td>43,000</td>
<td>0</td>
<td>15,481,130</td>
</tr>
<tr>
<td>Principal Payments</td>
<td>0</td>
<td>2,992,250</td>
<td>1,460,000</td>
<td>4,990,000</td>
<td>0</td>
<td>9,442,250</td>
</tr>
<tr>
<td>Interest Payments</td>
<td>0</td>
<td>2,642,720</td>
<td>1,541,590</td>
<td>2,226,320</td>
<td>0</td>
<td>6,410,630</td>
</tr>
<tr>
<td>Other Services</td>
<td>0</td>
<td>0</td>
<td>4,874,850</td>
<td>0</td>
<td>0</td>
<td>4,874,850</td>
</tr>
<tr>
<td>Refuse Collection</td>
<td>4,200,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4,200,000</td>
</tr>
<tr>
<td>Supplies</td>
<td>2,645,630</td>
<td>405,700</td>
<td>203,930</td>
<td>0</td>
<td>0</td>
<td>3,255,260</td>
</tr>
<tr>
<td>Capital Equipment</td>
<td>0</td>
<td>25,000</td>
<td>69,640</td>
<td>0</td>
<td>2,901,770</td>
<td>2,996,410</td>
</tr>
<tr>
<td>Interfund Services</td>
<td>103,460</td>
<td>2,477,520</td>
<td>101,500</td>
<td>0</td>
<td>0</td>
<td>2,682,480</td>
</tr>
<tr>
<td>Capital Vehicles</td>
<td>0</td>
<td>658,000</td>
<td>252,000</td>
<td>0</td>
<td>1,342,900</td>
<td>2,252,900</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>105,310,460</strong></td>
<td><strong>53,939,170</strong></td>
<td><strong>42,823,090</strong></td>
<td><strong>7,263,650</strong></td>
<td><strong>37,412,490</strong></td>
<td><strong>246,748,860</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Excess of Revenues</th>
<th>General</th>
<th>Water &amp; Sewer</th>
<th>Special Revenue</th>
<th>Debt Service</th>
<th>Capital Projects</th>
<th>Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over (Under) Expenditures</td>
<td>1,011,890</td>
<td>*</td>
<td>(12,176,140)</td>
<td>39,450</td>
<td>(2,010,130)</td>
<td>(13,134,930)</td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>25,947,300</td>
<td>*</td>
<td>17,598,850</td>
<td>415,610</td>
<td>39,868,490</td>
<td>83,830,250</td>
</tr>
</tbody>
</table>

| Ending Fund Balance                  | $26,959,190 | *             | $5,422,710      | $455,060     | $37,858,360      | $70,695,320  |

*Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.*
# ALL FUNDS – COMBINED HISTORICAL SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

## REVENUES BY SOURCE

<table>
<thead>
<tr>
<th>Description</th>
<th>2017/18 Actual</th>
<th>2018/19 Estimate</th>
<th>2019/20 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Property Taxes</td>
<td>$66,282,450</td>
<td>$73,018,060</td>
<td>$72,386,660</td>
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<tr>
<td>Water &amp; Sewer Service</td>
<td>47,503,470</td>
<td>49,683,810</td>
<td>51,613,820</td>
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<tr>
<td>Proceeds - Long-Term Debt</td>
<td>28,892,810</td>
<td>21,000,000</td>
<td>29,000,000</td>
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<td>Charges for Services</td>
<td>14,941,510</td>
<td>16,604,490</td>
<td>16,393,400</td>
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<tr>
<td>Interfund Transfers In</td>
<td>10,588,030</td>
<td>20,314,100</td>
<td>15,254,700</td>
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<tr>
<td>Highway &amp; Street Grants</td>
<td>11,097,270</td>
<td>11,935,220</td>
<td>12,876,560</td>
</tr>
<tr>
<td>State Revenue Sharing</td>
<td>11,626,230</td>
<td>12,246,750</td>
<td>12,614,150</td>
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<tr>
<td>Miscellaneous Revenue</td>
<td>3,851,530</td>
<td>4,103,900</td>
<td>4,656,520</td>
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<tr>
<td>Personal Property Tax Reimbursement</td>
<td>6,542,400</td>
<td>4,461,630</td>
<td>4,565,220</td>
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<tr>
<td>Federal, State &amp; Local Grants</td>
<td>7,111,810</td>
<td>6,830,020</td>
<td>3,457,560</td>
</tr>
<tr>
<td>Licenses &amp; Permits</td>
<td>2,648,070</td>
<td>2,735,500</td>
<td>2,545,000</td>
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<tr>
<td>Fines &amp; Forfeitures</td>
<td>2,384,500</td>
<td>2,394,500</td>
<td>2,384,000</td>
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<tr>
<td>Interest on Investments</td>
<td>1,827,990</td>
<td>2,461,130</td>
<td>2,311,700</td>
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<tr>
<td>Cable Revenue</td>
<td>2,414,750</td>
<td>2,350,000</td>
<td>2,300,000</td>
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<tr>
<td>TIF/LDFA - SmartZone Capture</td>
<td>1,051,790</td>
<td>1,362,620</td>
<td>1,748,800</td>
</tr>
</tbody>
</table>

**Total Revenues**  
$218,764,610  
$231,501,730  
$234,108,090

## EXPENDITURES BY OBJECT

<table>
<thead>
<tr>
<th>Description</th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>73,793,720</td>
<td>78,259,990</td>
<td>82,277,640</td>
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<tr>
<td>Capital Improvement Projects</td>
<td>37,189,870</td>
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<td>57,846,820</td>
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<td>Other Charges</td>
<td>58,408,410</td>
<td>51,540,500</td>
<td>55,028,490</td>
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<td>Interfund Transfers Out</td>
<td>10,888,020</td>
<td>20,633,920</td>
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<tr>
<td>Principal Payments</td>
<td>4,257,750</td>
<td>8,212,220</td>
<td>9,442,250</td>
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<td>Interest Payments</td>
<td>4,353,570</td>
<td>5,864,140</td>
<td>6,410,630</td>
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<tr>
<td>Other Services</td>
<td>4,754,420</td>
<td>4,482,260</td>
<td>4,874,850</td>
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<td>Refuse Collection</td>
<td>4,210,030</td>
<td>4,185,000</td>
<td>4,200,000</td>
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<td>Capital Equipment</td>
<td>1,437,750</td>
<td>3,878,590</td>
<td>2,996,410</td>
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<td>Interfund Services</td>
<td>2,164,400</td>
<td>2,498,020</td>
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<tr>
<td>Capital Vehicles</td>
<td>905,740</td>
<td>2,112,850</td>
<td>2,252,900</td>
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</table>

**Total Expenditures**  
$205,789,330  
$238,651,270  
$246,748,860

### Excess of Revenues

**Over (Under) Expenditures**  
$17,194,680  
$(9,009,410)  
$(13,134,930)

### Beginning Fund Balance

<table>
<thead>
<tr>
<th>Description</th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>75,644,980</td>
<td>92,839,660</td>
<td>83,830,250</td>
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**Ending Fund Balance**  
$92,839,660  
$83,830,250  
$70,695,320

---

*Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.*
# REVENUE COMPARISON

## CITY BUDGETED FUNDS

<table>
<thead>
<tr>
<th>Fund No.</th>
<th>Fund Name</th>
<th>2016/17 Actual</th>
<th>2017/18 Actual</th>
<th>2018/19 Budget</th>
<th>2018/19 Estimate</th>
<th>2019/20 Budget</th>
<th>% Change From 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>GENERAL FUND</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1010</td>
<td>General Fund</td>
<td>$95,322,440</td>
<td>$100,354,130</td>
<td>$106,371,610</td>
<td>$107,615,440</td>
<td>$106,322,350</td>
<td>0.0%</td>
</tr>
<tr>
<td></td>
<td><strong>WATER &amp; SEWER FUND</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5790</td>
<td>Water &amp; Sewer Fund - Operations</td>
<td>45,931,040</td>
<td>51,243,190</td>
<td>54,116,000</td>
<td>53,331,100</td>
<td>54,433,330</td>
<td>0.6%</td>
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<td><strong>SPECIAL REVENUE FUNDS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>Major Road Fund</td>
<td>8,061,740</td>
<td>10,542,050</td>
<td>15,635,710</td>
<td>18,238,260</td>
<td>11,049,890</td>
<td>-29.3%</td>
</tr>
<tr>
<td>2030</td>
<td>Local Road Fund</td>
<td>7,297,890</td>
<td>7,029,310</td>
<td>6,593,070</td>
<td>7,559,800</td>
<td>7,410,810</td>
<td>12.4%</td>
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<tr>
<td>2440</td>
<td>Land &amp; Water Conservation Fund</td>
<td>325,230</td>
<td>6,790</td>
<td>43,290</td>
<td>43,290</td>
<td>3,000</td>
<td>93.1%</td>
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<tr>
<td>2760</td>
<td>Parks &amp; Recreation Fund</td>
<td>45,040,970</td>
<td>6,516,160</td>
<td>7,477,320</td>
<td>8,239,280</td>
<td>8,704,080</td>
<td>16.4%</td>
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<tr>
<td>2770</td>
<td>Public Safety Forfeiture Fund</td>
<td>415,360</td>
<td>667,320</td>
<td>306,390</td>
<td>393,320</td>
<td>41,850</td>
<td>-86.3%</td>
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<tr>
<td>2780</td>
<td>Comm. Develop. Block Grant Fund</td>
<td>606,780</td>
<td>1,108,830</td>
<td>961,930</td>
<td>1,030,240</td>
<td>1,036,930</td>
<td>7.8%</td>
</tr>
<tr>
<td>2850</td>
<td>Indigent Defense Fund</td>
<td>0</td>
<td>0</td>
<td>273,130</td>
<td>158,180</td>
<td>231,590</td>
<td>-15.2%</td>
</tr>
<tr>
<td>2890</td>
<td>Neighborhood Stabilization Fund</td>
<td>11,260</td>
<td>2,970</td>
<td>11,940</td>
<td>10,140</td>
<td>37,000</td>
<td>209.9%</td>
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<tr>
<td>8510</td>
<td>Corridor Improvement Auth. Fund</td>
<td>182,480</td>
<td>204,750</td>
<td>116,950</td>
<td>108,800</td>
<td>443,970</td>
<td>279.6%</td>
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<td>8550</td>
<td>Economic Develop. Corp. Fund</td>
<td>305,800</td>
<td>142,290</td>
<td>302,000</td>
<td>307,750</td>
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<td>Brownfield Redevelopment Fund</td>
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<td>87,150</td>
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<td>236,890</td>
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<tr>
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<td>Local Dev. Finance Authority Fund</td>
<td>1,930,030</td>
<td>1,135,730</td>
<td>1,412,680</td>
<td>1,407,720</td>
<td>1,450,940</td>
<td>2.7%</td>
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<tr>
<td></td>
<td><strong>Total Special Revenue Funds</strong></td>
<td>64,268,980</td>
<td>27,443,350</td>
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<td>37,496,780</td>
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<td>-7.5%</td>
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<td><strong>DEBT SERVICE FUNDS</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3010</td>
<td>General Drain Fund</td>
<td>20,980</td>
<td>1,660</td>
<td>980</td>
<td>1,820</td>
<td>1,820</td>
<td>85.7%</td>
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<tr>
<td>3050</td>
<td>Voted Gen. Obligation Debt Fund</td>
<td>3,615,520</td>
<td>515,550</td>
<td>449,310</td>
<td>455,480</td>
<td>540,390</td>
<td>20.3%</td>
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<tr>
<td>3270</td>
<td>Road Bond Debt Retirement Fund</td>
<td>2,229,930</td>
<td>2,338,400</td>
<td>2,752,790</td>
<td>2,761,370</td>
<td>3,328,220</td>
<td>20.9%</td>
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<tr>
<td>3690</td>
<td>Ltd. Tax Gen. Obligation Debt Fund</td>
<td>356,080</td>
<td>337,480</td>
<td>1,698,060</td>
<td>1,698,060</td>
<td>3,432,670</td>
<td>102.2%</td>
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<td><strong>Total Debt Service Funds</strong></td>
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<td>4,901,140</td>
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<td><strong>CAPITAL PROJECT FUNDS</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4030</td>
<td>Capital Projects Fund</td>
<td>5,871,680</td>
<td>6,124,390</td>
<td>5,906,860</td>
<td>27,362,640</td>
<td>6,089,860</td>
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<td>400,000</td>
<td>500,000</td>
<td>300,000</td>
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<td>Clinton River Restoration Fund</td>
<td>2,223,630</td>
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<td>179,040</td>
<td>0</td>
<td>-100.0%</td>
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<tr>
<td>4280</td>
<td>Road Bond Construction Fund</td>
<td>5,215,400</td>
<td>8,646,420</td>
<td>30,000</td>
<td>100,000</td>
<td>29,012,500</td>
<td>96,608.3%</td>
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<td><strong>Total Capital Project Funds</strong></td>
<td>13,310,710</td>
<td>36,530,850</td>
<td>6,515,900</td>
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<td>35,402,360</td>
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<tr>
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<td><strong>Total Revenue</strong></td>
<td>225,055,680</td>
<td>218,764,610</td>
<td>205,039,060</td>
<td>231,501,730</td>
<td>234,108,090</td>
<td>14.2%</td>
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<tr>
<td></td>
<td><strong>Duplicating Transfers</strong></td>
<td>(11,380,740)</td>
<td>(10,888,030)</td>
<td>(19,157,560)</td>
<td>(20,614,100)</td>
<td>(15,454,700)</td>
<td>-19.3%</td>
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<tr>
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<td><strong>Total All Funds</strong></td>
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<td>17.6%</td>
</tr>
</tbody>
</table>

Note: Figures do not include use of, or contribution to Fund Balance.
## EXPENDITURE COMPARISON
### CITY BUDGETED FUNDS

<table>
<thead>
<tr>
<th>Fund No.</th>
<th>Fund Name</th>
<th>2016/17 Actual</th>
<th>2017/18 Actual</th>
<th>2018/19 Budget</th>
<th>2018/19 Estimate</th>
<th>2019/20 Budget</th>
<th>% Change From 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>GENERAL FUND</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
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<td>General Fund</td>
<td>$89,450,700</td>
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<td>$105,429,970</td>
<td>$106,381,890</td>
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<tr>
<td></td>
<td><strong>WATER &amp; SEWER FUND</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5790</td>
<td>Water &amp; Sewer Fund - Operations</td>
<td>53,594,180</td>
<td>55,462,590</td>
<td>53,454,820</td>
<td>51,471,230</td>
<td>53,939,170</td>
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<td><strong>SPECIAL REVENUE FUNDS</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>Major Road Fund</td>
<td>8,248,050</td>
<td>8,923,370</td>
<td>18,947,800</td>
<td>19,211,450</td>
<td>13,101,280</td>
<td>-30.9%</td>
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<tr>
<td>2030</td>
<td>Local Road Fund</td>
<td>4,946,870</td>
<td>9,197,880</td>
<td>6,529,310</td>
<td>6,250,440</td>
<td>9,230,080</td>
<td>41.4%</td>
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<tr>
<td>2440</td>
<td>Land &amp; Water Conservation Fund</td>
<td>574,250</td>
<td>190,780</td>
<td>56,340</td>
<td>76,340</td>
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<td>-100.0%</td>
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<td>2760</td>
<td>Parks &amp; Recreation Fund</td>
<td>3,123,600</td>
<td>22,219,510</td>
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<td>25,250,730</td>
<td>17,785,100</td>
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<td>2770</td>
<td>Public Safety Forfeiture Fund</td>
<td>181,010</td>
<td>506,580</td>
<td>515,320</td>
<td>434,440</td>
<td>443,110</td>
<td>-14.0%</td>
</tr>
<tr>
<td>2780</td>
<td>Comm. Develop. Block Grant Fund</td>
<td>606,780</td>
<td>1,108,830</td>
<td>961,930</td>
<td>1,030,240</td>
<td>1,036,930</td>
<td>7.8%</td>
</tr>
<tr>
<td>2850</td>
<td>Indigent Defense Fund</td>
<td>0</td>
<td>0</td>
<td>273,130</td>
<td>157,580</td>
<td>232,190</td>
<td>-15.0%</td>
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<tr>
<td>2890</td>
<td>Neighborhood Stabilization Fund</td>
<td>11,260</td>
<td>2,970</td>
<td>11,940</td>
<td>10,140</td>
<td>37,000</td>
<td>209.9%</td>
</tr>
<tr>
<td>8510</td>
<td>Corridor Improvement Auth. Fund</td>
<td>950</td>
<td>159,010</td>
<td>30,000</td>
<td>88,000</td>
<td>110,000</td>
<td>266.7%</td>
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<tr>
<td>8550</td>
<td>Economic Develop. Corp. Fund</td>
<td>900,000</td>
<td>23,620</td>
<td>127,610</td>
<td>127,610</td>
<td>0</td>
<td>-100.0%</td>
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<tr>
<td>8560</td>
<td>Brownfield Redevelopment Fund</td>
<td>536,830</td>
<td>87,150</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>8670</td>
<td>Local Dev. Finance Authority Fund</td>
<td>1,229,790</td>
<td>1,455,530</td>
<td>2,022,280</td>
<td>2,088,780</td>
<td>847,400</td>
<td>-58.1%</td>
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<tr>
<td></td>
<td>Total Special Revenue Funds</td>
<td>20,359,390</td>
<td>43,875,230</td>
<td>56,971,780</td>
<td>54,725,750</td>
<td>42,823,090</td>
<td>-24.8%</td>
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<tr>
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<td><strong>DEBT SERVICE FUNDS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3010</td>
<td>General Drain Fund</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>43,000</td>
<td></td>
</tr>
<tr>
<td>3270</td>
<td>Road Bond Debt Retirement Fund</td>
<td>2,143,100</td>
<td>2,300,000</td>
<td>3,198,560</td>
<td>3,260,730</td>
<td>3,234,720</td>
<td>1.1%</td>
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<tr>
<td>3690</td>
<td>Ltd. Tax Gen. Obligation Debt Fund</td>
<td>356,080</td>
<td>337,480</td>
<td>1,698,290</td>
<td>1,698,130</td>
<td>3,432,670</td>
<td>102.1%</td>
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<tr>
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<td>Total Debt Service Funds</td>
<td>6,100,600</td>
<td>3,125,300</td>
<td>5,390,510</td>
<td>5,452,520</td>
<td>7,263,650</td>
<td>34.7%</td>
</tr>
<tr>
<td></td>
<td><strong>CAPITAL PROJECT FUNDS</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4030</td>
<td>Capital Projects Fund</td>
<td>6,104,950</td>
<td>3,770,570</td>
<td>7,857,750</td>
<td>7,775,610</td>
<td>26,300,840</td>
<td>234.7%</td>
</tr>
<tr>
<td>4040</td>
<td>Facilities Improvement Fund</td>
<td>0</td>
<td>297,420</td>
<td>7,022,710</td>
<td>4,683,090</td>
<td>8,611,650</td>
<td>22.6%</td>
</tr>
<tr>
<td>4050</td>
<td>Clinton River Restoration Fund</td>
<td>2,223,630</td>
<td>1,462,500</td>
<td>179,040</td>
<td>179,040</td>
<td>0</td>
<td>-100.0%</td>
</tr>
<tr>
<td>4280</td>
<td>Road Bond Construction Fund</td>
<td>7,066,180</td>
<td>4,888,730</td>
<td>7,966,300</td>
<td>7,982,140</td>
<td>2,500,000</td>
<td>-68.6%</td>
</tr>
<tr>
<td></td>
<td>Total Capital Project Funds</td>
<td>15,394,760</td>
<td>10,419,220</td>
<td>23,025,800</td>
<td>20,619,880</td>
<td>37,412,490</td>
<td>62.5%</td>
</tr>
<tr>
<td></td>
<td>Total Expenditures</td>
<td>184,899,630</td>
<td>205,789,330</td>
<td>244,272,880</td>
<td>238,651,270</td>
<td>246,748,860</td>
<td>1.0%</td>
</tr>
<tr>
<td></td>
<td>Duplicating Transfers</td>
<td>(11,380,740)</td>
<td>(10,888,030)</td>
<td>(19,157,560)</td>
<td>(20,614,100)</td>
<td>(15,454,700)</td>
<td>-19.3%</td>
</tr>
<tr>
<td></td>
<td>Total All Funds</td>
<td>173,518,890</td>
<td>195,901,330</td>
<td>225,115,320</td>
<td>218,037,170</td>
<td>231,294,160</td>
<td>2.7%</td>
</tr>
</tbody>
</table>

Note: Figures do not include use of, or contribution to Fund Balance.
# YEAR-END UNAPPROPRIATED FUND BALANCE COMPARISON

## GOVERNMENTAL FUNDS

<table>
<thead>
<tr>
<th>Fund No.</th>
<th>Fund Name</th>
<th>2016/17 Actual</th>
<th>2017/18 Actual</th>
<th>2018/19 Budget</th>
<th>2018/19 Estimate</th>
<th>2019/20 Budget</th>
<th>% Change from 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>1010</td>
<td>General Fund</td>
<td>$17,266,610</td>
<td>$24,713,750</td>
<td>$25,655,390</td>
<td>$25,947,300</td>
<td>$26,959,190</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

### GENERAL FUND

### SPECIAL REVENUE FUNDS

<table>
<thead>
<tr>
<th>Fund No.</th>
<th>Fund Name</th>
<th>2016/17 Actual</th>
<th>2017/18 Actual</th>
<th>2018/19 Budget</th>
<th>2018/19 Estimate</th>
<th>2019/20 Budget</th>
<th>% Change from 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>Major Road Fund</td>
<td>3,545,330</td>
<td>5,164,010</td>
<td>1,851,920</td>
<td>4,190,820</td>
<td>2,139,430</td>
<td>15.5%</td>
</tr>
<tr>
<td>2030</td>
<td>Local Road Fund</td>
<td>3,462,160</td>
<td>1,293,590</td>
<td>1,357,350</td>
<td>2,602,950</td>
<td>783,680</td>
<td>-42.3%</td>
</tr>
<tr>
<td>2440</td>
<td>Land &amp; Water Conservation Fund</td>
<td>374,420</td>
<td>190,440</td>
<td>177,390</td>
<td>157,390</td>
<td>160,390</td>
<td>-9.6%</td>
</tr>
<tr>
<td>2760</td>
<td>Parks &amp; Recreation Fund</td>
<td>41,917,370</td>
<td>26,214,020</td>
<td>6,195,220</td>
<td>9,202,570</td>
<td>121,550</td>
<td>-98.0%</td>
</tr>
<tr>
<td>2770</td>
<td>Public Safety Forfeiture Fund</td>
<td>567,450</td>
<td>728,190</td>
<td>519,260</td>
<td>687,070</td>
<td>285,810</td>
<td>-45.0%</td>
</tr>
<tr>
<td>2780</td>
<td>Comm. Develop. Block Grant Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>2850</td>
<td>Indigent Defense Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>600</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>2890</td>
<td>Neighborhood Stabilization Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>8510</td>
<td>Corridor Improvement Auth. Fund</td>
<td>245,840</td>
<td>291,590</td>
<td>378,540</td>
<td>312,390</td>
<td>646,360</td>
<td>70.8%</td>
</tr>
<tr>
<td>8550</td>
<td>Economic Develop. Corp. Fund</td>
<td>21,480</td>
<td>140,150</td>
<td>314,540</td>
<td>320,290</td>
<td>320,290</td>
<td>1.8%</td>
</tr>
<tr>
<td>8560</td>
<td>Brownfield Redevelopment Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>236,890</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>8670</td>
<td>Local Dev. Finance Authority Fund</td>
<td>1,125,630</td>
<td>805,830</td>
<td>196,230</td>
<td>124,770</td>
<td>728,310</td>
<td>271.2%</td>
</tr>
</tbody>
</table>

**Total Special Revenue Funds**

51,259,680 34,827,820 10,990,450 17,598,850 5,422,710 -50.7%

### DEBT SERVICE FUNDS

<table>
<thead>
<tr>
<th>Fund No.</th>
<th>Fund Name</th>
<th>2016/17 Actual</th>
<th>2017/18 Actual</th>
<th>2018/19 Budget</th>
<th>2018/19 Estimate</th>
<th>2019/20 Budget</th>
<th>% Change from 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>3010</td>
<td>General Drain Fund</td>
<td>39,670</td>
<td>41,320</td>
<td>42,300</td>
<td>43,140</td>
<td>1,960</td>
<td>-95.4%</td>
</tr>
<tr>
<td>3050</td>
<td>Voted Gen. Obligation Debt Fund</td>
<td>23,330</td>
<td>51,050</td>
<td>6,700</td>
<td>12,870</td>
<td>0</td>
<td>-100.0%</td>
</tr>
<tr>
<td>3270</td>
<td>Road Bond Debt Retirement Fund</td>
<td>820,280</td>
<td>858,680</td>
<td>412,910</td>
<td>359,320</td>
<td>452,820</td>
<td>9.7%</td>
</tr>
<tr>
<td>3690</td>
<td>Ltd. Tax Gen. Obligation Debt Fund</td>
<td>340</td>
<td>350</td>
<td>120</td>
<td>280</td>
<td>280</td>
<td>133.3%</td>
</tr>
</tbody>
</table>

**Total Debt Service Funds**

883,620 951,400 462,030 415,610 455,060 -1.5%

### CAPITAL PROJECT FUNDS

<table>
<thead>
<tr>
<th>Fund No.</th>
<th>Fund Name</th>
<th>2016/17 Actual</th>
<th>2017/18 Actual</th>
<th>2018/19 Budget</th>
<th>2018/19 Estimate</th>
<th>2019/20 Budget</th>
<th>% Change from 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>4030</td>
<td>Capital Projects Fund</td>
<td>1,499,060</td>
<td>3,852,870</td>
<td>1,901,980</td>
<td>23,439,900</td>
<td>3,228,920</td>
<td>69.8%</td>
</tr>
<tr>
<td>4040</td>
<td>Facilities Improvement Fund</td>
<td>0</td>
<td>20,000,120</td>
<td>13,377,410</td>
<td>15,817,030</td>
<td>7,505,380</td>
<td>-43.9%</td>
</tr>
<tr>
<td>4050</td>
<td>Clinton River Restoration Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>4280</td>
<td>Road Bond Construction Fund</td>
<td>4,736,010</td>
<td>8,493,700</td>
<td>557,400</td>
<td>611,560</td>
<td>27,124,060</td>
<td>4,766.2%</td>
</tr>
</tbody>
</table>

**Total Capital Project Funds**

6,235,070 32,346,690 15,836,790 39,868,490 37,858,360 139.1%

### Unappropriated Total - All Funds

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>2016/17 Actual</th>
<th>2017/18 Actual</th>
<th>2018/19 Budget</th>
<th>2018/19 Estimate</th>
<th>2019/20 Budget</th>
<th>% Change from 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unappropriated Total - All Funds</td>
<td>$75,644,980</td>
<td>$92,839,660</td>
<td>$52,944,660</td>
<td>$83,830,250</td>
<td>$70,695,320</td>
<td>33.5%</td>
</tr>
</tbody>
</table>
Total City Budgeted Funds
Percent of Total Revenues

- General Fund: 45.4%
- Special Revenue Funds: 13.1%
- Capital Projects Funds: 15.1%
- Water & Sewer: 23.3%
- Debt Service Funds: 3.1%

Total City Revenues (including transfers) $234,108,090

Total City Government Funds
Percent of Total Reserves

- Capital Project Funds: 53.6%
- General Fund: 38.1%
- Special Revenue Funds: 7.7%
- Debt Service Funds: 0.6%

Total Government Fund Reserves of $70,695,320
CITY OF STERLING HEIGHTS  
MACOMB COUNTY, MICHIGAN  
ORDINANCE NO. 464


THE CITY OF STERLING HEIGHTS ORDAINS:

ARTICLE I

TITLE

This ordinance shall constitute the “ANNUAL APPROPRIATIONS ORDINANCE” in accordance with Section 9.14 of the City Charter, the “GENERAL APPROPRIATIONS ACT” in accordance with the Michigan Uniform Budgeting and Accounting Act, MCL 141.436 and the “SPECIAL APPROPRIATIONS ACT” pursuant to Public Act 493 of 2000.

ARTICLE II

The following is an estimate of revenues, by source, in each fund and an appropriation of monies as authorized by law, as may be needed or deemed necessary to defray all expenses and liabilities of the City as specified for the corporate purposes and objects of the City for the fiscal year July 1, 2019 through June 30, 2020. The City Council does hereby adopt, by budgetary center, the following General Fund and Special Revenue Funds budgets for 2019/20.

Sec. 2.01

GENERAL FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES
Net General Tax Revenue $42,421,520
Licenses and Permits 2,545,000
State and Local Returns 17,729,630
Fines and Forfeitures 2,384,000
Charges for Services 13,419,480
Other Revenue 3,781,020
Cable Revenue 2,300,000
Use of Fund Balance 0

Total General Revenue 84,580,650

Refuse Tax Revenue 4,516,650
Police & Fire Pension Tax Revenue 9,813,470
Safe Streets Tax Revenue 7,411,580
Total Other Tax Revenue 21,741,700
Total Revenues 106,322,350

OTHER FINANCING SOURCES
Transfers In 0
Total Other Financing Sources 0

Total Revenues & Other Financing Sources $106,322,350

and does hereby designate $42,256,520 to be raised by 9.4940 mills tax levied for General Purposes on the assessed valuation of all real and personal property subject to taxation in the City,
and does hereby designate $9,813,470 to be raised by 2.1988 2.1984 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of meeting appropriations for fire and police pension purposes, as authorized by MCL 38.351, et. seq.,

and does hereby designate $4,516,650 to be raised by 1.0039 1.0038 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of the collection and removal of garbage and trash of the City as authorized by MCL 123.261, et. seq.,

and does hereby designate $7,411,580 to be raised by 1.6663 1.6663 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue for police and fire protection as authorized by the electors of the City in approving the Safe Streets Proposal in 2013, et. seq.,

and directs the Treasurer to add a collection fee of one-half (1/2) percent per month to all taxes, charges and assessments paid after September 1, and further, upon all taxes, charges and assessments returned to the County Treasurer upon any delinquent tax roll, a charge of three percent (3%) shall be added and the same shall be collected by the County Treasurer in like manner as and together with the taxes, charges and assessments so returned.

EXPENDITURES & OTHER FINANCING USES

<table>
<thead>
<tr>
<th>EXPENDITURES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>City Administration Department</td>
<td>$10,596,240</td>
<td>$10,576,240</td>
</tr>
<tr>
<td>Public Library Department</td>
<td>2,889,230</td>
<td></td>
</tr>
<tr>
<td>Police Department</td>
<td>35,195,420</td>
<td>35,203,920</td>
</tr>
<tr>
<td>Fire Department</td>
<td>20,893,150</td>
<td>20,913,150</td>
</tr>
<tr>
<td>Public Works Department</td>
<td>6,486,920</td>
<td></td>
</tr>
<tr>
<td>Refuse Collection</td>
<td>4,516,800</td>
<td></td>
</tr>
<tr>
<td>City Development Department</td>
<td>5,279,020</td>
<td></td>
</tr>
<tr>
<td>Community Relations Department</td>
<td>1,523,640</td>
<td></td>
</tr>
<tr>
<td>41-A District Court</td>
<td>3,595,230</td>
<td></td>
</tr>
<tr>
<td>General Expenditures</td>
<td>2,198,330</td>
<td>2,188,370</td>
</tr>
<tr>
<td>Contribution to Fund Balance</td>
<td>1,010,430</td>
<td>1,011,890</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td></td>
<td>94,184,410</td>
</tr>
</tbody>
</table>

OTHER FINANCING USES

| Transfers Out                       | 12,137,940 |
| Total Other Financing Uses          | 12,137,940 |

Total General Fund                   | $106,322,350 |

Sec. 2.02

WATER & SEWER OPERATING FUND:

OPERATING REVENUE

| Operating Revenues                  | $54,433,330 |

Total Operating Revenues             | $54,433,330 |

OPERATING EXPENSES

| Administration                      | $4,751,390  |
| Water Distribution                  | 18,757,370  |
| Sewage Collection                   | 30,430,410  |
| Contribution to Retained Earnings   | 494,160     |

Total Water & Sewer Operating Fund   | $54,433,330 |
and does hereby designate the rates to be charged for water and sewage disposal services to be as follows for all bills rendered on or after July 1, 2019.

**WATER RATES**

<table>
<thead>
<tr>
<th>Consumption Charges Per Billing Period:</th>
<th>Rate Per Thousand Cubic Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 3,000 cubic feet or less</td>
<td>$28.78</td>
</tr>
<tr>
<td>All over 3,000 cubic feet</td>
<td>$35.97</td>
</tr>
<tr>
<td>Fixed GLWA fee (single-family residential customers)</td>
<td>$5.50</td>
</tr>
<tr>
<td>Fixed GLWA fee (all other customers)</td>
<td>$7.75</td>
</tr>
</tbody>
</table>

**Meter Charges Per Billing Period**

<table>
<thead>
<tr>
<th>Size</th>
<th>Rate Per Thousand Cubic Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ½”</td>
<td>5.39</td>
</tr>
<tr>
<td>2”</td>
<td>13.96</td>
</tr>
<tr>
<td>3”</td>
<td>25.61</td>
</tr>
<tr>
<td>4”</td>
<td>33.59</td>
</tr>
<tr>
<td>6”</td>
<td>53.15</td>
</tr>
<tr>
<td>8”</td>
<td>84.65</td>
</tr>
<tr>
<td>10”</td>
<td>111.18</td>
</tr>
<tr>
<td>12”</td>
<td>127.05</td>
</tr>
</tbody>
</table>

**SEWER RATES**

<table>
<thead>
<tr>
<th>This charge shall be based on the amount of water used per billing period:</th>
<th>Rate Per Thousand Cubic Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per 1,000 cubic feet</td>
<td>$48.42</td>
</tr>
<tr>
<td>Fixed Macomb Public Works fee (single-family residential customers)</td>
<td>$7.00</td>
</tr>
<tr>
<td>Fixed Macomb Public Works fee (all other customers)</td>
<td>10.00</td>
</tr>
</tbody>
</table>

**BILLING**

Bills for water and sewer service shall be rendered periodically as set forth in this article. The billing period for single-family residential customers is quarterly, all other customers are billed monthly. All bills shall be due and payable twenty (20) days from the date thereon. A penalty of six percent (6%) of the amount of the unpaid portion of each current bill shall be added to each bill not paid on or before the due date. An additional penalty of seventeen percent (17%) of the total of the unpaid balance and the six percent (6%) penalty shall be added at the time the delinquent bill is entered upon the tax roll, pursuant to section 35-6 (a) of the Sterling Heights City Code. The City shall establish a minimum water and sewer bill, which shall be based on 900 cubic feet of water usage per billing cycle. There will be an $89.00 charge per bill for sewer only customers.

For all single-family residential customers of both water and sewer services from the City, the charges billed during the months of September, October, and November shall be reduced by twenty-five percent (25%) of the combined use charge for both water and sewer usage, as specified in this ordinance; provided, however, no customer shall have the charges reduced by an amount more than $26.00 during the quarterly period billed during the months of September, October, and November.

For all customers who are not single-family residential customers and have both water and sewer services from the City, the charges billed during the months of July, August, and September shall be reduced by twenty-five percent (25%) of the combined use charge for both water and sewer usage, as specified in this ordinance; provided, however, no customer shall have the charges reduced by an amount more than $8.67 during the monthly period billed during the month of July, $8.67 during the month of August, and $8.66 during the month of September.
Sec. 2.03

MAJOR ROAD FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES
Fund Balance $2,051,390
Federal Grants 0
State Sources 9,689,890
Other Revenue 360,000
Total Revenues 12,101,280

OTHER FINANCING SOURCES
Transfer from General Fund 1,000,000
Total Other Financing Sources 1,000,000

Total Revenues & Other Financing Sources $13,101,280

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES
Administration Expenses $131,240
Major Street Maintenance 2,559,850
Major Street Improvements 7,310,000
Contribution to Fund Balance 0
Total Expenditures 10,001,090

OTHER FINANCING USES
Transfer to Road Bond Debt Retirement Fund 3,100,190
Transfer to Local Road Fund 0
Total Other Financing Uses 3,100,190

Total Major Road Fund $13,101,280

Sec. 2.04

LOCAL ROAD FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES
Fund Balance $1,819,270
Net Property Taxes 3,493,930
State Sources 3,821,170
Charges for Services 45,000
Other Revenues 50,710
Total Revenues 9,230,080

OTHER FINANCING SOURCES
Transfer from General Fund 0
Transfer from Major Road Fund 0
Total Other Financing Sources 0

Total Revenues & Other Financing Sources $9,230,080

and does hereby designate $3,487,930 to be raised by 0.7829 0.7842 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue for local street improvements as authorized by the electors of the City in approving the Safe Streets Proposal in 2013.
EXPENDITURES & OTHER FINANCING USES

EXPENDITURES
Administration Expenses $140,080
Local Street Maintenance 2,315,000
Local Street Improvements 6,775,000
Contribution to Fund Balance 0
Total Expenditures 9,230,080

OTHER FINANCING USES
Transfer to Road Bond Debt Retirement Fund 0
Total Other Financing Uses 0

Total Local Road Fund 9,230,080

Sec. 2.05

LAND & WATER CONSERVATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES
Fund Balance $0
Federal & State Sources 0
Other Revenue 3,000
Total Revenues 3,000

OTHER FINANCING SOURCES
Transfer from General Fund 0
Total Other Financing Sources 0

Total Revenues & Other Financing Sources 3,000

EXPENDITURES
Land Acquisition $0
Land Improvements 0
Contribution to Fund Balance 3,000

Total Land & Water Conservation Fund 3,000

Sec. 2.06

PARKS & RECREATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES
Fund Balance $9,081,020
Property Taxes 4,265,740
State Sources 503,600
Charges for Services 752,540
Other Revenue 382,200
Total Revenues 14,985,100

OTHER FINANCING SOURCES
Transfer from General Fund 2,800,000
Total Other Financing Sources 2,800,000
Total Revenues & Other Financing Sources  $17,785,100

and does hereby designate $4,259,740 to be raised by 0.9491 0.9506 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue to acquire, construct, furnish, equip and operate parks and recreation improvements, including a new community center, as authorized by the electors of the City in approving the Recreating Recreation Proposal in 2016.

EXPENDITURES
Personnel Services  $2,592,400
Supplies  165,430
Other Charges  1,992,430
Capital Outlay  10,033,250
Debt Service  3,001,590

Total Parks & Recreation Fund  $17,785,100

Sec. 2.07

PUBLIC SAFETY FORFEITURE FUND BUDGET:

REVENUES
Fund Balance  $401,260
Federal Forfeitures  0
Treasury Forfeitures  0
State Forfeitures  2,000
Gambling Forfeitures  0
Operating While Intoxicated Forfeitures  0
Act 302 Training Funds  26,350
Interest Income  13,500

Total Revenues  $443,110

EXPENDITURES
Federal Forfeitures  $99,300
Treasury Forfeitures  0
State Forfeitures  302,010
Gambling Forfeitures  0
Operating While Intoxicated Forfeitures  11,000
Act 302 Training Funds  30,800

Total Public Safety Forfeiture Fund  $443,110

Sec. 2.08

COMMUNITY DEVELOPMENT BLOCK GRANT FUND BUDGET:

REVENUES
Community Development Block Grant  $1,036,930

Total Revenues  $1,036,930

EXPENDITURES
Administrative Expenses  $162,390
Books  7,000
Senior Citizens Home Chore Program  27,200
Single Parent Education Program  13,000
Minor Home Repair  30,000
Handicapped Recreation Program  19,000
Housing Rehabilitation Program  300,000
Contributions to Non-Profit Organizations  44,340
Capital & Other Improvements 434,000

Total Community Development Block Grant Fund $1,036,930

Sec. 2.09

INDIGENT DEFENSE FUND BUDGET:

REVENUES
Fund Balance $600
State Grants 230,590
Interest on Investments 1,000

Total Revenues $232,190

EXPENDITURES
Supplies $3,000
Other Charges 229,190
Capital Outlay 0

Total Indigent Defense Fund $232,190

Sec. 2.10

NEIGHBORHOOD STABILIZATION FUND BUDGET:

REVENUES
Fund Balance $0
Federal Grants 37,000

Total Revenues $37,000

EXPENDITURES
Administrative Expenses $37,000

Total Neighborhood Stabilization Fund $37,000

Sec. 2.11

CORRIDOR IMPROVEMENT AUTHORITY FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES
Property Taxes $243,270
Funding from General Government 200,000
Other Revenue 700

Total Revenues $443,970

EXPENDITURES
Miscellaneous $110,000
Contribution to Fund Balance 333,970

Total Corridor Improvement Authority Fund $443,970
ECONOMIC DEVELOPMENT CORPORATION FUND BUDGET:

**REVENUES & OTHER FINANCING SOURCES**

<table>
<thead>
<tr>
<th>REVENUES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance</td>
<td>$0</td>
</tr>
<tr>
<td>Funding from General Government</td>
<td>0</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OTHER FINANCING SOURCES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer from General Fund</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Revenues & Other Financing Sources** $0

EXPENDITURES & OTHER FINANCING USES

<table>
<thead>
<tr>
<th>EXPENDITURES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration Expenses</td>
<td>$0</td>
</tr>
<tr>
<td>Major Street Maintenance</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OTHER FINANCING USES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer to LDFA Fund</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Other Financing Uses</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Economic Development Corporation Fund** $0

BROWNFIELD AUTHORITY FUND:

**REVENUES & OTHER FINANCING SOURCES**

<table>
<thead>
<tr>
<th>REVENUES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$236,890</td>
</tr>
<tr>
<td>Funding from General Government</td>
<td>0</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$236,890</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENDITURES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous</td>
<td>$0</td>
</tr>
<tr>
<td>Contribution to Fund Balance</td>
<td>236,890</td>
</tr>
<tr>
<td><strong>Total Brownfield Authority Fund</strong></td>
<td>$236,890</td>
</tr>
</tbody>
</table>
## Sec. 2.14

**LOCAL DEVELOPMENT FINANCE AUTHORITY FUND BUDGET:**

### REVENUES & OTHER FINANCING SOURCES

**REVENUES**  
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance</td>
<td>$0</td>
</tr>
<tr>
<td>Federal Grants</td>
<td>0</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>1,268,640</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>182,300</td>
</tr>
</tbody>
</table>

**Total Revenues**  
1,450,940

**OTHER FINANCING SOURCES**  
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer from Economic Development Fund</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Other Financing Sources**  
0

**Total Revenues & Other Financing Sources**  
$1,450,940

### EXPENDITURES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incubator Renovations</td>
<td>$0</td>
</tr>
<tr>
<td>Incubator Operations</td>
<td>847,400</td>
</tr>
<tr>
<td>FCA Reimbursement</td>
<td>0</td>
</tr>
<tr>
<td>SmartZone Improvements</td>
<td>0</td>
</tr>
<tr>
<td>Contribution to Fund Balance</td>
<td>603,540</td>
</tr>
</tbody>
</table>

**Total Local Development Finance Authority**  
$1,450,940

## Sec. 2.15

### GENERAL DRAIN FUND:

### REVENUES & OTHER FINANCING SOURCES

**REVENUES**  
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance</td>
<td>$41,180</td>
</tr>
<tr>
<td>Net Drain Tax Revenue</td>
<td>820</td>
</tr>
<tr>
<td>Delinquents &amp; Penalties</td>
<td>0</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>1,000</td>
</tr>
</tbody>
</table>

**Total Revenues**  
43,000

**OTHER FINANCING SOURCES**  
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Proceeds – Refunding</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Other Financing Sources**  
0

**Total Revenues & Other Financing Sources**  
$43,000

### EXPENDITURES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Charges</td>
<td>$0</td>
</tr>
<tr>
<td>Principal</td>
<td>0</td>
</tr>
<tr>
<td>Interest</td>
<td>0</td>
</tr>
<tr>
<td>Contribution to Fund Balance</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Drain Fund**  
$43,000
### VOTED TAX GENERAL OBLIGATION DEBT BUDGET:

#### REVENUES & OTHER FINANCING SOURCES

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
</tr>
<tr>
<td>Fund Balance</td>
<td>$12,870</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>5,000</td>
</tr>
<tr>
<td>Federal &amp; State Sources</td>
<td>29,440</td>
</tr>
<tr>
<td>Net Proposal F Tax Revenue</td>
<td>462,950</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>510,260</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
<td></td>
</tr>
<tr>
<td>Transfer from General Fund</td>
<td>43,000</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>43,000</td>
</tr>
<tr>
<td><strong>Total Revenues &amp; Other Financing Sources</strong></td>
<td><strong>$553,260</strong></td>
</tr>
</tbody>
</table>

and does hereby designate $461,850 to be raised by 0.1096 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of meeting appropriations for public improvement debt service as authorized by the electors of the City in approving Proposal F in 2006.

#### EXPENDITURES

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposal F Expenditures</td>
<td>$553,260</td>
</tr>
<tr>
<td>Contribution to Fund Balance</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Voted Tax General Obligation Debt Fund</strong></td>
<td><strong>$553,260</strong></td>
</tr>
</tbody>
</table>

### ROAD BOND DEBT RETIREMENT FUND:

#### REVENUES & OTHER FINANCING SOURCES

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
</tr>
<tr>
<td>Fund Balance</td>
<td>50</td>
</tr>
<tr>
<td>Special Assessment Revenue</td>
<td>131,920</td>
</tr>
<tr>
<td>Interest Income</td>
<td>69,100</td>
</tr>
<tr>
<td>Federal Interest Rebates</td>
<td>27,010</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>228,030</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
<td></td>
</tr>
<tr>
<td>Transfer from Major Road Fund</td>
<td>3,100,190</td>
</tr>
<tr>
<td>Transfer from Road Bond Construction Fund</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>3,100,190</td>
</tr>
<tr>
<td><strong>Total Revenues &amp; Other Financing Sources</strong></td>
<td><strong>$3,328,220</strong></td>
</tr>
</tbody>
</table>

#### EXPENDITURES

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>$2,495,000</td>
</tr>
<tr>
<td>Interest</td>
<td>737,120</td>
</tr>
<tr>
<td>Other Fees</td>
<td>2,600</td>
</tr>
<tr>
<td>Contribution to Fund Balance</td>
<td>93,500</td>
</tr>
<tr>
<td><strong>Total Road Bond Debt Retirement Fund</strong></td>
<td><strong>$3,328,220</strong></td>
</tr>
</tbody>
</table>
### Sec. 2.18

**LIMITED TAX GENERAL OBLIGATION DEBT FUND:**

**REVENUES & OTHER FINANCING SOURCES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
</tr>
<tr>
<td>Fund Balance</td>
<td>$0</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
<td></td>
</tr>
<tr>
<td>Transfer from General Fund</td>
<td>3,432,670</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>3,432,670</td>
</tr>
<tr>
<td><strong>Total Revenues &amp; Other Financing Sources</strong></td>
<td><strong>$3,432,670</strong></td>
</tr>
</tbody>
</table>

**EXPENDITURES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>$1,980,000</td>
</tr>
<tr>
<td>Interest</td>
<td>1,451,440</td>
</tr>
<tr>
<td>Other Fees</td>
<td>1,230</td>
</tr>
<tr>
<td><strong>Total Limited Tax General Obligation Debt Fund</strong></td>
<td><strong>$3,432,670</strong></td>
</tr>
</tbody>
</table>

### Sec. 2.19

**CAPITAL PROJECTS FUND:**

**REVENUES & OTHER FINANCING SOURCES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
</tr>
<tr>
<td>Fund Balance</td>
<td>$20,210,980</td>
</tr>
<tr>
<td>State &amp; Local Returns</td>
<td>0</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>1,211,020</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>21,422,000</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
<td></td>
</tr>
<tr>
<td>Transfer from General Fund</td>
<td>4,878,840</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>4,878,840</td>
</tr>
<tr>
<td><strong>Total Revenues &amp; Other Financing Sources</strong></td>
<td><strong>$26,300,840</strong></td>
</tr>
</tbody>
</table>

**EXPENDITURES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Equipment</td>
<td>$1,632,030</td>
</tr>
<tr>
<td>Capital Vehicles</td>
<td>1,342,900</td>
</tr>
<tr>
<td>Capital Projects</td>
<td>23,325,910</td>
</tr>
<tr>
<td>Contribution to Fund Balance</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Capital Projects Fund</strong></td>
<td><strong>$26,300,840</strong></td>
</tr>
</tbody>
</table>
Sec. 2.20

FACILITIES IMPROVEMENT FUND:

REVENUES
Fund Balance  $8,311,650
Other Revenues  300,000
Total Revenues  $8,611,650

EXPENDITURES
Capital Equipment  $1,294,740
Capital Improvements  $7,316,910
Total Facilities Improvement Fund  $8,611,650

Sec. 2.21

CLINTON RIVER RESTORATION FUND:

REVENUES
Federal Grants  $0
Total Revenues  $0

EXPENDITURES
Capital Projects  $0
Total Clinton River Restoration Fund  $0

Sec. 2.22

ROAD BOND CONSTRUCTION FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES
Fund Balance  $0
Other Revenue  12,500
Federal Grants  0
Total Revenues  12,500

OTHER FINANCING SOURCES
Proceeds from Long-Term Debt  29,000,000
Transfer from Major Road Fund  0
Total Other Financing Sources  29,000,000
Total Revenues & Other Financing Sources  $29,012,500

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES
Construction  $2,500,000
Contribution to Fund Balance  $26,512,500
Total Road Bond Construction Fund  $29,012,500
ARTICLE III

The City Council adopts the following fee schedule for public records and services provided by the City of Sterling Heights for the fiscal year July 1, 2019 through June 30, 2020. Any parts of resolutions and ordinances in conflict with this article are repealed. This article is intended to preserve all existing charges and fees set forth in any resolution, ordinance, or law which are not in conflict with this article and to fulfill the requirements of any ordinance authorizing the City Council to establish fees by resolution.

Fees for public records not set forth in this article, or in any other resolution, ordinance, or law, shall be set by the City Manager in accordance with Act 442 of the Public Acts of 1976, as amended. Fees for public services not specifically set forth in this article or in any other resolution, ordinance, or law may be established by the City Manager, who shall promptly notify the City Council in writing of each of them. The City Manager shall establish fees for public services based upon the cost of providing the public service.

Sec. 3.01

ASSESSING OFFICE:

Lot Splits .................................................................................................................................................. 590.00
Lot Combinations ....................................................................................................................................... 490.00
Processing Labels (per page) .................................................................................................................. 1.50
Resident Field Sheet Fee ......................................................................................................................... 2.10
Apartment Listing (Names/Sidewells/Assessments) ............................................................................... 68.00
Shopping Center List .................................................................................................................................. 68.00
Section or Subdivision Listing (per page) .............................................................................................. 1.00
Assessing, Board of Review, & Sales Information (first page):

Additional Pages ......................................................................................................................................... 0.30

Plat Map.................................................................................................................................................... 143.00
Custom Assessment Information Report ................................................................................................... 76.00
IFEC Extension Application Fee .............................................................................................................. 615.00
IFEC Request for Extension to Complete Project Application Fee ......................................................... 615.00
IFEC Request for Revision of Final Project Cost Application Fee ....................................................... 615.00
Application to Establish a Speculative Building Designation Fee ............................................................ 615.00
Tax Hardship Income Limits:

1 Person .................................................................................................................................................... 12,490.00
2 Person .................................................................................................................................................... 16,910.00
3 Person .................................................................................................................................................... 21,330.00
4 Person .................................................................................................................................................... 25,750.00
5 Person .................................................................................................................................................... 30,170.00
6 Person .................................................................................................................................................... 34,590.00
7 Person .................................................................................................................................................... 39,010.00
8 Person .................................................................................................................................................... 43,430.00
Each Additional Person ............................................................................................................................ 4,420.00

Sec. 3.02

BUILDING OFFICE:

Fence Permit .............................................................................................................................................. 41.00
Fence Permit – Masonry, Separation ......................................................................................................... 122.00
Board of Code Appeals ............................................................................................................................ 246.00
Reestablish Expired Permit Fee ............................................................................................................... 70.00
Overtime Inspections, Each Hour (4 hour minimum) .......................................................... 95.00
Special Inspections, Each Trade (Residential) ................................................................. 54.00
Special Inspections, Each Trade (Commercial) ............................................................... 76.00
Building Code Publication ................................................................................................ Cost + 15.00 Administration Fee
Building Moving Permit .................................................................................................... 315.00
Municipal Civil Infraction:
  Each Violation .................................................................................................................. 150.00
  First Repeat Offense ....................................................................................................... 375.00
  Second Repeat Offense .................................................................................................... 750.00
  Third or Subsequent Repeat Offenses ............................................................................ 1,500.00

**Electrical Work**

Application Fee (Non-refundable) ....................................................................................... 51.00
Permit fee (minimum) ......................................................................................................... 51.00
Electrical Contractor’s Registration .................................................................................. 29.00
Fire Alarm Contractor’s Registration ................................................................................ 29.00
Sign Contractor’s Registration .......................................................................................... 29.00
Furnace Wiring .................................................................................................................. 30.00
Air Conditioner Reconnect ................................................................................................ 30.00
Circuits: Each (new or extended) ..................................................................................... 24.00
Fixtures: Each 25 ............................................................................................................... 24.00

Motors, Power, Heating Units, Furnaces, Transformers:
  Each ¼ to 10 HP ............................................................................................................... 30.00
  Each 11 to 30 HP ............................................................................................................ 35.00
  Each 31 to 50 HP ........................................................................................................... 40.00
  Each 51 to 60 HP ........................................................................................................... 46.00
  Each 61 and over ............................................................................................................ 60.00

Feeders (Conduit, Wireways, Bus Ducts, Cables):
  Each 100 ft. (or less) ....................................................................................................... 53.00

Refrigeration Units:
  Air Conditioning (residential) ....................................................................................... 30.00
  Interruptible Service ..................................................................................................... 30.00
  Air Conditioning (commercial):
    Up to 5 Tons ............................................................................................................... 35.00
    5 to 40 Tons ................................................................................................................ 53.00
    Over 40 Tons .............................................................................................................. 79.00

Electric Ranges, Ovens, Dryers, Water Heaters, X-Ray Equipment:
  Each unit of type ............................................................................................................ 30.00

Swimming Pools/Hot Tubs (all) ....................................................................................... 59.00

Service (Lights, Heat, and Power):
  100 Ampere or less ........................................................................................................ 30.00
  101 to 500 Ampere ....................................................................................................... 40.00
  501 to 900 Ampere ....................................................................................................... 53.00
  900 Ampere or more .................................................................................................... 65.00

Signs:
  Sign Circuit .................................................................................................................... 46.00
  Sign Tag Inspection ...................................................................................................... 68.00
  Sign Connection .......................................................................................................... 73.00

General Repair & Alterations (per hour or fraction thereof) .......................................... 61.00
Generator Connection ..................................................................................................... 53.00
Motion Picture Apparatus .............................................................................................. 53.00
Special Inspections not specifically covered:

<table>
<thead>
<tr>
<th>Inspection</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Festivals</td>
<td>140.00</td>
</tr>
<tr>
<td>Carnivals</td>
<td>140.00</td>
</tr>
<tr>
<td>Circuses</td>
<td>140.00</td>
</tr>
<tr>
<td>Shop Inspection</td>
<td>77.00</td>
</tr>
<tr>
<td>Theatrical Road Show</td>
<td>77.00</td>
</tr>
<tr>
<td>Christmas Tree Lot</td>
<td>77.00</td>
</tr>
</tbody>
</table>

Temporary Wiring:

<table>
<thead>
<tr>
<th>Display Area (Sq. Ft.)</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 100,000 sq. ft.</td>
<td>70.00</td>
</tr>
<tr>
<td>Over 100,000 to 200,000 sq. ft.</td>
<td>130.00</td>
</tr>
<tr>
<td>Over 200,000 to 300,000 sq. ft.</td>
<td>157.00</td>
</tr>
<tr>
<td>Over 300,000 to 400,000 sq. ft.</td>
<td>232.00</td>
</tr>
<tr>
<td>Over 400,000 sq. ft.</td>
<td>310.00</td>
</tr>
</tbody>
</table>

Outline Tubing – Connection or Tag Inspection:

<table>
<thead>
<tr>
<th>Each 100 feet</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>77.00</td>
</tr>
</tbody>
</table>

Mobile Home and Trailer Park Inspections (minimum)

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>54.00</td>
</tr>
</tbody>
</table>

Fire Alarm Inspection (minimum):

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>74.00</td>
</tr>
</tbody>
</table>

Plan Review Fee

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>103.00</td>
</tr>
</tbody>
</table>

Manual Pull Station

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.00</td>
</tr>
</tbody>
</table>

A/V, Strobe, Voice Speaker

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.00</td>
</tr>
</tbody>
</table>

Water Flow/Tamper Switch

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.00</td>
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</table>

Heat or Smoke Detector

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.00</td>
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</table>

Flame, Duct Detector

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<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
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Auxiliary Panel

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<tr>
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<tbody>
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Electric Door Release

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<tr>
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Elevator Recall Status

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<tbody>
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Fire Alarm Circuit

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<tr>
<th>Fee</th>
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<tbody>
<tr>
<td>23.00</td>
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</table>

Alterations to existing system

<table>
<thead>
<tr>
<th>Fee</th>
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</thead>
<tbody>
<tr>
<td>61.00</td>
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</table>

Reinspection Fee

<table>
<thead>
<tr>
<th>Fee</th>
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<tbody>
<tr>
<td>62.00</td>
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Miscellaneous Fire Alarm Fee

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<tbody>
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Plumbing Work

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<tbody>
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Application Fee (Non-refundable)

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<th>Fee</th>
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<tbody>
<tr>
<td>51.00</td>
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Permit Fee (minimum)

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<tr>
<th>Fee</th>
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</thead>
<tbody>
<tr>
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Plumber’s Registration

<table>
<thead>
<tr>
<th>Fee</th>
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<tbody>
<tr>
<td>1.00</td>
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Journeyman Plumber’s Registration

<table>
<thead>
<tr>
<th>Fee</th>
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<tbody>
<tr>
<td>0.50</td>
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Fixture Inspection: (New and Replacement)

<table>
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<tr>
<th>Fee</th>
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New Installation (minimum)

<table>
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<tr>
<th>Fee</th>
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</thead>
<tbody>
<tr>
<td>21.00</td>
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</table>

New Stack or Stack Alteration

<table>
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<tr>
<th>Fee</th>
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<tbody>
<tr>
<td>21.00</td>
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</table>

Air Admittance Valve

<table>
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<tr>
<th>Fee</th>
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<td>21.00</td>
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</tbody>
</table>

Roof conductor

<table>
<thead>
<tr>
<th>Fee</th>
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<tbody>
<tr>
<td>21.00</td>
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</table>

Sump or interceptor

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.00</td>
</tr>
</tbody>
</table>

Backflow preventor

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
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<tbody>
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<td>21.00</td>
</tr>
</tbody>
</table>

Pump or Water Lift

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.00</td>
</tr>
</tbody>
</table>

Hose connection (sillcocks)

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.00</td>
</tr>
</tbody>
</table>

Water treatment device

<table>
<thead>
<tr>
<th>Fee</th>
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</thead>
<tbody>
<tr>
<td>21.00</td>
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</tbody>
</table>

Water closets

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>21.00</td>
</tr>
</tbody>
</table>

Shower traps

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.00</td>
</tr>
</tbody>
</table>

Baths

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.00</td>
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</tbody>
</table>

Water heater

<table>
<thead>
<tr>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>35.00</td>
</tr>
<tr>
<td>Fixture Description</td>
</tr>
<tr>
<td>---------------------------------------------------------</td>
</tr>
<tr>
<td>Tankless water heater</td>
</tr>
<tr>
<td>Basement Waterproofing</td>
</tr>
<tr>
<td>Sinks (any description)</td>
</tr>
<tr>
<td>Lavatories</td>
</tr>
<tr>
<td>Laundry trays</td>
</tr>
<tr>
<td>Floor drains</td>
</tr>
<tr>
<td>Ice Maker</td>
</tr>
<tr>
<td>Back Water Valve</td>
</tr>
<tr>
<td>Thermal Expansion Tank</td>
</tr>
<tr>
<td>Bidet</td>
</tr>
<tr>
<td>Dental Chair</td>
</tr>
<tr>
<td>Grease or Oil Interceptor</td>
</tr>
<tr>
<td>Drinking fountains</td>
</tr>
<tr>
<td>Soda fountains/bars</td>
</tr>
<tr>
<td>Waste opening</td>
</tr>
<tr>
<td>Humidifiers</td>
</tr>
<tr>
<td>Food waste grinders</td>
</tr>
<tr>
<td>Dishwashers</td>
</tr>
<tr>
<td>Urinals</td>
</tr>
<tr>
<td>Whirlpools</td>
</tr>
<tr>
<td>Lawn Sprinkler Systems</td>
</tr>
<tr>
<td>All other fixtures not mentioned</td>
</tr>
<tr>
<td>Reinspection Fee</td>
</tr>
<tr>
<td>Special Equipment (automatic laundry, humidifier, beverage vending machine, vacuum systems, nitrous oxide, oxygen, nitrogen, medical air):</td>
</tr>
<tr>
<td>Automatic Machines (minimum)</td>
</tr>
<tr>
<td>Each additional</td>
</tr>
<tr>
<td>Building Sewer Connection – sump connection</td>
</tr>
<tr>
<td>Drains:</td>
</tr>
<tr>
<td>Storm drains to catch basin for main storm sewer</td>
</tr>
<tr>
<td>Lines less than 4&quot; in diameter</td>
</tr>
<tr>
<td>Lines less than 6&quot; in diameter</td>
</tr>
<tr>
<td>Lines less than 8&quot; in diameter</td>
</tr>
<tr>
<td>Lines less than 10&quot; in diameter</td>
</tr>
<tr>
<td>Lines less than 12&quot; in diameter</td>
</tr>
<tr>
<td>Lines less than 14&quot; in diameter</td>
</tr>
<tr>
<td>Lines less than 16&quot; in diameter</td>
</tr>
<tr>
<td>Lines less than 18&quot; in diameter</td>
</tr>
<tr>
<td>Lines exceeding 18&quot; in diameter (per inch)</td>
</tr>
<tr>
<td>Water Distribution System:</td>
</tr>
<tr>
<td>¾&quot;</td>
</tr>
<tr>
<td>1&quot;</td>
</tr>
<tr>
<td>1 ¼&quot;</td>
</tr>
<tr>
<td>1 ½&quot;</td>
</tr>
<tr>
<td>2&quot;</td>
</tr>
<tr>
<td>2 ½&quot;</td>
</tr>
<tr>
<td>3&quot;</td>
</tr>
<tr>
<td>4&quot;</td>
</tr>
<tr>
<td>Exceeding 4&quot;</td>
</tr>
<tr>
<td>Replace piping, no increase in size</td>
</tr>
</tbody>
</table>
**Mechanical Work**

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Fee (Non-refundable)</td>
<td>$51.00</td>
</tr>
<tr>
<td>Permit Fee (minimum)</td>
<td>$51.00</td>
</tr>
<tr>
<td>License/Registration</td>
<td>$15.00</td>
</tr>
<tr>
<td>Gas-Fired Equipment; Oil Burners; New or Replacement –</td>
<td></td>
</tr>
<tr>
<td>Burners with input:</td>
<td></td>
</tr>
<tr>
<td>up to 75,000</td>
<td>$53.00</td>
</tr>
<tr>
<td>75,001 to 500,000</td>
<td>$60.00</td>
</tr>
<tr>
<td>500,001 – 1,000,000</td>
<td>$106.00</td>
</tr>
<tr>
<td>1,000,001 – 2,000,000</td>
<td>$120.00</td>
</tr>
<tr>
<td>2,000,001 – 3,000,000</td>
<td>$151.00</td>
</tr>
<tr>
<td>over 3,000,000</td>
<td>$181.00</td>
</tr>
<tr>
<td>Air Handlers:</td>
<td></td>
</tr>
<tr>
<td>Up to 2,000 CFM</td>
<td>$53.00</td>
</tr>
<tr>
<td>Over 2,000 CFM</td>
<td>$106.00</td>
</tr>
<tr>
<td>Duct Work</td>
<td>$53.00</td>
</tr>
<tr>
<td>Hydronic Piping</td>
<td>$61.00</td>
</tr>
<tr>
<td>Gas Piping:</td>
<td></td>
</tr>
<tr>
<td>Mains up to 2”</td>
<td>$46.00</td>
</tr>
<tr>
<td>Mains 2 ½” to 4”</td>
<td>$60.00</td>
</tr>
<tr>
<td>Mains over 4”</td>
<td>$74.00</td>
</tr>
<tr>
<td>Each Opening off of Main</td>
<td>$18.00</td>
</tr>
<tr>
<td>Factory Built Chimneys:</td>
<td></td>
</tr>
<tr>
<td>Up to 8”</td>
<td>$24.00</td>
</tr>
<tr>
<td>9” to 12”</td>
<td>$35.00</td>
</tr>
<tr>
<td>Over 12”</td>
<td>$46.00</td>
</tr>
<tr>
<td>Pre-Fab Fireplace</td>
<td>$60.00</td>
</tr>
<tr>
<td>Flue Liner</td>
<td>$40.00</td>
</tr>
<tr>
<td>Exhaust Fans:</td>
<td></td>
</tr>
<tr>
<td>Up to 400 cfm</td>
<td>$19.00</td>
</tr>
<tr>
<td>401 cfm to 1,000 cfm</td>
<td>$24.00</td>
</tr>
<tr>
<td>1,001 cfm to 4,000 cfm</td>
<td>$35.00</td>
</tr>
<tr>
<td>Over 4,000 cfm</td>
<td>$46.00</td>
</tr>
<tr>
<td>Dryer Vents</td>
<td>$24.00</td>
</tr>
<tr>
<td>Kitchen Hood and Duct (UL300/FM200)</td>
<td>$54.00</td>
</tr>
<tr>
<td>Spray Booth Hood and Duct</td>
<td>$54.00</td>
</tr>
<tr>
<td>Alterations to existing installations</td>
<td>$61.00</td>
</tr>
<tr>
<td>Alterations to existing boilers</td>
<td>$61.00</td>
</tr>
<tr>
<td>Reinspection Fee</td>
<td>$62.00</td>
</tr>
<tr>
<td>Refrigeration Systems –</td>
<td></td>
</tr>
<tr>
<td>Self-Contained:</td>
<td></td>
</tr>
<tr>
<td>2 Tons or Less, each</td>
<td>$46.00</td>
</tr>
<tr>
<td>Over 2 to 5 Tons, each</td>
<td>$53.00</td>
</tr>
<tr>
<td>Alterations to each system</td>
<td>$61.00</td>
</tr>
<tr>
<td>Remote Systems:</td>
<td></td>
</tr>
<tr>
<td>5 Tons or Less, each</td>
<td>$53.00</td>
</tr>
<tr>
<td>Over 5 to 50 Tons, each</td>
<td>$74.00</td>
</tr>
<tr>
<td>Over 50 Tons, each</td>
<td>$120.00</td>
</tr>
<tr>
<td>Alterations to each system</td>
<td>$61.00</td>
</tr>
<tr>
<td>Cooling Towers</td>
<td>$74.00</td>
</tr>
</tbody>
</table>
Stand Pipes and Fire Suppression:
- Riser pipe up to 4" diameter ...................................................... 47.00
- Riser pipe up to 6" diameter ...................................................... 77.00
- Riser pipe up to 8" diameter ...................................................... 109.00
- Riser pipe 8" or more diameter .................................................... 231.00
- Each suppression opening (each head of the system) .................... 6.50
- Alteration to existing system ...................................................... 61.00

Flammable and Bulk Storage Tanks:
- Tanks under 500 Gallons ......................................................... 53.00
- Tanks under 5,000 Gallons ....................................................... 68.00
- Tanks under 20,000 Gallons ..................................................... 91.00
- Tanks under 50,000 Gallons ..................................................... 106.00
- Tanks under 200,000 Gallons .................................................. 120.00
- Tanks over 200,000 Gallons .................................................... 225.00

### Buildings

**Application Fee (Non-refundable)** ........................................... 51.00

**Plan Review Deposits (Non-refundable):**
- Single Family Residential ......................................................... 590.00
- Commercial Alteration ............................................................ 236.00
- New Commercial/Industrial Building ....................................... 1,175.00
- Commercial/Industrial Addition .............................................. 590.00

**Building Permit Fees (all use groups):**
- Valuation to $1,000 ................................................................. 58.00
- Valuation $1,001 to $10,000 ................................................... 58.00 + 15.00 per 1,000 over 1,000
- Valuation $10,001 to $100,000 ............................................... 230.00 + 6.00 per 1,000 over 10,000
- Valuation $100,001 to $500,000 ............................................. 971.00 + 6.00 per 1,000 over 100,000
- Valuation $500,001 and over ................................................ 4,210.00 + 6.00 per 1,000 over 500,000

- Residential Bond (5% Retained) ............................................. 550.00
- Temporary C/O Refundable Bond ............................................ 570.00
- Multi-Family Bond (5% Retained) ......................................... 820.00
- Commercial Bond (5% Retained) .......................................... 1,670.00
- Industrial Bond (5% Retained) .............................................. 3,320.00
- Mobile Homes ................................................................. 158.00

**Plan Review Fee:**
- Valuation $0 - $500,000 ....................................................... 0.0040 of valuation but not less than 100.00
- Valuation over $500,000 ..................................................... 2,470.00 + 0.0015 of valuation over 500,000

- Residential Plan Review: If Plan Number is on File .................. 118.00
- Additional Expedited Commercial Interior Alteration Plan Review Fee .................................................. 216.00
- Miscellaneous Plan Review .................................................... 71.00
- Misc. Items (concrete, antennas, awnings, sheds, canopies, tents, gazebos, decks, porches, reroofs) .................. 70.00
- Pigeon Loft Inspection ......................................................... 70.00
- Replacement of Public Sidewalk Section(s) by Abutting Property Owner .................................................. 39.00
- Use Permit (tenant space) .................................................... 102.00
- Fire Repair/Water Repair ......................................................... 246.00
- Fire Inspection Fee (New City Businesses) ................................ 96.00
- Reinspection Fee ............................................................... 62.00
- Demolition:
  - Plan review and administration base fee ................................ 71.00 + 0.10 per square ft.

### Swimming Pools:
- Above Ground ................................................................. 74.00
Below Ground ........................................................................................................................................... 151.00

Signs:

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Fee (non-refundable)</td>
<td>51.00</td>
</tr>
<tr>
<td>Plan Review Fee</td>
<td>71.00</td>
</tr>
<tr>
<td>Permanent</td>
<td>156.00</td>
</tr>
<tr>
<td>Temporary</td>
<td>70.00</td>
</tr>
<tr>
<td>Contractor Registration Fee</td>
<td>29.00</td>
</tr>
<tr>
<td>Residential Basement Finish</td>
<td>246.00</td>
</tr>
<tr>
<td>Residential Interior Finish</td>
<td>246.00</td>
</tr>
<tr>
<td>Minor Commercial Alterations under 400 sq. ft.</td>
<td>232.00</td>
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</tbody>
</table>

**Sec. 3.03**

**CITY ADMINISTRATION:**

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amusement Device License (2-year)</td>
<td>780.00</td>
</tr>
<tr>
<td>Amusement Device Distributor License (2-year)</td>
<td>260.00</td>
</tr>
<tr>
<td>Attorney Services</td>
<td>Attorney fees &amp; costs</td>
</tr>
<tr>
<td>Auction Sales License (per day)</td>
<td>25.00</td>
</tr>
<tr>
<td>Auctioneer License</td>
<td>61.00</td>
</tr>
<tr>
<td>Banquet &amp; Event Facility License</td>
<td>500.00</td>
</tr>
<tr>
<td>Renewal Fee</td>
<td>250.00</td>
</tr>
<tr>
<td>Business Registry License</td>
<td>50.00</td>
</tr>
<tr>
<td>Carnival/Festival License</td>
<td>79.00 + 6.00 each booth, ride, etc.</td>
</tr>
<tr>
<td>Cigarette Vending Machine License</td>
<td>70.00 + 6.00 each additional machine</td>
</tr>
<tr>
<td>Commercial Outdoor Patio Space License:</td>
<td>500.00</td>
</tr>
<tr>
<td>Renewal Fee</td>
<td>250.00</td>
</tr>
<tr>
<td>Renewal Fee with Major Material Modifications</td>
<td>500.00</td>
</tr>
<tr>
<td>Death and Birth Certificate (Non-FOIA):</td>
<td>26.00</td>
</tr>
<tr>
<td>Additional Copies (Non-FOIA)</td>
<td>9.50</td>
</tr>
</tbody>
</table>

**Dog License:**

<table>
<thead>
<tr>
<th>License Type</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newly Acquired Dog - Jan. 1 to Oct. 31 OR License Renewal - Jan. 1 to Mar. 31:</td>
<td></td>
</tr>
<tr>
<td>Spayed/Neutered Dog:</td>
<td></td>
</tr>
<tr>
<td>1-Year License</td>
<td>10.00</td>
</tr>
<tr>
<td>2-Year License</td>
<td>16.00</td>
</tr>
<tr>
<td>3-Year License</td>
<td>22.00</td>
</tr>
<tr>
<td>Unaltered Dog:</td>
<td></td>
</tr>
<tr>
<td>1-Year License</td>
<td>23.00</td>
</tr>
<tr>
<td>2-Year License</td>
<td>43.00</td>
</tr>
<tr>
<td>3-Year License</td>
<td>63.00</td>
</tr>
<tr>
<td>Newly Acquired Dog - Nov. 1 to Dec. 31</td>
<td></td>
</tr>
<tr>
<td>Spayed/Neutered Dog:</td>
<td></td>
</tr>
<tr>
<td>1-Year License</td>
<td>5.00</td>
</tr>
<tr>
<td>Unaltered Dog:</td>
<td></td>
</tr>
<tr>
<td>1-Year License</td>
<td>11.50</td>
</tr>
<tr>
<td>Newly Acquired Dog - Registering later than 30 days after acquisition:</td>
<td></td>
</tr>
<tr>
<td>Additional Late Fee</td>
<td>11.00</td>
</tr>
<tr>
<td>License Renewal - After Mar. 31:</td>
<td></td>
</tr>
<tr>
<td>Additional Late Fee</td>
<td>11.00</td>
</tr>
<tr>
<td>Senior (60+) Owner</td>
<td>No charge</td>
</tr>
<tr>
<td>Service Dog</td>
<td>No charge</td>
</tr>
<tr>
<td>Service</td>
<td>Fee</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Potentially Dangerous Dog Annual License Fee</td>
<td>60.00</td>
</tr>
<tr>
<td>Replacement Dog Tag</td>
<td>5.50</td>
</tr>
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<td>Fire Inspection Fee (new City businesses – charged by Building)</td>
<td>98.00</td>
</tr>
<tr>
<td>Going Out of Business Sales License</td>
<td>50.00</td>
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<tr>
<td>Renewal Fee</td>
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<td>House Moving License</td>
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<td>Industrial Development District Filing Fee</td>
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<td>Industrial Facilities Exemption Certificate Filing Fee</td>
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<td>Industrial Facilities Exemption Certificate Application Amendment Fee</td>
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<td>Industrial Facilities Exemption Certificate Transfer Fee</td>
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<tr>
<td>New Personal Property Exemption Fee</td>
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<tr>
<td>Junk Yard License</td>
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<tr>
<td>Medical Marijuana Location Registration Fee</td>
<td>750.00</td>
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<tr>
<td>Mobile Vending License</td>
<td>204.00</td>
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<tr>
<td>Pawnbroker License</td>
<td>500.00</td>
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<tr>
<td>Refuse Collection License</td>
<td>107.00 + 7.00 each truck</td>
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<td>Secondhand Goods Merchant Registration Fee</td>
<td>112.00</td>
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<tr>
<td>Snow Removal License</td>
<td>209.00</td>
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<tr>
<td>Solicitor/Peddler License</td>
<td>132.00</td>
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<tr>
<td>Tattoo Permit</td>
<td>610.00</td>
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<tr>
<td>Taxi License (annual fee)</td>
<td>105.00 + 12.00 per vehicle</td>
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<td>Massage Establishment License:</td>
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<td>Renewal Fee Massage Establishment License</td>
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<td>Precinct Map</td>
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<td>City Street Map</td>
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<td>Zoning Map</td>
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<td>City Budget</td>
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<td>Election Results</td>
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<td>Voter and Business Registry Labels (per page)</td>
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<td>Voter and Business Registry Lists (per computer hour)</td>
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<td>Voter Data CD</td>
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<td>Liquor License: Class C</td>
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<tr>
<td>Tavern</td>
<td>2,240.00</td>
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<td>SDD &amp; SDM</td>
<td>2,240.00</td>
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<tr>
<td>Entertainment and/or Dance Permit</td>
<td>2,240.00</td>
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<td>Extended Hours Permit</td>
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<td>Shareholder Partial Transfer</td>
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<td>Hotel/Motel License:</td>
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<td>Recording Fee (formerly Encroachment Fee)</td>
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<td>Fireworks Display Permit</td>
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<td>Service Description</td>
<td>Fee</td>
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<td>Close Proximity Pyrotechnic Display Permit</td>
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<td>Sterlingfest Art Fair Applications:</td>
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<tr>
<td>Double Booth Fee</td>
<td>420.00</td>
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<td>Corner Booth Additional Charge</td>
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<td>“Taste of the Town” Sterlingfest Booth – Food Cart Vendors</td>
<td>670.00</td>
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<td>“Taste of the Town” Sterlingfest Booth - Restaurateurs</td>
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<td>Resident (Non-FOIA)</td>
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<td>Non-Resident (Non-FOIA)</td>
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<td>Gazebo Rental (per event):</td>
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<td>Resident</td>
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<td>Gazebo Rental for Photographs Only (per 1 hour rental):</td>
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<tr>
<td>Resident</td>
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<td>Upton House Rental – (per 4 hour rental):</td>
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<td>Resident</td>
<td>62.00</td>
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<td>Non-Resident</td>
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<td>Sterling Heights Magazine Advertisement Fees:</td>
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<td>Full Page Ad (Full Color)</td>
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<td>Full Page Ad (Two Color)</td>
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<td>One-Half Page Ad (Full Color)</td>
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<td>One-Half Page Ad (Two Color)</td>
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<td>One-Fourth Page Ad (Full Color)</td>
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<td>One-Fourth Page Ad (Two Color)</td>
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<td>Business Card Ad (Full Color)</td>
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<td>Name &amp; Phone Number Ad</td>
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<td>Three-Edition Ad Commitment (Minimum)</td>
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<td>20% Discount</td>
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<td>Environmental Recovery Fee</td>
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<tr>
<td>Cost + 25% Administrative Fee</td>
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<td>Municipal Civil Infraction:</td>
<td></td>
</tr>
<tr>
<td>Each Violation</td>
<td>150.00</td>
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<tr>
<td>First Repeat Offense</td>
<td>375.00</td>
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<tr>
<td>Third and Subsequent Repeat Offenses</td>
<td>1,500.00</td>
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<tr>
<td>Municipal Civil Infraction (Failure to Obtain Amusement Device/Amusement Device Distributor License):</td>
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<tr>
<td>First Violation</td>
<td>500.00</td>
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<tr>
<td>First Repeat Offense</td>
<td>500.00</td>
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<tr>
<td>Reduced Fee if License Obtained Prior to Court Appearance</td>
<td>150.00</td>
</tr>
<tr>
<td>Second Repeat Offense</td>
<td>750.00</td>
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<tr>
<td>Third and Subsequent Repeat Offenses</td>
<td>1,500.00</td>
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<tr>
<td>Municipal Civil Infraction (Failure to Comply with Owner/Keeper of a Potentially Dangerous Dog Requirements):</td>
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<tr>
<td>First Violation</td>
<td>500.00</td>
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<tr>
<td>First Repeat Offense</td>
<td>750.00</td>
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<tr>
<td>Second and Subsequent Repeat Offenses</td>
<td>1,000.00</td>
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<td>Municipal Civil Infraction (Failure to License a Dog with the City Clerk):</td>
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<tr>
<td>First Violation</td>
<td>500.00</td>
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<tr>
<td>First Repeat Offense</td>
<td>750.00</td>
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<tr>
<td>Reduced Fee if Licensed Prior to Court Appearance</td>
<td>150.00</td>
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<tr>
<td>Second and Subsequent Repeat Offenses</td>
<td>1,000.00</td>
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</tbody>
</table>
Sec. 3.04

ECONOMIC DEVELOPMENT OFFICE:

Brownfield Redevelopment Auth./Local Dev. Finance Auth./Corridor Improvement Auth. Fees:
- Application Fee (one-time up front) ................................................................. 530.00
- Tax Increment Plan Annual Administrative Fee ...................................................... 2,650.00

Sec. 3.05

ENGINEERING OFFICE:

Review Fees:
- Site Plan .............................................................................................................. 461.00 + 75.00/acre + 1.3% of site imp.cost
- Multiple Developments ...................................................................................... 461.00 + 75.00/acre + 1.3% of site imp.cost
- Cluster Developments ...................................................................................... 461.00 + 75.00/acre + 1.3% of site imp.cost
- Site Condominiums ........................................................................................... 461.00 + 75.00/acre + 1.3% of site imp.cost
- Subdivisions ...................................................................................................... 1.3% of estimated site improvement costs
- Plan Revision Review Fee .................................................................................. 98.00

Design Fees:
- Construction plans and specifications -
  *Class 1 ........................................................................................................... 7.0% of construction costs
  **Class 2 ......................................................................................................... 8.7% of construction costs
- Field engineering and contract administration -
  *Class 1 ........................................................................................................... 2.4% of construction costs
  **Class 2 ......................................................................................................... 2.7% of construction costs

- Engineering Bid Packet Fee ............................................................................. 51.00

R.O.W. Permits:
- Review Fees – Public Improvements ................................................................. 1.3% of construction cost ($50 minimum)
- Review Fees – Privately Owned Facility ......................................................... $0.05/linear foot ($50 minimum)
- Inspection ......................................................................................................... Payroll +180%

Telecommunications ROW Application Fee ....................................................... 695.00

Major Road Residential Drive Approach (Review & Inspection) ....................... 255.00

Staking Fees ........................................................................................................ Payroll + 180%

Inspection Fees:
- Site Plan ............................................................................................................. Payroll +180%
- Multiple Development ...................................................................................... Payroll +180%
- Cluster Development ....................................................................................... Payroll +180%
- Site Condominiums ........................................................................................ Payroll +180%
- City Construction Projects .............................................................................. Payroll +180%
- Subdivisions .................................................................................................... Payroll +180%
- Inspections by Consultants .............................................................................. Consultant Fee +10%

Private Development Engineering Consultant Fee ............................................. Consultant Fee +10%

Sidewalk Repair and Gap Programs .................................................................... Cost +20%

Easement Vacations .............................................................................................. Attorney fee+ 260.00

Easement Encroachments .................................................................................... 280.00

Building Number Assignments (per address) ..................................................... 26.00

S.E.S.C. Review Fee for:
- Commercial, Industrial, Multi-Family, Subdivision ........................................ ¼ of 1% of first $500,000.00 +
  1/8 of 1% over $500,000 ($50.00 minimum)
- Single-Family Residential House ................................................................... 74.00
Underground Private Utility ............................................................... 0.05 linear foot (50.00 minimum)
S.E.S.C. Inspection Fee (per inspection) ............................................... 49.00
S.E.S.C. Inspection by Consultant ........................................................ Consultant fee +10%
S.E.S.C. Permit Renewal Fee ($50 min.) ........................................... 10% of Permit Fee
Water & Sewer Permit Revision Review Fee ....................................... 111.00
Public Services Agreement Execution Fee .......................................... 37.00
Recording Fee .................................................................................. 40.00
Water & Sewer Debt Service Agreement Finance Charge ...................... 20%

Document Copying for:
- 24” x 36” Prints (Xerox 2510 or blueline) ........................................... 9.00 ea.
- 34” x 34” Prints (Xerox 2510 or blueline) ........................................... 9.00 ea.
- Larger than 34” x 34” (Xerox 2510 or blueline) ................................. 9.00 ea.
- Detail Sheets (Mylar) ............................................................... 11.50 ea.
- Topographic Map 36” x 36” (blueline) ........................................... 46.00 ea.
- Planimetric Map 36” x 36” (blueline) ........................................... 29.00 ea.
- Overall Watermain Map (blueline) ............................................... 10.50 ea.
- Overall Sanitary Sewer Map (blueline) .......................................... 10.50 ea.
- Overall Storm Sewer Map (blueline) ........................................... 10.50 ea.
- Master Storm Sewer Plan (book form) ......................................... 53.00 ea.
- Master Watermain Plan (book form) ........................................... 41.00 ea.
- Master Sanitary Sewer Plan (book form) ....................................... 41.00 ea.
- Master Road Plan (book form) 1998 HRC .................................... 53.00 ea.

Municipal Civil Infraction for Various Soil Erosion and Sedimentation Control Regulations:
- First and Subsequent Repeat Offenses ........................................... 750.00

Municipal Civil Infraction for Unabated Knowing Violations of City Code Chapter 17:
- Each Violation ........................................................................... 5,000.00
- First Repeat Offense .................................................................. 7,500.00
- Second and Subsequent Repeat Offenses ..................................... 10,000.00

Municipal Civil Infraction for Unabated Knowing Violations After a Notice of Determination:
- Each Violation ........................................................................... 10,000.00
- First Repeat Offense .................................................................. 15,000.00
- Second and Subsequent Repeat Offenses ..................................... 20,000.00

* Class 1 projects include drain enclosures, channel improvements, sanitary sewer, water main, and pavement overlay.
** Class 2 projects include new road construction or reconstruction, bridges, pumping stations, etc.

Sec. 3.06

FIRE DEPARTMENT:

Fire Reports: First Page (Non-FOIA) .................................................. 13.00
- Additional Pages (Non-FOIA) ...................................................... 1.00
Digital Photographs:
- 5” x 7” Color Print (Non-FOIA) ................................................... 36.00
- 8” x 10” Color Print (Non-FOIA) .................................................. 36.00
- 8” x 10” Contact Sheet (Non-FOIA) ............................................. 36.00
Compact Disc (Non-FOIA) .............................................................. 29.00
Burning Permit .............................................................................. 220.00
Fireworks Sales Permit ................................................................. 760.00
Fireworks Display Permit ............................................................. 760.00
Close Proximity Pyrotechnic Display Permit ..................................... 760.00
Board of Code Appeals .................................................................. 246.00
Witnessed Acceptance Test Fee ................................................................. 182.00
Off-Hour Witnessed Acceptance Test Fee (3 hour minimum) ........................................... 845.00
Each additional hour .................................................................................. 281.00
Reinspection Fee for Witnessed Acceptance Test .................................................. 182.00
Phase I Site Inspection (1 hour minimum) ......................................................... 64.00 + 39.00 per hour

Special Fire Prevention Inspection (festivals, craft shows, carnivals, haunted houses, flea markets):
  Each Inspection ......................................................................................... 200.00
  Each Re-Inspection .................................................................................. 200.00
  Off-Hour Inspection (3 hour minimum) .................................................... 281.00
    Each Additional Hour ........................................................................... 84.00
  Off-Hour Re-Inspection (3 hour minimum) ............................................... 281.00
    Each Additional Hour ........................................................................... 84.00
Plan Review Fee .......................................................................................... 172.00
Resubmitted Plan Review Fee ........................................................................ 57.00
Explosive Materials Permit Fee ....................................................................... 215.00
Requested Fire Services (Schools, Businesses, Hazmat Incidents, etc.) .................. Cost +30%

Reinspection Fees:
  First Reinspection .................................................................................. No Fee
  Second and Subsequent Reinspections ...................................................... 122.00

Medical Fees:
  BLS Non-Emergency ............................................................................ 450.00
    Resident Discounted Fee .................................................................. 400.00
  BLS Emergency .................................................................................... 550.00
    Resident Discounted Fee .................................................................. 500.00
  ALS Non-Emergency ............................................................................ 600.00
    Resident Discounted Fee .................................................................. 550.00
  ALS Level I Emergency ........................................................................ 650.00
    Resident Discounted Fee .................................................................. 600.00
  ALS Level II Emergency ....................................................................... 800.00
    Resident Discounted Fee .................................................................. 750.00
Advanced Life Support Treat No Transport (subject to insurance) ....................... 400.00
Oxygen ...................................................................................................... 45.00
Mileage (per patient mile) ........................................................................... 14.00
CPR Classes (per person) ............................................................................ 70.00

False Alarm Fees: (within a 12 month period)
  First Response ...................................................................................... No Fee
  Second Response ................................................................................... 170.00
  Third Response ...................................................................................... 340.00
  Fourth and Subsequent Responses ....................................................... 685.00

Municipal Civil Infraction:
  First Offense Each Violation ................................................................... 150.00
  First Repeat Offense ............................................................................ 375.00
  Second Repeat Offense ........................................................................ 750.00
  Third and Subsequent Repeat Offenses ................................................. 1,500.00

Municipal Civil Infraction for Violation of a Stop Work Order:
  First Offense Each Violation ................................................................... 150.00
  First Repeat Offense ............................................................................ 375.00
  Second Repeat Offense ........................................................................ 750.00
  Third and Subsequent Repeat Offenses ................................................. 1,500.00
Sec. 3.07

NEIGHBORHOOD SERVICES:

Administrative Warrant .............................................................................................................. 125.00
Board of Ordinance Nuisance Abatement Appeals ........................................................................... 225.00
Board of Ordinance Noxious Weed Appeals .................................................................................. 50.00
Cutting of noxious weeds ........................................................................................................... Contract costs +
60% administrative fee + 37.00 fine
Single Family Res. Non-Homestead Inspection Fee (biennial) .......................................................... 130.00
Nuisance Abatement Administrative Fee ....................................................................................... 25%
Nuisance Abatement Agreement Execution Fee ........................................................................... Attorney Fee + 25%
Sidewalk Snow Removal Fee ..................................................................................................... Cost + 25% + 62.00

Claimed Signs:

16 sq. ft. or less .......................................................................................................................... 5.00 ea.
17 – 31 sq. ft. .......................................................................................................................... 25.00 ea.
32 sq. ft. and over ....................................................................................................................... 120.00 ea.

Reinspection Fee .......................................................................................................................... 62.00
Real Estate Sign Removal Fee ................................................................................................... Contract Costs + 25% Administration Fee
Municipal Civil Infraction (Residential Parking and Signs):

Each Violation ............................................................................................................................. 100.00
First Repeat Offense ..................................................................................................................... 250.00
Second and Subsequent Repeat Offenses ...................................................................................... 500.00

Municipal Civil Infraction for Prohibited Parking during a Snow Emergency:

Each Violation ............................................................................................................................. 25.00
First Repeat Offense ..................................................................................................................... 100.00
Second and Subsequent Repeat Offenses ...................................................................................... 125.00

Sec. 3.08

PARKS & RECREATION:

Pavilion Rental:

Weekday (Resident) ..................................................................................................................... 81.00
(Non-Resident) .......................................................................................................................... 121.00
Weekend (Resident) .................................................................................................................... 107.00
(Non-Resident) .......................................................................................................................... 160.00

Picnic Kits:

Weekday (Resident) ..................................................................................................................... 12.00
(Non-Resident) .......................................................................................................................... 17.00
Weekend (Resident) .................................................................................................................... 32.00
(Non-Resident) .......................................................................................................................... 48.00

Nature Center Classes:

School Field Trips (WCS/UCS Schools) ....................................................................................... 34.00
(All Other Districts per class) ....................................................................................................... 50.00
Children’s Nature Classes (3 wk) (Resident) .................................................................................. 20.00
(Non-Resident) .......................................................................................................................... 30.00
Adult Nature Classes (6 wk) (Resident) ......................................................................................... 48.00
(Non-Resident) .......................................................................................................................... 72.00
Nature Center Archery (Resident) .................................................................................................. 10.00
(Non-Resident) .......................................................................................................................... 13.00
Scout Badge Classes .................................................................................................................... 9.00
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<th>Service Description</th>
<th>Resident Price</th>
<th>Non-Resident Price</th>
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<tr>
<td>(Non-Resident)</td>
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<td><strong>Parent &amp; Tot Classes:</strong></td>
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<td>1 Child Per Family (Resident)</td>
<td>54.00</td>
<td>81.00</td>
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<td>(Non-Resident)</td>
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<td>2 Children Per Family (Resident)</td>
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<td>90.00</td>
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<td>(Non-Resident)</td>
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<td><strong>Summer Playground:</strong></td>
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<td>Resident</td>
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<td>Field Trip Bus Fee (Per Person)</td>
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<td><strong>Special Recreation Dances:</strong></td>
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<td>(Non-Resident)</td>
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<td>Registration at the Door (Resident)</td>
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<td>Staff Registration</td>
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<td>Prom Dance – Individual (Resident)</td>
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<td><strong>Special Recreation Playgrounds:</strong></td>
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<td>Physically or Otherwise Health Impaired (P.O.H.I.) – Family (Resident)</td>
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<td></td>
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</tr>
<tr>
<td>Mentally Impaired (M.I.) – Individual (Resident)</td>
<td>170.00</td>
<td>255.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mentally Impaired (M.I.) – Family (Resident)</td>
<td>300.00</td>
<td>450.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Special Recreation:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creative Cooking (Resident)</td>
<td>8.75</td>
<td>13.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Line Dance Exercise (Resident)</td>
<td>36.00</td>
<td>54.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Softball – Individual (Resident)</td>
<td>51.00</td>
<td>66.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Softball – 2nd player - Same Family (Resident)</td>
<td>41.00</td>
<td>56.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Softball – 3rd player - Same Family (Resident)</td>
<td>31.00</td>
<td>46.00</td>
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<tr>
<td>(Non-Resident)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basketball (Resident)</td>
<td>41.00</td>
<td>53.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bowling (Resident)</td>
<td>31.00</td>
<td>40.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Farmers Market:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced Pay-Full Season</td>
<td>338.00</td>
<td></td>
</tr>
<tr>
<td>Per-Day Rate</td>
<td>24.00</td>
<td></td>
</tr>
<tr>
<td>Electricity (Additional Fee Per Day)</td>
<td>6.00</td>
<td></td>
</tr>
<tr>
<td>Vendor Alcohol Permit Per Day</td>
<td>6.00</td>
<td></td>
</tr>
<tr>
<td>Vendor Alcohol Permit Full Season</td>
<td>52.00</td>
<td></td>
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<tr>
<td><strong>Splash Park:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>Resident</td>
<td>Non-Resident</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------</td>
<td>--------------</td>
</tr>
<tr>
<td>Ice Rink:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident</td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Non-Resident</td>
<td></td>
<td>5.00</td>
</tr>
<tr>
<td>Skate Rental</td>
<td></td>
<td>3.00</td>
</tr>
<tr>
<td>Dog Park Annual Membership:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident</td>
<td></td>
<td>12.00</td>
</tr>
<tr>
<td>Non-Resident</td>
<td></td>
<td>24.00</td>
</tr>
<tr>
<td>Senior Resident</td>
<td></td>
<td>10.00</td>
</tr>
<tr>
<td>Senior Non-Resident</td>
<td></td>
<td>20.00</td>
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<tr>
<td>Drop-in Gym Fee:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident</td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Non-Resident</td>
<td></td>
<td>3.00</td>
</tr>
<tr>
<td>Coffeehouse Tickets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advance Tickets (Resident)</td>
<td></td>
<td>16.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td>20.00</td>
</tr>
<tr>
<td>Subscription (Resident)</td>
<td></td>
<td>26.00</td>
</tr>
<tr>
<td>(Non-Resident)</td>
<td></td>
<td>34.00</td>
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<tr>
<td>At the Door Sales (Resident)</td>
<td></td>
<td>16.00</td>
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<tr>
<td>(Non-Resident)</td>
<td></td>
<td>22.00</td>
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<tr>
<td>Karate:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident</td>
<td></td>
<td>51.00</td>
</tr>
<tr>
<td>Non-Resident</td>
<td></td>
<td>66.00</td>
</tr>
<tr>
<td>Yoga/Fitness Classes:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident</td>
<td></td>
<td>43.00</td>
</tr>
<tr>
<td>Non-Resident</td>
<td></td>
<td>56.00</td>
</tr>
<tr>
<td>Zumba:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident</td>
<td></td>
<td>61.00</td>
</tr>
<tr>
<td>Non-Resident</td>
<td></td>
<td>79.00</td>
</tr>
<tr>
<td>Men’s Gym:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident</td>
<td></td>
<td>48.00</td>
</tr>
<tr>
<td>Non-Resident</td>
<td></td>
<td>62.00</td>
</tr>
<tr>
<td>Double Header Softball</td>
<td></td>
<td>930.00</td>
</tr>
<tr>
<td>Single Header Softball</td>
<td></td>
<td>605.00</td>
</tr>
<tr>
<td>Co-ed Kickball</td>
<td></td>
<td>335.00</td>
</tr>
<tr>
<td>Ball Field Rental Fees – Seasonal:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delia or LWB Park (per field per day):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MABF Teams/Church Teams</td>
<td></td>
<td>422.00</td>
</tr>
<tr>
<td>All Other Users</td>
<td></td>
<td>449.00</td>
</tr>
<tr>
<td>All Users – Lighted Fields Additional Fee (per day)</td>
<td></td>
<td>65.00</td>
</tr>
<tr>
<td>Additional Teams on Permit (per team)</td>
<td></td>
<td>51.00</td>
</tr>
<tr>
<td>Donovan Park (per field per day):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MABF Teams/Church Teams</td>
<td></td>
<td>320.00</td>
</tr>
<tr>
<td>All Other Users</td>
<td></td>
<td>345.00</td>
</tr>
<tr>
<td>All Users – Lighted Fields Additional Fee (per day)</td>
<td></td>
<td>45.00</td>
</tr>
<tr>
<td>Additional Teams on Permit (per team)</td>
<td></td>
<td>51.00</td>
</tr>
<tr>
<td>Ball Field Rental Fees – Daily:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delia or LWB Park (per field per day):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MABF Teams/Church Teams</td>
<td></td>
<td>72.00</td>
</tr>
<tr>
<td>All Other Users</td>
<td></td>
<td>82.00</td>
</tr>
<tr>
<td>All Users – Lighted Fields Additional Fee (per day)</td>
<td></td>
<td>65.00</td>
</tr>
</tbody>
</table>
Donovan Park (per field per day):
- MABF Teams/Church Teams ........................................... 60.00
- All Other Users ........................................................ 70.00
- All Users – Lighted Fields Additional Fee (per day) .................. 65.00

| Ball Field Request to Groom/Stripe Additional Fee | Cost+25% |

Soccer Field Rental Fees (per field per season):

<table>
<thead>
<tr>
<th>Travel Clubs:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Seasonal 1-3 days/week</td>
<td>600.00</td>
</tr>
<tr>
<td>Seasonal 4-7 days/week</td>
<td>900.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Camp/Other:</th>
<th>213.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly (one week only)</td>
<td></td>
</tr>
<tr>
<td>Daily</td>
<td>89.00</td>
</tr>
</tbody>
</table>

Sand Volleyball League ................ 248.00

Daddy/Daughter Dance:

| Resident per person               | 23.00  |
| Non-Resident per person           | 30.00  |

Mother/Son Cookout:

| Resident Couple                   | 19.00  |
| Non-Resident Couple               | 25.00  |

Gymnastics:

| One-half Hour Class (Resident)    | 49.00  |
| Non-Resident                      | 73.00  |
| One Hour Class (Resident)         | 60.00  |
| Non-Resident                      | 90.00  |

Dance:

| Fall Session (Resident)           | 56.00  |
| Non-Resident                      | 73.00  |
| Winter/Spring Session (Resident)  | 89.00  |
| Non-Resident                      | 116.00 |

30 Minute Dance Classes:

| Fall Session (Resident)           | 45.00  |
| Non-Resident                      | 58.00  |
| Winter/Spring Session (Resident)  | 57.00  |
| Non-Resident                      | 74.00  |

Senior Center Activities:

| Arthritis Exercise (Resident)     | 4.00   |
| Non-Resident                      | 6.00   |
| Bowling League (Resident)         | 15.00  |
| Non-Resident                      | 23.00  |
| Exercise (Resident)               | 4.00   |
| Non-Resident                      | 6.00   |
| Line Dance (Resident)             | 4.00   |
| Non-Resident                      | 6.00   |
| Senior News Subscription per year (Resident) | 16.50 | (Non-Resident) 24.75 |
| Stained Glass Class (Resident)    | 5.00   |
| Non-Resident                      | 7.00   |
| Tai Chi (Resident)                | 5.00   |
| Non-Resident                      | 7.00   |
| Zumba Gold (Resident)             | 4.00   |
| Non-Resident                      | 6.00   |
Senior Bus Trip:

<table>
<thead>
<tr>
<th>Duration</th>
<th>Resident</th>
<th>Non-Resident</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 day</td>
<td>8.00</td>
<td>12.00</td>
</tr>
<tr>
<td>2-4 days</td>
<td>16.00</td>
<td>24.00</td>
</tr>
<tr>
<td>Extended</td>
<td>35.00</td>
<td>52.00</td>
</tr>
</tbody>
</table>

SMART Bus Day Trips:

- Resident: 4.00
- Non-Resident: 6.00

Senior Activity Fee - per day:

- Resident: 0.25
- Non-Resident: 0.50

Senior Center Gymnasium Activities:

- Track Usage Fee – After Hours (Resident): 1.00
- Non-Resident: 1.50
- Gymnasium Usage Fee – After Hours (Resident): 2.00
- Non-Resident: 3.00

Parks and Recreation Plan: 9.75

### Sec. 3.09

**PLANNING:**

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Approval Land Use/Planned Unit Development</td>
<td>616.00</td>
</tr>
<tr>
<td>Temporary Use Planning Commission</td>
<td>450.00</td>
</tr>
<tr>
<td>Temporary Use Administrative Review</td>
<td>275.00</td>
</tr>
<tr>
<td>Variances to Subdivision Regulations</td>
<td>460.00</td>
</tr>
<tr>
<td>Right-of-Way Vacations</td>
<td>678.00</td>
</tr>
<tr>
<td>Rezoning Petition:</td>
<td></td>
</tr>
<tr>
<td>First Acre</td>
<td>1,910.00</td>
</tr>
<tr>
<td>Additional Acre</td>
<td>73.00</td>
</tr>
<tr>
<td>Public Hearing Postponements (Petitioner Requested)</td>
<td>50.00</td>
</tr>
<tr>
<td>Ordinance Text Amendment</td>
<td>1,910.00</td>
</tr>
<tr>
<td>Subdivision Plat/Site Condominium</td>
<td>1,490.00</td>
</tr>
<tr>
<td>Each lot over 100 lots</td>
<td>10.00</td>
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<tr>
<td>Site Plan Review: (incl. Landscape Plan, Inspection and Tree Preservation Administrative Fee)</td>
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</tr>
<tr>
<td>First Acre</td>
<td>1,204.00</td>
</tr>
<tr>
<td>Additional Acre</td>
<td>196.00</td>
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<tr>
<td>Master Land Use Report</td>
<td>43.00</td>
</tr>
<tr>
<td>Master Land Use Map</td>
<td>13.50</td>
</tr>
<tr>
<td>Subdivision Plat Print (per sheet)</td>
<td>13.50</td>
</tr>
<tr>
<td>Zoning Board of Appeals:</td>
<td></td>
</tr>
<tr>
<td>Variance (Regular Meeting)</td>
<td>460.00</td>
</tr>
<tr>
<td>Variance (Special Meeting)</td>
<td>900.00</td>
</tr>
<tr>
<td>Municipal Civil Infraction:</td>
<td></td>
</tr>
<tr>
<td>Each Violation</td>
<td>150.00</td>
</tr>
<tr>
<td>First Repeat Offense</td>
<td>375.00</td>
</tr>
<tr>
<td>Second Repeat Offense</td>
<td>750.00</td>
</tr>
<tr>
<td>Third or Subsequent Repeat Offenses</td>
<td>1,500.00</td>
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</table>
### POLICE DEPARTMENT:

**Police Reports:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Page (Non-FOIA)</td>
<td>13.00</td>
</tr>
<tr>
<td>Additional Pages (Non-FOIA)</td>
<td>2.00</td>
</tr>
<tr>
<td>Clearance Letter</td>
<td>18.00</td>
</tr>
<tr>
<td>Noncriminal Fingerprint Card</td>
<td>29.00</td>
</tr>
<tr>
<td>Photos: 8” x 10” Color (Non-FOIA)</td>
<td>35.00</td>
</tr>
<tr>
<td>5” x 7” Color (Non-FOIA)</td>
<td>33.00</td>
</tr>
<tr>
<td>8” x 10” Contact Sheet (Non-FOIA)</td>
<td>33.00</td>
</tr>
<tr>
<td>Compact Disc (Non-FOIA)</td>
<td>48.00</td>
</tr>
</tbody>
</table>

**Administrative Towing Fees: (Charged to Towing Company)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspection of VIN</td>
<td>27.00</td>
</tr>
<tr>
<td>Reports on TR-52 Tracking</td>
<td>32.00</td>
</tr>
<tr>
<td>Administration and Presence at Auction</td>
<td>630.00</td>
</tr>
<tr>
<td>Audio Tape Duplication Fee (Non-FOIA)</td>
<td>44.00</td>
</tr>
<tr>
<td>Video Tape, DVD, CD Duplication Fee (Non-FOIA)</td>
<td>48.00</td>
</tr>
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**Animal Give-up Fee:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Euthanasia</td>
<td>50.00</td>
</tr>
<tr>
<td>Euthanasia</td>
<td>90.00</td>
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</table>

**Animal Impoundment Fee (Released from Station)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macomb County Daily Animal Care Fee</td>
<td>30.00</td>
</tr>
<tr>
<td>Animal Trap Rental Fee (per 5 days)</td>
<td>51.00</td>
</tr>
<tr>
<td>Animal 10-Day Quarantine Fee</td>
<td>300.00</td>
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**Rabies Testing:**

<table>
<thead>
<tr>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Euthanasia Not Required</td>
<td>85.00</td>
</tr>
<tr>
<td>Euthanasia Required</td>
<td>175.00</td>
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**Treatment Rendered to an Animal**

<table>
<thead>
<tr>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Use of Tranquilizer Equipment</td>
<td>164.00</td>
</tr>
<tr>
<td>County Animal Control Officer Fee</td>
<td>Cost</td>
</tr>
<tr>
<td>Personal Breathalyzer Test (PBT)</td>
<td>28.00</td>
</tr>
<tr>
<td>Booking Photo (Non-FOIA)</td>
<td>13.00</td>
</tr>
<tr>
<td>Notary Fee for Gun Permits</td>
<td>10.00</td>
</tr>
<tr>
<td>Park Alcohol Permit Fee</td>
<td>38.00</td>
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<tr>
<td>Temporary Liquor License Application Fee:</td>
<td>38.00</td>
</tr>
<tr>
<td>Outdoor Service Permit</td>
<td>278.00</td>
</tr>
<tr>
<td>Requested Police Services (Schools, Businesses, Hazmat Incidents, etc.)</td>
<td>Cost+30%</td>
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</tbody>
</table>

**Towed Vehicle Impound Fee**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
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<tbody>
<tr>
<td>Correctable Traffic Violation</td>
<td>10.00</td>
</tr>
<tr>
<td>Warrant Fee (All Warrants)</td>
<td>10.00</td>
</tr>
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**False Alarm Fees: (within a 12 month period)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Response</td>
<td>No fee</td>
</tr>
<tr>
<td>Second Response</td>
<td>No fee</td>
</tr>
<tr>
<td>Third Response (Residential)</td>
<td>39.00</td>
</tr>
<tr>
<td>Third Response (Non-Residential)</td>
<td>107.00</td>
</tr>
<tr>
<td>Fourth Response (Residential)</td>
<td>71.00</td>
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<tr>
<td>Fourth Response (Non-Residential)</td>
<td>217.00</td>
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<tr>
<td>Fifth and Subsequent Responses (Residential)</td>
<td>144.00</td>
</tr>
<tr>
<td>Fifth and Subsequent Responses (Non-Residential)</td>
<td>429.00</td>
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</table>
Municipal Civil Infraction (including Animal Control Regulations):

<table>
<thead>
<tr>
<th>Violation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each Violation</td>
<td>150.00</td>
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<tr>
<td>First Repeat Offense</td>
<td>375.00</td>
</tr>
<tr>
<td>Second Repeat Offense</td>
<td>750.00</td>
</tr>
<tr>
<td>Third and Subsequent Repeat Offenses</td>
<td>1,500.00</td>
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</table>

Municipal Civil Infraction for Prohibited Parking during a Snow Emergency:

<table>
<thead>
<tr>
<th>Violation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each Violation</td>
<td>25.00</td>
</tr>
<tr>
<td>First Repeat Offense</td>
<td>100.00</td>
</tr>
<tr>
<td>Second and Subsequent Repeat Offenses</td>
<td>125.00</td>
</tr>
</tbody>
</table>

Municipal Civil Infraction for Youth Curfew Violations:

<table>
<thead>
<tr>
<th>Violation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each Violation</td>
<td>25.00</td>
</tr>
<tr>
<td>First Repeat Offense</td>
<td>50.00</td>
</tr>
<tr>
<td>Second and Subsequent Repeat Offenses</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Municipal Civil Infraction for Violation of Bicycle Regulations (City Parks):

<table>
<thead>
<tr>
<th>Violation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each Violation</td>
<td>10.00</td>
</tr>
<tr>
<td>First Repeat Offense</td>
<td>25.00</td>
</tr>
<tr>
<td>Second and Subsequent Repeat Offenses</td>
<td>50.00</td>
</tr>
</tbody>
</table>

Sec. 3.11

PUBLIC LIBRARY:

Overdue fines (per day):

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardcover Books (maximum $16.00)</td>
<td>0.25</td>
</tr>
<tr>
<td>Paperback Books (maximum $6.00)</td>
<td>0.25</td>
</tr>
<tr>
<td>Magazines (maximum $6.00)</td>
<td>0.25</td>
</tr>
<tr>
<td>Audios (maximum $16.00)</td>
<td>0.25</td>
</tr>
<tr>
<td>Compact Discs (maximum $16.00)</td>
<td>0.25</td>
</tr>
<tr>
<td>DVD’s (maximum $16.00)</td>
<td>0.25</td>
</tr>
<tr>
<td>Replacement Library Card</td>
<td>3.00</td>
</tr>
<tr>
<td>Suburban Library Cooperative Non-Resident Library Card</td>
<td>200.00</td>
</tr>
<tr>
<td>Black &amp; White Copy/Computer Print</td>
<td>0.10</td>
</tr>
<tr>
<td>Color Copy/Computer Print</td>
<td>1.00</td>
</tr>
<tr>
<td>Microfilm/Microfiche Print (per copy)</td>
<td>0.20</td>
</tr>
<tr>
<td>Internet Use Without Library Card (per day)</td>
<td>4.50</td>
</tr>
</tbody>
</table>

Municipal Civil Infraction:

<table>
<thead>
<tr>
<th>Violation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each Violation</td>
<td>75.00</td>
</tr>
<tr>
<td>First Repeat Offense</td>
<td>150.00</td>
</tr>
<tr>
<td>Second or Subsequent Repeat Offenses</td>
<td>300.00</td>
</tr>
</tbody>
</table>

Sec. 3.12

PUBLIC WORKS DEPARTMENT:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer Inspection</td>
<td>111.00</td>
</tr>
<tr>
<td>Sewer Tap</td>
<td>1,210.00</td>
</tr>
</tbody>
</table>
| Sewer Capital/Unit:
  Residential                                | 900.00  |
  Commercial/Industrial (per 1,000 sq. ft.)  | 470.00  |
| Sewer Frontage (per front ft.)               | 74.00   |
| Sewage Disposal Service Only (per billing)   | 89.00   |
Residential and Commercial Water Meters:

<table>
<thead>
<tr>
<th>Size</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/4&quot; Remote</td>
<td>410.00</td>
</tr>
<tr>
<td>1&quot; Remote</td>
<td>480.00</td>
</tr>
<tr>
<td>1 1/2&quot; Remote</td>
<td>815.00</td>
</tr>
<tr>
<td>2&quot; Compound Remote</td>
<td>2,120.00</td>
</tr>
<tr>
<td>3&quot; Compound Remote</td>
<td>3,740.00</td>
</tr>
<tr>
<td>4&quot; Compound Remote</td>
<td>5,250.00</td>
</tr>
<tr>
<td>6&quot; Compound Remote</td>
<td>7,790.00</td>
</tr>
</tbody>
</table>

Damaged Meter Fee 5/8" - 3/4" ......................................................... 200.00

Water Inspection ................................................................. 111.00

Water Tap:

<table>
<thead>
<tr>
<th>Size</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&quot;</td>
<td>1,150.00</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>1,580.00</td>
</tr>
<tr>
<td>2&quot;</td>
<td>1,840.00</td>
</tr>
<tr>
<td>3&quot;</td>
<td>3,700.00</td>
</tr>
<tr>
<td>4&quot;</td>
<td>4,050.00</td>
</tr>
<tr>
<td>6&quot;</td>
<td>4,580.00</td>
</tr>
</tbody>
</table>

Additional Charge for 86 ft. wide street:

<table>
<thead>
<tr>
<th>Size</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&quot;</td>
<td>380.00</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>430.00</td>
</tr>
<tr>
<td>2&quot;</td>
<td>570.00</td>
</tr>
</tbody>
</table>

Additional Charge for 120 ft. wide street:

<table>
<thead>
<tr>
<th>Size</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&quot;</td>
<td>720.00</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>950.00</td>
</tr>
<tr>
<td>2&quot;</td>
<td>1,210.00</td>
</tr>
</tbody>
</table>

Additional Charge for 204 ft. wide street:

<table>
<thead>
<tr>
<th>Size</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&quot;</td>
<td>1,730.00</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>2,210.00</td>
</tr>
<tr>
<td>2&quot;</td>
<td>3,160.00</td>
</tr>
</tbody>
</table>

Water Capital/Unit:

Residential ................................................................. 700.00
Commercial/Industrial (per 1,000 sq. ft.) .......................... 390.00

Water Frontage (per front ft.) ........................................... 43.00

Monitor Surcharge .................................................................. per GLWA Indus. Waste Control Rate Structure
Water Turn On Fee ............................................................... 97.00

Water Service Fee (avoidable & repeat visits) ......................... 107.00

Water Service Abandonment Fee:

Residential ........................................................................ 500.00
Commercial ........................................................................ Contract Costs + 1,000.00

Sewer Service Abandonment Fee ............................................. 111.00

Water Service Re-Use Fee:

Residential ........................................................................ 500.00
Commercial ........................................................................ Contract Costs + 1,000.00

Sewer Service Re-Use Fee ...................................................... 111.00

Water Meter Testing Fee ....................................................... 110.00

Water Meter Rescheduling Fee .............................................. 97.00

24 Hour and 48 Hour Bacteria Sampling .................................. 200.00

Non-Compliance with Service Request .................................. 250.00

Non-Compliance with Back Flow Fee .................................. 250.00

Automatic Fixed Network Meter Read Permit ......................... 184.00

Final Water Meter Read ...................................................... 38.00
<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final Water &amp; Sewer Bill Preparation Fee</td>
<td>16.00</td>
</tr>
<tr>
<td>Citizen Water Service Request – after hours</td>
<td>97.00</td>
</tr>
<tr>
<td>Public Works Services Provided</td>
<td>208.00</td>
</tr>
<tr>
<td>Water Meter Removal/Reinstallation for common area irrigation system</td>
<td>204.00</td>
</tr>
<tr>
<td>Landlord/Tenant Affidavit Filing Fee</td>
<td>28.00</td>
</tr>
<tr>
<td>Fire Hydrant Rental – Payable by City</td>
<td>Cost+25%</td>
</tr>
</tbody>
</table>

**Private Use of Fire Hydrant:**

- Per Hydrant .......................................................... 110.00 per month + 360.00 water usage dep.
- Bypass Inspection Fee .................................................. 155.00
- Common Area Irrigation System Permit .................................. 420.00
- Planting of tree in right-of-way ...................................... 305.00
- Culvert installation permit ........................................... 100.00
- Ditch enclosure permit ................................................. 100.00
- Monitoring well installation permit ................................... 480.00
- Sewer connection to discharge treated ground water .................. 480.00
- Special Pickup/Additional Refuse Collection ......................... Contract costs + 25% administrative fee
  - Refuse Collection Fees (Schools) .................................. Contract costs
  - Refuse Collection Fees (Mobile Home Parks and Apartment Complexes) .................................. Contract costs + 5% administrative fee – refuse taxes paid
- Curbside Recycling License (min. $1,500/year) ......................... 1% of program revenue based upon previous yr
- Debris Removal Fee ....................................................... Contract Costs + 25% administrative fee
- Tree Branch Chipping Fee ............................................... 112.00
- Fleet Services Requested by Other Cities ................................ Cost+30%

**Municipal Civil Infraction:**

- Each Violation .................................................................... 150.00
- First Repeat Offense ....................................................... 375.00
- Second Repeat Offense ..................................................... 750.00
- Third and Subsequent Repeat Offenses .................................. 1,500.00

**Municipal Civil Infraction for Trash Placed at Curb Outside of Permitted Hours:**

- Each Violation .................................................................... 25.00
- First Repeat Offense ....................................................... 50.00
- Second and Subsequent Repeat Offenses ................................ 100.00

**Municipal Civil Infraction for Violation of a Mandatory Water Restriction:**

- Each Violation .................................................................... 25.00
- First Repeat Offense ....................................................... 50.00
- Second and Subsequent Repeat Offenses ................................ 100.00

**Municipal Civil Infraction for Raking Leaves Into Street:**

- Each Violation .................................................................... 25.00
- First Repeat Offense ....................................................... 50.00
- Second and Subsequent Repeat Offenses ................................ 100.00

**Sec. 3.13**

**TREASURY OFFICE:**

- Bounced Check Fee .......................................................... 30.00
- Delinquent Bill to Tax Roll Penalty (excluding Water & Sewer) .......................................................... 17%
- Late Payment Penalty ......................................................... 6%
- Penalty Assessment on Delinquent Taxes .................................. 3%
- Attorney Review Fee for Liens or Discharges .................................................. 82.00
- Subordination of Lien ........................................................ 540.00
Annual Lien Penalty .................................................................................................................. 6% + lien filing costs
O.U.I.L./O.U.I.D. .................................................................................................................. 340.00 + additional reimbursements
Property Tax Administration Fee (P.T.A.F.) ................................................................................ 1%

Municipal Civil Infraction for Failure to Pay Police or Fire False Alarm Invoices:

<table>
<thead>
<tr>
<th>Offense</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each Violation</td>
<td>150.00</td>
</tr>
<tr>
<td>First Repeat Offense</td>
<td>375.00</td>
</tr>
<tr>
<td>Second Repeat Offense</td>
<td>750.00</td>
</tr>
<tr>
<td>Third and Subsequent Repeat Offenses</td>
<td>1,500.00</td>
</tr>
</tbody>
</table>

ARTICLE IV

The City Manager is hereby authorized to make transfers within the budgetary centers established in this ordinance but all transfers between budgetary centers, contingencies, reserves, and fund balances shall be made only by further action of the City Council pursuant to law; the City Manager is hereby authorized to sign letters of severance after notifying the City Council and establish City programs which are a de minimis, but necessary expenditure for the benefit of the recipient employee and funded through appropriations in this ordinance; the City Manager is hereby authorized to release bidding documents for those capital items and recurring commodities expressly authorized within appropriations in this ordinance for public review by the City Council following receipt of bids.

ARTICLE V

SEVERABILITY

If any clause, sentence, paragraph, or part of this ordinance, or the application thereof to any person or circumstance, shall for any reason be adjudged by any Court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair, or invalidate the remainder of this ordinance and the application of such provision to other persons or circumstances, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person or circumstances involved. It is hereby declared to be the legislative intent of this body that the ordinance would have been adopted had such invalid provision not been included.

ARTICLE VI

EFFECTIVE DATE

This ordinance shall become effective July 1, 2019.

BY ORDER OF CITY COUNCIL

ADOPTED:

PUBLISHED:

EFFECTIVE:
AGENDA STATEMENT

Item Title: To consider the application by Ultimate Hydroforming, Inc. for an Industrial Facilities Tax Exemption Certificate (IFEC) at 42605 Van Dyke Avenue. (Presentation - Luke Bonner, Senior Economic Development Advisor).

Submitted By: Office of Assessing

Contact Person/Telephone: Marcia Magyar-Smith, Assessor - 586-446-2341

Administration Approvals:
- MR City Clerk
- JV Finance & Budget Director
- MK City Attorney
- MV City Manager

Executive Summary

On January 23, 2019, Ultimate Hydroforming, Inc., a Michigan corporation (Applicant), filed an application for an Industrial Facilities Tax Exemption Certificate (IFEC) for a proposed real and personal property investment of $5,478,271 at 42605 Van Dyke Avenue, and a vacant 74,720 square foot speculative industrial facility being leased from Mancini Enterprises, LLC. Applicant's real property investment will involve structural renovations at a cost of $3,031,373 and interior build-out improvements at a cost of $1,256,680. Applicant will invest an additional $1,190,218 in personal property at this facility.

Applicant has been a manufacturing presence in Sterling Heights since 1981 and will utilize the renovated lease space for light manufacturing of complex, high precision parts for Aerospace, Automotive, Alternative Energy, Military, Medical and Commercial applications. Applicant expects the initial production mix at the facility to be approximately 75% automotive and 25% aerospace manufacturing. The cumulative investment of $5,478,271 will create 5 new jobs in the City, while retaining 17 jobs at Applicant's multiple facilities in the City. The real property is located within an Industrial Development District (IDD) established by the City Council on May 1, 1990. A Speculative Building Designation for the facility located at 42605 Van Dyke Avenue was approved by Resolution of the City Council on August 1, 2017.

This proposed real property investment will generate an estimated increase of $165,760 in new City tax revenue over the recommended nine-year abatement term. Applicant's creation of 5 new jobs in the City will also generate an overall positive economic impact for the regional economy of $900,000 annually (Multiplier Factor of 4 x Wages of $45,000/job created x 5 jobs).

Suggested Action:

Resolved, to adopt the resolution approving the application by Ultimate Hydroforming, Inc. for an Industrial Facilities Tax Exemption Certificate at 42605 Van Dyke Avenue, Parcel # 10-10-09-200-046,
for a period of 9 years in accordance with the guidelines established by City Council, and the Mayor and City Clerk are hereby authorized to sign, as applicable, all documents required in conjunction with this approval.
Office of Assessing
Staff Report

Subject: Industrial Facilities Exemption Certificate
Date: May 7, 2019
Applicant: Ultimate Hydroforming, Inc.
Address: 42605 Van Dyke Avenue
Sidwell Numbers: 50-10-10-09-200-046
Submitted By: Marcia D. Magyar-Smith / Luke Bonner
Email Address: mdmsmith@sterling-heights.net

GENERAL INFORMATION
Public Act 198 was enacted in 1974 to provide property tax incentives designed to stimulate local economic growth. These incentives involve placing real property assets on an industrial facilities assessment roll with a specific tax rate that is approximately half of the tax rate associated with an ad valorem (regular) assessment roll. An application for an Industrial Facilities Tax Exemption Certificate (IFEC) requires that a written agreement is executed for performance issues and that no payment in excess of the approved fee is allowed in exchange for favorable consideration of the IFEC application.

APPLICANT INFORMATION
Ultimate Hydroforming, Inc., (Applicant) was founded in 1979 and is a privately held woman-owned business conducting manufacturing operations in Sterling Heights since 1981. Ultimate Hydroforming specializes in the forming and assembling of complex, high precision parts for Aerospace, Automotive, Alternative Energy, Military, Medical and Commercial fields, with capabilities in stamping, deep draw forming, welding, assembly and laser cutting of most materials.

PROJECT INFORMATION
Applicant is applying for an Industrial Facilities Tax Exemption Certificate for a proposed real and personal property investment of $5,478,271 at 42605 Van Dyke Avenue, a vacant 74,720 square foot speculative industrial facility being leased from Mancini Enterprises, LLC. Applicant’s real property investment will involve structural renovations at a cost of $3,031,373 and interior build-out improvements at a cost of $1,256,680. Applicant will invest an additional $1,190,218 in personal property at this facility. Applicant expects the initial production mix at the facility to be approximately 75% automotive and 25% aerospace manufacturing. The cumulative investment of $5,478,271 will create 5 new jobs in the City, while retaining 17 jobs at Applicant’s multiple facilities in the City.

STAFF RECOMMENDATION
Applicant is planning to invest $4,288,053 in real property for the proposed project. This will solidify Applicant’s long-term manufacturing presence in Sterling Heights and generate an additional 5 new manufacturing jobs. Based on these factors, and the expectation that this investment will generate production activity in the high-tech industries of aerospace and advanced vehicles technology, recommendation is being made to approve Applicant’s application for an IFEC term of 9 years.
IDD Establishment Date: May 1, 1990

Total Real Property Investment: $4,288,053 = 7 years

Full Time Jobs Created as a Result of Project: 5 = 1 year

High Technology Activity Credit: = 1 year

IFEC Term per City Guidelines: 9 years

Recommended IFEC Term: 9 years

Full Time Jobs Created in Southeast Michigan: 5
Employment Multiplier for Manufacturing Jobs: 4
Related New Jobs Created in Southeast Michigan: 20
Average Wage of Jobs Created in Southeast Michigan: $45,000
Positive Area Impact of Jobs Created: $900,000

PROPERTY TAXES ABATED (50%) & ADDITIONAL REVENUE GENERATED

<table>
<thead>
<tr>
<th></th>
<th>City Tax</th>
<th>School Tax</th>
<th>Total Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANNUAL</td>
<td>$18,418</td>
<td>$39,080</td>
<td>$59,209</td>
</tr>
<tr>
<td>Property Taxes Abated/Generated over 9-Year Term:</td>
<td>$165,760</td>
<td>$351,720</td>
<td>$532,880</td>
</tr>
<tr>
<td>CURRENT ANNUAL TAX LIABILITY ON THIS VACANT SPECULATIVE BLDG</td>
<td>$54,018</td>
<td>$114,619</td>
<td>$173,655</td>
</tr>
</tbody>
</table>
Office of Assessing

IFEC Information Sheet

Date: May 7, 2019
Applicant: Ultimate Hydroforming, Inc.
Address: 42605 Van Dyke
Sidwell Number: 50-10-10-09-200-046

BUILDING SKETCH

TOTAL SQ. FT. 74,720
Office of Assessing

IFEC Information Sheet

Date: May 7, 2019
Applicant: ULTIMATE HYDROFORMING, INC.
Address: 42605 VAN DYKE AVENUE
Sidwell Number: 50-10-10-09-200-046

PROPERTY LEGAL DESCRIPTION

MANCINI ENTERPRISES, LLC

T2N, R12E, SEC 9 COM AT NE 1/4 COR SEC 9; TH SOUTH 716.77 FT; TH S89°40'54"W 60.0 FT; TH SOUTH 230.02 FT TO POB; TH SOUTH 259.58 FT; TH S89°45'48"W 740.0 FT; TH NORTH 259.58 FT; TH N89°45'48"E 740.0 FT TO POB.

4.41 ACRES SPLIT FROM -041 FOR 2002

PROPERTY LOCATION MAP
Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 106 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call (517) 373-3302.

<table>
<thead>
<tr>
<th>To be completed by Clerk of Local Government Unit</th>
<th>STC Use Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature of Clerk</td>
<td>Date Received by Local Unit</td>
</tr>
<tr>
<td>Melanie D. Rypka</td>
<td>02-15-2019</td>
</tr>
</tbody>
</table>

APPLICANT INFORMATION
All boxes must be completed.

<table>
<thead>
<tr>
<th>1a. Company Name (Applicant must be the occupant/operator of the facility)</th>
<th>1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ultimate Hydroforming, Inc.</td>
<td>332322, 332811</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1c. Facility Address (City, State, ZIP Code) (real and/or personal property location)</th>
<th>1d. City/Township/Village (Indicate which)</th>
</tr>
</thead>
<tbody>
<tr>
<td>42605 Van Dyke, Sterling Heights MI 48314</td>
<td>Sterling Heights</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. Type of Approval Requested</th>
<th>3a. School District where facility is located</th>
</tr>
</thead>
<tbody>
<tr>
<td>New (Sec. 2(6))</td>
<td>Utica</td>
</tr>
<tr>
<td>Transfer</td>
<td>3b. School Code</td>
</tr>
<tr>
<td>Speculative Building (Sec. 3(6))</td>
<td>50210</td>
</tr>
<tr>
<td>Rehabilitation (Sec. 3(6))</td>
<td></td>
</tr>
<tr>
<td>Research and Development (Sec. 2(10))</td>
<td></td>
</tr>
<tr>
<td>Increase/Amendment</td>
<td></td>
</tr>
</tbody>
</table>

4. Amount of years requested for exemption (1-12 Years)

| 12 |

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

Ultimate Hydroforming specializes in the forming and assembling of complex, high precision parts for Aerospace, Automotive, Alternative Energy, Military, Medical and Commercial fields. From small brackets, to body sides, to complex Aerospace assemblies. They will be doing light manufacturing out of this new facility with 75% being automotive and 25% aerospace work. Short production runs. Total project investment equals $5,478,271 (real property of interior build out = $1,256,680 personal property = $1,190,218; building structure = $3,031,373) Will create 5 new jobs while retaining 17 from all facilities.

6a. Cost of land and building improvements (excluding cost of land) $4,288,053.00

* Attach list of improvements and associated costs.
* Also attach a copy of building permit if project has already begun.

6b. Cost of machinery, equipment, furniture and fixtures $4,288,053.00

* Attach itemized listing with month, day and year of beginning of installation, plus total

6c. Total Project Costs $4,288,053.00

* Round Costs to Nearest Dollar

Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

<table>
<thead>
<tr>
<th>Begin Date (M/D/Y)</th>
<th>End Date (M/D/Y)</th>
</tr>
</thead>
<tbody>
<tr>
<td>08/03/2018</td>
<td>08/03/2020</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>9. No. of existing jobs at this facility that will be retained as a result of this project.</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>10. No. of new jobs at this facility expected to create within 2 years of completion.</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
</tr>
</tbody>
</table>

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

<table>
<thead>
<tr>
<th>a. TV of Real Property (excluding land)</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>b. TV of Personal Property (excluding inventory)</td>
<td>N/A</td>
</tr>
<tr>
<td>c. Total TV</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>12a. Check the type of District the facility is located in:</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒ Industrial Development District</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>12b. Date district was established by local government unit (contact local unit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>05/01/1990</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>12c. Is this application for a speculative building (Sec. 3(9))?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒ Yes</td>
</tr>
</tbody>
</table>
APPLICANT CERTIFICATION - complete all boxes.
The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has compiled or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name 13b. Telephone Number 13c. Fax Number 13d. E-mail Address
Shane Klyn 586-254-2300 Ext 110 586-254-3470 shane@uhigroup.com

14a. Name of Contact Person 14b. Telephone Number 14c. Fax Number 14d. E-mail Address
Shane Klyn 586-254-2300 Ext 110 586-254-3470 shane@uhigroup.com

15a. Name of Company Officer (No Authorized Agents)
Shane Klyn
President

15b. Signature of Company Officer (No Authorized Agents)
Shane Klyn

15c. Mailing Address (Street, City, State, ZIP Code)
42450 Yearago Drive Sterling Heights MI 48314
586-254-2300 Ext 110 Shane@uhigroup.com

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.
This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

16a. Documents Required to be on file with the Local Unit
Check or Indicate N/A if Not Applicable
1. Notice to the public prior to hearing establishing a district.
2. Notice to taxing authorities notified for district and application action.
3. List of taxing authorities notified for district and application action.
4. Lease Agreement showing applicants tax liability.

16b. The State Tax Commission Requires the following documents be filed for an administratively complete application:
Check or Indicate N/A if Not Applicable
1. Original Application plus attachments, and one complete copy
2. Resolution establishing district
3. Resolution approving/approving application
4. Letter of Agreement (Signed by local unit and applicant)
5. Affidavit of Fees (Signed by local unit and applicant)
6. Building Permit for real improvements if project has already begun
7. Equipment List with dates of beginning of installation
8. Form 3222 (If applicable)
9. Speculative building resolution and affidavits (If applicable)

16c. LUCI Code 16d. School Code
16e. Name of Local Government Body
16f. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk 19b. Name of Clerk 19c. E-mail Address

19d. Clerk’s Mailing Address (Street, City, State, ZIP Code)

19e. Telephone Number 19f. Fax Number

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:
Michigan Department of Treasury
State Tax Commission
PO Box 30471
Lansing, MI 48909

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)
# APPLICATION
## INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
### ATTACHMENT - SECTION 6A

## ATTACHMENT TO 6A - COST OF BUILDING
### BUILDERS ESTIMATE

42605 Van Dyke Road  
Sterling Heights, MI

### COST OF LAND IMPROVEMENTS

<table>
<thead>
<tr>
<th>Item</th>
<th>Estimated Installation Date</th>
<th>Estimated Cost</th>
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</thead>
<tbody>
<tr>
<td>Demolition &amp; Site Work</td>
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<td>Excavation (Foundation)</td>
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<td>$366,805</td>
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<td>Concrete, inc. Sitework</td>
<td>4/1/2017 - 7/2017</td>
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<td>Landscaping</td>
<td>Jan-18</td>
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<td><strong>TOTAL COST</strong></td>
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<td><strong>$940,625</strong></td>
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### COST OF BUILDING

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<th>Item</th>
<th>Estimated Installation Date</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Masonry, inc. Facing</td>
<td>April-17</td>
<td>$251,734</td>
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<tr>
<td>Steel, Structural</td>
<td>May-17</td>
<td>$684,043</td>
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<td>Carpentry, Rough and Finish</td>
<td>May-17</td>
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<td>Roof</td>
<td>June-17</td>
<td>$393,301</td>
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<td>Doors, inc. Frames Hdw</td>
<td>February-18</td>
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<td>Overhead Door, inc. Hdw and Controls</td>
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<tr>
<td>Window, inc. Treatments</td>
<td>6/2017-3/2018</td>
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<td>Plumbing (Water/Sewage, Gas, Air)</td>
<td>2002, 2016 &amp; 2017</td>
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<td>HVAC</td>
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<tr>
<td>Electrical Work</td>
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<td>Fire Suppression</td>
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<td><strong>TOTAL COST</strong></td>
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<td><strong>$2,090,748</strong></td>
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**GRAND TOTAL: REAL PROPERTY - $3,031,373.00**
APPLICATION
INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
ATTACHMENT - SECTION 6A

ATTACHMENT TO 6A - COST OF BUILDING
BUILDERS ESTIMATE

42605 Van Dyke Road
Sterling Heights, MI

<table>
<thead>
<tr>
<th>COST OF LAND IMPROVEMENTS</th>
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</thead>
<tbody>
<tr>
<td>Demolition &amp; Site Work</td>
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<td>Excavation (Foundation)</td>
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<td>$335,827</td>
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<tbody>
<tr>
<td>Masonry, inc. Facing</td>
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<td>Steel, Structural</td>
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<td>Carpentry, Rough and Finish</td>
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<td>Roof</td>
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<td>Doors, inc. Frames Hdw</td>
<td>November-18</td>
<td>$17,500</td>
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<td>Overhead Door, inc. Hdw and Controls</td>
<td>December-18</td>
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<tr>
<td>Flooring</td>
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<td></td>
</tr>
<tr>
<td>Insulation</td>
<td>December-18</td>
<td></td>
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<tr>
<td>Window, inc. Treatments</td>
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<td></td>
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<td>Painting (Exterior and Interior)</td>
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<td>Plumbing (Water/Sewage, Gas, Air)</td>
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GRAND TOTAL: REAL PROPERTY - $1,256,680
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<th>Actual Installation Date (M/D/Y)</th>
<th>Actual Description on Depreciation</th>
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<td>$1,400</td>
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<td>Alarm System and Equipment</td>
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<td>$2,800</td>
<td>Early 2019</td>
<td>Surveillance Equipment</td>
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<tr>
<td>$3,200</td>
<td>Early 2019</td>
<td>2 PLEX Stations</td>
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<tr>
<td>$9,000</td>
<td>Early 2019</td>
<td>Computer Equipment</td>
<td></td>
<td></td>
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<tr>
<td>$3,400</td>
<td>Early 2019</td>
<td>Shipping Station w/ Scale</td>
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PAGE TOTALS

$30,650
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<th>COLUMN III</th>
<th>COLUMN IV</th>
<th>COLUMN V</th>
<th>COLUMN VI</th>
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<td>Actual Installation Date (M/D/Y)</td>
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<tr>
<td>$5,000</td>
<td>Early 2019</td>
<td>Phone System</td>
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<td>Early 2019</td>
<td>Copier</td>
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<tr>
<td>$500</td>
<td>Early 2019</td>
<td>Fax/Scan</td>
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<td>$900</td>
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<td>Network Printers (1 color and 1 black and white)</td>
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<td>$300</td>
<td>Early 2019</td>
<td>2 White Boards</td>
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<tr>
<td>$500</td>
<td>Early 2019</td>
<td>Safety Stations</td>
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<p>| $8,700 | PAGE TOTALS | $8,700 | PAGE TOTAL: |</p>
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<th>COLUMN IV</th>
<th>COLUMN V</th>
<th>COLUMN VI</th>
</tr>
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<tbody>
<tr>
<td>Original Estimated Cost</td>
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<td>Original List Description</td>
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<td>Actual Installation Date (M/D/Y)</td>
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<td>$7,000</td>
<td>Early 2019</td>
<td>2 Conference Room Desks</td>
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<td>$9,000</td>
<td>Early 2019</td>
<td>30 Conference Room Chairs</td>
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<td>$4,000</td>
<td>Early 2019</td>
<td>4 Office Desks</td>
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<td>Early 2019</td>
<td>8 Office Chairs</td>
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<tr>
<td>$5,000</td>
<td>Early 2019</td>
<td>Lobby Seating</td>
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<tr>
<td>$2,200</td>
<td>Early 2019</td>
<td>Lobby TV and Mount</td>
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<td></td>
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<tr>
<td>$5,000</td>
<td>Early 2019</td>
<td>Open Office Seating</td>
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<tr>
<td>$200</td>
<td>Early 2019</td>
<td>File Cabinets/Shelving</td>
<td></td>
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<tr>
<td>$2,000</td>
<td>Early 2019</td>
<td>Refrigerator</td>
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<tr>
<td>$200</td>
<td>Early 2019</td>
<td>Microwave</td>
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<td>$500</td>
<td>Early 2019</td>
<td>Lunch Room Table</td>
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$36,600

PAGE TOTAL: $36,600
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<th>COLUMN I</th>
<th>COLUMN II</th>
<th>COLUMN III</th>
<th>COLUMN IV</th>
<th>COLUMN V</th>
<th>COLUMN VI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Estimated Cost</td>
<td>Expected Installation Date</td>
<td>Original List Description</td>
<td>Actual Purchase Date (M/D/Y)</td>
<td>Actual Installation Date (M/D/Y)</td>
<td>Actual Description on Deprecation</td>
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<tr>
<td>$60,000</td>
<td>2/25/2019</td>
<td>3 Spot Welders</td>
<td>1/10/2019</td>
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<tr>
<td>$6,500</td>
<td>2/25/2019</td>
<td>Koolant Cooler and Water Chiller for Welding Equipment</td>
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<td>$71,424</td>
<td>2/10/2019</td>
<td>2 Grinder Cranes</td>
<td>9/17/2018</td>
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<td>$14,500</td>
<td>2/10/2019</td>
<td>Used Kaeser BSD50 Air Compressor</td>
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<tr>
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<td>2/10/2019</td>
<td>Used Airtek Lancaster Dryer</td>
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<td>11/20/2018</td>
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<tr>
<td>$50,000</td>
<td>3/1/2019</td>
<td>Supporting Fabrication Equipment</td>
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<tr>
<td>$10,000</td>
<td>3/1/2019</td>
<td>Racking and Storage</td>
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<td>4/1/2019</td>
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<td>3/1/2019</td>
<td>Fork Lift</td>
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$703,424

PAGE TOTAL: $703,424
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<tbody>
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<td>$75,000</td>
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<td>Electrical Buss</td>
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<td>Shipping Station</td>
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<td>Early 2019</td>
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<tr>
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<td>Air Compressor Lines</td>
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$410,844

PAGE TOTALS

COMBINED PAGE TOTAL: $410,844
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<tr>
<td>M&amp;E</td>
<td>$703,424</td>
</tr>
<tr>
<td>Furniture &amp; Fixtures</td>
<td>$36,600</td>
</tr>
<tr>
<td>Office Equipment</td>
<td>$8,700</td>
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<tr>
<td>Computer Equipment</td>
<td>$30,650</td>
</tr>
<tr>
<td>Estimated Grand Total</td>
<td>$1,190,218</td>
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</tbody>
</table>
RESOLUTION

A resolution of the Sterling Heights City Council approving the application by Mancini Enterprises, LLC for a Speculative Building Designation for a New Facility located at 42605 Van Dyke.

Minutes of the regular meeting of the City Council of Sterling Heights, Michigan, held on the 1st day of August, 2017, at the City Hall, 40555 Utica Road, in Sterling Heights, Michigan, at 7:00 p.m.:

PRESENT: Deanna Koski, Gary Lusk, Maria G. Schmidt, Nate Shannon, Liz Sierawski, Michael C. Taylor, Barbara A. Ziarko.

ABSENT: None

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on May 1, 1990, the City Council established by resolution an Industrial Development District (IDD) for property commonly known as 42605 Van Dyke.

WHEREAS, Mancini Enterprises, LLC (Applicant) has filed an application for a Speculative Building designation with respect to a new building installed within the IDD, on the following parcel of real property:

T2N, R12E, SEC 9 COM AT NE 1/4 COR SEC 9; TH SOUTH 716.77 FT; TH S89°40'54"W 60.0 FT; TH SOUTH 230.02 FT TO POB; TH SOUTH 259.58 FT; TH S89°45'48"W 740.0 FT; TH NORTH 259.58 FT; TH N89°45'48"E 740.0 FT TO POB 4.41 ACRES SPLIT FROM -041 FOR 2002

Commonly known as: 42605 Van Dyke, Sterling Heights, Michigan, 48314
Tax Item No.: 10-09-200-046-000

WHEREAS, before acting on said application, the City Council of Sterling Heights held a public hearing on August 1, 2017, at 40555 Utica Road, in Sterling Heights, MI at 7:00 pm, at which hearing Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application;

WHEREAS, the building was constructed for the purpose of providing a manufacturing facility before the identification of a specific user of that building, does not qualify as a replacement facility, and is a Speculative Building by definition of Public Act 198 of 1974;

WHEREAS, Applicant meets all requirements necessary for obtaining a Speculative Building designation under M.C.L. 207.551 et seq. and in accordance with established City guidelines;

NOW, THEREFORE,
BE IT RESOLVED, that the City Council for the city of Sterling Heights designates the new manufacturing building at 42605 Van Dyke as a Speculative Building pursuant to and in accordance with Public Act 198 of 1974.

Dated this 1st day of August, 2017

AYES: 7

NAYS: 0

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of Sterling Heights, County of Macomb, Michigan, at a regular meeting held the 1st day of August, 2017.

Melanie D. Ryska, City Clerk
WHEREAS, Ledds Enterprises Industrial Park has petitioned the City Council to establish an Industrial Development District at the following location:

A parcel of land located in the northeast 1/4 of Section 9, T2N, R12E, City of Sterling Heights, Michigan, described as commencing at the N.E. corner of Section 9, T2N, R12E, thence due south 771.00 feet along the East line of Section 9, which is the center line of Van Dyke Road, to a point of beginning, thence continuing along the same East line of Section 9, South 435.59 feet, thence N 89°41'24"E, 2643.66 feet to a point of the East R.O.W. line of Penn Central Railroad (50 feet wide), thence N 00°17'36"E, 435.39 feet, thence S89°41'24"W, 2643.66 feet to the point of beginning along the east line of Section 9, which is the center line of Van Dyke Road, containing 26.40 acres more or less. Parcel No. 10-09-200-002.

and

WHEREAS, The City Council has held a public hearing on this petition and there were no objections, and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Sterling Heights does hereby establish an Industrial Development District and Speculative Building Designation for Ledds Enterprises Industrial park, Sidwell No. 10-09-200-002.

Dated this 1st day of May, 1990.

AYES: Rice, Gush, Koski, Notte, Zettel, Burkhart, Grot

NAYS: None

ABSENT: None

Mary L. Zander, CMC/RAE
City Clerk
I, Shane Klyn, Vice President of Ultimate Hydroforming, Inc., do hereby certify that the commencement of the installation of the real property described in this application occurred on 8/03/2018.
IFEC Application Affidavit of Fees

APPLICANT NAME: Ultimate Hydroforming, Inc.

PROPERTY ADDRESS: 42605 Van Dyke, Sterling Heights, MI 48314

CERTIFICATION

In accordance with State Tax Commission Bulletin No. 3 dated January 1998, the City of Sterling Heights and the applicant referenced above do hereby swear and affirm that this applicant has not made, or promised to make payment of any kind to the City of Sterling Heights as a condition to the approval of this Application for an Industrial Facilities Tax Exemption (IFT) Certificate. Whether payments be referred to as “fees,” “payments in lieu of taxes,” “donations,” or by other like terms, such payments are contrary to the legislative intent of Act 198, as amended. We do hereby swear and affirm by our signatures below that “no payment of any kind in excess of the fee allowed, as amended by Public Act 323 of 1996, has been made or promised in exchange for favorable consideration of this Application for an IFEC.”

PRINT NAME: Shane Klyn
TITLE: Vice President
SIGNATURE: 
DATE: 1-7-19

The forgoing certification was acknowledged this 5th day of January, 2019, By Shane Klyn, Vice President on behalf of Ultimate Hydroforming, Inc.

SHARON L. RZEPPA
NOTARY PUBLIC, STATE OF MI
COUNTY OF OAKLAND
MY COMMISSION EXPIRES Jan 6, 2022
ACTING IN COUNTY OF Macomb

PRINT NAME: Melanie D. Ryska
TITLE: City Clerk
SIGNATURE: 
DATE: 1-28-2019

The forgoing certification was acknowledged this 28th day of January 2019, By Melanie D. Ryska, City Clerk on behalf of CITY OF STERLING HEIGHTS

ANDREA L. BARA
NOTARY PUBLIC, STATE OF MI
COUNTY OF LAPEER
MY COMMISSION EXPIRES Oct 14, 2022
ACTING IN COUNTY OF MI-CONB

Notary Public, LAPEER County, MI
IFEC LETTER OF AGREEMENT

DATE: 1-7-19

COMPANY NAME: Ultimate Hydroforming, Inc.

FACILITY ADDRESS: 42605 Van Dyke, Sterling Heights, MI 48314

City Council
City of Sterling Heights
40555 Utica Road
P.O. Box 8009
Sterling Heights, MI 48311-8009

RE: Industrial Facilities Tax Exemption Certificate between:
Ultimate Hydroforming, Inc. and the City of Sterling Heights

Dear Members of Council:

Ultimate Hydroforming, Inc. (the “Company”) has submitted the attached Application (the “Application”) to you requesting approval of an Industrial Facilities Tax Exemption Certificate (“IFEC”), pursuant to Michigan Public Act 198 of 1974, as amended, for the property located at 42605 Van Dyke, Sterling Heights, MI 48314, Sterling Heights, (the “Facility”)(Legal Description of the property where the Facility is located is attached).

To encourage approval of the IFEC and in recognition of the investments the City of Sterling Heights (the “City”) will make toward the economic growth of the Company, which will benefit the City, the Company agrees as follows:

1. General. (Check applicable lines consistent with the Application)

   a. The Company will make the improvements set forth in the Application within two (2) years of the effective date of the IFEC (the “Effective Date”).

   b. The Company will purchase and/or lease and install the personal property as set forth in the Application within two (2) years of the Effective Date.

   c. The Company will create new full-time jobs at the Facility within two (2) years of the Effective Date.

   d. The Company will comply with the requirements imposed by the City as part of the site review prior to issuance of a Certificate of Occupancy.
2. **Compliance with Laws.** The Company agrees that it will operate the Facility in accordance with all applicable Federal, State, and local laws or regulations, including but not limited to zoning, outside storage, industrial waste disposal, air and water quality, noise control, and other environmental regulations.

3. **Continued Operation of the Facility.** The Company further agrees to continue to operate the Facility within the City for the period of the IFEC in order to retain the benefits of the IFEC.

4. **Premature Vacation of the Facility.** If the Company vacates, or intends to vacate, the Facility prior to the end of the term of the IFEC, the Company shall be responsible for the following:

   a. If the Company intends to vacate the Facility for which the IFEC has been approved and issued prior to the end of the term of this agreement, the Company agrees to notify the City Assessor in writing of such intent and the reasons for vacating not less than 60 days prior to vacating the facility.

   b. The Company agrees to make reasonable provisions satisfactory to the City and in compliance with all applicable laws, codes and ordinances to maximize the likelihood of re-occupancy or re-use of the unoccupied building for productive use within a reasonable time period after the Facility is vacated.

   c. The Company shall, if requested by the City, deposit an amount equal to the amounts anticipated to be due from the Company under this agreement as a result of the Company vacating the Facility prior to the term for which the IFEC was approved, including but not limited to any reasonable cleanup or maintenance costs, administrative fees, court costs, and attorney fees incurred.

   d. The Company shall pay any outstanding taxes and shall repay to all affected municipalities an amount equal to the total tax amount abated by the IFEC (unless recovery of a lesser amount is requested by the City or other taxing authority) within 30 days of the date of an invoice for such taxes.

   e. If the Company fails to pay the amount of the invoice for abated taxes within 30 days of the date of the City invoice, the Company shall be responsible for any additional costs incurred by the City in recovery of such taxes, including, but not limited to administrative fees, court costs, and attorney fees incurred.

5. **Notice of Completion and Final Cost Report.** The Company will submit to the City, not later than 90 days after the completion date for each property component for which an IFEC was granted a Notice of Completion and Final Cost Report in a form requested by the City which includes the actual completion date and final cost of each project component for which an IFEC was originally granted, and an explanation if the final cost of either the real or personal property listed on the Application was greater than the original estimated amount by more than 10%.

6. **Employment Status Report.** The Company will submit to the City, not later than January 31st of the second year after the effective date, and every two years after that date, an Employment Status Report in a form requested by the City, which includes the number of actual full-time jobs created as a direct result of the project for which the certificate was granted, and an explanation if the jobs created during the term of the IFEC was less than the original estimated amount.
7. **Review and Audit: Payment of Costs.** The Company understands that the City may review and audit the information provided by the Company to determine compliance with this agreement and that any costs for such services will be paid by the Company in accordance with a fee schedule approved by the City Council, which may be adjusted from time to time based upon increases in costs to the City.

8. **Remedies for Default for Failure to Satisfy Representations Made in Application.** The Company understands that the City may pass a resolution requesting that the State Tax Commission reduce the term of the IFEC or revoke the IFEC to the extent that the construction or expansion of the Facility has not been completed, expenditures made, or employment reached as represented by the Company in the application, by sending a copy of this Agreement along with a copy of the City Council resolution authorizing such action to the State Tax Commission. In addition, the Company acknowledges that the City may take into account any deficiency in job creation, or real or personal property investment made under this application in a subsequent application for an IFEC or an Exemption of New Personal Property filed by the Company.

9. **Consequences of Unsuccessful Real or Personal Property Tax Appeal.** The Company acknowledges that if during the term of this Agreement, the Company appeals any real or personal property assessment to the Michigan Tax Tribunal or other court of competent jurisdiction upon which it does not prevail, that the Company shall pay to the City all reasonable costs, expenses, and attorney fees incurred by the City in defending such appeals within thirty (30) days of the date of receipt of an invoice from the City. The Company also acknowledges that the City may consider such appeals in deciding the term of any subsequent certificates granted to the Company.

10. **Unforeseen Events.** By execution of this agreement, it is understood that the Company's investment in the Facility and the City's investment in the granting of the IFEC are to encourage economic growth within the City. The City acknowledges that in some instances, economic conditions may prevent the Company from complying fully with this agreement and the terms of the Application. The City will give the Company an opportunity to explain the reasons for any variations from the representations contained in the application and will evaluate the Company's situation prior to taking any action authorized by paragraph 4 and 8 of this agreement.

11. **Entire Agreement.** This is the entire agreement of the parties relating to the matters covered by this Agreement, and no prior or subsequent promises, representations or assurances, whether in any other form, shall be used to modify, vary or contradict any provision of this Agreement, except for any written amendment to this Agreement or separate agreement signed following the date of this Agreement by authorized representatives of all parties to this Agreement.

12. **Severability.** The invalidity of any section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions thereof, which shall remain in full force and effect to govern the parties' relationship.

13. **Reimbursement of Attorney Fees for Modification of Standard Agreement.** The Company agrees to reimburse the City within 30 days of the date of a receipt of an invoice from the City for all attorney fees incurred by the City in the negotiation or preparation of changes to the standard IFEC Letter of Agreement.
ACCEPTED BY: THE COMPANY

NAME: Shane Klyn
TITLE: Vice President
SIGNATURE: 

STATE OF MICHIGAN
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this 7th day of January, 2019 by Shane Klyn, Vice President on behalf of Ultimate Hydroforming, Inc.

SHARON L. RZEPPA
NOTARY PUBLIC, STATE OF MI
COUNTY OF OAKLAND
MY COMMISSION EXPIRES Jan 6, 2022
ACTING IN COUNTY OF Macomb

ACCEPTED BY: CITY OF STERLING HEIGHTS
A MUNICIPAL CORPORATION

NAME: Michael C. Taylor
TITLE: Mayor
SIGNATURE: 

STATE OF MICHIGAN
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this ___ day of __________________ by Michael C. Taylor and Melanie D. Ryska, Mayor and City Clerk, respectively, on behalf of the City of Sterling Heights, a Michigan municipal corporation.

When recorded, return to:
City Clerk
City of Sterling Heights
40555 Utica Road PO Box 8009
Sterling Heights, MI 48311-8009

Drafted by:
City of Sterling Heights
40555 Utica Road
P.O. Box 8009
Sterling Heights, MI 48311-8009
Ultimate Hydroforming, Inc.

LEGAL DESCRIPTION

42605 Van Dyke
Sterling Heights, MI 48314

Industrial Facilities Tax Exemption Application

Parcel Identification Number: 10-09-200-046-000

Legal Description:

T2N, R12E, SEC 9 COM AT NE 1/4 COR SEC 9; TH SOUTH 716.77 FT; TH S89°40'54"W 60.0 FT; TH SOUTH 230.02 FT TO POB; TH SOUTH 259.58 FT; TH S89°45'48"W 740.0 FT; TH NORTH 259.58 FT; TH N89°45'48"E 740.0 FT TO POB

4.41 ACRES SPLIT FROM -041 FOR 2002
LEASE AGREEMENT

between

MANCINI ENTERPRISES, LLC,
as Landlord

and

ULTIMATE HYDROFORMING, INC.,
as Tenant

August 1, 2018
LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease"), dated the 1st day of August, 2018 (the "Effective Date") is entered into by and between ULTIMATE HYDROFORMING, INC., a Michigan corporation ("Tenant"), and MANCINI ENTERPRISES, LLC, a Michigan limited liability company ("Landlord").

I. BASIC LEASE PROVISIONS

1.1 Premises. Approximately 73,505 Rentable Square Feet of space as outlined on Exhibit A attached hereto and made a part hereof and located at the Building.

1.2 Building. The building containing approximately 73,505 Rentable Square Feet and located at 42605 Van Dyke Road, Sterling Heights, Michigan.

1.3 Land. The parcel of land upon which the Building is located as more particularly described in the legal description set forth on Exhibit A attached hereto and made a part hereof, and all rights, easements and appurtenances thereunto belonging or pertaining.

1.4 Property. The Building and the Land.

1.5 Project. The development consisting of the Land, the Building and all other improvements built on the Land, containing approximately 73,505 Rentable Square Feet.

1.6 Rentable Square Feet (Foot) or Rentable Area. The rentable area within the Premises, Building or Project deemed to be the amounts set forth in this Article I. Landlord and Tenant stipulate and agree that the Rentable Square Feet of the Premises and Project are correct as set forth herein and shall not be re-measured.

1.7 Term. 144 months, beginning on the Commencement Date and expiring on the Expiration Date.

1.8 Commencement Date. The Commencement Date shall be the date of Substantial Completion of Landlord's Work (as both such terms are defined in Exhibit B). The parties agree that the target Commencement Date is October 1, 2018.

1.9 Expiration Date. The date that is the last day of the 144th full month following the Commencement Date.

1.10 Lease Year. Each consecutive 12 month period elapsing after: (i) the Commencement Date if the Commencement Date occurs on the first day of a month; or (ii) the first day of the month following the Commencement Date if the Commencement Date does not occur on the first day of a month. Notwithstanding the foregoing, the first Lease Year shall include the additional days, if any, between the Commencement Date and the first day of the month following the Commencement Date, in the event the Commencement Date does not occur on the first day of a month.

1.11 Calendar Year. For the purpose of this Lease, Calendar Year shall be a period of 12 months commencing on each January 1 during the Term, except that the first Calendar Year shall be that period from and including the Commencement Date through December 31 of that same year, and the last Calendar Year shall be that period from and including the last January 1 of the Term through the earlier of the Expiration Date or date of Lease termination.
1.12 Basic Rent. The amount set forth in the following schedule, subject to adjustment as specified in Article IV.

<table>
<thead>
<tr>
<th>Period</th>
<th>Approximate Annual Rent (RSF)</th>
<th>Monthly Basic Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Year 1</td>
<td>$525,560.75</td>
<td>$43,796.73</td>
</tr>
<tr>
<td>Lease Year 2</td>
<td>$536,071.97</td>
<td>$44,672.66</td>
</tr>
<tr>
<td>Lease Year 3</td>
<td>$546,793.40</td>
<td>$45,566.12</td>
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<tr>
<td>Lease Year 4</td>
<td>$557,729.27</td>
<td>$46,477.44</td>
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<tr>
<td>Lease Year 5</td>
<td>$568,883.86</td>
<td>$47,406.99</td>
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<tr>
<td>Lease Year 6</td>
<td>$580,261.53</td>
<td>$48,355.13</td>
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<tr>
<td>Lease Year 7</td>
<td>$591,866.77</td>
<td>$49,322.23</td>
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<tr>
<td>Lease Year 8</td>
<td>$603,704.10</td>
<td>$50,308.68</td>
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<tr>
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<td>$615,778.18</td>
<td>$51,314.85</td>
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<tr>
<td>Lease Year 10</td>
<td>$628,093.75</td>
<td>$52,341.15</td>
</tr>
<tr>
<td>Lease Year 11</td>
<td>$640,655.62</td>
<td>$53,387.97</td>
</tr>
<tr>
<td>Lease Year 12</td>
<td>$653,468.73</td>
<td>$54,455.73</td>
</tr>
</tbody>
</table>

1.13 Security Deposit. $43,796.73

1.14 Interest Rate. The per annum interest rate listed as the base rate on corporate loans at large U.S. money center commercial banks as published from time to time under “Money Rates” in the Wall Street Journal plus 3%, but in no event greater than the maximum rate permitted by law. In the event the Wall Street Journal ceases to publish such rates, Landlord shall choose, at Landlord’s reasonable discretion, a similarly published rate.

1.15 Tenant’s Proportionate Share. Tenant’s Proportionate Share of the Project is 100% (determined by dividing the Rentable Square Feet of the Premises by the Rentable Square Feet of the Project and multiplying the resulting quotient by one hundred and rounding to the second decimal place).

1.16 Broker(s).

<table>
<thead>
<tr>
<th>Landlord’s:</th>
<th>Tenant’s:</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAI Farbman</td>
<td>Lee &amp; Associates</td>
</tr>
</tbody>
</table>

1.17 Reserved.

1.18 Landlord’s Notice Address.

Mancini Enterprises, LLC
Attention: Richard Mancini
42600 R. Mancini Drive
Sterling Heights, MI 48314

1.19 Tenant’s Notice Address.

Ultimate Hydroforming, Inc.
42450 Yearago Drive
Sterling Heights, MI 48314
Attention: Shirley A. Klyn

1.20 Agents. Officers, partners, directors, employees, agents, licensees, contractors, customers and invitees; to the extent customers and invitees are under the principal’s control or direction.
1.21 **Common Area.** All areas from time to time designated by Landlord for the general and nonexclusive common use or benefit of Tenant, other tenants of the Property, and Landlord, including, without limitation, roadways, entrances and exits, loading areas, landscaped areas, open areas, park areas, service drives, walkways, common trash areas, vending or mail areas, common pipes, conduits, wires and appurtenant equipment within the Project, maintenance and utility rooms and closets, exterior lighting, exterior utility lines, and parking facilities.

**II. PREMISES AND TERM**

2.1 **Premises.** Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, upon and subject to the terms, covenants, provisions and conditions of this Lease.

2.2 **Term.** The Term shall commence on the Commencement Date and expire at midnight on the Expiration Date. If Landlord, for any reason, cannot deliver possession of the Premises to Tenant on the above-referenced Commencement Date, then the Commencement Date, Expiration Date, and all other dates that may be affected by their change, shall be revised to conform to the date of Landlord’s delivery of possession of the Premises to Tenant. Any such delay shall not relieve Tenant of its obligations under this Lease, and neither Landlord nor Landlord’s agents shall be liable to Tenant for any loss or damage resulting from the delay in delivery of possession; provided that, notwithstanding any provision of this Lease to the contrary, if the Commencement Date does not occur on or before January 31, 2019 (the “Delivery Cutoff Date”), Tenant, as its sole and exclusive remedy hereunder shall have the right to terminate this Lease upon 5 days prior written notice to Landlord, and in all events during such 5 days which time Landlord shall continue to have the right to deliver the Premises to Tenant, and in such event, Tenant’s termination notice shall be deemed void and of no further force and effect. If Landlord does not deliver the Premises to Tenant within such 5-day period, the Security Deposit shall be forthwith returned, without deduction, to Tenant.

2.3 **Early Possession.** If Tenant takes possession of the Premises before the Commencement Date for the purposes of commencing business operations therein, such possession shall be subject to the terms and conditions of this Lease and Tenant shall pay Rent (as defined in Article III) to Landlord for each day of possession before the Commencement Date. Provided Tenant has delivered to Landlord its insurance certificates pursuant to Section 11.4, paid the Security Deposit and first two monthly installments of Rent, and placed all utilities in Tenant’s name, Landlord, in its sole discretion, may allow Tenant to enter the Premises after the Effective Date and prior to the Commencement Date for the sole purposes of installing furniture, equipment or other personal property, and except for the cost of services requested by Tenant, Tenant shall not be required to pay Rent for any days of possession prior to the Commencement Date during which Tenant is in possession of the Premises for such purposes. Tenant’s occupancy of the Premises prior to the Commencement Date for any purpose shall be subject to all other terms and conditions of this Lease, including without limitation, Articles X, XI, XVIII and XXIV. During any period of occupancy prior to the Commencement Date, Tenant and its Agents shall not interfere with Landlord’s performance of the work to be performed by Landlord pursuant to Article VI.

**III. BASIC RENT AND SECURITY DEPOSIT**

3.1 **Types of Rental Payments.** “Rent” shall be and consist of (a) Basic Rent payable in monthly installments as set forth in Section 1.12, in advance, on the first day of each and every calendar month during the Term of this Lease; and (b) Additional Rent as defined in Section 4.1. Commencing on the Commencement Date, Rent shall be paid by check or electronically via automatic debit, ACH credit, or wire transfer to such account as Landlord designates in writing to Tenant or at an address designated by Landlord for payment in lawful U.S. Dollars. The installment of Basic Rent and Additional Rent payable
for the first month full calendar month of the Term shall be due and payable at the time of execution and delivery of this Lease.

Until Landlord provides further written notice to Tenant, all Rent shall be paid as follows:

<table>
<thead>
<tr>
<th>If by check, to the following address:</th>
<th>Electronic Payment:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mancini Enterprises, LLC</td>
<td>Available upon request</td>
</tr>
<tr>
<td>Attention: Richard Mancini</td>
<td></td>
</tr>
<tr>
<td>42600 R. Mancini Drive</td>
<td></td>
</tr>
<tr>
<td>Sterling Heights, MI 48314</td>
<td></td>
</tr>
</tbody>
</table>

3.2 **Covenants Concerning Rental Payments.** Tenant shall pay the Basic Rent and the Additional Rent promptly when due, without notice or demand therefor, and without any abatement, deduction or setoff for any reason whatsoever, except as may be expressly provided in this Lease, No payment by Tenant, or receipt or acceptance by Landlord, of a lesser amount than the correct Basic Rent and/or Additional Rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or letter accompanying any payment be deemed an accord or satisfaction, and Landlord may accept such payment without prejudice to its right to recover the balance due or to pursue any other remedy in this Lease or at law. In addition, any such late Rent payment shall bear interest from the date such Rent became due and payable to the date of payment thereof by Tenant at the Interest Rate. Such interest shall be due and payable within two (2) days after written demand from Landlord.

3.3 **Net Lease.** It is intended that the Rent provided for in this Lease shall be an absolutely net return to Landlord for the Term of this Lease and any renewals or extensions thereof, free of any and all expenses or charges with respect to the Premises except for those obligations of Landlord expressly set forth herein.

3.4 **Security Deposit.** Contemporaneously with the execution of this Lease, Tenant shall pay to Landlord a Security Deposit in the amount set forth in Section 1.13, in immediately available funds, which shall be held by Landlord, in a separate account insured by the Federal Deposit Insurance Corporation, without liability for interest and as security for the performance by Tenant of its obligations under this Lease. The Security Deposit is not advance payment of Basic Rent or Additional Rent or a measure or limit of Landlord’s damages upon an Event of Default (as such term is defined in Section 21.1 of this Lease). Landlord shall be entitled to commingling the Security Deposit with Landlord’s other funds. Landlord may, from time to time and without prejudice to any other remedy, use all or part of the Security Deposit to perform any obligation which Tenant was obligated, but failed, to perform hereunder. Tenant waives the provisions of any law, now or hereafter enforced, which provide that Landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may, in addition, claim those sums reasonably necessary to compensate Landlord for any other loss or damage caused by the acts or omissions of Tenant or anyone acting by, through or under Tenant. Following any such application of the Security Deposit, Tenant shall pay to Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. Within thirty (30) days after the Term ends, provided Tenant has performed all of its obligations hereunder, Landlord shall return to Tenant the balance of the Security Deposit not applied to satisfy Tenant’s obligations. If Landlord transfers its interest in the Premises, then Landlord may assign the Security Deposit to the transferee and Landlord thereafter shall have no further liability for the return of the Security Deposit.
IV. ADDITIONAL RENT

4.1 Additional Rent. In addition to paying the monthly Basic Rent, commencing on the Commencement Date and continuing throughout the remainder of the Term, Tenant shall pay to Landlord, on the first day of each month, an amount equal to one-twelfth (1/12) of Tenant’s Proportionate Share of Basic Costs and Taxes estimated to be incurred during the applicable Calendar Year, together with all other amounts payable by Tenant under this Lease (collectively, the “Additional Rent”). Without limitation on the other obligations of Tenant which shall survive the expiration or earlier termination of this Lease, the obligations of Tenant to pay the Rent (including, without limitation, Additional Rent) incurred during the Term of this Lease shall survive the expiration or earlier termination of this Lease. For any partial Calendar Year, Tenant shall be obligated to pay only a pro rata share of the Additional Rent, equal to Additional Rent for such entire Calendar Year divided by 360, such quotient multiplied by the number of days of the Term falling within such Calendar Year.

4.2 Definitions. As used herein, the following terms shall have the following meanings:

(a) “Basic Costs” shall mean all expenses, costs and disbursements which Landlord shall pay or become obligated to pay because of, or in connection with, the normal commercial operation, maintenance and repair of the Project, including but not limited to (i) wages, salaries and fees of all personnel directly engaged in operating, maintaining or securing the Project, including taxes, insurance and benefits relating thereto; (ii) a management fee payable to Landlord or the company or companies managing the Project; (iii) all supplies, tools, equipment and materials used directly in the operation and maintenance of the Project, including any lease payments therefor; (iv) cost of reasonable repairs and general maintenance, including but not limited to the parking lot, roof repairs, landscaping and snow removal (excluding repairs and general maintenance paid by proceeds of insurance or by Tenant or other parties, and alterations attributable solely to specific tenants of the Project); (v) legal expenses and accounting expenses incurred with respect to the Project; (vi) Taxes; (vii) cost of all maintenance and service agreements for the Project, and any equipment related thereto, including window cleaning, snow removal and trash and recycling removal; (viii) premiums and deductibles paid for insurance relating to the Project, including, without limitation, fire and extended coverage, boiler, earthquake, windstorm, rental loss, and commercial general liability insurance; and (ix) capital improvements, except that Basic Costs for capital improvements shall be limited to (A) the cost during the Term of this Lease of any capital improvement which is reasonably intended to reduce any component cost included within Basic Costs as reasonably amortized by Landlord with interest on the unamortized amount at the Interest Rate, and (B) the cost of any capital improvements which are necessary to keep the Project or any part thereof in compliance with all governmental rules and regulations applicable thereto from time to time as reasonably amortized by Landlord with interest on the unamortized amount at the Interest Rate. Any capital improvement costs which are included in the term “Basic Costs” shall only be included to the extent any such costs are attributable, on a straight-line amortization (based on the life of the improvement for federal tax purposes), to the remaining portion of the Term of this Lease and any renewal or extension thereof.

(b) Exclusions from Basic Costs. The following items are specifically excluded from the definition of Basic Costs: (i) interest (except as otherwise allowed herein); (ii) depreciation; (iii) penalties and fines; (iv) marketing expenses and commissions; (v) costs of services or labor provided solely and directly to specific tenants at the Project, including, but not limited to tenant improvement costs; (vi) organizational expenses associated with the creation and operation of the entity which constitutes Landlord; (vii) general or special assessments levied against the owner of
the Project for public improvements which are not currently due; and (viii) capital improvements except as set forth in subparagraph (a) above.

(c) "Taxes" shall be defined as (i) all real property taxes and assessments levied by any public authority against the Property; (ii) all personal property taxes levied by any public authority on personal property of Landlord used in the management, operation, maintenance and repair of the Project, (iii) all taxes, assessments and reassessments of every kind and nature whatsoever levied or assessed in lieu of or in substitution for existing or additional real or personal property taxes and assessments on the Project, or (iv) amounts necessary to be expended because of governmental orders, whether general or special, ordinary or extraordinary, unforeseen as well as foreseen, of any kind and nature for public improvements, services, benefits or any other purposes which are assessed, levied, confirmed, imposed or become a lien upon the Premises or Project or become payable during the Term. Further, for the purposes of this Article IV, Taxes shall include the reasonable expenses (including, without limitation, attorneys' fees) incurred by Landlord in challenging or obtaining or attempting to obtain a reduction of such Taxes, regardless of the outcome of such challenge, and any costs incurred by Landlord for compliance, review and appeal of tax liabilities. Notwithstanding the foregoing, Landlord shall have no obligation to challenge Taxes. If as a result of any such challenge, a tax refund is made to Landlord, then provided no Event of Default exists under this Lease, the amount of such refund less the expenses of the challenge shall be deducted from Taxes due in the Calendar Year such refund is received. In the case of any Taxes which may be evidenced by improvement or other bonds or which may be paid in annual or other periodic installments, Landlord shall elect to cause such bonds to be issued or cause such assessment to be paid in installments over the maximum period permitted by law. Nothing contained in this Lease shall require Tenant to pay any gift, estate, inheritance or succession transfer tax of Landlord. Landlord acknowledges that Tenant intends to seek an abatement of Taxes and agrees to cooperate with same at Tenant's sole cost and expense.

4.3 Expense Adjustment. Landlord will, from time to time and by written notice to Tenant, adjust its estimation of Basic Costs and Taxes for each Calendar Year during the Term, provided that such adjustment will not be made more frequently than quarterly (each such adjustment, an "Expense Adjustment Amount"). Landlord shall cause to be kept books and records showing Basic Costs in accordance with an appropriate system of accounts and account practices consistently maintained. Following the close of each Calendar Year, Landlord shall cause the amount of the Expense Adjustment Amount which should have been paid by Tenant for such Calendar Year (the "Final Expense Amount") to be computed on the basis of the actual Basic Costs for each Calendar Year, and Landlord shall deliver to Tenant a statement of such Final Expense Amount. If the Final Expense Amount exceeds the Expense Adjustment Amount, Tenant shall pay such deficiency within thirty (30) days after receipt of such statement. If the Expense Adjustment Amount exceeds the Final Expense Amount, then at Landlord's option such excess shall be either credited against payments of Additional Rent next due or refunded by Landlord to Tenant, provided no Tenant Event of Default then exists hereunder. Delay in computation of the Final Expense Amount or any Expense Adjustment Amount shall not be deemed a default hereunder or a waiver of Landlord's right to collect the Final Expense Amount or Expense Adjustment Amount, as the case may be.

4.4 Sales or Excise Taxes. Tenant shall pay to Landlord, as Additional Rent, concurrently with payment of Basic Rent all taxes, including, but not limited to any and all sales, rent or excise taxes (but specifically excluding income taxes calculated upon the net income of Landlord) on Basic Rent, Additional Rent or other amounts otherwise benefiting Landlord, as levied or assessed by any governmental or political body or subdivision thereof against Landlord on account of such Basic Rent, Additional Rent or other amounts otherwise benefiting Landlord, or any portion thereof.
4.5 **Payment of Property Taxes.** Landlord and Tenant agree that Taxes shall be deemed to include all Taxes which are payable from and after the Commencement Date and during the Term even though they may have accrued prior to the Term. Therefore, Tenant shall pay Tenant’s Proportionate Share of all Taxes that are due and payable during the Term (even though such Taxes may have accrued prior to the Term) and Tenant shall not be responsible for paying Tenant’s Proportionate Share of any Taxes that are due and payable after the Term, even though such Taxes may have accrued during the Term.

V. **USE**

5.1 **Use of Premises.** In accordance with the terms, covenants and conditions set forth in this Lease, and applicable governmental regulations, restrictions and permitting (without the necessity of obtaining any zoning changes, conditional use permits or other special use permits), Tenant shall use the Premises solely for warehouse, manufacturing, distribution and general business office purposes and uses incidental thereto, but for no other purpose. Outside storage is prohibited without Landlord’s prior written consent. Tenant shall park in the areas designated by Landlord.

5.2 **Operation of Tenant’s Business.** If any governmental license or permit, other than a Certificate of Occupancy (if any is issued or required), shall be required for the proper and lawful conduct of Tenant’s business in the Premises or any part thereof, Tenant shall first provide Landlord with prior written notice and obtain Landlord’s consent thereto. Thereafter, at its expense, Tenant shall procure such license prior to the first day such use is commenced, and thereafter maintain and renew such license or permit. Tenant shall, at all times, comply with the terms and conditions of each such license or permit. Tenant shall not, at any time, use or occupy, or suffer or permit anyone to use or occupy, the Premises, or do or permit anything to be done in the Premises, in any manner which may (a) violate any Certificate of Occupancy for the Premises or for the Building; (b) cause, or be liable to cause injury to the Building or any equipment, facilities or systems therein, reasonable wear and tear excepted; (c) constitute a violation of the laws and requirements of any public authority having jurisdiction over the Premises or the requirements of insurance policies covering the Premises; (d) impair the character, reputation or appearance of the Premises; (e) impair the proper and economic maintenance, operation, and repair of the Premises or the Building and/or its equipment, facilities or systems; and (f) annoy or inconvenience other tenants or users of the Building and the Project, if any. Tenant shall take all substantial or non-substantial actions necessary to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements regulating the use by Tenant of the Premises, including without limitation, the Occupational Safety and Health Act, and regulating Hazardous Materials (as such term is herein defined in Section 24.2). If the nature of Tenant’s use or occupancy of the Premises causes any increase in Landlord’s insurance premiums over and above those chargeable for the least hazardous type of occupancy legally permitted in the Premises, the Landlord will promptly give written notice of such increase to Tenant (which such notice shall include supporting documents evidencing such premium increase) and if Tenant fails to limit its use so as to negate such premium increase, Tenant will thereafter pay the resulting increase within ten (10) days after receipt of a statement from Landlord setting forth the amount thereof.

5.3 **Use of Property.** Tenant and its employees, visitors and invitees shall have the exclusive right to use the Property, including parking of vehicles, subject to such reasonable rules and regulations governing the use as Landlord from time to time may prescribe. Landlord shall have the right to grant easements or licenses for travel over the parking areas of the Property.
VI. CONDITION AND DELIVERY OF PREMISES

Tenant hereby covenants and agrees that Tenant is familiar with the condition of the Property and the Premises and that Tenant is accepting the Premises on an "AS-IS," "WHERE-IS" basis, and that Landlord is making absolutely no repairs, replacements or improvements of any kind or nature to the Premises or the Property in connection with, or in consideration of, this Lease, except that Landlord shall (i) deliver the Premises with the electrical, plumbing, HVAC, dock doors and levelers, and crane footings, columns and rails in good working order as of the Commencement Date, and (ii) perform the improvements described on Exhibit B attached hereto.

VII. SUBORDINATION; NOTICE TO SUPERIOR LESSORS AND MORTGAGEES; ATTORNMENT

This Lease is subject and subordinate to any and all ground or underlying leases and to any and all mortgages, deeds of trust, security interests, or title retentions interest now or hereafter affecting the Land, Building, Property or Project (the "Mortgage") and to all renewals, amendments, restatements, modifications, consolidations, replacements and extensions thereof. This subordination shall be self-operative; however, in confirmation thereof, Tenant shall, within 10 days of receipt thereof, execute any instrument that Landlord or any holder of any note or obligation secured by a Mortgage (the "Mortgagee") may request confirming such subordination provided that such agreement provides Tenant standard non-disturbance protections. Notwithstanding the foregoing, before any foreclosure sale under a Mortgage, the Mortgagee shall have the right to subordinate the Mortgage to this Lease, and, in the event of a foreclosure, at the Mortgagee's option this Lease may continue in full force and effect and Tenant shall attorn to and recognize as its landlord the purchaser of Landlord's interest under this Lease. Tenant shall, upon the request of a Mortgagee or purchaser at foreclosure, execute, acknowledge and deliver any instrument that has for its purpose and effect the subordination of the lien of any Mortgage to this Lease or Tenant's attornment to such purchaser. In the event of the enforcement by the Mortgagee or beneficiary under any such Mortgage or deed of trust of the remedies provided for by law or by such Mortgage or deed of trust, Tenant will, at the option of any person or party succeeding to the interest of Landlord as a result of such enforcement, attorn to and automatically become the Tenant of such Mortgagee, beneficiary or successor-in-interest without change in the terms or other provisions of this Lease; provided, however, that such Mortgagee, beneficiary or successor in interest shall not be bound by, liable for, or subject to (a) any payment of base rent or additional rent for more than one (1) month in advance, except advance rental payments expressly provided for in this Lease; (b) any modification of this Lease made without the prior express written consent of such Mortgagee or beneficiary or such successor in interest, (c) any act or omission of Landlord; or (d) any offset or defense arising prior to the date such successor-in-interest acquired title to the Land, Building, Property or Project.

VIII. QUIET ENJOYMENT

So long as Tenant pays all of the Rent and performs all of its other obligations hereunder, Tenant shall peaceably and quietly have, hold and enjoy the Premises without hindrance, ejection or molestation by Landlord, or any other person lawfully claiming through or under Landlord, subject, nevertheless, to the provisions of this Lease and to all laws, ordinances, orders, rules and regulations of any governmental authority. Landlord shall not be responsible for the acts or omissions of any other persons or third parties that may interfere with Tenant's use and enjoyment of the Premises.
IX. ASSIGNMENT, SUBLETTING AND MORTGAGING

9.1 Landlord’s Consent.

(a) Tenant shall not assign, transfer, mortgage or otherwise encumber this Lease or sublet or rent (or permit a third party to occupy or use) the Premises, or any part thereof, nor shall any assignment or transfer of this Lease or the right of occupancy hereunder be effected by operation of law or otherwise, without the prior written consent of Landlord, such consent not to be unreasonably withheld. Within 30 days following Landlord’s receipt of Tenant’s request for Landlord’s consent to a proposed assignment, sublease, or other encumbrance, together with all information required to be delivered by Tenant pursuant to the provisions of this Section 9.1, Landlord shall: (i) consent to such proposed transaction; (ii) refuse such consent; or (iii) elect to terminate this Lease in the event of an assignment, or in the case of a sublease, terminate this Lease as to the portion of the Premises proposed to be sublet in accordance with the provisions of Section 9.2. Any assignment, sublease or other encumbrance without Landlord’s written consent shall be voidable by Landlord and, at Landlord’s election, constitute an Event of Default hereunder. Without limiting other instances in which Landlord may reasonably withhold consent to an assignment or sublease, Landlord and Tenant acknowledge that Landlord may withhold consent (a) if an Event of Default exists under this Lease or if an Event of Default would exist but for the pendency of any cure periods provided under Section 21.1; or (b) if the proposed assignee or sublessee is: a governmental entity; a person or entity with whom Landlord has negotiated for space in the Project during the prior 6 months; a present tenant in the Project; a person or entity whose tenancy in the Project would violate any exclusivity arrangement which Landlord has with any other tenant; a person or entity of a character or reputation or engaged in a business which is not consistent with the quality of the Project; or not a party of reasonable financial worth and/or financial stability in light of the responsibilities involved under this Lease on the date consent is requested. If Tenant requests Landlord’s consent to a specific assignment or subletting, Tenant will submit in writing to Landlord: (1) the name and address of the proposed assignee or subtenant; (2) a counterpart of the proposed agreement of assignment or sublease; (3) reasonably satisfactory information as to the nature and character of the business of the proposed assignee or subtenant, and as to the nature of its proposed use of the space; (4) banking, financial or other credit information reasonably sufficient to enable Landlord to determine the financial responsibility and character of the proposed assignee or subtenant; (5) executed estoppel certificates from Tenant containing such information as provided in Article XXIII; and (6) any other information reasonably requested by Landlord.

(b) Notwithstanding that the prior express written permission of Landlord to any of the aforesaid transactions may have been obtained, the following shall apply:

(i) In the event of an assignment, contemporaneously with the granting of Landlord’s aforesaid consent, Tenant shall cause the assignee to expressly assume in writing and agree to perform all of the covenants, duties, and obligations of Tenant hereunder and such assignee shall be jointly and severally liable therefore along with Tenant.

(ii) All terms and provisions of the Lease shall continue to apply after any such transaction.

(iii) In any case where Landlord consents to an assignment, transfer, encumbrance or subletting, the undersigned Tenant shall nevertheless remain directly and primarily liable for the performance of all of the covenants, duties, and obligations of
Tenant hereunder (including, without limitation, the obligation to pay all Rent and other sums herein provided to be paid), and Landlord shall be permitted to enforce the provisions of this instrument against the undersigned Tenant and/or any assignee without demand upon or proceeding in any way against any other person. Neither the consent by Landlord to any assignment, transfer, encumbrance or subletting nor the collection or acceptance by Landlord of rent from any assignee, subtenant or occupant shall be construed as a waiver or release of the initial Tenant from the terms and conditions of this Lease or relieve Tenant or any subtenant, assignee or other party from obtaining the consent in writing of Landlord to any further assignment, transfer, encumbrance or subletting.

(iv) Tenant hereby assigns to Landlord the rent and other sums due from any subtenant, assignee or other occupant of the Premises and hereby authorizes and directs each such subtenant, assignee or other occupant to pay such rent or other sums directly to Landlord; provided however, that until the occurrence of an Event of Default, Tenant shall have the license to continue collecting such rent and other sums. Notwithstanding the foregoing, in the event that the rent due and payable by a sublessee under any such permitted sublease (or a combination of the rent payable under such sublease plus any bonus or other consideration therefor or incident thereto) exceeds the hereinabove provided Rent payable under this Lease, or if with respect to a permitted assignment, permitted license, or other transfer by Tenant permitted by Landlord, the consideration payable to Tenant by the assignee, licensee, or other transferee exceeds the Rent payable under this Lease, then Tenant shall be bound and obligated to pay Landlord such excess rent and other excess consideration in accordance with Section 9.3 within 10 days following receipt thereof by Tenant from such sublessee, assignee, licensee, or other transferee, as the case may be.

(v) Tenant shall pay Landlord a fee in the amount of $1,000.00 to reimburse Landlord for all its expenses under this Article IX including, without limitation, reasonable attorneys’ fees.

9.2 Distribution of Net Profits. In the event that Tenant assigns this Lease or sublets all or any portion of the Premises during the Term to any entity, Landlord shall receive 50% of any “Net Profits” (as hereinafter defined) and Tenant shall receive 50% of any Net Profits received by Tenant from any such assignment or subletting. The term “Net Profits” as used herein shall mean such portion of the Rent payable by such assignee or subtenant in excess of the Rent payable by Tenant under this Lease (or pro rata portion thereof in the event of a subletting) for the corresponding period, after deducting from such excess Rent all of Tenant’s documented reasonable third party costs associated with such assignment or subletting, including, without limitation, broker commissions, attorney fees and any costs incurred by Tenant to prepare or alter the Premises, or portion thereof, for the assignee or sublessee.

9.3 Transfers to Related Entities. Notwithstanding anything in this Article IX to the contrary, provided no Event of Default exists under this Lease or would exist but for the pendency of any cure periods provided for under Section 21.1, Tenant may, without Landlord’s consent, but after providing written notice to Landlord and subject to the provisions of Section 9.1(b)(i-iii), assign this Lease or sublet all or any portion of the Premises to any Related Entity (as hereinafter defined) provided that (i) such Related Entity is not a governmental entity or agency; (ii) such Related Entity’s use of the Premises would not cause Landlord to be in violation of any exclusivity agreement within the Project; and (iii) the net worth (computed in accordance with generally accepted accounting principles exclusive of goodwill) of any assignee after such transfer is greater than or equal to the greater of (a) the net worth of Tenant as of the Effective Date; or (b) the net worth of Tenant immediately prior to such transfer, and proof
satisfactory to Landlord that such net worth standards have been met shall have been delivered to Landlord at least 10 days prior to the effective date of any such transaction. “Related Entity” shall be defined as any parent company, subsidiary, affiliate or related corporate entity of Tenant that controls, is controlled by, or is under common control with, or is a successor to, Tenant.

**X. COMPLIANCE WITH LAWS**

10.1 General Compliance. Tenant shall give prompt notice to Landlord of any notice it receives of the violation of any law or requirement of any governmental or administrative authority with respect to the Premises or the use or occupation thereof. Tenant shall, at Tenant’s expense, comply with all laws and requirements of any governmental or administrative authorities which shall impose any violation, order or duty on Landlord or Tenant arising from (a) Tenant’s particular use of the Premises; (b) the manner or conduct of Tenant’s business or operation of its installations, equipment or other property therein; (c) any cause or condition created by or caused by Tenant; (d) breach of any of Tenant’s obligations under this Lease, whether or not such compliance requires work which is structural or non-structural, ordinary or extraordinary, foreseen or unforeseen; and Tenant shall pay all the costs, expenses, fines, penalties and damages which may be imposed upon Landlord by reason or arising out of Tenant’s failure to fully and promptly comply with and observe the provisions of this Article X. Nothing in this Article X shall make Tenant responsible for any structural or non-structural repairs or improvements that are not specifically necessitated by the causes set forth in Clauses (a), (b), (c) or (d) of the immediately preceding sentence.

10.2 ADA Compliance. Except as set forth on Exhibit B, Tenant shall be responsible for all alterations to cause the Property to comply with the Americans With Disabilities Act of 1990, as amended from time to time, Public Law 101-336; 42 U.S.C. §§12101, et seq. (the foregoing, together with any similar state statute governing access for the disabled or handicapped collectively referred to as the “ADA”).

**XI. INSURANCE**

11.1 Certain Insurance Risks. Tenant will not do or permit to be done any act or thing upon the Premises, the Property or the Project which would: (i) jeopardize or be in conflict with fire insurance policies covering the Project, and fixtures and property in the Property; or (ii) increase the rate of fire insurance applicable to the Project to an amount higher than it otherwise would be for general business office and warehouse use of the Project; or (iii) subject Landlord to any liability or responsibility for injury to any person or persons or to property by reason of any business or operation being conducted upon the Property.

11.2 Landlord’s Insurance. At all times during the Term, Landlord will carry and maintain:

(a) Property insurance coverage at least equal to ISO Special Form causes of loss with respect to the Project, its equipment and common area furnishings, and leasehold improvements in the Premises to the extent of any initial build out of the Premises by the Landlord;

(b) Bodily injury and property damage insurance; and

(c) Such other insurance as Landlord reasonably determines from time to time.

The insurance coverages and amounts in this Section 11.2 will be determined by Landlord in an exercise of its reasonable discretion.
11.3 **Tenant's Insurance.** At all times during the Term, Tenant will carry and maintain, at Tenant's expense, the following insurance for the Premises, in the amounts specified below or such other amounts as Landlord may from time to time reasonably request, with insurance companies and on forms satisfactory to Landlord:

(a) Commercial general liability insurance written on an occurrence basis including without limitation personal injury, bodily injury, broad form property damage, operations hazard, owner's protective coverage, contractual liability, with a cross liability clause and a severability of interests clause to cover Tenant's indemnity obligations in this Lease, and products and completed operations liability, in limits not less than $1,000,000 inclusive per occurrence and $2,000,000 per location annual aggregate, or such higher limits as Landlord may require from time to time during the Term;

(b) Insurance covering Tenant's interest in the Premises, including, without limitation, all of Tenant's furniture and fixtures, machinery, equipment, stock and any other personal property owned and used in Tenant's business and found in, on or about the Property, and any leasehold improvements to the Premises in excess of any initial build-out of the Premises by the Landlord, in an amount not less than the full replacement cost, it being understood that no lack or inadequacy of insurance by Tenant shall in any event make Landlord subject to any claim by virtue of any theft of or loss or damage to any uninsured or inadequately insured property. Property forms will provide coverage on an open perils basis insuring against “all risks of direct physical loss.” All policy proceeds will be used for the repair or replacement of the property damaged or destroyed, however, if this Lease ceases under the provisions of Article XIX, Tenant will be entitled to any proceeds resulting from damage to Tenant's furniture and fixtures, machinery and equipment, stock and any other personal property;

(c) Worker's compensation insurance insuring against and satisfying Tenant's obligations and liabilities under the worker's compensation laws of the state in which the Premises are located, including employer's liability insurance in the limit of $1,000,000 each accident; $1,000,000 each employee; $1,000,000 aggregate. Such insurance shall include waiver of subrogation rights in favor of Landlord and Landlord's management company;

(d) If Tenant operates owned, hired, or non-owned vehicles on the Property, commercial automobile liability will be carried at a limit of liability not less than $1,000,000 combined for bodily injury and property damage;

(e) Umbrella liability insurance in excess of and not more restrictive than the underlying coverage listed in paragraphs (a), (c) and (d) above, with limits of not less than $5,000,000 per occurrence/$5,000,000 aggregate;

(f) Loss of income and extra expense insurance and contingent business income insurance in amounts as will reimburse Tenant for direct or indirect loss of earning attributable to all perils insured against under the ISO Causes of Loss Special Form Coverage, or attributable to prevention of access to the Premises as a result of such perils, providing for an extended period of indemnity to be not less than twelve (12) months;

(g) Builder's Risk insurance on an “All Risk” basis (including collapse) and on a completed value (non-reporting) form for full replacement value covering all work incorporated in the Building and all materials and equipment in or about the Premises in the event Tenant performs any repairs or alterations in the Premises; and
(h) any other form for forms of insurance or any changes or endorsements to the insurance required herein as Landlord, or any Mortgaglee may require, from time to time, in form or in amount.

All insurance required under this Article XI shall be issued by such good and reputable insurance companies qualified to do and doing business in the state in which the Premises are located and having a rating not less than A:VIII as rated in the most current copy of Best’s Insurance Report in the form customary to this locality.

11.4 Forms of the Policies. Landlord, Landlord’s management company and such other parties as Landlord shall designate to Tenant who have an insurable interest in the Premises or Property shall be (i) named as additional insured with respect to the coverages provided for under Section 11.3(a), (d) and (e) and (ii) as loss payees as their interest may appear with respect to the coverage provided under Section 11.3(b), (f) and (g). Certificates of insurance together with copies of the policies and any endorsements naming Landlord, Landlord’s management company, and any others specified by Landlord as additional insureds or loss payee (as the case may be) will be delivered to Landlord prior to Tenant’s occupancy of the Premises and from time to time at least sixty (60) days prior to the expiration of the term or reduction in coverage of each such policy. Each insurance policy required hereunder will specifically provide that such insurance policy cannot be terminated without giving at least thirty (30) days prior written notice to Landlord and Landlord’s Mortgaglee. All policies required to be maintained by Tenant will be written as primary policies, not contributing with and not supplemental to the coverage that Landlord may carry. Commercial general liability insurance required to be maintained by Tenant by this Article XI will not be subject to a deductible. In the event Tenant fails to purchase and maintain any of the insurance required hereunder, Landlord reserves the right, but not the obligation, to purchase such insurance on behalf of Tenant, and at Tenant’s expense, with any expenses incurred by Landlord in connection therewith being reimbursed to Landlord by Tenant within thirty (30) days of written demand thereof. Tenant shall have the right to include the insurance required by this Article XI under Tenant’s policies of “blanket insurance”, provided that no other loss which may also be insured by such blanket insurance shall affect the insurance coverages required hereby and further provided that Tenant delivers to Landlord a certificate specifically stating that such coverages apply to Landlord, the Premises and the Project.

11.5 Waiver of Subrogation. Landlord and Tenant each waive and shall cause their respective insurance carriers to waive any and all rights to recover against the other or against the Agents of such other party for any loss or damage to such waiving party (including deductible amounts) arising from any cause required to be insured by such party pursuant to this Article XI. Tenant will cause its respective insurers to issue appropriate waiver of subrogation rights endorsements to all of Tenant’s insurance policies carried in connection with the Property or the Premises. Tenant agrees to cause all other occupants of the Premises claiming by, under or through Tenant, to execute and deliver to Landlord and Landlord’s management company such a waiver of claims and to obtain such waiver of subrogation rights endorsements.

11.6 Adequacy of Coverage. Landlord and its Agents make no representation that the limits of liability specified to be carried by Tenant pursuant to this Article XI are adequate to protect Tenant. Landlord shall not be required to carry insurance of any kind on Tenant’s property or Tenant’s interest in Premise and Tenant agrees that Tenant shall have no right to receive any proceeds from any insurance policies carried by Landlord. If Tenant believes that any of such insurance coverage is inadequate, Tenant will obtain such additional insurance coverage as Tenant deems adequate, at Tenant’s sole expense. Furthermore, in no way does the insurance required herein limit the liability of Tenant assumed elsewhere in the Lease.
XII. ALTERATIONS

12.1 Procedural Requirements. Tenant may, from time to time, at its expense, make such alterations, additions, or improvements (hereinafter collectively referred to as “Alterations”) in and to the Premises as Tenant may reasonably consider necessary for the conduct of its business in the Premises; provided, however, that the written consent of the Landlord, not to be unreasonably withheld, is first obtained. The foregoing sentence to the contrary notwithstanding, Landlord may withhold its consent to any structural alteration of the Building in its sole and absolute discretion. Before proceeding with any Alterations, Tenant shall submit to Landlord for Landlord’s approval, (i) insurance certificates from the contractor performing the Alterations satisfying the requirements of Article XI, and (ii) plans and specifications for the work to be done and Tenant shall not proceed with such work until Tenant has received said approval. Tenant shall obtain and deliver to Landlord (if so requested) either (i) a performance bond and a labor and materials payment bond (issued by a corporate surety licensed to do business in the state in which the Project is located) each in an amount equal to one hundred twenty-five percent (125%) of the estimated cost of the Alterations and in form satisfactory to Landlord, or (ii) such other security as shall be reasonably satisfactory to Landlord.

12.2 Performance of Alterations. Tenant, at its expense, shall obtain all necessary governmental permits and certificates for the commencement and prosecution of Alterations and for the final approval thereof upon completion, and shall cause the Alterations to be performed in compliance therewith and in compliance with all applicable laws and requirements of public authorities, including without limitation, Titles I and III of the ADA, the OSHA General Industry Standard (29 C.F.R. Section 1910.1001, et seq.) and the OSHA Construction Standard (29 C.F.R. Section 1926.1001, et seq.), all entities holding Mortgages on the Building and with Landlord’s rules and regulations or any other restrictions Landlord may impose on the Alterations. Tenant shall not commence any Alterations without having first demonstrated, to Landlord’s satisfaction, that all such permits and certificates have been obtained. The Alterations shall be diligently performed in a good and workmanlike manner, using new materials and equipment at least equal in quality and class to the standards for the Building established by Landlord. Alterations shall be performed by contractors first approved by Landlord, and Tenant’s Agents shall work in harmony, and not interfere with, Landlord and its Agents or with any other tenants or occupants of the Building. Tenant shall, and hereby does, to the fullest extent allowed by law, indemnify, defend, and hold Landlord harmless from any and all claims, damages or losses, of any nature (including reasonable fees of attorneys of Landlord’s choosing), suffered by Landlord, whether directly or indirectly, as a result of, or due to, or arising from, the performance of any Alterations by, or on behalf of, Tenant. Alterations shall be performed in such manner so as to not unreasonably interfere with or delay and so as not to impose any additional expense upon Landlord in the construction, maintenance, repair or operation of the Building; and if any such expense is incurred by Landlord, Tenant shall pay the same upon demand. Tenant acknowledges that if any Alterations commenced or performed in violation of any provision of this Article XII shall cause Landlord irreparable injury, Landlord shall have the right to enjoin any such violations by injunction or other equitable relief.

12.3 Lien Prohibition. Tenant shall not permit any mechanics’ or materialmens’ liens to attach to the Premises, the Property, the Project, Tenant’s leasehold estate or any of them. Tenant shall and hereby does defend, indemnify, and hold Landlord harmless from and against any and all mechanics’ and other liens and encumbrances filed in connection with Alterations or any other work, labor, services, or materials done for or supplied to Tenant, or any person claiming through or under Tenant, including, without limitation, security interests in any materials, fixtures or articles installed in and constituting a part of the Premises and against all costs, expenses, and liabilities (including reasonable fees of attorneys of Landlord’s choosing) incurred in connection with any such lien or encumbrance or any action or proceeding brought thereon. Tenant, at its expense, shall procure the satisfaction or discharge of record of all such liens and encumbrances within ten (10) days after the filing thereof. In the event Tenant has not
so performed, Landlord may, at its option, pay and discharge such liens and Tenant shall be responsible to reimburse Landlord for all costs and expenses incurred in connection therewith, together with interest thereon at the Interest Rate set forth in Section 1.14 above, which expenses shall include reasonable fees of attorneys of Landlord's choosing, and any costs in posting bond to effect discharge or release of the lien as an encumbrance against the Premises, the Property, the Project, Tenant's leasehold estate or any of them.

XIII. LANDLORD'S AND TENANT'S PROPERTY

13.1 Landlord's Property. All fixtures that are not trade fixtures, improvements and appurtenances to, or built into, the Premises after the Commencement Date, whether or not placed there by, or at the expense of, Tenant shall be and remain a part of the Premises; shall be deemed the property of Landlord (the "Landlord's Property"), without compensation or credit to Tenant; and shall not be removed by Tenant unless Landlord requests their removal, in which event Tenant shall, on or before the Expiration Date or earlier termination of this Lease, remove the designated items, repair any damage to the Premises or Building resulting from such removal, and restore the Premises to the condition existing as of the Commencement Date. Further, any personal property in the Premises on the Commencement Date, unless installed and paid for by Tenant, shall be and shall remain the property of the Landlord and shall not be removed by Tenant. Any flooring in the Premises during the Term shall be and remain the property of Landlord and shall not be removed or replaced without the prior written consent and approval by Landlord.

13.2 Tenant's Property. All movable business and trade fixtures, machinery and equipment, communications equipment and office equipment, whether or not attached to, or built into, the Premises, which are installed in the Premises by, or for the account of, Tenant without expense to Landlord and which can be removed without structural damage to the Building, and all furniture, furnishings and other articles of movable personal property owned by Tenant and located in the Premises shall be and shall remain the property of Tenant (the "Tenant's Property") and may be removed by Tenant at any time during the Term. In the event Tenant's Property is so removed, Tenant shall repair or pay the cost of repairing any damage to the Premises or to the Building resulting from the installation and/or removal thereof and restore the Premises to the condition existing as of the Commencement Date.

13.3 Removal of Tenant's Property. At or before the Expiration Date, or the date of any earlier termination hereof, Tenant, at its expense, shall remove from the Premises all of Tenant's Property, and Tenant shall repair any damage to the Premises or the Building resulting from any installation and/or removal of Tenant's Property and restore the Premises to the condition existing as of the Commencement Date. Any items of Tenant's Property which shall remain in the Premises after the Expiration Date, or following an earlier termination date, may, at the option of Landlord, be deemed to have been abandoned, and in such case, such items may be retained by Landlord as its property or be disposed of by Landlord, without accountability, in such manner as Landlord shall determine, at Tenant's expense.

13.4 Cranes. Tenant will, at its sole cost and expense install Cranes (as defined in Exhibit B). During the Term, the Cranes shall be Tenant's Property. However, upon the Expiration Date, (a) the Cranes shall be Landlord's Property, (b) Tenant shall not remove the Cranes from the Premises and (c) Tenant shall sign and deliver to Landlord a quit-claim bill of sale transferring all right, title and interest to the Cranes to Landlord. In the event that Tenant does not deliver the Bill of Sale to Landlord, this Section 13.4 shall be deemed to transfer all right, title and interest in the Cranes to the Landlord upon the Expiration Date.
XIV. REPAIRS AND MAINTENANCE

14.1 Tenant Repairs and Maintenance. Except with respect to Landlord’s obligations set forth in Section 14.2 below, Tenant, at its sole cost and expense, throughout the Term of this Lease, shall take good care of the interior, non-structural components of the Premises, and the Property, including the parking lots, landscaping and underground utility and sewer pipes outside the exterior walls of the Building, if any and shall keep the same in good, first class order, condition and repair, and shall make and perform all routine maintenance thereof, including janitorial maintenance, and all necessary repairs, ordinary and extraordinary, foreseen and unforeseen, of every nature, kind and description. As used herein, “repairs” shall include all necessary replacements, restorations, renewals, alterations, additions and betterments to the Premises and the Property. For the avoidance of doubt, Tenant shall be solely responsible for the repair and, if necessary, replacement of any HVAC system and any other mechanical systems serving the Premises. All repairs made by Tenant shall be at least the quality and cost of the original work and shall be made by Tenant in accordance with all laws, ordinances and regulations whether heretofore and hereafter enacted. The necessity for or adequacy of maintenance and repairs shall be measured by the standards which are appropriate for improvements of similar construction and class, provided that Tenant shall in any event make all repairs necessary to avoid any damage or injury to the improvements. Throughout the Term of this Lease, Tenant will maintain (a) a maintenance contract for servicing of the HVAC system (which agreement shall be in a form reasonably acceptable to Landlord and shall include, without limitation, semi-annual inspection after each heating and cooling season, change of filters, routine maintenance and repair) with a servicer reasonably acceptable to Landlord, and (b) maintenance logs on site and will cause the personnel engaged in the maintenance of the Premises to make timely and detailed entries in those logs so that the logs at all times accurately reflect the maintenance activity performed with respect to the Premises and its Building systems. Landlord’s representatives may inspect and copy those logs at any reasonable time after reasonable notice has been given to Tenant. Landlord will have the right to cause the maintenance of the Premises and the Property to be reviewed and inspected annually (or more frequently if Landlord determines that it is prudent to do so) by a qualified engineer or property manager consultant of Landlord’s choosing, to determine whether Tenant is maintaining the Premises and the Property in accordance with this Section 14.1 and, if it is determined that Tenant has not maintained the Premises or the Property as herein required, Tenant will reimburse Landlord for the cost of repairing the Premises and for the fees and expenses of such engineer or consultant within thirty (30) days after Landlord’s demand. Tenant will cooperate with the engineer or consultant in its performance of such review and inspection. Except with respect to the maintenance contract for the servicing of the HVAC system, Tenant may fulfill its maintenance and repair obligations under this Section 14.1 at its option either through the use of its employees or through the use of Agents. Notwithstanding the above, Landlord may enter into a master service agreement for HVAC maintenance with respect to the Property and Tenant shall pay its Proportionate Share of such cost in accordance with the provisions of Article IV. Landlord agrees to assign to Tenant, to the extent assignable, all warranties Landlord has received or is otherwise entitled in connection with the construction of the Project, or, to the extent such a warranty is not assignable to Tenant, to credit Tenant with the value of the benefit actually received by Landlord under any such warranty.

14.2 Landlord Repairs. Landlord shall keep in good repair (a) the structural portions of the foundation and exterior walls (exclusive of all glass and all exterior doors) of the Building; and (b) the roof of the Building. All such repairs shall be at Landlord’s sole cost and expense. Notwithstanding the foregoing, the cost of repairs referenced in this Section 14.2 rendered necessary by the negligence or willful misconduct of Tenant or Tenant’s Agents or as a result of Tenant’s failure to use the Premises in accordance with the terms of Article V of this Lease, shall be reimbursed by Tenant to Landlord within thirty (30) days of Landlord’s written demand. Tenant hereby waives any right to make repairs and deduct the expenses of such repairs from the Basic Rent or Additional Rent due under the Lease.
14.3 **Tenant Equipment.** Tenant shall not place a load upon any floor of the Premises which exceeds either the load per square foot which such floor was designed to carry or which is allowed by law. Business machines and mechanical equipment belonging to Tenant which cause noise or vibrations that may be transmitted to the structure of the Building or to the Premises to such a degree as to be objectionable to Landlord shall, at the Tenant’s expense, be placed and maintained by Tenant in settings of cork, rubber or spring-type vibration eliminators sufficient to eliminate such noise or vibration.

**XV. UTILITIES**

15.1 **Purchasing Utilities.** Tenant shall purchase all utility services including, but not limited to, fuel, water, sewerage and electricity, from the utility or municipality providing such service, shall provide for cleaning and extermination services, and shall pay for such services when payments therefor are due. Tenant shall be solely responsible for the repair and maintenance of any meters necessary in connection with such services.

15.2 **Use of Electrical Energy by Tenant.** Tenant’s use of electrical energy in the Premises shall not, at any time, exceed the capacity of (i) any of the electrical conductors and equipment in or otherwise serving the Premises; or (ii) the Building’s HVAC system. In order to insure that such capacity is not exceeded and to avert possible adverse effects upon the Building’s electric service, Tenant shall not, without Landlord’s prior written consent in each instance, make any material alteration or addition to the electrical system of the Premises existing as of the Commencement Date.

**XVI. INVOLUNTARY CESSATION OF SERVICES**

Landlord reserves the right, without any liability to Tenant and without affecting Tenant’s covenants and obligations hereunder, to stop service of the heating, air conditioning, electric, sanitary, elevator, or other Building systems serving the Premises, or to stop any other services required by Landlord under this Lease, whenever and for so long as may be necessary, by reason of (a) accidents, emergencies, strikes, or the making of repairs or changes which Landlord in good faith deems necessary, or (b) any other cause beyond Landlord’s reasonable control. Further, it is also understood and agreed that Landlord shall have no liability or responsibility for a cessation of services to the Premises or in the Building which occurs as a result of causes beyond Landlord’s control. No such interruption of service shall be deemed an eviction or disturbance of Tenant’s use and possession of the Premises or any part thereof, or render Landlord liable to Tenant for damages, or relieve Tenant from performance of Tenant’s obligations under this Lease including the obligation to pay Rent. Notwithstanding the foregoing, (a) if any interruption of utilities or services required to be provided by Landlord under this Lease shall continue for five (5) business days after written notice from Tenant to Landlord; and (b) such interruption of utilities or services shall render any portion of the Premises unusable for the normal conduct of Tenant’s business and Tenant, in fact, ceases to use and occupy such portion of the Premises for the normal conduct of its business; and (c) such interruption of utilities or services is due to the negligence or willful misconduct of Landlord; then all Rent payable hereunder with respect to such portion of the Premises rendered unusable for the normal conduct of Tenant’s business in which Tenant, in fact, ceases to use and occupy, shall be abated after the expiration of such five (5) business day period, in the event such utilities or services are not restored, and continue until such time that the utilities or services are restored.

**XVII. LANDLORD’S RIGHTS OF ACCESS**

Landlord and its Agents shall have the right to enter and/or pass through the Premises at any time or times (a) to examine the Premises and to show them to actual and prospective Mortgagees, or prospective purchasers or Mortgagees of the Building; and (b) to make such repairs, alterations, additions and
improvements in or to the Premises and/or in or to the Building or its facilities and equipment as Landlord is required or desires to make; provided, however, that Landlord shall use reasonable efforts to avoid disturbing Tenant, Tenant’s employees and Tenant’s business operations. Landlord shall be allowed to take all materials into and upon the Premises that may be required in connection therewith, without any liability to Tenant and without any reduction of Tenant’s covenants and obligations hereunder. During the period of twelve (12) months prior to the Expiration Date (or at any time, if Tenant has vacated or abandoned the Premises), Landlord and its Agents may exhibit the Premises to prospective tenants.

XVIII. LIABILITY AND INDEMNIFICATION OF LANDLORD

18.1 Indemnification. Except to the extent caused by the gross negligence or willful misconduct of Landlord or its Agents, Tenant will neither hold nor attempt to hold Landlord, its Agents or Mortgagee liable for, and Tenant will, to the fullest extent allowed by law, indemnify, hold harmless and defend (with counsel reasonably acceptable to Landlord) Landlord, its Agents and Mortgagee, from and against any damage to property and any injury to or death of persons (and any and all resulting or related demands, claims, causes of action, fines, penalties, liabilities, judgments, and expenses, including, without limitation, reasonable attorneys’ fees and court costs) occurring inside the Premises, or occurring in or about the Premises or Project in connection with or arising from (a) the use or occupancy or manner of use or occupancy of the Premises by Tenant or its Agents; (b) any activity, work or thing done, permitted or suffered by Tenant or its Agents in or about the Premises or the Project; (c) any acts, omissions or negligence of Tenant or its Agents; and (d) any breach, violation or nonperformance by Tenant or its Agents of any term, covenant or provision of this Lease or any law, ordinance or governmental requirement of any kind.

18.2 Waiver and Release. Except to the extent caused by the gross negligence or willful misconduct of Landlord, Tenant, to the fullest extent allowed by law, covenants and agrees that Landlord, its Agents and Mortgagee will not at any time or to any extent whatsoever be liable, responsible or in any way accountable for any loss, injury, death or damage (including consequential damages) to persons, property or Tenant’s business occasioned by (a) any act or omission of Landlord or its Agents; (b) any acts or omissions, including theft, of or by any other tenant, occupant or visitor of the Project; or (c) any injury or damage to persons or property resulting from any casualty, unknown fire, explosion, falling plaster or other masonry or glass, steam, gas, electricity, electrical or electronic emanations or disturbance, water, snow or rain which may leak from any part of the Building or any other portion of the Project or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other place, or resulting from dampness. Tenant agrees to give prompt notice to Landlord upon the discovery by Tenant of any of the events set forth in this Section 18.2 or of defects in the Premises or the Building, or in the fixtures or equipment. Tenant shall take all reasonably prudent temporary measures and safeguards to prevent any injury, loss or damage to persons or property in the event of an incident in leased space.

18.3 Indemnification of Tenant. Landlord will neither hold nor attempt to hold Tenant and its Agents liable for, and Landlord will, to the fullest extent allowed by law, indemnify, hold harmless and defend (with counsel reasonably acceptable to Tenant) Tenant and its Agents and invitees, from and against any damage to property and any injury to or death of persons (and any and all resulting or related demands, claims, causes of action, fines, penalties, liabilities, judgments, and expenses, including, without limitation, reasonable attorneys’ fees and court costs) caused by the gross negligence or willful misconduct of Landlord or its Agents.

18.4 Survival. The covenants, agreements and indemnification obligations under this Article XVIII will survive the expiration or earlier termination of this Lease. Tenant’s covenants, agreements and indemnification obligations are not intended to and will not relieve any insurance carrier of its obligations under policies required to be carried by Tenant pursuant to the provisions of this Lease.
XIX. DAMAGE OR DESTRUCTION

19.1 Damage to the Premises. If the Premises or the Building shall be damaged by fire or other insured cause, Landlord shall diligently and as soon as practicable after such damage occurs (taking into account the time necessary to effect a satisfactory settlement with any insurance company involved) repair such damage that is Landlord’s responsibility to repair at the expense of Landlord; provided, however, that Landlord’s obligation to repair such damage shall not exceed the proceeds of insurance available to Landlord (reduced by any proceeds retained pursuant to the rights of Mortgagee). Notwithstanding the foregoing, if the Premises or the Building are damaged by fire or other insured cause to such an extent that, in Landlord’s reasonable judgment, the damage cannot be substantially repaired within 180 days after the date of such damage, or if the Premises are substantially damaged during the last Lease Year, then: (a) Landlord may terminate this Lease as of the date of such damage by written notice to Tenant; or (b) Tenant may terminate this Lease as of the date of such damage by written notice to Landlord within 10 days after (i) Landlord’s delivery of a notice that the repairs cannot be made within such 180-day period (Landlord shall use reasonable efforts to deliver to Tenant such notice within 60 days of the date of such damage or casualty); or (ii) the date of damage, in the event the damage occurs during the last year of the Lease. Rent shall be apportioned and paid to the date of such damage. During the period that Tenant is deprived of the use of the damaged portion of the Premises, Basic Rent and Tenant’s Proportionate Share shall be reduced by the ratio that the Rentable Square Footage of the Premises damaged bears to the total Rentable Square Footage of the Premises before such damage. All injury or damage to the Premises or the Building resulting from the gross negligence or willful misconduct of Tenant or its Agents shall be repaired by Landlord, at Tenant’s expense, and Rent shall not abate nor shall Tenant be entitled to terminate the Lease. Notwithstanding anything herein to the contrary, Landlord shall not be required to rebuild, replace, or repair any Alterations, Tenant’s Property or other specialized Tenant improvements as reasonably determined by Landlord.

19.2 Condemnation. If 20% or more of the Building shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), then the Term shall cease and terminate as of the date when title vests in such governmental or quasi-governmental authority, and Rent shall be prorated to the date when title vests in such governmental or quasi-governmental authority. If less than 20% of the Building (none of which is within the Premises) is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), this Lease shall continue in full force and effect and Rent shall be prorated to the date when title vests in such governmental or quasi-governmental authority. Tenant shall have no claim against Landlord (or otherwise) as a result of such taking; provided, however, that Tenant may, to the extent allowed by law, claim an award for moving expenses and for the taking of any of Tenant’s Property (other than its leasehold interest in the Premises) which does not, under the terms of this Lease, become the property of Landlord at the termination hereof, as long as such claim is separate and distinct from any claim of Landlord and does not diminish Landlord’s award. Tenant hereby assigns to Landlord any right and interest it may have in any award for its leasehold interest in the Premises.

XX. SURRENDER AND HOLDOVER

On the Expiration Date, or upon any earlier termination of this Lease, or upon any re-entry by Landlord upon the Premises, Tenant shall quit and surrender the Premises to Landlord “broom-clean” and in good order, condition and repair, except for ordinary wear and tear and such damage or destruction as
improvements in or to the Premises and/or in or to the Building or its facilities and equipment as Landlord
is required or desires to make; provided, however, that Landlord shall use reasonable efforts to avoid
disturbing Tenant, Tenant's employees and Tenant's business operations. Landlord shall be allowed to
take all materials into and upon the Premises that may be required in connection therewith, without any
liability to Tenant and without any reduction of Tenant's covenants and obligations hereunder. During the
period of twelve (12) months prior to the Expiration Date (or at any time, if Tenant has vacated or
abandoned the Premises), Landlord and its Agents may exhibit the Premises to prospective tenants.

XVIII. LIABILITY AND INDEMNIFICATION OF LANDLORD

18.1 Indemnification. Except to the extent caused by the gross negligence or willful
misconduct of Landlord or its Agents, Tenant will neither hold nor attempt to hold Landlord, its Agents or
Mortgagee liable for, and Tenant will, to the fullest extent allowed by law, indemnify, hold harmless and
defend (with counsel reasonably acceptable to Landlord) Landlord, its Agents and Mortgagee, from and
against any damage to property and any injury to or death of persons (and any and all resulting or related
demands, claims, causes of action, fines, penalties, liabilities, judgments, and expenses, including,
without limitation, reasonable attorneys' fees and court costs) occurring inside the Premises, or occurring
in or about the Premises or Project in connection with or arising from (a) the use or occupancy or manner
of use or occupancy of the Premises by Tenant or its Agents; (b) any activity, work or thing done,
permitted or suffered by Tenant or its Agents in or about the Premises or the Project; (c) any acts,
omissions or negligence of Tenant or its Agents; and (d) any breach, violation or nonperformance by
Tenant or its Agents of any term, covenant or provision of this Lease or any law, ordinance or
governmental requirement of any kind.

18.2 Waiver and Release. Except to the extent caused by the gross negligence or willful
misconduct of Landlord, Tenant, to the fullest extent allowed by law, covenants and agrees that Landlord,
its Agents and Mortgagee will not at any time or to any extent whatsoever be liable, responsible or in any
way accountable for any loss, injury, death or damage (including consequential damages) to persons,
property or Tenant's business occasioned by (a) any act or omission of Landlord or its Agents; (b) any
acts or omissions, including theft, of or by any other tenant, occupant or visitor of the Project; or (c) any
injury or damage to persons or property resulting from any casualty, unknown fire, explosion, falling
plaster or other masonry or glass, steam, gas, electricity, electrical or electronic emanations or
disturbance, water, snow or rain which may leak from any part of the Building or any other portion of the
Project or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or
from any other place, or resulting from dampness. Tenant agrees to give prompt notice to Landlord upon
the discovery by Tenant of any of the events set forth in this Section 18.2 or of defects in the Premises or
the Building, or in the fixtures or equipment. Tenant shall take all reasonably prudent temporary measures
and safeguards to prevent any injury, loss or damage to persons or property in the event of an incident in
leased space.

18.3 Survival. The covenants, agreements and indemnification obligations under this Article
XVIII will survive the expiration or earlier termination of this Lease. Tenant's covenants, agreements and
indemnification obligations are not intended to and will not relieve any insurance carrier of its obligations
under policies required to be carried by Tenant pursuant to the provisions of this Lease.

18.4 Indemnification of Tenant. Except to the extent caused by the gross negligence or willful
misconduct of Tenant or its Agents, Landlord will neither hold nor attempt to hold Tenant and its Agents
liable for, and Landlord will, to the fullest extent allowed by law, indemnify, hold harmless and defend
(with counsel reasonably acceptable to Tenant) Tenant and its Agents and invitees, from and against any
damage to property and any injury to or death of persons (and any and all resulting or related demands,
claims, causes of action, fines, penalties, liabilities, judgments, and expenses, including, without
limitation, reasonable attorneys’ fees and court costs) occurring in any portion of the Project other than inside the Premises, or in connection with or arising from the use or occupancy or manner of use or occupancy of any portion of the Property.

XIX. DAMAGE OR DESTRUCTION

19.1 Damage to the Premises. If the Premises or the Building shall be damaged by fire or other insured cause, Landlord shall diligently and as soon as practicable after such damage occurs (taking into account the time necessary to effect a satisfactory settlement with any insurance company involved) repair such damage that is Landlord’s responsibility to repair at the expense of Landlord; provided, however, that Landlord’s obligation to repair such damage shall not exceed the proceeds of insurance available to Landlord (reduced by any proceeds retained pursuant to the rights of Mortgagee). Notwithstanding the foregoing, if the Premises or the Building are damaged by fire or other insured cause to such an extent that, in Landlord’s reasonable judgment, the damage cannot be substantially repaired within 180 days after the date of such damage, or if the Premises are substantially damaged during the last Lease Year, then: (a) Landlord may terminate this Lease as of the date of such damage by written notice to Tenant; or (b) Tenant may terminate this Lease as of the date of such damage by written notice to Landlord within 10 days after (i) Landlord’s delivery of a notice that the repairs cannot be made within such 180-day period (Landlord shall use reasonable efforts to deliver to Tenant such notice within 60 days of the date of such damage or casualty); or (ii) the date of damage, in the event the damage occurs during the last year of the Lease. Rent shall be apportioned and paid to the date of such damage. During the period that Tenant is deprived of the use of the damaged portion of the Premises, Basic Rent and Tenant’s Proportionate Share shall be reduced by the ratio that the Rentable Square Footage of the Premises damaged bears to the total Rentable Square Footage of the Premises before such damage. All injury or damage to the Premises or the Building resulting from the gross negligence or willful misconduct of Tenant or its Agents shall be repaired by Landlord, at Tenant’s expense, and Rent shall not abate nor shall Tenant be entitled to terminate the Lease. Notwithstanding anything herein to the contrary, Landlord shall not be required to rebuild, replace, or repair any Alterations, Tenant’s Property or other specialized Tenant improvements as reasonably determined by Landlord.

19.2 Condemnation. If 20% or more of the Building shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), then the Term shall cease and terminate as of the date when title vests in such governmental or quasi-governmental authority, and Rent shall be prorated to the date when title vests in such governmental or quasi-governmental authority. If less than 20% of the Building (none of which is within the Premises) is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), this Lease shall continue in full force and effect and Rent shall be prorated to the date when title vests in such governmental or quasi-governmental authority. Tenant shall have no claim against Landlord (or otherwise) as a result of such taking; provided, however, that Tenant may, to the extent allowed by law, claim an award for moving expenses and for the taking of any of Tenant’s Property (other than its leasehold interest in the Premises) which does not, under the terms of this Lease, become the property of Landlord at the termination hereof, as long as such claim is separate and distinct from any claim of Landlord and does not diminish Landlord’s award. Tenant hereby assigns to Landlord any right and interest it may have in any award for its leasehold interest in the Premises.

XX. SURRENDER AND HOLDOVER

On the Expiration Date, or upon any earlier termination of this Lease, or upon any re-entry by Landlord upon the Premises, Tenant shall quit and surrender the Premises to Landlord “broom-clean” and in good order, condition and repair, except for ordinary wear and tear and such damage or destruction as
Landlord is required to repair or restore under this Lease, and Tenant shall remove all of the Tenant’s Property therefrom, except as otherwise expressly provided in this Lease. In the event that Tenant shall not immediately surrender the Premises to Landlord on the Expiration Date or earlier termination of this Lease, Tenant shall be deemed to be a tenant-at-will pursuant to the terms and provisions of this Lease, except the daily Basic Rent shall be twice the daily Basic Rent in effect on the Expiration Date or earlier termination of this Lease (computed on the basis of a thirty (30) day month). Notwithstanding the foregoing, if Tenant shall hold over after the Expiration Date or earlier termination of this Lease, and Landlord shall desire to regain possession of the Premises, then Landlord may forthwith re-enter and take possession of the Premises without process, or by any legal process provided under applicable state law. If Landlord is unable to deliver possession of the Premises to a new tenant, or to perform improvements for a new tenant, as a result of Tenant’s holdover, Tenant shall be liable to Landlord for all damages, including, without limitation, special or consequential damages, that Landlord suffers from the holdover.

XXI. DEFAULT OF TENANT

21.1 Events of Default. Each of the following shall constitute an Event of Default: (a) Tenant fails to pay Rent within five (5) business days after notice from Landlord; provided that no such notice shall be required if at least two such notices shall have been given during the previous twelve (12) months; (b) Tenant fails to observe or perform any other term, condition or covenant herein binding upon or obligating Tenant within 20 days after notice from Landlord; provided, however, that if Landlord reasonably determines that such failure cannot be cured within said 20 day period, then Landlord may in its reasonable discretion extend the period to cure the default for up to an additional 20 days provided Tenant has commenced to cure the default within the 20 day period and diligently pursues such cure to completion (notwithstanding the foregoing, if Landlord provides Tenant with notice of Tenant’s failure to observe or perform any term, condition or covenant under this Subsection (b) on 2 or more occasions during any 12 month period, then Tenant’s subsequent violation shall, at Landlord’s option, be deemed an Event of Default immediately upon the occurrence of such failure, regardless of whether Landlord provides Tenant notice, or Tenant has commenced the cure of the same); (c) Tenant abandons or vacates the Premises or fails to take occupancy of the Premises within 90 days after the Commencement Date; (d) Tenant fails to execute and return a subordination agreement or estoppel within the time periods provided for in Article VII or Article XXIII; (e) Tenant makes or consents to a general assignment for the benefit of creditors or a common law composition of creditors, or a receiver of the Premises for all or substantially all of Tenant’s assets is appointed, or Tenant hereafter files a voluntary petition in any bankruptcy or insolvency proceeding, or an involuntary petition in any bankruptcy or insolvency proceeding is filed against Tenant and is not discharged by Tenant within 60 days; or (f) Tenant fails to immediately remedy or discontinue any hazardous conditions which Tenant has created or permitted in violation of law or of this Lease. Any notice periods provided for under this Section 21.1 shall run concurrently with any statutory notice periods and any notice given hereunder may be given simultaneously with or incorporated into any such statutory notice.

21.2 Landlord’s Remedies. Upon the occurrence of an Event of Default, Landlord, at its option, without further notice or demand to Tenant, may, in addition to all other rights and remedies provided in this Lease, at law or in equity, elect one or more of the following remedies:

(a) Terminate this Lease, or terminate Tenant’s right of possession to the Premises without terminating this Lease, and with or without reentering and repossessing the Premises. Upon any termination of this Lease, or upon any termination of Tenant’s right of possession without termination of this Lease, Tenant shall surrender possession and vacate the Premises immediately, and deliver possession thereof to Landlord. If Tenant fails to surrender possession and vacate the Premises, Landlord and its Agents shall have full and free license to enter into and upon the Premises with or without process of law for the purpose of repossessing the Premises,
removing Tenant and removing, storing or disposing of any and all Alterations, signs, personal property, equipment and other property therefrom. Landlord may take these actions without (i) being deemed guilty of trespass, eviction or forcible entry or detainer, (ii) incurring any liability for any damage resulting therefrom, for which Tenant hereby waives any right to claim, (iii) terminating this Lease (unless Landlord intends to do so), (iv) releasing Tenant in whole or in part, from any obligation under this Lease or any guaranty thereof, including, without limitation, the obligation to pay Rent or Damages (as defined herein) or (v) relinquishing any other right given to Landlord hereunder or by operation of law;

(b) Recover unpaid Rent (whether accruing prior to, on or after the date of termination of this Lease or Tenant’s right of possession and/or pursuant to the holdover provisions of Article XX. Rental Deficiency (as defined herein) and/or any Damages (as defined herein). “Rental Deficiency” is defined as a contractual measure of damages for Tenant’s non-payment of Rent measured by either the (i) “Actual Rental Deficiency”, which means the difference (never less than zero) between (A) the Basic Rent due for, and other Rent allocable under this Lease to, each calendar month beginning with the first month with respect to which Landlord receives rent from reletting the Premises and (B) the proceeds, if any, that Landlord actually collects from any substitute tenant for any part of the Premises in each corresponding month in which the Term and the term of the substitute tenant’s lease overlap; or (ii) “Market Rental Deficiency”, which is the present value (determined using a discount rate of seven percent (7%) per annum) of the difference (never less than zero) between (A) the total Rent which would have accrued to Landlord under this Lease for the remainder of the Term of this Lease (or such portion of the Term in which Landlord elects to recover this damage measure), if the terms of this Lease had been fully complied with by Tenant, and (B) the total fair market rental value of the Premises for the remainder of the Term of the Lease (or such portion of the Term in which Landlord elects to recover this damage measure). In determining the Market Rental Deficiency, the total fair market rental value will be the prevailing market rate for full service base rent for tenants of comparable quality for leases in buildings of comparable size, age, use location and quality in the marketplace in which the Project is located, taking into consideration the extent of the availability of space as large as the Premises in the marketplace. “Damages” shall mean all actual, incidental, and consequential damages, court costs, interest and attorneys’ fees arising from Tenant’s breach of the Lease, including, without limitation, (i) reletting costs, including, without limitation, the cost of restoring the Premises to the condition necessary to rent the Premises at the prevailing market rate, normal wear and tear excepted (including, without limitation, cleaning, decorating, repair and remodeling costs), brokerage fees, legal fees, advertising costs and the like; (ii) Landlord’s cost of recovering possession of the Premises; (iii) the cost of removing, storing and disposing of any of Tenant’s or other occupant’s property left on the Premises after reentry; (iv) any increase in insurance premiums caused by the vacancy of the Premises, (v) the amount of any unamortized improvements to the Premises in connection with this Lease paid for by Landlord, (vi) the amount of any unamortized brokerage commission paid by Landlord in connection with the leasing of the Premises to Tenant; (vii) costs incurred in connection with collecting any money owed by Tenant or a substitute tenant, (viii) any other sum of money or damages owed by Tenant to Landlord or incurred by Landlord as a result of or arising from, Tenant’s breach of the Lease or Landlord’s exercise of its rights and remedies for such breach, (ix) any contractual or liquidated type or measures of damages specified in this Lease and (x) any other type of measure of damages recoverable for any particular breach under applicable law statute, ordinance or governmental rule or regulation. Landlord may file suit to recover any sums falling due under the terms of this Section 21.2(b) from time to time, and no delivery to or recovery by Landlord of any portion due Landlord hereunder shall be any defense in any action to recover any amount not theretofore reduced to judgment in favor of Landlord. Nothing contained in this Lease shall limit or prejudice the right of Landlord to prove for and
obtain in proceedings for bankruptcy or insolvency by reason of the termination of this Lease, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above.

(c) If Landlord elects to terminate Tenant's right to possession of the Premises without terminating this Lease, Tenant shall continue to be liable for all Rent and all other Damages, except to the extent otherwise provided under Section 21.3 and Landlord may (but shall not be obligated to) relet the Premises, or any part thereof, to a substitute tenant or tenants, for a period of time equal to or lesser or greater than the remainder of the Term of this Lease on whatever terms and conditions Landlord, at Landlord's sole discretion, deems advisable. Notwithstanding any provision in this Section 21.2(c) to the contrary, Landlord may at (i) any time after reletting the Premises elect to exercise its rights under Section 21.2(b) for such previous breach; and (ii) upon the default of any substitute tenant or upon the expiration of the lease term of such substitute tenant before the expiration of the Term of this Lease, either relet to still another substitute tenant or exercise its rights under Section 21.2(b). For the purpose of such reletting Landlord is authorized to decorate or to make any repairs, changes, alterations or additions in or to the Premises that may be necessary.

(d) Take any lawful self-help or judicial action, including using a master or duplicate key or changing or picking the locks and security devices, without having any civil or criminal liability therefor to (i) reenter the Premises, repossess the Premises and permanently exclude Tenant and other occupants from the Premises, and/or (ii) make such payment or do such act as Landlord determines is necessary (without obligation to do so) to cure the Event of Default or otherwise satisfy Tenant's obligations under the terms of this Lease. Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in connection with the foregoing actions, which expenses shall bear interest until paid at the Interest Rate, and that Landlord shall not be liable for any damages resulting to Tenant from such actions.

(e) Withhold or suspend payment that this Lease would otherwise require Landlord to make.

(f) Recover, but only if Tenant fails to pay Basic Rent, and Landlord terminates this Lease or Tenant's right of possession with more than twelve (12) months remaining in the Term, liquidated rental damages for the period after any such termination equal to twelve (12) times the monthly Rent in lieu of any other contractual or legal measure of damages for Tenant's non-payment of Basic Rent, and the parties agree that this is a reasonable estimate of Landlord's damages for such a breach given the uncertainty of future market rental rates and the duration of any vacancy.

(g) No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute. In addition to other remedies provided in this Lease, Landlord shall be entitled, to the extent permitted by applicable law, to injunctive relief in case of the violation, or attempted or threatened violation, of any of the covenants, agreements, conditions or provisions of this Lease, or to a decree compelling performance of any of the covenants, agreements, conditions or provisions of this Lease, or to any other remedy allowed to Landlord at law or in equity.
21.3 Mitigation of Damages. Notwithstanding the foregoing, to the extent (but no further) Landlord is required by applicable law to mitigate damages, or is required by law to use efforts to do so, and such requirement cannot be lawfully and effectively waived (it being the intention of Landlord and Tenant that Tenant waive and Tenant hereby waives such requirements to the maximum extent permitted by applicable law), Tenant agrees that if Landlord markets the Premises in a manner substantially similar to the manner in which Landlord markets other space in the Building, then Landlord shall be deemed to have used commercially reasonable efforts to mitigate damages. Tenant shall continue to be liable for all Rent (whether accruing prior to, on or after the date of termination of this Lease or Tenant’s right of possession and/or pursuant to the holdover provisions of Article XX above) and Damages, except to the extent that Tenant receives any credit against unpaid Rent under Section 21.2(b) or pleads and proves by clear and convincing evidence that Landlord fails to exercise commercially reasonable efforts to mitigate damages to the extent required under this Section 21.3 and that Landlord’s failure caused an avoidable and quantifiable increase in Landlord’s damages for unpaid Rent. Without limitation to the foregoing, Landlord shall not be deemed to have failed to mitigate damages, or use efforts required by law to do so, because: (a) Landlord leases other space in the Building which is vacant prior to re-letting the Premises; (b) Landlord refuses to relet the Premises to any Related Entity of Tenant, or any principal of Tenant, or any Related Entity of such principal; (c) Landlord refuses to relet the Premises to any person or entity whose creditworthiness is not acceptable to Landlord in the exercise of its reasonable discretion; (d) Landlord refuses to relet the Premises to any person or entity because the use proposed to be made of the Premises by such prospective tenant is not warehouse or general business office use of a type and nature consistent with that of the other tenants in the portions of the Building leased or held for lease for warehouse and general business office purposes as of the date Tenant defaults under this Lease (by way of illustration, but not limitation, manufacturing facilities, government offices, consular offices, doctor’s offices or medical or dental clinics or laboratories, or schools would not be uses consistent with that of other tenants in the Building), or such use would, in Landlord’s reasonable judgment, impose unreasonable or excessive demands upon the Building systems, equipment or facilities; (e) Landlord refuses to relet the Premises to any person or entity, or any affiliate of such person or entity, who has been engaged in litigation with Landlord or any of its affiliates; (f) Landlord refuses to relet the Premises because the tenant or the terms and provisions of the proposed lease are not approved by the holders of any liens or security interests in the Building, or would cause Landlord to be in default of, or to be unable to perform any of its covenants or obligations under, any agreements between Landlord and any third party; (g) Landlord refuses to relet the Premises because the proposed tenant is unwilling to execute and deliver Landlord’s standard lease form or such tenant requires improvements to the Premises to be paid at Landlord’s cost and expense; (h) Landlord refuses to relet the Premises to a person or entity whose character or reputation, or the nature of such prospective tenant’s business, would not be acceptable to Landlord in its reasonable discretion; or (i) Landlord refuses to expend any material sums of money to market the Premises in excess of the sums Landlord typically expends in connection with the marketing of other space in the Building.

21.4 No Waiver. If Landlord shall institute proceedings against Tenant and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of any other covenant, condition or agreement herein contained, nor of any of Landlord’s rights hereunder. No waiver by Landlord of any breach shall operate as a waiver of such covenant, condition or agreement itself, or of any subsequent breach thereof. No payment of Rent by Tenant or acceptance of Rent by Landlord shall operate as a waiver of any breach or default by Tenant under this Lease. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly installment of Rent herein stipulated shall be deemed to be other than a payment on account of the earliest unpaid Rent, nor shall any endorsement or statement on any check or communication accompanying a check for the payment of Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord’s right to recover the balance of such Rent or to pursue any other remedy provided in this Lease. No act, omission, reletting or re-entry by Landlord, and no acceptance by Landlord of keys from Tenant, shall be considered an acceptance of a
surrender of the Lease, shall be construed as an actual or constructive eviction of Tenant, or an election on the part of Landlord to terminate this Lease unless a written notice of such intention is given to Tenant by Landlord.

21.5 Late Payment. If Tenant fails to pay any Rent within 5 business days after such Rent becomes due and payable, Tenant shall pay to Landlord a late charge of 10% of the amount of such overdue Rent. Such late charge shall be deemed Rent and shall be due and payable within 2 days after written demand from Landlord. Tenant hereby acknowledges that late payment by Tenant to Landlord of Rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which is not readily ascertained. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by the terms of any mortgage or deed of trust covering the Premises and/or Property. Acceptance of such late charges by Landlord shall in no event constitute a waiver of Tenant’s default with respect to such overdue amounts, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

21.6 Waiver of Redemption. Tenant hereby waives, for itself and all persons claiming by and under Tenant, all rights and privileges which it might have under any present or future law to redeem the Premises or to continue this Lease after being dispossessed or ejected from the Premises.

21.7 Landlord’s Lien. In addition to any statutory lien for rent in Landlord’s favor, Landlord shall have and Tenant hereby grants to Landlord a continuing security interest for all rents and other sums of money becoming due hereunder from Tenant, upon all goods, wares, equipment, fixtures, furniture, inventory, accounts, contract rights, chattel paper and other personal property of Tenant situated on the Premises, and such property shall not be removed therefrom without the consent of Landlord until all arrearage in rent as well as any and all other sums of money then due to Landlord hereunder shall first have been paid and discharged. Products and proceeds of collateral are also covered. In the event of a default under this Lease, Landlord shall have, in addition to any other remedies provided herein or by law, all rights and remedies under the Uniform Commercial Code, including without limitation the right to sell the property described in this Section 21.7 at public or private sale upon five (5) days’ notice to Tenant. Tenant hereby agrees to execute such financing statements and other instruments necessary or desirable in Landlord’s discretion to perfect the security interest hereby created. Any statutory lien for rent is not hereby waived; the express contractual lien herein granted being in addition and supplementary thereto.

XXII. BROKER

Landlord recognizes Broker(s) as the sole broker(s) procuring this Lease and shall pay Broker(s) a commission therefor pursuant to a separate agreement between Broker(s) and Landlord. Landlord and Tenant each represents and warrants to the other that it has dealt with no broker, agent, finder or other person other than Broker(s) relating to this Lease. Landlord shall indemnify and hold Tenant harmless, and Tenant shall indemnify and hold Landlord harmless, from and against any and all loss, costs, damages or expenses (including, without limitation, all attorneys’ fees and disbursements) by reason of any claim of liability to or from any broker or person arising from or out of any breach of the indemnitor’s representation and warranty.

XXIII. ESTOPPEL CERTIFICATES

Tenant agrees, at any time and from time to time, as requested by Landlord, to execute and deliver to Landlord (and to any existing or prospective mortgage lender, ground lessor, or purchaser designated by Landlord), within ten (10) days after the request therefor, a statement certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); certifying the dates to which the Rent has
been paid; stating whether or not Landlord is in default in performance of any of its obligations under this
Lease, and, if so, specifying each such default; and stating whether or not any event has occurred which,
with the giving of notice or passage of time, or both, would constitute such a default, and, if so,
specifying each such event. Any such statement delivered pursuant hereto shall be deemed a
representation and warranty to be relied upon by Landlord and by others with whom such party may be
dealing, regardless of independent investigation. Tenant also shall include in any such statements such
other information concerning this Lease as Landlord may reasonably request including, but not limited to,
the amount of Basic Rent and Additional Rent under this Lease, and whether Landlord has completed all
improvements to the Premises required under this Lease. If Tenant fails to execute, acknowledge or
deliver any such statement within ten (10) days after request therefor, Tenant hereby irrevocably
constitutes and appoints Landlord as its attorney-in-fact (which appointment is agreed to be coupled with
an interest), to execute and deliver any such statements for and on behalf of Tenant.

XXIV. ENVIRONMENTAL

24.1 Hazardous Material. Except for Hazardous Materials (a) in typical amounts necessary for
Tenant’s ordinary business operations, and which are stored, maintained, and used in accordance with
manufacturer’s instructions and all applicable Environmental Requirements, (b) which are hazardous
liquids that do not exceed fifty-five (55) gallons at any given time, excluding petroleum products intended
solely for Tenant’s consumptive use, or (c) which are chlorinated solvents that do not exceed one (1)
gallon in aggregate quantity, Tenant shall not, nor shall it permit or cause its Agents or any other party to,
bring any Hazardous Materials upon the Property and/or Premises or transport, store, use, generate,
manufacture, dispose, or release any Hazardous Materials on or from the Property and/or Premises
without Landlord’s prior written consent. Any Hazardous Material permitted on the Property and/or
Premises as provided herein, and all containers therefor, shall be used, kept, stored and disposed of in a
manner that complies with all Environmental Requirements. Title to Hazardous Materials will remain and
be stored or disposed of solely in Tenant’s name. Tenant shall not release, discharge, leak or emit or
permit to be released, discharged, leaked or emitted, any material into the atmosphere, ground, ground
water, surface water, storm or sanitary sewer system or any body of water, any Hazardous Material or any
other material (as is reasonably determined by Landlord or any governmental authority) which may
pollute or contaminate the same or may adversely affect (a) the health, welfare or safety of persons, or (b)
the condition, use or enjoyment of the Property and/or Premises, or any other real or personal property.
Tenant shall complete and certify in disclosure statements as requested by Landlord from time to time
relating to Tenant’s transportation, storage, use, generation, manufacture, or release of Hazardous
Materials on the Property and/or Premises.

24.2 Definition. As used herein, “Environmental Requirement” means all federal, state, and
local laws, ordinances, rules and regulations, court orders, governmental directives, governmental orders
and all interpretations of the foregoing, and all restrictive covenants affecting the Property and/or
Premises regulating or relating to health, safety, or environmental conditions at, on, in, under, or about the
Property and/or Premises or the environment or natural resources, including the following: the
Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation
and Recovery Act; the Clean Air Act; the Clean Water Act; the Toxic Substances Control Act and all
state and local counterparts thereto, and any common or civil law obligations including nuisance or
trespass. As used herein, “Hazardous Material” means any pollutant, contaminant, toxic or hazardous
substance, hazardous waste, dangerous substance, potentially dangerous substance, noxious substance,
hazardous, ignitable, explosive, toxic or radioactive material, urea formaldehyde foam insulation,
asbestos, PCBs, petroleum products or any other substances the removal of which is required, or the
manufacture, production, generation, use, maintenance, disposal, treatment, storage, transfer, handling or
ownership of which is restricted, prohibited, regulated or penalized, by any federal, state or local statute,
law, regulation or other legal requirement now or at any time hereafter in effect, including but not limited
to, the Comprehensive Environmental Response, Compensation, and Liability Act (U.S.C. 9601 et seq.),
the Hazardous Materials Transportation Act (49 U.S.C. 1801 et seq.), the Resource Conservation and
Recovery Act (42 U.S.C. 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.),
the Clean Air Act (42 U.S.C. 7401 et seq.), the Toxic Substances Control Act, as amended (15 U.S.C.
2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. 651 et seq.), as these laws and legal
requirements have been or are in the future amended or supplemented.

24.3 Tenant's Liability.

(a) Tenant hereby agrees that it shall be fully liable for all costs and expense related
to the use, storage and disposal of Hazardous Material kept on the Property and/or Premises, and
Tenant shall give immediate notice to Landlord of any violation or potential violation of the
provisions of Section 24.1 above. In furtherance of the foregoing, on or before the expiration of
the term of this Lease, Tenant shall deliver to Landlord a Phase I and, if required by Landlord in
its reasonable discretion, a Phase II environmental audit report (the “Tenant Environmental
Reports”) prepared by a reputable environmental testing company satisfactory to Landlord, with
respect to an environmental audit of the Premises, the Land and the Building as observed no
earlier than thirty (30) days prior to the expiration of the term of this Lease. The cost of such
Tenant Environmental Reports shall be borne solely by Tenant. Tenant shall defend, indemnify
and hold Landlord and its Agents harmless from and against any claims, demands, penalties,
fines, liabilities, settlements, damages, costs or expenses (including without limitation, attorneys'
and consultants’ fees, court costs and litigation expense) of whatever kind or nature, known or
unknown contingent or otherwise, arising out of or in any way related to any Hazardous Materials
identified in a Tenant Environmental Report that is not identified in the Landlord Environmental
Reports (as defined below), including, without limitation, (i) the presence, disposal, release or
threatened release of any such Hazardous Material that is on, from or affecting the soil, water,
vegetation, buildings, personal property, persons, animals or otherwise located on or around the
Premises; (ii) any personal injury (including wrongful death), property damage (real or personal)
arising out of or related to such Hazardous Material; (iii) any lawsuit brought or threatened,
settlement reached or government order relating to such Hazardous Material; (iv) any violation of
any laws applicable thereto; (v) a decrease in value of the Property and/or Premises relating to
such Hazardous Material, (vi) damages caused by loss or restriction of rentable or usable space
relating to such Hazardous Material; and (vii) damages caused by adverse impact on marketing of
the space relating to such Hazardous Material.

(b) Without limitation of the foregoing, if the Tenant causes or permits the presence
of any Hazardous Materials on the Property and/or Premises which results in contamination,
Tenant shall promptly, at its sole expense, take any and all necessary actions to return the
Property and/or Premises to the condition existing prior to the presence of any such Hazardous
Material on the Property and/or Premises. Tenant shall first obtain Landlord’s approval for any
such remedial action. If Tenant fails to perform such work within the time period specified by
Landlord or before Tenant’s right to possession terminates or expires (whichever is earlier),
Landlord may at its discretion perform such work at Tenant’s cost. Tenant shall pay all costs
incurred by Landlord in performing such work within ten days after Landlord’s request therefor.
Such work performed by Landlord is on behalf of Tenant and Tenant remains the owner,
generator, operator, transporter, and/or arranger of the Hazardous Materials under Environmental
Requirements. Tenant agrees not to enter into any agreement with any person, including any
governmental authority, regarding the removal of Hazardous Materials that have been disposed of
or otherwise released onto or from the Property and/or Premises without the written approval of
the Landlord. The provisions of Section 24.3 shall be in addition to any other obligations and
liabilities Tenant may have to Landlord under this Lease or at law or in equity and shall survive the transactions contemplated herein and shall survive the termination of this Lease.

24.4 Landlord’s Liability. On or about the Commencement Date, Landlord shall deliver to Tenant a Phase I and, if deemed necessary by Landlord, a Phase II environmental audit report of the Premises, Building and Land prepared by a reputable environmental testing company (the “Landlord Environmental Reports”). Landlord shall pay for the cost of the Landlord Environmental Reports. If the Landlord Environmental Report reveals any Hazardous Materials at the Property that Environmental Requirements require be removed or otherwise remediated for the Premises to be occupied for the Permitted Use (any being a recognized environmental condition or “REC”), Landlord shall cause such REC to be brought into compliance with Environmental Laws at its sole cost. Landlord shall indemnify, defend and hold harmless Tenant from and against any and all claims, damages, fines, judgments, penalties, costs, liabilities, losses and reasonable attorney’s fees to the extent caused by Landlord or its Agents and arising out of or in connection with the existence of any RECs. The obligations of Landlord under this Section 24.4 shall survive the Term of this Lease.

24.5 Inspections and Tests. Landlord shall have access to, and a right to perform inspections and tests of, the Property and Premises to determine Tenant’s compliance with Environmental Requirements, its obligations under this Article XXIV, or the environmental condition of the Property and/or Premises. Access shall be granted to Landlord upon Landlord’s prior notice to Tenant and at such times so as to minimize, so far as may be reasonable under the circumstances, any disturbance to Tenant’s operations. Such inspections and tests shall be conducted at Landlord’s expense, unless such inspections or tests reveal that Tenant has not complied with any Environmental Requirement, in which case Tenant shall reimburse Landlord for the reasonable cost of such inspection and tests. Landlord’s receipt of or satisfaction with any environmental assessment in no way waives any rights that Landlord holds against Tenant. Tenant shall promptly notify Landlord of any communication or report that Tenant makes to any governmental authority regarding any possible violation of Environmental Requirement or release or threat of release of any Hazardous Materials onto or from the Property and/or Premises. Tenant shall, within five days of receipt thereof, provide Landlord with a copy of any documents or correspondence received from any governmental agency or other party relating to a possible violation of Environmental Requirements or claim or liability associated with the release or threat of release of any Hazardous Materials onto or from the Property and/or Premises. Upon request, Tenant shall provide Landlord with an inventory of Hazardous Materials located at, on or in the Property and/or Premises and copies of any Material Safety Data Sheet in Tenant’s possession required by any Environmental Requirement or related to any Hazardous Material.

XXV. SIGNAGE

Except as expressly provided for in this Article XXV, no sign, advertisement or notice shall be inscribed, painted, affixed, placed or otherwise displayed by Tenant on any part of the Property or the outside or the inside of the Building to the extent visible from the exterior of the Premises, Building or Property. If any prohibited sign, advertisement or notice is nevertheless exhibited by Tenant, Landlord shall have the right to remove the same, and Tenant shall pay upon demand any and all expenses incurred by Landlord in such removal, together with interest thereon at the Interest Rate from the demand date. Subject to applicable governmental regulations, restrictions and permitting, including applicable sign ordinances, and recorded restrictions affecting the Property, Tenant shall have the right, at its sole cost and expense, to install and maintain a sign on the exterior of the Premises and a sign panel on the monument sign located in front of the Building, consistent with the signage currently existing for other tenants of the Building; provided, however, that the specifications for such signage (including, without limitation, the exact size and proposed location thereof) shall be submitted to Landlord for approval prior to the installation thereof, which approval shall not be unreasonably withheld. Landlord’s approval of
Tenant’s proposed signage shall not constitute a representation or warranty by Landlord that such signage complies with applicable law or restrictions, and compliance therewith shall remain Tenant’s sole responsibility. At or before the Expiration Date, or the date of any earlier termination of this Lease, Tenant shall remove such signage and repair any damage to the Building resulting from Tenant’s installation or removal thereof, restoring the exterior of the Building where the signage was located to the condition existing as of the Commencement Date.

XXVI. MISCELLANEOUS

26.1 Merger. Tenant expressly acknowledges and agrees that Landlord has not made and is not making, and Tenant, in executing and delivering this Lease, is not relying upon, any warranties, representations, promises, or statements, except to the extent that the same are expressly set forth in this Lease. All prior understandings and agreements between the parties are merged in this Lease (which includes the Exhibits attached hereto and made a part hereof), which alone fully and completely express the agreement of the parties. No agreement shall be effective to change, modify, waive, release, discharge, terminate or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing, and is signed by the party against whom enforcement of said change or modification is sought.

26.2 Notices. Any notice required to be given by either party pursuant to this Lease, shall be in writing and shall be deemed to have been properly given, rendered or made only if personally delivered, if sent by Federal Express or other comparable delivery service, or if sent by registered or certified mail, return receipt requested, postage prepaid, addressed to the other party at its address set forth in Section 1.18 or 1.19 above, as applicable, or to such other address as Landlord or Tenant may designate to each other from time to time by written notice, and shall be deemed to have been received upon the earlier of receipt or, if mailed by certified mail, 3 days after such mailing.

26.3 Non-Waiver. The failure of either party to insist, in any one or more instances, upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, but the Lease shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt by Landlord of Rent with knowledge of breach by Tenant of any obligation of this Lease shall not be deemed a waiver of such breach.

26.4 Parties Bound. Except as otherwise expressly provided for in this Lease, this Lease shall be binding upon, and inure to the benefit of, the successors and assignees of the parties hereto. However, the obligations of Landlord shall not be binding upon Landlord herein named with respect to any period subsequent to the conveyance and transfer of its entire interest in the Building, as owner thereof, and in the event of such conveyance and transfer, said obligations shall thereafter be binding upon each transferee, and Tenant waives all rights and causes of action Tenant may then have, as against the Landlord herein named. Submission of this instrument by Landlord to Tenant for examination shall not bind Landlord in any manner, and no lease, option, agreement to lease or other obligation of Landlord shall arise until the instrument is signed by, and delivered to, both Landlord and Tenant. Notwithstanding anything to the contrary in this Lease, the liability of Landlord hereunder and any recourse by Tenant against Landlord shall be limited solely and exclusively to an amount equal to the interest of Landlord in the Property, and neither Landlord, nor any of its constituent partners, shall have any personal liability therefor.

26.5 Recordation of Lease. Tenant shall not record or file this Lease in the public records of any county or state.
26.6 Survival of Obligations. Upon the Expiration Date or other termination of this Lease, neither party shall have any further obligation or liability to the other except as otherwise expressly provided in this Lease and except for such obligations as, by their nature or under the circumstances, can only be, or by the provisions of this Lease, may be, performed after such expiration or other termination; and, in any event, unless otherwise expressly provided in this Lease, any liability for any payment hereunder which shall have accrued to, or with respect to, any period ending at the time of expiration or other termination of this Lease shall survive the Expiration Date or other termination of this Lease.

26.7 Prorations. Any apportionments or prorations of Rent to be made under this Lease shall be computed on the basis of a year containing three hundred sixty (360) days, consisting of twelve (12) months of thirty (30) days each.

26.8 Governing Law; Construction. This Lease shall be governed by and construed in accordance with the laws of the state in which the Project is located. If any provision of this Lease or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Lease and the application of that provision to other persons or circumstances shall not be affected but rather shall be enforced to the extent permitted by law. The captions, headings and titles in this Lease are solely for convenience of reference and shall not affect its interpretation. This Lease shall be construed without regard to any presumption or other rule requiring construction against the party causing this Lease to be drafted. Each covenant, agreement, obligation, or other provision of this Lease on Tenant's part to be performed, shall be deemed and construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. All terms and words used in this Lease, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other gender as the context may require.

26.9 Time. Time is of the essence of this Lease and in the performance of all obligations hereunder. If the time for performance hereunder falls on a Saturday, Sunday or a day which is recognized as a holiday in the state in which the Project is located, then such time shall be deemed extended to the next day that is not a Saturday, Sunday or holiday in the state in which the Project is located.

26.10 Authority of Tenant.

(a) If Tenant signs as a corporation, the person executing this Lease on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and validly existing corporation, in good standing, qualified to do business in the state in which the Project is located, that the corporation has full power and authority to enter into this Lease and that he or she is authorized to execute this Lease on behalf of the corporation.

(b) If Tenant signs as a partnership or limited liability company, the person executing this Lease on behalf of Tenant hereby represents and warrants that Tenant is a duly formed, validly existing partnership or limited liability company, as applicable, qualified to do business in the applicable state, that the partnership or limited liability company, as applicable, has full power and authority to enter into this Lease, and that he or she is authorized to execute this Lease on behalf of the partnership or limited liability company, as applicable. Tenant further agrees that it shall provide Landlord with an authorization from the partnership or limited liability company, as applicable, certifying as to the above in a form acceptable to Landlord.

26.11 Security. Landlord makes no representation or warranty regarding security at the Property, the Building or the Project. If Tenant requests security services and Landlord approves such services, Tenant shall pay the cost of all such security services.
26.12 Financial Reports. Prior to the execution of this Lease by Tenant and thereafter within 15 days after Landlord’s request, Tenant will furnish Tenant’s most recent audited financial statements (including any notes to them) to Landlord, or, if no such audited statements have been prepared, such other financial statements (and notes to them) as may have been prepared by an independent certified public accountant, or, failing those, Tenant’s internally prepared financial statements, certified by Tenant.

26.13 Rules and Regulations. Tenant and its Agents shall at all times abide by and observe the Rules and Regulations set forth in Exhibit C and any amendments thereto that may reasonably be promulgated from time to time by Landlord for the operation and maintenance of the Project and the Rules and Regulations shall be deemed to be covenants of the Lease to be performed and/or observed by Tenant. Nothing contained in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce the Rules and Regulations, or the terms or provisions contained in any other lease, against any other tenant of the Project. Landlord shall not be liable to Tenant for any violation by any party of the Rules and Regulations or the terms of any other Project lease. If there is any inconsistency between this Lease (other than Exhibit C) and the then current Rules and Regulations, this Lease shall govern.

26.14 Force Majeure. The obligations of Tenant hereunder shall not be affected, impaired or excused, and Landlord shall have no liability whatsoever to Tenant, with respect to any act, event or circumstances arising out of (a) Landlord failing to fulfill, or delaying in fulfilling any of its obligations under this Lease by reason of fire; earthquake; explosion; flood; hurricane; the elements; acts of God or the public enemy; actions, restrictions, governmental authorities (permitting or inspection), governmental regulation of the sale of materials or supplies or the transportation thereof; war; invasion; insurrection; rebellion; riots; strikes or lockouts, inability to obtain necessary materials, goods, equipment, services, utilities or labor; or any other cause whether similar or dissimilar to the foregoing; or (b) any failure or defect in the supply, quantity or character of electricity, gas, steam or water furnished to the Premises, or by reason of any requirement, act or omission of any public utility or others serving the Property, beyond Landlord’s reasonable control. Tenant shall not hold Landlord liable for any latent defect in the Premises or the Building nor shall Landlord be liable for injury or damage to person or property caused by fire, or theft, or resulting from the operation of heating or air conditioning or lighting apparatus, or from falling plaster, or from steam, gas, electricity, water, rain, snow, ice, or dampness, which may leak or flow from any part of the Building, or from the pipes, appliances or plumbing work of the same. Tenant agrees that under no circumstances shall Landlord be liable to Tenant or any third party for any loss of, destruction of, damage to or shortage of any property; including, by way of illustration and not limitation, equipment, goods or merchandise, including Tenant’s Property placed on the Premises or suffered to be placed thereon by Tenant, it being the intention of the parties hereto that the risk of any and all such loss, destruction, damage or shortage shall be borne by Tenant.

26.15 Waiver of Jury Trial. Landlord and Tenant each waive trial by jury in connection with proceedings or counterclaims brought by either of the parties against the other with respect to any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant hereunder or Tenant’s use or occupancy of the Premises.

26.16 Attorneys’ Fees. If either Landlord or Tenant commences or engages in any legal action or proceeding against the other party (including, without limitation, litigation or arbitration) arising out of or in connection with the Lease, the Premises, the Property or the Project (including, without limitation (a) the enforcement or interpretation of either party’s rights or obligations under this Lease (whether in contract, tort, or both) or (b) the declaration of any rights or obligations under this Lease), the prevailing party shall be entitled to recover from the losing party reasonable attorneys’ fees, together with any costs and expenses, incurred in any such action or proceeding, including any attorneys’ fees, costs, and expenses incurred on collection and on appeal.
26.17 Landlord’s Fees. Whenever Tenant requests Landlord to take any action or give any consent required or permitted under this Lease, Tenant will reimburse Landlord for all of Landlord’s reasonable out of pocket costs incurred in reviewing the proposed action or consent, including, without limitation, attorneys’, engineers’ or architects’ fees, within 10 days after Landlord’s delivery to Tenant of a statement of such costs. Tenant will be obligated to make such reimbursement without regard to whether Landlord consents to any such proposed action.

26.18 Light, Air or View Rights. Any diminution or shutting off of light, air or view by any structure which may be erected on lands adjacent to or in the vicinity of the Building and Project shall not affect this Lease, abate any payment owed by Tenant hereunder or otherwise impose any liability on Landlord.

26.19 Counterparts. This Lease may be executed in one or more counterparts, each of which shall constitute an original and all of which shall be one and the same agreement. Executed counterparts may be transmitted by telecopy, email or other electronic means and copies so transmitted when printed shall be deemed originals.

26.20 Nondisclosure of Lease Terms. Tenant acknowledges and agrees that the terms of this Lease are confidential and constitute proprietary information of Landlord. Disclosure of the terms could adversely affect the ability of Landlord to negotiate other leases and impair Landlord’s relationship with other tenants. Accordingly, Tenant agrees that it, and its Agents shall not intentionally or voluntarily disclose the terms and conditions of this Lease to any newspaper or other publication or any other tenant or apparent prospective tenant of the Building, the Premises or the Project, without the prior written consent of Landlord, provided, however, that Tenant may disclose the terms to prospective subtenants or assignees under this Lease.

26.21 Commencement Date Agreement. Within thirty (30) days after the Commencement Date, Landlord and Tenant shall execute the Commencement Date Agreement, the form of which is attached hereto as Exhibit D and made a part hereof.

26.22 Anti-Terrorism. Tenant represents and warrants to and covenants with Landlord that (i) neither Tenant nor any of its owners or affiliates currently are, or shall be at any time during the term hereof, in violation of any laws relating to terrorism or money laundering (collectively, the “Anti-Terrorism Laws”), including without limitation Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, and regulations of the U.S. Treasury Department’s Office of Foreign Assets Control (OFAC) related to Specially Designated Nationals and Blocked Persons (SDN’s OFAC Regulations), and/or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56) (the “USA Patriot Act”); (ii) neither Tenant nor any of its owners, affiliates, investors, officers, directors, employees, vendors, subcontractors or agents is or shall be during the term hereof a “Prohibited Person” which is defined as follows: (1) a person or entity owned or controlled by, affiliated with, or acting for or on behalf of, any person or entity that is identified as an SDN on the then-most current list published by OFAC at its official website, http://www.treas.gov/offices_eof/fic/ofac/sdn/lsdn.pdf, or at any replacement website or other replacement official publication of such list, and (2) a person or entity who is identified as or affiliated with a person or entity designated as a terrorist, or associated with terrorism or money laundering pursuant to regulations promulgated in connection with the USA Patriot Act; and (iii) Tenant has taken appropriate steps to understand its legal obligations under the Anti-Terrorism Laws and has implemented appropriate procedures to assure its continued compliance with such laws. Tenant hereby agrees to defend, indemnify, and hold harmless Landlord, its officers, directors, agents and employees, from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney’s fees and costs) arising from or related to any breach of the foregoing representations, warranties and covenants.
any time and from time-to-time during the term, Tenant shall deliver to Landlord within ten (10) days after receipt of a written request therefor, a written certification or such other evidence reasonably acceptable to Landlord evidencing and confirming Tenant’s compliance with this paragraph.

**XXVII. RIGHT OF FIRST OFFER**

27.1 **Right of First Offer.** Provided that no event of default has occurred beyond any applicable cure or grace period and is then continuing, Tenant shall have an on-going right of offer ("Offer Option") to purchase the Property. Prior to entering into any agreement to sell the Property, Landlord shall notify Tenant in writing ("Landlord’s ROFO Notice") of Landlord’s desire to sell the Property and the terms that Landlord is willing to accept to sell the Property. Tenant shall have ten (10) days after Tenant receives Landlord’s ROFO Notice in which to notify Landlord in writing of its election to Purchase the Property. If Tenant declines to exercise this Offer Option or fails to give such written notice within the time period required, Tenant shall be deemed to have waived the Offer Option, and thereafter the Offer Option shall be void and of no further force or effect, and Landlord shall be free to sell the Offer Space to any third party on terms reasonably similar to those contained within the Landlord’s ROFO Notice. As used in this **Section 27.1** the phrase "terms reasonably similar to those contained within the Landlord’s ROFO Notice” shall mean a purchase price not more than 5% less than the price set forth in Landlord’s ROFO Notice. If Tenant shall exercise the Offer Option, the parties shall enter into a contract to Purchase the Property upon the terms and conditions set forth in Landlord’s ROFO Notice (the “Purchase Contract") within thirty (30) days of Tenant’s election to exercise the Offer Option. If, for any reason, Landlord and Tenant shall fail to timely execute the Purchase Contract the Offer Option shall expire and be of no further force and effect. In no event shall the Offer Option apply to (a) any exercise by a lender of the right to foreclose the Property or (b) a transfer of title by a deed in lieu of foreclosure or (c) any sale of the Property by a lender or (d) a transfer of title to the Property to entities owned or controlled by Steven Mancini, Daniel Mancini and/or Edward Mancini, in any combination, or to their respective family limited liability companies, in any combination (a "Non-Arm’s Length Transfer"), provided that (x) no Non-Arm’s Length Transfer (or series of such transfers) shall in any way sever, suspend or otherwise terminate Tenant’s ongoing Offer Option, and (y) the obligation of Landlord (or Landlord’s successors-in-title) to deliver a Landlord’s ROFO Notice as prescribed herein shall remain in full force and effect and apply in the event of any proposed sale or transfer of the Property that is not a Non-Arm’s Length Transfer.

27.2 **Personal Option.** This Offer Option is personal with respect to the Tenant named in this Lease and shall automatically terminate upon any assignment of this Lease or subletting of the Premises.

*Signature Page Immediately Follows.*
IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

**TENANT:**

ULTIMATE HYDROFORMING, INC., a Michigan corporation

By: [Signature]

Name: Shirley A. Klyn

Title: President

**LANDLORD:**

MANCINI ENTERPRISES, LLC a Michigan limited liability company

By: [Signature]

Name: Richard Mancini

Title: President
EXHIBIT A
SITE PLAN
[to be attached]
EXHIBIT B
Landlord Work

This Exhibit B is attached to and made a part of the Lease dated August 1, 2018, by and between ULTIMATE HYDROFORMING, INC., a Michigan corporation ("Tenant"), and MANCINI ENTERPRISES, LLC, a Michigan limited liability company ("Landlord") for space in the Building located at 42605 Van Dyke Road, Sterling Heights, Michigan. Capitalized terms set out herein shall have the same meaning as set out in the Lease, unless otherwise defined herein.

1. Tenant has personally inspected the Premises and accepts the same "AS IS" without representation or warranty by Landlord of any kind and with the understanding that Landlord shall have no responsibility with respect thereto except to construct and install within the Premises, in a good and workmanlike manner, the following (the "Landlord Work"):

   A. Six inch (6") reinforced concrete floors;
   
   B. Installation of columns, rails and runways for a ten (10) ton capacity crane in two of the bays in the Building. Tenant will be responsible for the cost and expense of acquiring and installing two (2) ten ton top running double girder cranes ("Cranes");
   
   C. Install 2000 amp - 480 volts primary electrical service to the Building.
   
   D. Restroom which shall be compliant with Title III of the ADA and a breakroom. Tenant shall be responsible for cost, if any, of rendering the breakroom ADA compliant;
   
   E. Paint all columns and walls (not decks or trusses);
   
   F. Radiant tube heat throughout the Premises;
   
   G. LED lighting throughout the Premises sufficient for Tenant's use of the Premises as reasonably determined by the Landlord; and
   
   H. Exterior walls of office to finished in "white box" condition.

2. Construction of the Landlord Work will be completed by Landlord at Landlord's sole cost and expense. In addition, Landlord shall have the right to select and/or approve of any contractors used in connection with the Landlord Work.

3. Tenant shall be solely responsible for the timely preparation and submission to Landlord of the final architectural, electrical and mechanical construction drawings, plans and specifications ("Plans") necessary to construct the Landlord Work, which Plans shall be subject to approval by Landlord and Landlord's architect and engineers and shall comply with their requirements to avoid aesthetic or other conflicts with the design and function of the balance of the Building. Tenant shall be responsible for all elements of the design of Plans (including, without limitation, compliance with law, functionality of design, the structural integrity of the design, the configuration of the premises and the placement of Tenant's furniture, appliances and equipment), and Landlord's approval of Plans shall in no event relieve Tenant of the responsibility for such design. Tenant shall be solely responsible for ensuring that the Premises comply with the Americans with Disabilities Act. If requested by Tenant, Landlord's architect

Exhibit B - 1
will prepare the Plans necessary for such construction at Tenant’s cost. Whether or not the layout and Plans are prepared with the help (in whole or in part) of Landlord’s architect, Tenant agrees to remain solely responsible for the timely preparation and submission of the Plans and for all elements of the design of such Plans and for all costs related thereto. Tenant will deliver the initial Plans, approved by Tenant, to Landlord. Tenant has assured itself by direct communication with the architect and engineers (Landlord’s or its own, as the case may be) that the final approved Plans can be delivered to Landlord on or before August 31, 2018 (the “Plans Due Date”). Tenant covenants and agrees to cause said final, approved Plans to be delivered to Landlord on or before said Plans Due Date and to devote such time as may be necessary in consultation with said architect and engineers to enable them to complete and submit the Plans within the required time limit. Time is of the essence in respect to preparation and submission of Plans by Tenant. In the event the Plans are not fully completed and delivered by the Plans Due Date: (a) Tenant shall be responsible for any delay in completion of the Landlord Work resulting therefrom and such delay shall extend the Delivery Cutoff Date on a day for day basis and (b) if such delay results in higher minimum costs of construction and/or higher actual construction costs Tenant shall pay such additional costs, plus any applicable state sales or use tax thereon, within ten (10) days after demand for such sums. The amounts payable by Tenant hereunder constitute Additional Rent payable pursuant to the Lease, and the failure to timely pay same constitutes an event of default under the Lease.

4. If Tenant shall request any change, addition or alteration in any of the Plans after approval by Landlord, Landlord shall have such revisions to the drawings prepared, and Tenant shall reimburse Landlord for the cost thereof, plus any applicable state sales or use tax thereon, upon demand. Promptly upon completion of the revisions, Landlord shall notify Tenant in writing of the increased cost which will be chargeable to Tenant by reason of such change, addition or deletion. Tenant, within one (1) business day, shall notify Landlord in writing whether it desires to proceed with such change, addition or deletion. In the absence of such written authorization, Landlord shall have the option to continue work on the Premises disregarding the requested change, addition or alteration, or Landlord may elect to discontinue work on the Premises until it receives notice of Tenant’s decision, in which event Tenant shall be responsible for any delay in completion of the Landlord Work resulting therefrom and such delay shall extend the Delivery Cutoff Date on a day for day basis. In the event such revisions result in a higher estimate of the cost of construction and/or higher actual construction costs, Tenant shall pay such additional costs, plus any applicable state sales or use tax thereon, within ten (10) days after demand for such sums.

5. For purposes of this Lease, “Substantial Completion” shall mean the Premises have been constructed according to the scope of work attached (except for minor punch list items to be completed) and a temporary or permanent certificate of occupancy has been issued.
EXHIBIT C

RULES AND REGULATIONS

Tenant covenants and agrees to comply with the following rules and regulations as they may be modified or amended during the Term. Landlord will not be responsible to Tenant for the nonperformance of such rules and regulations by any other tenant or occupant of the Building, but agrees to take reasonable measures to assure such other tenant's compliance. Landlord shall enforce all rules and regulations in a commercially reasonable and nondiscriminatory manner.

1. The sidewalks, entrances, passages, elevators, vestibules, stairways, corridors or hall shall not be obstructed by Tenant or used for any purpose other than ingress and egress to and from the Premises.

2. No awning or other projections shall be attached to the outside walls of the Premises or the building of which they form, and no curtains, blinds, shades, screens or lights shall be attached to or hung in, or used in connection with any exterior window or exterior door of the Premises without, in each instance, the prior written consent of Landlord.

3. Tenant shall not place, affix or maintain any showcases, merchandise, security devises, signs or other articles to the exterior of Tenant's Premises or in the common areas of the Building without the prior written consent of the Landlord.

4. No sign, advertisement, display, notice, or other lettering shall be exhibited, inscribed, painted, or affixed on any part of the outside of the Premises or inside, if visible from the outside, or outside the building of which they form a part, and no symbol, design, mark, or insignia adopted by Landlord for the Building or the tenants therein shall be used in connection with the conduct of Tenant's business in the Premises or elsewhere without, in each instance, the prior written consent of Landlord. All such signs, displays, advertisements, and notices of Tenant so approved by Landlord shall be maintained by Tenant in good and attractive condition at Tenant's expense and risk. Tenant shall not use handbills for advertising at the Building.

5. No loud speakers, television sets, phonographs, radios, musical instruments or other devices shall be used in a manner so as to be heard or seen outside of the Premises without the prior written consent of Landlord.

6. Tenant shall not make or permit any noise, odor or gases which Landlord deems objectionable to emanate from the Premises. Tenant shall not suffer, allow, or permit any vibration, light, or other effect to emanate from the Premises, or from any machine or other installation therein, or otherwise suffer, allow, or permit the same to constitute a nuisance or otherwise interfere with the safety, comfort, or convenience of Landlord or any of the other tenants or occupants of the Building or their Agents, or any others lawfully in or upon the Building. Upon notice by Landlord to Tenant that any of the aforesaid is occurring, Tenant agrees to forthwith remove or control the same.

7. No material shall be placed in the trash boxes, containers or receptacles in the Building unless such material may be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage and will not result in a violation of any law or ordinance governing such disposal. All empty boxes, containers, garbage and other refuse shall be kept in the kind of container specified by Landlord, and shall be placed in the area specified by Landlord and prepared for collection in the manner and at the times and places specified by Landlord. If Landlord shall provide or designate a service for picking up refuse and garbage, Tenant shall use same at Tenant’s cost, provided such cost
shall be competitive to any similar service available to Tenant. Tenant will not install or cause to be installed any automatic garbage disposal equipment without the prior written consent of Landlord.

8. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purposes other than those for which they were constructed. No foreign substance of any kind (including sweepings, rubbish, rags, etc.) shall be thrown therein and the expense for any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by the Tenant who, or whose employees or invitees shall have caused it.

9. Tenant shall, at Tenant’s cost, use such pest extermination contractor as Landlord may direct at such intervals as Landlord may require, provided the cost thereof is competitive to any similar service available to Tenant.

10. Tenant at its expense shall participate in any reasonable window cleaning program that may be established by Landlord for all or substantially all other stores or premises in the Building and shall not permit window cleaning or other exterior maintenance or janitorial services in and for the Premises to be performed except during reasonable hours designated for such purposes by Landlord.

11. Tenant shall not install, maintain, or operate any coin or token vending machine or video games, pinball machine or other entertainment devices or any coin operated device for the sale of any goods, wares, merchandise, food, beverages, or services without the prior written consent of Landlord. Notwithstanding anything herein to the contrary, Tenant shall have the right to operate or permit to be operated vending machines or similar devices (including machines for sale of beverages, foods, and other goods), provided the same are for the exclusive use of Tenant’s employees and invitees.

12. Tenant will assure that the doors of premises are closed and locked and that all water faucets, water apparatus, and utilities are shut off (except heat to the extent necessary to prevent the freezing or bursting of pipes and heat and air conditioning to the extent necessary to prevent the drawing of heated or cooled air) before Tenant or Tenant’s employees leave the premises, so as to prevent waste or damage. For any default or carelessness in this regard, Tenant will pay for all injuries sustained by other tenants or occupants of the Building or by Landlord.

12. Tenant shall not attach or permit to be attached additional locks or similar devices to any door, transom or window of the Premises; change existing locks or the mechanism thereof, or make or permit to be made any keys for any door other than those provided by Landlord. If more than two keys for one lock are desired, Landlord will provide upon payment therefore by Tenant. Tenant, upon termination of its tenancy, shall deliver to the Landlord all keys of offices, rooms and toilet rooms which have been furnished to Tenant or which Tenant shall have had made, in the event of loss of any keys so furnished shall pay Landlord therefore.

13. Landlord shall have the right to prohibit any advertising by any tenant which in Landlord’s opinion, tends to impair the reputation of the Building.

14. Landlord may waive any one or more of these rules and regulations for the benefit of any particular tenant or tenants, but no waiver by Landlord will be construed as a waiver of those rules and regulations in favor of any other tenant or tenants, nor prevent Landlord from enforcing any rules and regulations against any or all of the tenants of the Building.
EXHIBIT D

COMMENCEMENT DATE AGREEMENT

THIS COMMENCEMENT DATE AGREEMENT is attached to and made a part of that certain Lease Agreement dated August 1, 2018 (the "Lease"), by and between MANCINI ENTERPRISES, LLC, a Michigan limited liability company, as Landlord and ULTIMATE HYDROFORMING, INC., a Michigan corporation, as Tenant. All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Lease.

Relative to the Premises consisting of approximately ______ square feet of space located in Suite ___, [property name], [property address] and more specifically referred to in the above-mentioned Lease, our records indicate the following pertinent information with regard to same:

Commencement Date: _________________________
Rent Commencement Date: _________________________
Termination Date: _________________________

If you concur with the above, please acknowledge by signature below, retaining one (1) copy of this agreement for your files and returning the other to my attention, at your earliest possible convenience.

Should this Commencement Date Agreement not be executed and returned to Landlord within thirty (30) days of its receipt by Tenant, said dates as specified herein shall hereby be deemed agreed to by Tenant.

Sincerely yours,

MANCINI ENTERPRISES, LLC, a Michigan limited liability company

By: _________________________
Name: _________________________
Title: _________________________

The foregoing is hereby acknowledged and agreed by:

TENANT:

ULTIMATE HYDROFORMING, INC., a Michigan corporation

By: _________________________
Name: _________________________
Title: _________________________
DEPARTMENT: CLERKS
ORG/OBJECT: 11601040-038000
AMOUNT: 2200.00

ULTIMATE HYDROFORMING INC.

This is a valid receipt when machine certified by City Treasurer's Office.

City of Sterling Heights
40555 Utica Road I P.O. Box 8009
Sterling Heights, Michigan 48311-8009
FAX 586.276.4077 | TEL 586.446.2780
Office of Assessing

IFEC Information Sheet

Date: April 2, 2019
Applicant: ULTIMATE HYDROFORMING, INC.
Address: 42605 VAN DYKE AVENUE
Sidwell Number: 50-10-10-09-200-046

PROPERTY LEGAL DESCRIPTION

MANCINI ENTERPRISES, LLC

T2N, R12E, SEC 9 COM AT NE 1/4 COR SEC 9; TH SOUTH 716.77 FT; TH S89*40'54"W 60.0 FT; TH SOUTH 230.02 FT TO POB; TH SOUTH 259.58 FT; TH S89*45'48"W 740.0 FT; TH NORTH 259.58 FT; TH N89*45'48"E 740.0 FT TO POB.

4.41 ACRES SPLIT FROM -041 FOR 2002

PROPERTY LOCATION MAP
Office of Assessing

IFEC Information Sheet

Date: April 2, 2019
Applicant: ULTIMATE HYDROFORMING, INC.
Address: 42605 VAN DYKE AVENUE
Sidwell Number: 50-10-10-09-200-046

BUILDING SKETCH

TOTAL SQ. FT. 74,720
CITY OF STERLING HEIGHTS
RESOLUTION

WHEREAS, Ledds Enterprises Industrial Park has petitioned the City Council to establish an Industrial Development District at the following location:

A parcel of land located in the northeast 1/4 of Section 9, T2N, R12E, City of Sterling Heights, Michigan, described as commencing at the N.E. corner of Section 9, T2N, R12E, thence due south 771.00 feet along the East line of Section 9, which is the center line of Van Dyke Road, to a point of beginning, thence continuing along the same East line of Section 9, South 435.59 feet, thence N 89°41'24"E, 2643.66 feet to a point of the East R.O.W. line of Penn Central Railroad (50 feet wide), thence N 00°17'36"E, 435.39 feet, thence S89°41'24"W, 2643.66 feet to the point of beginning along the east line of Section 9, which is the center line of Van Dyke Road, containing 26.40 acres more or less. Parcel No. 10-09-200-002.

and

WHEREAS, The City Council has held a public hearing on this petition and there were no objections, and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Sterling Heights does hereby establish an Industrial Development District and Speculative Building Designation for Ledds Enterprises Industrial park, Sidwell No. 10-09-200-002.

Dated this 1st day of May, 1990.

AYES: Rice, Gush, Koski, Notte, Zettel, Burkhart, Grot

NAYS: None

ABSENT: None

[Signature]

Mary A. Bunker, CMC/AAE
City Clerk

10-09-200-046-000
42605 Van Dyke
IDD RESOLUTION 1990
Michigan Department of Treasury
3222 (Rev. 6-05)

Fiscal Statement (to be completed by local unit)

Is this project:

- Real Property? ☒ ☐
- Personal Property? ☒ ☐
- Both Real and Personal Property - New Facility? ☒ ☐
- Both Real and Personal Property - Rehabilitation Facility? ☒ ☐
- Both New and Replacement Facility? ☒ ☐

Estimated Project Investment (not assessed value):

<table>
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<tr>
<th>Real Property</th>
<th>Personal Property</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>$4,288,053.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. A. Has the proper local authority reviewed the plan? ☒ ☐
   B. Is the project located in a certified industrial park? ☒ ☐
   C. Is this a renovation or expansion of an existing building? ☒ ☒

2. Will this project require improvement of your road service? ☒ ☐
3. Will this project require improvement of your sanitary sewer services? ☒ ☐
4. Will this project require improvement of your storm sewer services? ☒ ☐
5. Will this project require improvement of your water services? ☒ ☐
6. Will this project require additional police personnel, police equipment or a need for new police building expansion? ☒ ☐
7. Will this project require the need for additional fire personnel, additional or specialized fire equipment or the need for a new fire building? ☒ ☐
8. Will this project require other costs? ☒ ☐
9. Are costs of infrastructure elements to be provided through Local Development Finance Authority or Tax Increment Finance Authority Bonds? ☒ ☐

If you answered yes to any of questions 2 through 8, the appropriate sections of the Supplement to Fiscal Statement form must be completed and accompany the IFT application. Call (517) 373-3272 to obtain that form.

LOCAL UNIT CERTIFICATION

This is to certify that the following has been provided as accurately as possible.

Signature: [Signature]
Name and Title of Local Governmental Unit Official: MARCIA D. MAGYAR-SMITH, City Assessor
RESOLUTION

A resolution of the Sterling Heights City Council approving the application by Mancini Enterprises, LLC for a Speculative Building Designation for a New Facility located at 42605 Van Dyke.

Minutes of the regular meeting of the City Council of Sterling Heights, Michigan, held on the 1st day of August, 2017, at the City Hall, 40555 Utica Road, in Sterling Heights, Michigan, at 7:00 p.m.:

PRESENT: Deanna Koski, Gary Lusk, Maria G. Schmidt, Nate Shannon, Liz Sierawski, Michael C. Taylor, Barbara A. Ziarko.

ABSENT: None

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on May 1, 1990, the City Council established by resolution an Industrial Development District (IDD) for property commonly known as 42605 Van Dyke.

WHEREAS, Mancini Enterprises, LLC (Applicant) has filed an application for a Speculative Building designation with respect to a new building installed within the IDD, on the following parcel of real property:

T2N, R12E, SEC 9 COM AT NE 1/4 COR SEC 9; TH SOUTH 716.77 FT; TH S89°40'54"W 60.0 FT; TH SOUTH 230.02 FT TO POB; TH SOUTH 259.58 FT; TH S89°45'48"W 740.0 FT; TH NORTH 259.58 FT; TH N89°45'48"E 740.0 FT TO POB 4.41 ACRES SPLIT FROM -041 FOR 2002

Commonly known as: 42605 Van Dyke, Sterling Heights, Michigan, 48314
Tax Item No.: 10-09-200-046-000

WHEREAS, before acting on said application, the City Council of Sterling Heights held a public hearing on August 1, 2017, at 40555 Utica Road, in Sterling Heights, MI at 7:00 pm, at which hearing Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application;

WHEREAS, the building was constructed for the purpose of providing a manufacturing facility before the identification of a specific user of that building, does not qualify as a replacement facility, and is a Speculative Building by definition of Public Act 198 of 1974;

WHEREAS, Applicant meets all requirements necessary for obtaining a Speculative Building designation under M.C.L. 207.551 et seq. and in accordance with established City guidelines;

NOW, THEREFORE,
BE IT RESOLVED, that the City Council for the city of Sterling Heights designates the new manufacturing building at 42605 Van Dyke as a Speculative Building pursuant to and in accordance with Public Act 198 of 1974.

Dated this 1st day of August, 2017

AYES: 7

NAYS: 0

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of Sterling Heights, County of Macomb, Michigan, at a regular meeting held the 1st day of August, 2017

Melanie D. Ryska, City Clerk
RESOLUTION

A resolution of the Sterling Heights City Council approving the application by Ultimate Hydroforming, Inc. for an Industrial Facilities Exemption Certificate at 42605 Van Dyke Avenue.

Minutes of the regular meeting of the City Council of Sterling Heights, Michigan, held on the 7th day of May, 2019, at the City Hall, 40555 Utica Road, in Sterling Heights, Michigan, at 7:00 p.m.:

PRESENT:

ABSENT:

The following preamble and resolution were offered by: _________________________ and supported by: _____________________.

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on May 1, 1990, the City Council established by resolution an Industrial Development District (IDD) for the real property commonly known as 42605 Van Dyke and being more particularly described below; and,

WHEREAS, on August 1, 2017, the City Council approved by resolution the application by Mancini Enterprises, LLC for a Speculative Building Designation for a New Facility located at 42605 Van Dyke within the IDD; and,

WHEREAS, Ultimate Hydroforming, Inc. (Applicant) has executed a lease to occupy the Speculative Building as a tenant and filed an application for an Industrial Facilities Exemption Certificate with respect to a proposed real and personal property investment at 42605 Van Dyke Avenue; and,

WHEREAS, before acting on said application, the City Council of Sterling Heights held a public hearing on May 7, 2019, at 40555 Utica Road, in Sterling Heights, MI at 7:00 pm, at which hearing Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and,

WHEREAS, the Speculative Building is located in an IDD duly established by the City Council of Sterling Heights; and,

WHEREAS, the Speculative Building was constructed less than 9 years before the filing of Applicant’s application for an Industrial Facilities Exemption Certificate; and,

WHEREAS, the Speculative Building has not been occupied since completion of construction; and,
WHEREAS, completion and occupancy of the Speculative Building is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create, or prevent the loss of employment in the City of Sterling Heights; and,

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes with the City of Sterling Heights, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE,

BE IT RESOLVED that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the city of Sterling Heights, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Sterling Heights.

2. The application by Ultimate Hydroforming, Inc. for an Industrial Facilities Exemption Certificate is hereby approved with respect to the investment at and occupancy of the vacant Speculative Building on the following described parcel of real property situated within the Industrial Development District, to wit:

LEGAL DESCRIPTION

T2N, R12E, SEC 9 COM AT NE 1/4 COR SEC 9; TH SOUTH 716.77 FT; TH S89°40'54"W 60.0 FT; TH SOUTH 230.02 FT TO POB; TH SOUTH 259.58 FT; TH S89°45'48"W 740.0 FT; TH NORTH 259.58 FT; TH N89°45'48"E 740.0 FT TO POB.

PIN: 50-10-10-09-200-046
a/k/a: 42605 Van Dyke Avenue

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 9 years after completion.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.
I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of Sterling Heights, County of Macomb, Michigan, at a regular meeting held the 7th day of May, 2019.

_____________________
Melanie D. Ryska, City Clerk
**DATE:** May 7, 2019  
**APPLICANT:** ULTIMATE HYDROFORMING, INC.  
**ADDRESS:** 42605 VAN DYKE AVENUE  
**PARCEL NUMBER:** 50-10-09-200-046

**CITY MILLAGE RATE:**  
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**REAL PROPERTY TAXES ABATED OVER TERM (Rounded):** $165,760  
**TOTAL TAXES ABATED OVER TERM:** $532,880

**PERSONAL PROPERTY**

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**PERSONAL PROPERTY TAXES ABATED OVER TERM:** $532,880

**TOTAL TAXES ABATED OVER TERM:** $532,880

**TOTAL TAXES ABATED PER YEAR:**
- **REAL PROPERTY TAXES:** $18,418
- **PERSONAL PROPERTY TAXES:** $39,080
- **TOTAL:** $59,209
1. Mayor Michael C. Taylor called the meeting to order at 7:00 p.m.

2. Mayor Taylor led the Pledge of Allegiance to the Flag and Melanie D. Ryska, City Clerk, gave the Invocation.


   Also Present: Mark Vanderpool, City Manager; Marc D. Kaszubski, City Attorney; Melanie D. Ryska, City Clerk; Carol Sobosky, Recording Secretary.

4. **APPROVAL OF AGENDA**
   Moved by Koski, seconded by Taylor, to approve the Agenda as presented.

   Yes: All. The motion carried.

5. **BUDGET WORKSHOP DISCUSSION**
   A. Presentation of Budget
      Budget Introduction & Overview
      Road Update
      Financial Software Integration
      Code Enforcement Update
      Digital Plan Review Process
      Community Relations

   Mayor Taylor stated this is the first of two budget workshops, with adoption of the budget at the first Council meeting in May. He stated there will be a number of presentations from City employees and administration.
Mr. Vanderpool stated after many months of preparation, they are pleased to present the fiscal year 2019/2020 proposed budget. He explained they will proceed with the presentations, and there will be plenty of time for audience members and City Council to follow up with comments. He advised that, at the conclusion of the presentations, the Appropriations Ordinance will need to be introduced, which will enable City Council to make amendments to the budget throughout the hearings. He informed the City’s proposed budget is available online for anyone interested, and there are hard copies available. A video was shown at this time, and at the conclusion of the video, Mr. Vanderpool invited Finance & Budget Director Jennifer Varney to make a presentation.

Ms. Varney provided an overview of the budgets being considered this evening with the use of a PowerPoint presentation. She explained the total proposed City budget for 2019/20 is $246.8 million, which is broken down into five major fund types. The budget increased 1%, or about $2.5 million, over last year, and the major changes included $21 million to fund construction of the new Public Works building; $1.9 million for an increased debt service due to the bond issue and to finance that building; $2.7 million in local road funding; decrease of $5.8 million in road bond construction spending, noting the only thing budgeted out of that fund is the preliminary engineering on the Innovate Mound project amounting to approximately $2.5 million; $10.4 million less in ReCreating Recreation as they are in the third year of that program; and $1.2 million less on projects in the Local Development Finance Authority. She noted the City’s
largest fund, the General Fund, is $105.3 million, or about 43% of the total City Budget, divided into the City’s eight departmental budgets. Nearly 64% of the General Fund budget funds police, fire and public works, with the remaining departments totaling just under 25% and transfers to other funds make up the remaining 11-1/2%. She advised there is a slight decrease from last year of about $118,000, and she outlined the differences. She stated the proposed budget includes a significant investment in the City’s most important asset, its employees, with multiple new training initiatives for all employees, which she outlined in detail. She stated they will once again fully fund their required contribution to all three of their retirement plans at an approximate $830,000 increase over last year. She advised the funding levels decreased slightly to 77.3% for the General Fund, due primarily to a lower rate of return than assumed, and decreased to 62.9% for Police and Fire, due to an update of the mortality table which added about $14 million to unfunded liabilities. They are continuing to increase the funding for the retirees medical funding, which has increased up to 55.1% from 50.9% last year. They continue to make this a budget priority by budgeting more than what is required.

Ms. Varney outlined the General Fund revenues of $106.3 million, with the majority of that coming from property taxes. The second largest component comes from state sources, including revenue-sharing and personal property tax. The revenue total is a slight decrease of about $50,000 from last year, resulting in taxes from the operating millage being about $2.4 million lower,
due to the one mill decrease in property taxes, which were offset somewhat by an increase in taxable values that are up 5.5%. She advised a current property owner will only see a 2.4% inflationary adjustment. The rest of the increase is due to new development and home sales. She stated property tax revenue from the Police & Fire millage increased by $780,000, and that millage is directly related to the contribution to the Police & Fire Fund. Safe Streets millage also saw an increase in the amount of the inflationary adjustment of 2.4% due to the Headlee rollback on the millage rate. She stated they saw decreases in grant revenue and cable television revenue, the latter of which is starting to trend downward because people are moving away from traditional cable service. Ms. Varney outlined the other sources of revenue increases, including State revenue-sharing, EMS transport fees, investment income and Police & Fire reimbursements.

Ms. Varney addressed the consequences of their third Headlee millage rollback. This reduces the maximum millage rate a city can levy to an amount below what the voters approved, so although voters approved 2.5 mills for Safe Streets and 0.97 mills for ReCreating Recreation, the current maximum millage rates are 2.4465 and 0.9491, respectively. It caps the tax revenue growth rate to inflation and limits the City’s ability to capture additional revenue from new developments and home sales. She stressed the rollback is permanent so it can never reverse. She added the operating millage has not been drastically affected by this because they are below their Headlee maximum; however, she
advised that gap is eroding every year, so they are losing about 0.1 mill each year.

Ms. Varney compared the City’s tax rate with those in other communities, and she displayed charts showing the City of Sterling Heights continues to be one of the lowest in Macomb County, at 5.9 mills below the average of all Macomb County cities. She added they also compared favorably to similar-sized cities in Michigan and are the lowest in tax revenue per resident of their comparable cities. She stated that revenues exceed expenditures, and they will be able to contribute $1 million to their General Fund reserves, which is the sixth year in a row they have been able to contribute to General Fund balance, so at the end of the budget year, they are projected to reach 25.6% of general expenditures in reserves, meeting their goal of at least 25%. She reviewed the Special Revenue Funds totaling $42.8 million, with Parks & Recreation being the largest of those at a total of $17.8 million, or about $9.7 million less than last year, and being funded by the ReCreating Recreation millage and contributions from General Fund. She stated 52%, or $22.3 million, of Special Revenue funds are for repairs to the City’s major roads and local neighborhood streets and they receive funding through Act 51 revenue from the State, which is comprised of gas tax and registration fees. She acknowledged that, although that revenue has been increasing, they are still $3 million below what they would have been if they had received 2004 levels all of these years, and $16.5 million below what they would have received if they had continued to receive inflationary
increases off of the 2004 level for the last fourteen years. She explained the City is continuing its commitment to major road reconstruction, budgeting an additional $10 million in major roads, and combined with funding from last year’s budget and the local road budget, road improvements for the 2019 calendar year will total $23.2 million, as detailed in the flyer sent to all residents in their water bills. She stated there will be a significant investment in neighborhood streets, with the budgeted amount of $9.2 million, including construction and maintenance. This funding comes from the State through Act 51 revenue and also additional funding from the Safe Streets millage. She noted the Safe Streets millage has contributed over $3 million annually for a total of nearly $20 million over the six-year period, and this has significantly increased local road funding and the number of repairs they have been able to complete each year. Ms. Varney stated the remaining Special Revenue funds include Community Development Block Grant (CDBG); Public Safety Forfeiture funds; Local Development Finance Authority; Indigent Defense Fund, which is new this year; and the Corridor Improvement Authority. She explained where those funds originate and how they will be used. The Capital Projects fund, at a total of $37.4 million, comprise three separate funds, including road construction financed through bonds, as well as repair of City facilities and replacement of equipment and vehicles. The main Capital Project fund totals $26.3 million and she displayed a slide showing some of the major projects. The Facilities Improvement fund accounts for $20 million of facility
improvement projects across the four major city buildings, and technology upgrades across all city buildings. She outlined the projects in progress and completed. The Road Bond Construction fund accounts for projects paid with bond proceeds, and the only item budgeted this year from that fund is $2.5 million for the preliminary engineering work for the Innovating Mound project. She provided some details of the funding of that project, noting that construction is scheduled to begin in July of 2020. The Clinton River Restoration Fund was not allocated any funding in the proposed budget because it was specifically created to track grant proceeds and expenditures for the $4.5 million EPA grant the City received to clean up the Clinton River. She informed the project is expected to be completed this spring, and all grant proceeds will have been spent. She assured the City will continue to maintain the river, however, and has entered into a private/public partnership with Clinton River Canoe and Kayak, who is responsible for the daily maintenance and inspections of the river. She showed pictures of the clean-up that was done on the Clinton River, which could not have been accomplished without grant funding.

Ms. Varney addressed the Debt Service funds, which comprise 3% of the total City budget, and she outlined these funds. She explained their debt levels have increased the last few years, but they are still well below their legal limit. She showed a slide breaking down the amounts, reflecting that the City is at 22% of their legal debt limit. She added this limit is calculated every year and is
evaluated by their auditors. She stated the Water and Sewer budget will be discussed at the next Budget Hearing. She explained they will have presentations this evening on three department budgets, including the City Administration Department, with a budget of $9.4 million, made up of two divisions with 49 full-time and 10 part-time staff. She showed the split between the individual offices. She advised the budget increased by $1.1 million, or 12.8%, with personnel costs increasing by about $400,000, and she explained the details of that increase. She reviewed some of the capital outlays in these departments. The second of the three department budgets being presented tonight includes City Development, comprising 5% of the General Fund budget, or $5.1 million, and is made up of five divisions totaling 42 employees. This budget increase $288,000, or 6%, and she explained the details of the increase. She also reviewed some of the capital outlays for these departments. Ms. Varney stated the last of the three department budgets being presented tonight is Community Relations, comprising 1.4% of the General Fund budget, or $1.5 million, and includes 7 full-time and 2 part-time employees. She informed there is only a slight increase of $38,000 over last year, due to wage increases as well as additional costs for Sterlingfest and media monitoring software. Ms. Varney concluded her overview by reviewing the capital outlay expenditures anticipated in this budget year for Community Relations.

Mr. Vanderpool stated the next presentation involves roads, and he stressed Sterling Heights has made significant investment in improving roads since
2012. He credited much of that to passage of the Safe Streets Initiative in 2013, which will be up for renewal in 2019. He stated between 2014 and 2022, over $400 million in various road improvements will have been completed in Sterling Heights. They anticipate spending over $23 million this construction year alone. He invited City Engineer Brent Bashaw to provide an update of their road improvement plan and projects over the next five years.

Mr. Bashaw stated 2018 was a big year for road construction in the City of Sterling Heights, with over $32 million being expended on major roads alone, spread over 15 separate projects. He added that 2019 will be another big year as they address paving conditions on many streets needing surface improvement. He started his presentation with the Neighborhood Road plan for 2019, which is the sixth and final year of expenditures for funds raised through the Safe Streets Initiative. He highlighted the upcoming 2019 improvements to the neighborhood roads and reviewed the impact over these six years of improvements that have taken place. He informed that over $7 million, much of that from the Safe Streets Initiative, will be allocated to neighborhood road repairs in 2019, with 18 full-road replacements, 15 with section repairs and 4 roads resurfaced within the asphalt program, totaling over seven miles in local roads improved. He showed maps with color-coded highlights showing which roads have been improved over the years, as well as the roads proposed for improvement this year. He highlighted the 2019 local road projects in each quadrant of the City. Mr. Bashaw provided statistics of the
overall improvements over the six-year period since the Safe Streets Initiative was passed by the voters, stating that 252 streets will have seen improvement, addressing 32 miles of neighborhood roadway pavement. He reviewed the condition the streets would be in if they had not had the six years of the Safe Street Initiative, and he explained the PASER system used to rate the roads based on their conditions. In 2004, the number of roads rated in poor condition totaled 11% and outweighed the number of roads in good condition, which totaled 7%. If no supplemental local road funding was applied to the system, by 2018, the number of roads in poor condition was projected to be 31%, with the number of roads in good condition reduced to 5%. The incorporation of the Safe Streets expenditures over the last five years, along with the upcoming 2019 projects, resulted in an increase of pavement rated in good condition to 16%, and the number of roads rated in poor condition has been reduced from 11% in 2013 to 9% in 2019. He advised that in 2019, the residents of Sterling Heights will once again vote on the renewal of the Safe Streets millage, and he reviewed the anticipated improvements that can be expected if Safe Streets renewal passes. He showed a color-coded map of local roads in the city, indicating which are in poor condition and scheduled for roadwork this year. He informed that the maps are available on the City’s website if anyone is interested in looking at it. Photographs of deteriorating streets were shown, along with photographs of streets in those same neighborhoods that already had improvements. He indicated that without the renewal of the Safe Streets
millage, the improvements would go back to similar output seen in pre-2013, with only smaller section repairs done to address the worst of the worst pavement. Full pavement replacements would be minimal, so they would probably be looking at 60 locations totaling 5.3 miles, or a little less than 1 mile per year. Passage of the Safe Streets millage would generate about $20.5 million of funds to be expended on neighborhood roads, funding approximately 80% of local road expenditures and would enable another 32 miles of local road improvement and continue the trend established in 2013 of improving the condition of the City’s local roads.

Mr. Bashaw reviewed the major road network, and he outlined the projects over 2018, with 15 projects totaling $32 million. He showed what is anticipated for 2019 for the major road network, including 19 Mile from Hayes to Schoenherr, 14 Mile from Dequindre to Ryan, Metro Parkway resurfacing, Merrill Road resurfacing north of 19 Mile Road, 18 Mile Road between Mound and Ryan, Utica Road from Dodge Park to Van Dyke, and Schoenherr from the north limits of the 2018 project to north of 18 Mile Road, all totaling $15 million in major road improvements. He summarized the remaining roads in the plan from 2020 through 2023. He concluded that the five-year major road plan brings a total investment of over $268 million spread over many of the major roadways in Sterling Heights, and when they look at the years from 2014 through 2023, he showed the highlighted roads that have or will receive capital
improvements, and the vast majority of the major roads will have seen capital improvements with a total investment of over $416 million.

Mr. Vanderpool stated the next two presentations will focus on technology and will not only improve efficiencies but will also save money in the long term. He introduced City Controller Nick Makie to give a presentation.

Mr. Makie discussed a need related to the City’s financial software, and he reviewed the various software packages the City relies on every day to accomplish tasks and keep the City running, noting all of these separate systems require significant effort and coordination for maintenance and upkeep. They want to make sure their software meets their needs, and he informed they are looking at a new financial software. They identified three goals that would have to be met in order to move from their current software vendor, which is Tyler Technologies/MUNIS. He explained those goals and moving to BS&A for their financial software meets all of their goals. Mr. Makie’s presentation included slides which show how BS&A would streamline data between departments, as well as some of the improvements and efficiency gains. He cited examples which would reduce their storage footprint, paper flow, allow implementation of electronic check requests for payments, and offer a single system for cash receipting in the Treasurer’s office. He added having their utility billing and tax system integrated would increase efficiencies related to their delinquent water bills, and enhanced project management would be gained through Engineering, City Development and Budgeting all
being on the same system. He provided additional examples of some of the improvements with an integrated system. Mr. Makie noted that BS&A is significantly less costly than their current system, noting that although there is an initial expenditure, the annual maintenance costs are roughly one-half of their current costs. These savings would offset the initial investment in about seven-and-a-half years. He explained they have been using MUNIS since 2001. He provided more background information about BS&A. He concluded by stating that the software will be vetted by the City and after they are satisfied that BS&A is the software they think it to be, they will come back to Council with a request for approval. He anticipated if they decide on this software, it would most likely be implemented by December 2019.

Mr. Vanderpool explained that the Sterling Heights Initiative for Neighborhood Excellence (SHINE) was initiated over ten years ago. It is a multi-faceted program which has resulted in thousands of properties being cleaned up and millions of dollars reinvested in property values in the City. He mentioned a recent article in the Chicago Tribune about a national study, conducted by Insurify, that listed cities ranked in the top twenty for the highest percentages of home ownership, and he noted that Sterling Heights ranked in the top ten, a signal that their neighborhoods are strong. He invited City Development Director Jason Castor to provide an update on how SHINE is helping to keep property values high and ownership strong in the City’s neighborhoods, and he
stated that update will be followed by a presentation from City Planner Chris McLeod, who will provide an overview of another exciting technology upgrade.

Mr. Castor provided an update on the efforts of code enforcement. He stated they know their hard work is paying off by the number of properties cleaned up. He stated Sterling Heights has the highest overall property valuation and is first in residential and commercial valuation of all communities in the County, and he felt the code enforcement model the City has in cleaning up thousands of properties has a role in this statistic. He outlined the code enforcement process in detail, noting if they do not get voluntary compliance after violation issued as well as a couple of inspections, the case may be referred to the Ordinance Board of Appeals (OBA I and OBA II), who makes an abatement recommendation. Based on that recommendation, the Code Officer will complete the work order sent to the City’s abatement contractor, and after the work is completed and an invoice sent to the property owner, the case is closed.

Mr. Castor outlined the methods in which someone can register a complaint with the City. He explained that all of the Code Officers are outfitted with city logo clothing so they can be easily identified in the neighborhoods. They have also replaced most of their old rusted vehicles with all new all-wheel-drive Escapes and intend to replace the rest this year. He displayed a chart showing the inspection data for the last five years, noting in 2018, Code Officers performed nearly 23,000 inspections resulting in 12,391 cases being cleaned
up. A ratio of four-to-one violations found in the City are a result of proactive enforcement, which is impressive, because if it were based on complaints only, the number of their inspections would be reduced to about 2,500. He explained the Ordinance Board of Appeals (OBA) system in detail, which is different than most other communities that process all cases through the court system. He informed that in 2018, 351 cases were sent to OBA, which is out of the 12,000 cases that were identified, and equates to 97% of the property owners addressing the violation prior to making the OBA meeting. Following the OBA meeting, they achieve 99% compliance prior to the contractor’s services.

He reviewed the types of violations they see, provided statistics and he showed before-and-after pictures of violations and the subsequent cleaned-up property. He credited the Code Enforcement team, including front-line clerical staff, assistance from various departments, and Code Enforcement officers, led by the Code Enforcement Coordinator. They are operating with eleven code officers, with another part-time position being hired this year, which doubles Code Enforcement staff over the last ten years. He concluded his presentation by stating their Code Enforcement officers work to achieve voluntary compliance for the enforcement of the property maintenance code and City ordinances, and this process helps to preserve and maintain the appearance and property values in residential and commercial areas.
Mr. Vanderpool reminded residents noticing lots with grass well in excess of six inches in height can notify the City by calling 446-CITY or sending an email. He assured those problems can generally be resolved within a day or two.

City Planner Chris McLeod provided an update on how the Community Development Department is conducting their reviews for all new development within the City. He outlined the former process which involved a lot of paper, large plans, ordinance books and rulers on the desk as plans were being reviewed. He noted that they could have a set of plans that could involve hundreds of pages, with the package being one to two inches thick and very cumbersome. He outlined the new process they have implemented in the last year, and the City purchased new computer tablets, development review and tracking software. They are using Bluebeam REVU software, as well as extensions to the City’s BS&A software, called PZE, which is for development tracking purposes. He noted there are eleven new Dell Canvas Computers, and Engineering received five, Planning received two, Building received three and GIS received one. He explained they received these about two months ago so they are still becoming more familiar with the programs and the tablets. Along with the overall system, they received a 27-inch touch-screen surface paired with a 34-inch curved monitor. Mr. McLeod provided a view of this new system through a PowerPoint presentation, and he outlined its capabilities and benefits. He stressed the benefits to the developers, which included response efficiency, both in time and clarity, and an average cost savings of $5,270 per
standard site plan in paper costs alone. The benefits to the City include faster response times, clearer review comments and the ability to share those comments, less duplication of work, reduced storage needs because of the elimination of all of the paper and having a direct line to BS&A through PZE. He stated they will be continuing in the next year to develop further integration of the City Development portal for submittal of documents, as well as incorporating more training on the software programs. He concluded his presentation that Sterling Heights is one of the few communities in the state with this technology, so they hope to take it to the next level with further integration and digitization for online submittal.

Mr. Vanderpool invited the last presenter for this evening, Community Relations Director Bridget Kozlowski, to provide an update on the City’s ongoing community engagement efforts, on the public art program and expansion of the recently-created mural program.

Ms. Kozlowski provided an overview of the Community Relations initiatives, goals and strategy for 2019/2020. She reiterated the department’s continued direction as “digital first”, noting more of their customer service inquiries are coming in through email, SeeClickFix or through social media on Facebook or Twitter. She detailed how they manage these social media pages and responses. She highlighted SHTV’s continued focus on “digital first” in their efforts to provide content for an online audience rather than long-form cable programing. She anticipated subscriptions to cable will continue to decline as
more people are relying on streaming services. Short videos under two minutes are getting the City’s largest viewership numbers, and all videos are housed through YouTube. She encouraged residents to sign up for eNews and explained that they have started a new City Communicators Collaboration meeting on a monthly basis to allow each department to bring to them upcoming initiatives, events and potentially important public information campaigns that can be assisted with the help of Community Relations.

Ms. Kozlowski announced a marketing campaign they hope to launch in late summer to raise Sterling Heights profile in metro Detroit as a destination for families and reach out to the five-county area for targeted advertising. She mentioned the “Push Play 365” campaign in 2018 which focused branding Sterling Heights as a recreation destination, and she outlined plans for a larger 2019 marketing campaign.

Ms. Kozlowski talked about public art and a short video was shown portraying the three murals installed last year. They are hoping to continue the mural momentum and have put out a call to interested businesses seeking a mural to fill out a form on the City’s website. They are also pursuing four locations that have not yet been secured but are of interest to the City. She highlighted the City’s collaboration with the Detroit Institute of Arts (DIA) with regard to an art mural proposed for the side of the police station in August 2019. She noted the DIA is free to those who live in Macomb, Oakland and Wayne counties, and she encouraged anyone interested in a trip to the DIA to contact her. She talked
about Everbrite, a bright interactive light wall for all ages, inspired by Lite Brite, and it was approved at the last City Council meeting. It will be located in the children’s section of the Public Library and she credited Library Director Tammy Turgeon for the work she did in its acquisition, and a short video was shown. Ms. Kozlowski concluded her report by talking about public art in the City and the return on its investment. She explained they had all of their public art appraised, and while the original investment was $424,854, it has been appraised at $1,014,000. Slides were shown of the art pieces that increased significantly in value.

Mr. Vanderpool stated this concludes the budget presentations this evening, and he reminded Council that the Appropriations Ordinance needs to be introduced this evening.

Mayor Taylor opened the floor for comments from the audience on the presentations, but there were no comments.

6. **ORDINANCE INTRODUCTIONS**

A. Mayor Taylor stated this is to introduce the fiscal year 2019/20 Appropriations Ordinance.

Moved by Ziarko, seconded by Taylor, **RESOLVED**, to introduce the Appropriations Ordinance for the 2019/20 fiscal year.

Councilwoman Ziarko commended the City on the budget, adding that the presentations were very exciting. She questioned Mr. McLeod as to whether
the general public will have digital access to the site development plans or whether it is only for the developers.

Mr. McLeod replied the initial submission is only available to the developer applicant and City personnel and liaisons. Once it is approved and uploaded to BS&A, it would be available on the web.

Councilwoman Ziarko questioned whether someone would be able to make changes digitally, and she asked as to whether there are protections to .

Mr. McLeod assured the documents are locked, and Planning, Building and Engineering all have digital stamps they can place on the approved plans. It is a passworded product, stored on the City's servers so it is not possible for the public to modify. He replied to further inquiry that he has received some feedback from the developers, and the most common reaction is they are surprised they do not need all of the paper copies. It saves them time and money, so they are happy about the change.

Councilwoman Ziarko stated she is impressed with the mural program, noting it will make a difference in the way some of the buildings will appear. She thanked Mr. Bashaw for showing the terrible conditions of the roads before they were fixed, and she hoped the renewal of the Safe Streets Initiative this fall will be successful.

Councilman Radtke commended the various departments on their excellent presentations. He questioned the cost of an average public art mural.
Ms. Kozlowski replied they consult with the DIA to see how much they commission for a mural. The City pays for the materials, and she recalled the first mural was about $9,000, and the others have remained around that cost. She added that anything over $10,000 has to come before City Council.

Councilman Radtke questioned what happens to the mural if a business wants to expand within the five-year lease with the City.

Mr. Kaszubski stated it is a lease for five years, but it is actually for ten years because they have an option for an automatic renewal after the first five years. They do that because sometimes a mural can last longer, but other times they may want it to change. The lease amount is $10 for ten years.

Councilman Radtke stated they do not want to hinder a business that wants to expand, but he felt the City would work with them.

Mr. Kaszubski stated they want to work with businesses, but the idea would be to target specific walls on businesses that would not be involved in an expansion.

Councilman Radtke questioned whether there is transition planned to new email addresses. He felt the current email addresses are very long.

Ms. Kozlowski gave credit to I.T. Director Steve Deon, noting they have contacted the “.gov” domain so they are working on getting “sterlingheights.gov” for the City’s new web and email address, and are also working on “shmi.gov” to keep it as short as possible. They are not getting as far with the second option because there are rules that they have to identify
themselves as an entity with the government, but it will take some time to transition.

Councilman Radtke congratulated Ms. Kozlowski for all of the social media upgrades. He stated he would like to see a Fire Department channel.

Ms. Kozlowski stated she is happy to work with the Fire Department if they have the audience and the content to support a page. She stressed she wants to be thoughtful about it because they do not want to spread too thin. She assured she is happy to explore the idea.

Councilman Yanez commended the presenters for fabulous presentations. He questioned Ms. Varney on the required minimum levels the State has set on levels of pension funding.

Ms. Varney replied that for the general employees, as well as police and fire, the pension levels where the City would be required to submit a corrective action would be 60%. She noted the police and fire plan is getting a little too close for comfort, but she noted they had a drop this year because of the update in mortality tables, so their liability increased about $14,000 just from that one change. She stated they are continuing to fully fund it and they hope to put some extra money in, so they are mindful of it. She reminded the good thing is they have a dedicated police and fire millages, but they do not want it to continue to go up. They have made some short-term changes that will help in the long term for the good of the plan.
Councilman Yanez recalled mention of the gap for the Headlee cap is starting to narrow, and he questioned as to the timeline when they may hit that cap. He questioned if they have any strategies for future councils and budgets.

Ms. Varney stated it is hard to predict, but they have been going down about 0.1 mill each year for the past three years, and that keeps them capped at inflation. She stressed the scary part is the permanency of it, noting if they go into another downturn, they are still capped at that lower millage rate so they have lost the ability to grow with inflation. She felt it is a legislation issue in the Headlee Amendment, and the personal property tax elimination is a possible cause. She noted it has affected the Safe Streets millage and the ReCreating Recreation millage, both which are at a lower rate than what the voters approved. She replied to further inquiry that they anticipate about $4 million in personal property tax reimbursement from the State, but they are getting reimbursed at personal property tax levels as they were in 2013.

Mr. Vanderpool replied to inquiry that Mr. Bashaw referred to a term “value engineering” in his presentation.

Mr. Bashaw replied that “valued engineering” is when they try to address the surface condition of a road. He noted they generally include curbing, drainage system, catch basin repairs and base improvements underneath. He pointed out the cost to completely redo a road, including all of the above-mentioned improvements, will be about four times the cost of improving the surface condition to make a bigger impact on the overall system.
Councilman Yanez inquired as to why the roads deteriorate so quickly, or whether that is just a perception.

Mr. Bashaw replied there is a lot to that question, and it depends upon subsoils, whether sprinkler systems have been installed which results in more water getting into the clay, which can lead to more freeze/thaw damage. He noted the average age of the roads is 42 years, which is expecting a lot out of a local road system to last that long.

Councilwoman Koski is pleased with the progress made with the road repair, and she hoped the Safe Streets millage will be renewed so they can continue on the path of improving the roads. She stated she is very impressed with code enforcement in the City, as well as the software changes, which she understood will link all of the departments together. She questioned who pays for the art murals, where do the ideas come from, do they get any money from businesses, and who makes the choices.

Ms. Kozlowski replied that public art has been a part of Sterling Heights for decades. Many of the sculptures from the late 1980’s and early 1990’s came from donations or from the Sterling Heights Community Foundation. She recalled the Friends of the Sterling Heights Library helped to purchase the sculpture with the two bears. They have recently revamped the public art program and there is a dedicated portion of the City budget, approved by City Council each year, that goes to public art. It is put into the Community Relations budget, although anything over $10,000 comes to Council for
approval. She and her department work with the Arts Commission to discuss their goals and ideas. She stated anyone is welcome to attend the Arts Commission meetings, held on the first Tuesday of each month at 6:00 p.m. in Room 202. The Arts Commission takes votes on the pieces of art. She stressed they welcome any input on art, adding that it is a community effort, and anyone wishing to make suggestions can contact the Community Relations Department. She added they do give preference to Sterling Heights artists.

Councilwoman Koski advised that anyone wanting any information on the next Arts Commission meeting can call 586-446-2470. She commented that during the presentation, there was mention that an upcoming marketing campaign for the City could involve billboards, and she stressed she is opposed to billboards.

Ms. Kozlowski assured she is not looking to bring any billboards into the City, and any advertising on billboards would be done on existing billboards outside of the City.

Councilwoman Koski requested the City Manager look into the cost of providing uniforms or at least shirts with identification on them for the members of the Citizen Emergency Response Team (CERT). She indicated Mr. Geoff Gariepy has been putting some numbers together, and she was confident he would be willing to supply those figures to Administration. She would like to see if there is some money available in the budget to add that item.
There were no objections from the Mayor or other Council members.

Mayor Taylor stated he will have that amendment for the next Budget meeting.

Councilwoman Schmidt stated, with regard to pension funding, when they were at the Michigan Municipal League (MML) Conference, they were told that Sterling Heights is in much better shape as far as funding their retirement liabilities than the majority of communities in the State. She stressed the City has been able to continuously contribute to those funds, and it is important the residents understand the City is doing so much more than the other communities in the State. She commended the Finance Department for staying on top of it. She was pleased to hear they will be putting $1 million in the bank and was also pleased with the technology being integrated. She was amazed by the computers and software in the Planning Department. She felt the time and money they are saving for developers but also for their own employees is phenomenal. She is still not pleased that the State is “stiffing” the local communities on revenue sharing.

Ms. Varney replied that amounts to about $5 million per year, or $57 million cumulative as of 2017, and that is from 2003.

Councilwoman Schmidt complimented the Police Department for engaging residents on their Facebook page. She hoped they will continue with the Safe Streets renewal to get the rest of the roads done. She thanked all who were involved in putting together tonight’s presentations.
Mayor Pro-Tem Sierawski thanked all of the department heads and employees for their interesting and informative presentations. She commended the Planning Department for their upgrades in computers and software. She felt it is great to be able to speak electronically to other departments and developers, and it is time-saving and decreases risk and liability. She commended Ms. Koslowski, her department and the Art Commission, stressing art in the community is important. She has enjoyed seeing it as she rides her bike. She urged residents to thoughtfully consider renewing the Safe Streets Initiative, crediting it for being a large part of making the City, the neighborhoods and the fire and police departments the best.

Mayor Taylor thanked the presenters tonight, and everyone who played a part in the preparation of those presentations. He stressed they are helpful to Council, and he hoped they are informative and helpful to the residents as well. He informed that there will be a second Budget Hearing two weeks from tonight. He outlined the budget process, stressing there are multiple reviews at the department level, administration level and at the City Council level, so everything that gets voted on and spent is reviewed multiple times. He credited the 450+ multi-talented employees of Sterling Heights for their hard work. He stated he is impressed with the improvement on the roads, and how many roads have been able to be replaced or repaired, in spite of Lansing not able to put together a viable funding plan. It is being done in Sterling Heights. He is excited to see the money put into the City’s buildings. He stressed when
their buildings need upgrades or repairs, they take care of it because they do not want their residents or employees having to wait 15 or 20 years until it is completely deteriorated. He felt the presentations on the technology upgrades are very impressive. He commented the public art program is making Sterling Heights stand out among other communities in Macomb County, and is part of a vibrant, thriving community.

Yes: All. The motion carried.

7. **COMMUNICATIONS FROM CITIZENS**
   - Mr. Charles Jefferson – “Sports Time Out” in the community.

8. **REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL**
   Mr. Vanderpool stated he had nothing further to add this evening.

9. **UNFINISHED BUSINESS**
   There was no unfinished business.

10. **NEW BUSINESS**
    There was no new business.

11. **CLOSED SESSION**
    Mr. Kaszubski stated there are no items for Closed Session this evening.

12. **ADJOURN**
    Moved by Ziarko, seconded by Sierawski, to adjourn the meeting.

    Yes: All. The motion carried.

    The meeting adjourned at 9:00 p.m.

____________________________________

MELANIE D. RYSKA, City Clerk
1. Mayor Michael C. Taylor called the meeting to order at 7:00 p.m.

2. Mayor Taylor led the Pledge of Allegiance to the Flag and Melanie D. Ryska, City Clerk, gave the Invocation.

   
   Also Present: Mark Vanderpool, City Manager; Marc D. Kaszubski, City Attorney; Melanie D. Ryska, City Clerk; Carol Sobosky, Recording Secretary.

4. **APPROVAL OF AGENDA**
   Moved by Koski, seconded by Ziarko, to approve the Agenda, moving Item 11-A to Item 7-B.
   
   Yes: All. The motion carried.

5. **REPORT FROM CITY MANAGER**
   Mr. Vanderpool reported that the City offices will be closed this Friday, April 19, for Good Friday, adding that there will be no delay in refuse collection services, and they will be reopen for business on Monday, April 22. He informed the street sweepers are starting up soon and will continue through November or December, depending upon the weather. Because the leaves fell so late last year and it will take a while for the street sweeper to get to all areas, they are
requesting anyone with leaves in the street front of their house blocking the water flow to rake them off.

Mr. Vanderpool announced another new hotel coming to Sterling Heights in addition to the few they will be talking about later this evening. He stated the new hotel is a Hilton Home2 Suites, an extended stay that will be located near the southwest corner of Dobry and Mound, just to the west of the Texas Roadhouse and to the north of the AMC. He noted the 107-room hotel, encompassing approximately 61,000 square feet, will be aesthetically pleasing and is anticipated to start soon and completed next year.

The City’s Hazardous Waste Event two weeks ago was very successful, with almost 1,000 vehicles going through the DWP facility to drop off hazardous household goods. They had over 43 tons of hazardous material discarded, with the largest portion being paint, 4 tons of discarded herbicides and pesticides, 1 ton of old antifreeze and 2 55-gallon drums of expired medicines. They look forward to hosting this successful event again next year. He highlighted that Clean-Up Saturdays are continuing on April 27, May 4 and May 11 from 8 a.m. to 2 p.m. at the DPW facility, where items such as dirt, tree stumps, furniture, tires, lumber and other items not generally picked up curbside can be disposed in dumpsters. Pride and Shine Clean-Up Day will be held on May 4, where a group of volunteers will be cleaning up 25 to 30 homes of individuals who are not able to do so on their own. It involves raking leaves, trimming bushes, painting and similar tasks, but he stressed they need more volunteers. He
urged those willing to volunteer to call 446-CITY and added they meet at First Church of Sterling Heights, located on Dequindre, at 9:30 a.m. The event is very well-organized and only involves a couple hours of work, but it keeps neighborhoods looking good and property values high.

Mr. Vanderpool explained the City is doing everything possible to stimulate economic development fostering a climate where businesses can flourish, expand and add jobs. He stated the Macomb Oakland University Incubator, located in the Velocity Collaboration Center in Sterling Heights, helps to ensure this cycle of prosperity continues by nurturing the development of start-up companies. He stated they periodically highlight companies that are proven successful and have a promising future for commercialization and expansion. He indicated one of these companies is Microside, and he introduced Dr. John Lopez to share information about his interesting company and their state-of-the-art product.

Mr. John Lopez, president of Microside, located at the Incubator at the Velocity Center, explained the area is very conducive to research and government, and he gave a presentation of their products through a PowerPoint presentation, stressing that they have been honored by the Environmental Protection Agency’s (EPA’s) Green Chemistry Presidential Award for their products that are safe for people and the environment. He cited some companies already using their products.
Mr. Vanderpool concluded his report by noting that Macomb OU Incubator is in partnership with the City of Sterling Heights, Macomb County and the State of Michigan, as well as Oakland University, which serves as the general manager of the Incubator, working with the businesses to help them develop. He stressed it is a great asset in the City to see businesses like this starting and flourishing, with the hope that the businesses will eventually move from the Incubator and into larger spaces in the area.

6. PRESENTATIONS
   A. Mayor Taylor stated this is a Nice Neighbor Award presentation, and he invited Mayor Pro-Tem Sierawski to make the presentation.

   Mayor Pro-Tem Sierawski stated tonight they are honoring a group of ladies who donate their time and talents to many charities, including churches, hospitals and specialty groups. They are called Sit-N-Stitch, a group who meets together to crochet and knit caps, hats and booties for babies in the hospitals, makes specialty red caps for American Heart Association, and spends so much of their time and talents to help other people. She stated these women have created and donated 1,500 caps, blankets and booties donated to the hospitals and 80% of their costs are covered by donations, with 20% coming out of their own pockets. She thanked these women and the gentlemen who support them.
The members of the group came up to accept their awards, and Mayor Taylor thanked them for doing what they do to make Sterling Heights a better place to live, work and play.

B. Mayor Taylor stated this is a swearing-in of three new Sterling Heights Police Officers. He invited Police Chief Dale Dwojakowski to make the presentation and swear in the new officers.

Police Chief Dwojakowski stated that this past November, their department was at full staff for the first time in about five years. Since that time, they have lost three people, but they have three outstanding candidates tonight who were on top of the new certified list. He stressed officers come to Sterling Heights because of their excellent reputation all over Michigan. He introduced the three new police officers: Officer Anthony Jantz, an officer since 2014 from Wyandotte who was just selected as “Officer of the Year” for the Wyandotte Police Department; Officer Jason Burge, an officer since 2016 from Port Huron and also served as Senior Airman with the Air National Guard; and Officer Brenden Harrison, an officer since 2012 from Ypsilanti, also serving there as a canine officer. Chief Dwojakowski swore in the three new officers, and they each took the opportunity to say a few words to thank their family, friends and the City for their support and the opportunity to serve in this community.

Chief Dwojakowski stated they now have 58 officers hired within the last four years, and 59 officers who have been with the Department for longer than four years, so they are evenly split.
The Mayor and Council members met and congratulated the new officers.

Mayor Pro-Tem Sierawski thanked the new officers, stating her son is an MP in the Marines, so she is a little familiar with their job. She commended them on the bravery, courage and dedication it takes to take care of the citizens, and she thanked them for taking on this responsibility for this community.

Councilman Radtke thanked the officers for coming to Sterling Heights, noting they all gave up their positions in other communities to come here. He thanked the Chief and his colleagues on the Council for creating a new officer position in Sterling Heights to make the community safer. He wished the new officers good luck in their careers.

Mayor Taylor welcomed the three new officers, thanking them for choosing to make Sterling Heights their home. He stressed the nearly 135,000 residents take pride in the City and its police force, and although they have always had an excellent reputation, it continues to get even better.

7. PUBLIC HEARINGS
A. Mayor Taylor stated this is to consider the application by the City of Sterling Heights to establish a Commercial Rehabilitation District at 7491, 7575, 7605, 7681, 7739 and 7755 Seventeen Mile Road. He invited Senior Economic Development Advisor Luke Bonner to give a presentation.

Mr. Bonner explained this is a request to establish a Commercial Rehabilitation District, created under Public Act 210 of 2005, one of the few incentives they have to help facilitate the rehab and redevelopment of commercial property.
He added it is very similar to the Industrial Facilities Exemption Certificate process. He explained this request involves a nearly seven-acre parcel on the north side of 17 Mile Road, between Van Dyke and Mitchell Drive. The qualifiers for the establishment of this district require a 15-year preceding use as commercial or industrial, and that commercial/industrial property has to be blighted or obsolete. These properties qualify under the Act, and they are requesting this designation in preparation for an eventual application by HHC Hospitality, who has a previously-approved Planning Unit Development (PUD) by City Council for a multi-hotel development at that location. He invited Mr. Terry Riddle, President/CEO of HHC Hospitality, to give an overview of the project and an anticipated timeline.

Mr. Terry Riddle, President/CEO of HHC Hospitality, stated they are a hotel developer and manage their own portfolio of seventeen current facilities and five under construction in Indiana, Ohio, Illinois and Michigan. He informed this development will consist of two Marriott products, Springhill Suites and Fairfield Inn and Suites by Marriott, and a Hyatt House. They have cleared a lot of the property and had to take care of some issues with the last acquired parcel. They will be demolishing the building on site next week and intend to complete the work with the Planning Department and start construction on the two Marriott products within the next thirty to forty-five days. He hoped they will be open in 2020.
Mr. Bonner stated that concludes his presentation and comments, and he offered to answer questions.

Mayor Taylor opened the public hearing, but there were no comments from the audience. The public hearing was closed.

Moved by Schmidt, seconded by Ziarko, RESOLVED, to adopt the resolution approving the application by the City of Sterling Heights to establish a Commercial Rehabilitation District at 7491, 7575, 7605, 7681, 7739 and 7755 Seventeen Mile Road.

Councilwoman Schmidt commented that it is great for the City to have the tools to redevelop this property, noting it has been a blighted parcel for a long time. She is excited to see something new come in. She understood the plan is for construction of the two Marriott hotels first, and she inquired when the third hotel is anticipated to be constructed.

Mr. Bonner replied the PUD allows for three hotels on the site. He explained the first two hotels with the Marriott franchise are secure and those are the two that Planning and Engineering are working on. The third hotel is still to be determined.

Councilwoman Ziarko commented it is great to see this project, adding there are often times she hears of people having to stay at hotels as far away as Southfield because the hotels along Van Dyke are filled to capacity. She expressed confidence that, as they see more industry in the area, these hotels
will be filled to capacity as well. She thanked Mr. Riddle for choosing the City of Sterling Heights for their location.

Mayor Pro-Tem Sierawski also thanked Mr. Riddle for choosing this location and welcomed him to the community, adding that the hotels are definitely needed in this area.

Mayor Taylor stated he is looking forward to this project, which is another great redevelopment of property in Sterling Heights. He thanked Mr. Bonner for the work he has put into this and his presentation this evening.

Yes: All. The motion carried.

B. Mayor Taylor stated this was formerly Item 11-A on tonight’s agenda to consider a First Amendment to Amended and Restated Conditional Rezoning Agreement for property situated on the north side of 15 Mile Road, west of Ryan Road, in Section 30; Case No. PZ18-0002 – The Chaldean Community Foundation. He invited City Planner Chris McLeod to give a presentation.

Mr. McLeod explained this request is relevant to their current facility just northwest of the 15 Mile/Ryan intersection. He provided some background as to what was originally proposed, which was an addition of nearly 16,000 square feet to their original building, as well as additional parking spaces. The question came up as to whether the district boundary wall could be amended out of that potential application since there is existing screening in the form of a fence as well as additional landscaping along the north and west property lines, which are pertinent to the site. They would like to utilize the existing six-
foot-tall privacy fence along the north and west property lines. To the west of the site, off Davidoff Drive, is part of the Hatherly development, which is a roadway which abuts the west property line. There are duplexes to the north, with a separation of about eighty feet from building to building along the back of the property line. The applicants are still proposing landscaping along the northwest property line, which will be approximately four feet to eight feet in height, which is consistent with plantings on the current site. He showed an aerial depicting the existing site, along with the proposed expansion. He showed the elevations of the building and the requested modification to remove the wall from the plan but leave the existing privacy fence. He indicated there would be a planting of arborvitaes on the inside of the fenced area. He explained it does not change the amount of screening because the wall that would be six-feet in height would be replaced with the existing six-foot privacy fence. He concluded that the landscaping would remain as originally proposed.

Mayor Taylor opened the public hearing and invited comments from the audience.

- Ms. Vivian Remsey, 3572 Davidoff – abutting property owner; prefers the wall over the fence due to concerns about traffic and noise.
- Mr. David Claxton, 3608 Davidoff – abutting property owner, prefers the wall and the fence.

Mayor Taylor closed the public hearing.
Moved by Koski, seconded by Ziarko, **RESOLVED**, to reject the First Amendment to Amended and Restated Conditional Rezoning Agreement for property situated on the north side of 15 Mile Road, west of Ryan Road, in Section 30, Case No. PZ18-0002.

Councilwoman Koski questioned why the petitioner changed his mind and is requesting to eliminate the wall. She further questioned where the dumpster is located and whether there is parking directly adjacent to the abutting condominiums.

Mr. McLeod replied the abutting condominiums are part of a gated community. The dumpster is currently located in the northwest corner approximately fifteen feet from the north property line, so there would be an approximate fifteen-foot separation between the existing fence and the dumpster. There would be arborvitaes planted at a height of eight feet in that location, so the dumpster enclosure, allowed to be a height of six feet, would be hidden from view. He indicated there is parking that extends to that general area, but it is about fifteen feet off of the north property line. He clarified that this is zoned office per the Conditional Rezoning, and parking is allowed to go right up to the property line in that district, with a wall installed. He noted that there is a greenbelt, being a double row of arborvitaes and deciduous trees along the north property line. He clarified the difference is a six-foot-high wooden fence and a six-foot-high masonry wall. Mr. McLeod replied to inquiry that he is aware of two reasons for the requested revision,
and the first is that the existing fence is in good condition. He noted if they put
in the wall, they would likely have to remove the fence because they are both
on the property lines. He stated they are seeking to do some value engineering
and they felt with the amount of landscaping they are putting in, the wall is
one area where they could ask for consideration to leave the existing fence.
Councilwoman Koski inquired as to who maintains the wooden fence and how
it could be maintained with a row of arborvitaes in front of it.
Mr. McLeod replied it is currently the condominium’s fence. Once the point the
trees got to a size where they are knitted together, maintenance would have to
be done from the residential development side. At that point, when the fence
can no longer be seen through the arborvitaes, it would no longer need to be
painted.
Mr. Martin Manna, applicant, explained the continuous fence was there when
they purchased the property. He assumed it was from the condominium
association.
Mr. McLeod replied that is their understanding based on its continuity and
overall development, it is the condominium association’s fence.
Mr. Manna explained they are a not-for-profit organization and their expansion
came in at a much higher cost than anticipated. The cost of a masonry wall is
estimated to be about $125,000, and he stressed the main reason for their
expansion is to help those with developmental and intellectual disabilities.
They would like to do some value engineering and save money.
Councilwoman Ziarko stated she is grateful for the petitioner’s investment in the community and looks forward to what they will be able to do at this facility. She does not know how long the fence will hold up in its current condition, but felt if this is a financial burden, she would be willing to consider some type of extension or timeline for which the wall could be completed. She reminded she has to consider the residents who live there and is not as opposed to the portion abutting the roadway as she is the portion abutting the existing condominiums.

Councilman Radtke questioned the parameters for a Conditional Rezoning amendment.

Mr. McLeod replied that under the Conditional Rezoning state statute, any conditions proposed have to be offered by the applicant.

Councilman Radtke agreed with the concerns expressed by Councilwoman Ziarko. He suggested the wall be built to the corner, hooked, and then tied into the existing wooden privacy fence that is along the roadway. He would like to ensure the abutting condominium owners have privacy, especially with the dumpster in such close proximity.

Councilwoman Schmidt agreed with her colleagues. She expressed concern about the increased possibility of the deterioration of the wooden fence once the arborvitaes are so big the fence cannot be maintained. She stated noise for the residents of the condominiums is a concern to her, although she agreed she is not as concerned about a wall replacing the portion of the fence
abutting the roadway. She noted the east side of the property abuts a shopping center and questioned whether the dumpster could be located adjacent to that side. She is in support of Councilwoman Koski’s motion, but she would not object to Councilwoman Ziarko’s suggestion to give them more time to install the wall behind the condominiums.

Councilman Yanez agreed with his colleagues, but he stressed he would not want a dumpster located fifteen feet from his property line. He inquired as to the hours of operation and whether they will be hosting events in the evenings.

Mr. Manna replied they will not have evening events, and he stated there are no banquet facilities at this location. He explained there were challenges with the trash pickup occurring all the way in the back, so they talked with Engineering, and the location of the dumpster was changed. They discussed options about the wall on the west side only, but he stated he has letters of support for the wooden fence to remain. He stressed they would like to start construction, and he questioned whether the Council would consider a further discussion and be willing to offer a permit for temporary construction to begin on the rest of the property.

Mayor Taylor questioned whether postponing this would allow the Chaldean Foundation to come back with a proposal that the Council may find acceptable.
Mr. Kaszubski replied that is an option, and Mr. Manna replied that May 7, 2019 would give them sufficient time to come back with a revised proposal.

Mayor Pro-Tem Sierawski assured they appreciated the good work done by this organization, but they have to consider the neighbors. She realizes it is existing but noted that the petitioner has not offered to maintain it or put up a new one if it comes down. She agreed with the suggestion of giving the petitioner more time for the installation of the wall. She agreed the dumpster should be located further from the abutting condominiums and expressed confidence in the drivers of those waste haulers that they should be able to maneuver on the property.

Mayor Taylor inquired as to the zoning of the property between Davidoff and the existing center.

Mr. McLeod replied the entire property is zoned Office under the Conditional Rezoning Agreement. Prior to the Conditional Rezoning Agreement, the vacant area was zoned single-family residential.

Mayor Taylor inquired as to whether there is always a masonry wall requirement separating office from residential.

Mr. McLeod responded affirmatively. He stated the ordinance offers two options: a six-foot-high wall with parking immediately against it; or a greenbelt and double row of evergreens which measures fifteen to twenty feet. He added the latter option has been utilized in very few situations in the City.
Mayor Taylor inquired as to whether there have been any studies or information on noise being blocked out with regard to a masonry wall versus a wooden fence with a row of arborvitae and trees.

Mr. McLeod stated the general ideology is that a solid mass wall is always the optimum way to buffer, and if there is a wall and a fence, the sound can reverberate between them and make the situation worse. He could not imagine that the sound would travel through wood, but he acknowledged that the fence is a shadow-box style so there are openings. He indicated they felt the wooden fence in addition to landscaping would provide the best of both worlds.

Mayor Taylor stated would be comfortable approving this as presented. He is sympathetic to the concerns of the abutting neighbors, but he did not feel anything was presented that would indicate the noise would be an issue or that it would not be properly mitigated by the plan presented; however, rather than rejecting this tonight, he respectfully requested that Councilwoman Koski withdraw her motion on the floor in favor of a motion to postpone.

Councilwoman Koski withdrew her motion, and Councilwoman Ziarko withdrew her second to the motion.

Mr. Manna stated he would prefer to be back in front of Council on May 7.

Councilwoman Ziarko questioned whether there is a way the petitioner can move forward with the building while they are still considering the wall.
Mr. McLeod replied affirmatively, and he felt the plan would move forward under the premise as though the wall is going in until such time as Council may decide the wall is not going in. He believed it will continue to go through engineering, and it should not make a great difference at this point.

Moved by Taylor, seconded by Ziarko, RESOLVED, to postpone further consideration of this request to the May 7, 2019 Regular City Council meeting.

Yes: All. The motion carried.

8. ORDINANCE INTRODUCTION
A. Mayor Taylor stated this is to introduce an ordinance amending the registration requirements for temporary signs pursuant to Zoning Ordinance No. 278. He invited City Planner Chris McLeod to give a presentation.

Mr. McLeod explained this is a potential introduction to an amendment to the Sign Ordinance. He stated on December 18, 2018, City Council directed city administration to research and bring forward for consideration an ordinance amendment with regards to registration requirements for temporary signs. He introduced Assistant City Attorney Nathan Petrusak to provide some background.

Mr. Petrusak stated a 2015 U.S. Supreme Court decision in the case Reed v. Town of Gilbert held that regulations that categorized signs based on the type of information they convey, and applying different standards to each of those content-based restrictions violated the First Amendment of the Constitution.
The City amended its sign ordinance in 2016 by eliminating any content-based categories and by regulating all temporary signs, regardless of viewpoint and subject matter, according to content-neutral standards such as square footage and size. The registration process for temporary signs on vacant and non-residential properties was also reviewed at that time and was streamlined to make it easier to register signs online and eliminated the requirement for written consent from the property owner. Mr. Petrusak summarized that, in reviewing the ordinance, the current ordinance is constitutional because it remains content-neutral and advances the City’s Supreme-Court-recognized interest in controlling traffic, public safety and avoiding blight. He concluded that, from a legal aspect, they believe no change is necessary.

Mr. McLeod outlined the current sign ordinance for temporary signs, including detail on the current registration process. He showed some photographs of some non-compliant properties based on temporary signage. Currently all temporary signs for non-residential and vacant properties must be registered at the City Clerk's office, and no written permission is required, which was a cumbersome process. It can be done online or in person at the Clerk's office. He stressed the registration process is how they get to the essence of enforcement, noting without that process, it becomes difficult to regulate. He provided details on the current process. He stated last year the Clerk’s office received 464 temporary sign registrations, and over the last four years, there has been nearly 1,200 registrations. Mr. McLeod further explained the
difficulties Ordinance Enforcement encounters without the registration process in making determination which signs to remove, contacting the owner or property manager in a timely manner to ask them to make that determination, and ultimately having to remove all signs from the site if they cannot reach the owner for an answer. He concluded the registration process creates order and a systematic way of moving through enforcement when necessary. He explained a public hearing was held by the Planning Commission on March 14, and upon hearing that the City was not requiring the description of the sign on the registration in order to approve a certain message, but it was solely for the purpose of identification of the sign, they were satisfied with that. The other question asked by Planning Commission is whether the City Administration had an issue with this, and the answer was that they do not have an issue with the current ordinance, noting it provides order and the ability for enforcement. The Planning Commission’s recommendation was for no changes to the current ordinance. The Planning Department and Community Development Department also recommend no changes to the current ordinance, because the main concern is enforcement. He advised that if the Council wishes to move forward, two different amendments have been prepared, which includes Version No. 1, which removes the requirements solely on occupied non-residential properties and keeps registration on vacant properties, and Version No. 2, which removes the registration requirements on both vacant property and occupied non-residential properties. He noted that vacant properties are
often owned by conglomerates or vacant land owners who are hard to reach and track down, especially within the time frame they are dealing with in sign violations. He noted, however, that even on occupied non-residential properties, it is often difficult to be able to talk to the person who has the authorization to determine which signs need to be removed, and he added many owners/property managers do not want to make that decision. These situations would most likely revert to a situation where they are removing all signs from the property. He concluded his presentation by reiterating the Planning Commission and Administration recommend no changes, and he offered to answer questions.

Mayor Taylor opened the floor for public comments.

- Ms. Jazmine Early – opposed to registration; felt property owner should make the decision as to the signs on his/her property.
- Mr. Charles Jefferson – questioned how this information is disseminated to all candidates; questioned how long a sign can remain in place after an election.

Moved by Radtke, seconded by Taylor, RESOLVED, to introduce an ordinance eliminating the registration requirement for temporary signage prior to placement on occupied non-residentially zoned property, only, pursuant to Section 28.13L.13 of Zoning Ordinance No. 278.

Councilman Radtke felt the sign ordinance in its current form is unconstitutional. He questioned whether there are other communities with similar sign ordinances.
Mr. Petrusak replied they looked at Michigan and across the United States in their review process to determine if other municipalities were doing it this way. They identified in Michigan, the Village of Bellaire has a sign ordinance requiring registration, very similar to what was adopted by the City of Sterling Heights. The City of Dearborn also has a registration requirement, but they require a $40 fee per registration. He added that Ventura County, California, Shelborne, Vermont, and Allentown, Pennsylvania all have similar registration requirements that focus on description, size and permission from the owner. He commented it is not easy to compare because they have to look closely at all codes and ordinances to determine whether they are content-neutral and to compare them with the City’s ordinance.

Councilman Radtke commented the photographs of violations were not taken in the State of Michigan. He inquired as to how the preregistration requirement is not a prior restraint of the First Amendment.

Mr. Petrusak replied it is not a prior restraint because the sign ordinance and registration process are content-neutral, and treats all temporary use signs exactly the same, based on square footage and size. He added the sign registrations are accepted by the City and effective upon filing. They City is not approving them based on any subjective standards, and they are not content based.

Councilman Radtke stated that it is a hassle to register them, which he felt could be considered a prior restraint.
Mr. Petrusak noted everyone is entitled to their opinion, but from a legal standpoint, what is and is not a prior restraint on speech.

Councilman Radtke inquired as to whether any of the sign ordinances requiring preregistration have been challenged.

Mr. Petrusak replied he has done a search and found no recent case law pertaining to registration ordinances.

Councilman Radtke felt it is up to the owner of the property as to what signs he wants, and he will remove signs he does not want on his property. He explained the only reason he opted for the middle option instead of complete elimination of the registration requirement is because he agrees it is difficult to find the property owner of vacant parcels, and they can become “sign farms”. He did not feel the City needs to get between the property owner of occupied non-residentially zoned property and the speech they want to convey, and he felt it is wrong and is the reason he is voting in favor of changing the sign ordinance.

Councilwoman Koski questioned what types of signs are included under “temporary signs”.

Mr. Petrusak deferred to Mr. McLeod but stated it does not include things that are for commercial purposes because they would fall under a special use permit. It would include estate sale signs at an off-site location, signs advertising a church event, such as a fish fry, a craft show for a local high school and any non-commercial sign where a use permit is not needed.
Mr. McLeod replied that temporary signage discussed tonight is for the non-commercial temporary sign provisions. It is conveying messages and not commercial information. He indicated political signs are one of the main types of signs in this category, but they are not the only ones. Commercial signage can include grand openings, $5 haircuts, and those are handled through the Planning Department as part of a temporary use permit.

Councilwoman Koski questioned why he is recommending the ordinance remain in place for all temporary signs.

Mr. McLeod clarified the ordinance is basically addressing non-commercial speech. He noted if a church has a large multi-day festival, it is addressed under a temporary use permit, which also allows them a sign. Multiple signs throughout the community advertising that one event would have to be addressed. With the registration, they know which signs were registered first on a “first come, first served” basis, and it is not the City deciding which sign has to go and which signs can stay. He stressed it takes the discretion out of the hands of the City, and he expressed concern that taking the registration away will create chaos and additional administrative work for code enforcement to try to track down property owners and managers. He summarized the problem when multiple tenants are in a building, but the owner is not on the premises on a daily basis, so the problem becomes finding the individual who has the authority to say which signs can stay and which signs will be removed. Mr. McLeod stated in thirty-six square miles, they have
tens of thousands of properties, and twelve part-time code enforcement officers, and signage is only one portion of their duties.

Councilwoman Koski inquired as to whether there have been complaints about the registration process.

Mr. McLeod replied the registration process has been around in one form or another since approximately 2000. He stated he does not know of any complaints, and although there may be some complaints any time there is a process, he stressed the City has done worked hard to streamline the efficiency and ease of the process. He noted a sign can be registered on line in a matter of a few minutes, at no charge, and there is no review process. If there is available room on that site, the registration is complete and they move forward.

Councilwoman Schmidt inquired as to how many temporary signs were pulled by code enforcement because there was no permit.

Mr. McLeod replied there were a number of signs pulled, but as people realize registration of temporary signs is the City’s policy, there are more people registering their signs. He added there will always be some non-compliance of signs. He replied to further inquiry that there is nothing a business owner has to do for this registration other than, in theory, there is a conversation between the business owner and the person placing the sign.
Councilwoman Schmidt inquired as to whether a business owner can rescind one of the permits issued for his/her property if they opt to put up a sign for a fourth candidate or event when they already have three signs on their site. Mr. McLeod replied affirmatively, stating the property owner ultimately has the right to decide which signs he/she wants on the property, but that is a conversation they should have with the person who placed the sign originally. Councilwoman Schmidt commented that Sterling Heights does not look like the photographs of the blighted areas with excessive signs because they have ordinances in place to control numbers and square footage of signs. She also noted that not every sign is removed from code enforcement, and many election signs are removed by others, but not much can be done about that. She stressed that business owners have the right to have the signs they choose on their property, so their freedom of speech is not being infringed upon. She stated she is in favor of keeping the ordinance as it stands currently.

Councilman Yanez questioned whether he could go on line and secure every corner business in the City for his signs without talking to the business owners. Mr. McLeod replied that, in registering on line, he would have to attest to that and sign the documents that he obtained permission. If there is a discrepancy between information, the City will ultimately go back and ask the property owner if the information is correct. Councilman Yanez commented that, unless the property owner contacts the City about false information and requests a sign to be removed from the
registration, the code enforcement still goes with the registration list. He felt it is a rather archaic system, but since they have limitations on square footage and number of signs, he did not see how they can get around not having the registration process. He felt although the situation they have is not perfect, it is better than allowing people to randomly place signs in the ground, so he stated his preference to keep the ordinance as it currently stands.

Councilwoman Ziarko stated she is not in favor of the motion and was opposed to this being brought to Administration for a change. She felt the current ordinance provides equality for all because the verbiage does not matter if they registered their sign and received permission from the City to put it up. She did not feel it should be up to the business owner to have to remove signs he/she does not want. She felt the majority of candidates know the rules for signs in Sterling Heights, and although they may not like them, they follow them. She stressed she has a problem with changing an ordinance for which the Council members will benefit from, which she considered self-serving.

Mayor Pro-Tem Sierawski agreed with Mr. Jefferson that they have heard enough about changing the sign ordinance, and she would like to keep it the way it is. She felt it is appropriate to have an ordinance, and although it may not be perfect, she stated it works. She indicated this is not about public safety or good service, and she will be voting to keep the ordinance the same.

Mayor Taylor stated this is something he has been passionate about and acknowledged that although it may not have to do with public safety, it has to
do with speech. He questioned who has the authority at this time to place a sign on a non-residential property.

Mr. McLeod replied it is the property owner or manager, whomever has the authority to act on that property.

Mayor Taylor presented numerous scenarios where there are multiple owners through an LLC, a management company and multiple tenants and questioned who has the authority over the temporary sign. He stressed it is impossible to answer and felt the government should not be getting in the middle of that situation. He complained that those with signs can go on line and register for any property they wish without actually having the owner’s permission, and the City is approving it based on the amount of square footage and number of signs available for that site and is not verifying they actually have permission from the owner. He felt the system can be easily abused but getting rid of the registration requirement would take the government out of the business of giving approval to people. He stressed he is not concerned about blight occurring, noting they already have a fairly restrictive sign ordinance in place even if they eliminate the registration for temporary signs. He could not see where the proposed change is self-serving, and he felt the current registration system is not fair to challenger candidates.

Moved by Ziarko, seconded by Yanez, **RESOLVED**, to call the question.

Mayor Taylor called for a roll call vote on the motion on the floor.


Moved by Ziarko, seconded by Yanez, RESOLVED, to deny introduction of an ordinance amendment eliminating in part or in full registration requirements for temporary signage, Section 28.13 L of Zoning Ordinance No. 278.

Councilman Radtke felt the current system is self-serving to those already in office, and he felt it makes it difficult for people to put up signs. He questioned if there is a penalty if a person lies and claims he has permission from the owner to put up a sign.

Mr. McLeod replied no, indicating with temporary signs, they would be pulled at that point. He replied to further inquiry the premise is that political candidates are truthful and the registration requires the applicant to certify they have permission from the owner, so if they are not truthful, they are breaking the registration rules.

Councilman Radtke inquired as to how other cities regulate their temporary signs.

Mayor Taylor questioned, if the registration requirement for temporary signs on occupied non-residential property was eliminated, whether code enforcement would be powerless to do anything if they observed excessive temporary signs on the site.
Mr. McLeod replied the ordinance enforcement process would follow its typical process, trying to contact the property owner or manager, and all signs would be tagged. If the property owner or manager failed to comply, ordinance enforcement would go out and remove all signs. He stressed if code enforcement officers were tasked to do this for every property, the task would be monumental, especially for twelve part-time code enforcement officers. He anticipated there would be more signs if the registration requirement was removed.

Mayor Taylor felt the current system makes it more difficult for people to engage in political speech for no good reason.

Mayor Taylor called for a roll call vote on the motion on the floor.

Yes: Koski, Schmidt, Sierawski, Yanez, Ziarko. No: Radtke, Taylor. The motion carried.

9. **ORDINANCE ADOPTIONS**
   
   **A.** Mayor Taylor stated this is to consider adoption of an ordinance amending Article V of Chapter 20 of the City Code to conform local regulations for fireworks to the State of Michigan’s Fireworks Safety Act, as amended. He opened the floor for public comments.

   There were no comments from anyone in the audience.

   Moved by Radtke, seconded by Taylor, **RESOLVED**, to adopt the ordinance amending Article V of Chapter 20 of the City Code to conform local regulations for fireworks to the State of Michigan’s Fireworks Safety Act, as amended.
Yes: All. The motion carried.

10. **CONSENT AGENDA**

Mayor Taylor stated this item is consideration of the Consent Agenda, and he invited public comments.

There were no comments from the audience.

Moved by Koski, seconded by Ziarko, **RESOLVED**, to approve the Consent Agenda as presented:

A. To approve the minutes of the Regular Meeting of April 2, 2019, as presented.

B. To approve payment of the bills as presented: General Fund - $943,866.18, Water & Sewer Fund - $1,575,133.98, Other Funds - $8,444,682.52, Total Checks - $10,963,682.68.

C. **RESOLVED**, to purchase ten (10) Microsoft Surface Pro LTE tablets, SIM cards, keyboard covers, accident protection and delivery from CDW Government LLC, 75 Remittance Drive, Suite 1515, Chicago, IL 60675-1515, at pricing available through the State of Michigan's cooperative purchasing program, MiDeal contract #0071B6600110, at a cumulative cost of $17,906.00.

D. **RESOLVED**, to award the bid for landscaping and snow removal services in connection with nuisance abatement activities to Xpert Lawn and Snow, Inc., 21083 Mound Road, Warren, MI 48091, through April 30, 2020, at unit prices bid, with an option for the City Manager to extend the bid award for two additional one-year periods, under the same terms and conditions.

E. **RESOLVED**, to:
   a. Purchase one (1) AEV Type III Traumahawk 164” ambulance and accessories from American Emergency Vehicles, 165 American Way, Jefferson, NC 28640, at pricing available through a Houston-Galveston Area Council cooperative bid, Contract AM10-16, in the amount of $160,216.24;
   b. Purchase two (2) LIFEPAK 15 V4 cardiac monitors/defibrillators and ancillary equipment from Physio-Control, Inc., 11811 Willows Road NE, P.O. Box 97066, Redmond, WA 98073-9706 in the amount of $70,509.76;
   c. Purchase one (1) Stryker Power-Pro ambulance stretcher and one (1) Stryker Stair Pro stair chair from the Stryker Corporation,
3800 E. Centre Avenue, Portage, MI 49002, at a total cost of $23,629.20; and
d. Authorize a $254,355.20 budget amendment from General Fund Reserves.

F. **RESOLVED**, to:
   a. Purchase four (4) 2019 Dodge Charger Police Pursuit AWD vehicles from Galeana’s Van Dyke Dodge, 28400 Van Dyke Ave., Warren, MI 48093, at pricing available through the State of Michigan MiDeal cooperative bid, contract #071B7700182, in the cumulative amount of $101,251.00; and
   b. Purchase two (2) 2020 Ford Interceptor Utility Police Pursuit AWD vehicles from Signature Ford – Lincoln, 1960 E. Main St., Owosso, MI 48867, at pricing available through the Macomb County cooperative bid, #21-18, in the cumulative amount of $70,628.00.

G. **RESOLVED**, to waive the competitive bidding requirement in accordance with City Code §2-217(A)(9)(b) and approve a contract between the City of Sterling Heights and DiLisio Contracting Inc., 23525 Lakepointe, Clinton Township, MI 48036, for the 2019 Local Road Concrete Restoration Program, City Project #19-339, in the amount of $3,646,500 and authorize the Mayor and City Clerk to sign all documentation required in conjunction with this approval.

H. **RESOLVED**, to waive the competitive bidding requirement in accordance with City Code §2-217(A)(9)(b) and approve a contract between the City of Sterling Heights and Galui Construction Co., 33805 Harper Avenue, Clinton Township, MI 48035, for the 2019 Concrete Sectional Replacement Program, City Project #19-341, Kennedy Drive Reconstruction, City Project #19-338, and Fire Station No. 1 Drive Approach Reconstruction, City Project #19-346, at a cumulative cost of $2,056,180 and authorize the Mayor and City Clerk to sign all documentation required in conjunction with this approval.

I. **RESOLVED**, to adopt the resolution designating May 5 through May 11, 2019 as Public Service Recognition Week in the City of Sterling Heights.

J. **RESOLVED**, to set a public hearing on Tuesday, May 21, 2019 at 7:00 p.m. regarding the application by The Chaldean Community Foundation for a Planned Unit Development on approximately 10 acres situated on the east side of Van Dyke, north of Riverland, PPCM-1207.

Yes: All. The motion carried.

11. **CONSIDERATION**
   A. This item was moved to Item 7-B on tonight’s agenda.

12. **COMMUNICATIONS FROM CITIZENS**
• Ms. Dawn Mandell – ongoing code enforcement issues with a neighbor.

Mayor Taylor requested Ms. Mandell provide the Clerk with her contact information so they can check into it and get back to her.

• Ms. Jazmine Early – political comments; immigrants.
• Mr. Charles Jefferson – signature requirements for candidate petitions; age limit for vape e-cigarettes; educational program for low-income individuals.

13. REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL
Mr. Vanderpool stated he had nothing further this evening.

Councilman Yanez responded to Mr. Jefferson’s comments about e-cigarettes. He stated when he was a state legislator, he had a package of bills to tax e-cigarettes like tobacco. There is a federal age requirement that anyone buying online must be 18 years of age. He added the State of Michigan is the only state that does not have an age law, and he complained he could not even get a hearing on that issue. He felt strongly that children should be protected from the dangers of nicotine.

Councilman Radtke questioned whether the City can impose an age requirement on e-cigarettes.

Mr. Kaszubski replied affirmatively, and he believed the City had already done that. He stated he will have to look it up in the ordinance.

Councilman Radtke requested Mr. Kaszubski also look up what the fine is if that ordinance is violated.

Mayor Pro-Tem Sierawski explained the number of signatures required on a petition is not an ordinance but it is part of the City Charter. It would have to
go through City Council to a vote of the voters in the City. The number of signatures required for a candidate is based on a percentage of the registered number of voters in the City, and she admitted it is a very cumbersome requirement of the City’s Charter and would love to see it changed. She stressed it is difficult for incumbents, and even harder for those who are trying to run for City office for the first time.

Mayor Taylor felt they need to put it in front of the voters, and he could see no reason to require so many signatures.

13. **UNFINISHED BUSINESS**
There was no unfinished business.

14. **NEW BUSINESS**
There was no new business.

15. **CLOSED SESSION**
Mr. Kaszubski stated there are no items for Closed Session this evening.

16. **ADJOURN**
Moved by Ziarko, seconded by Schmidt, to adjourn the meeting.

Yes: All. The motion carried.

The meeting adjourned at 9:41 p.m.

______________________________________________________

MELANIE D. RYSKA, City Clerk
EXPENDITURES FOR THE MEETING OF
May 7, 2019

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Business of the City Council  
Sterling Heights, Michigan

Meeting: 05/07/2019  
Item No: 8-D

AGENDA STATEMENT

**Item Title:** To approve the purchase of miscellaneous maintenance, repair, and operating (MRO) supplies and library materials from Amazon Services, LLC through a U.S. Communities cooperative bid (Estimated annual expenditure of $60,000).

**Submitted By:** Office of Purchasing

**Contact Person/Telephone:** Jared Beaudoin, Purchasing and Facilities Maintenance Manager - 586.446.2392

**Administration Approvals:**

- MR City Clerk
- JV Finance & Budget Director
- MK City Attorney
- MV City Manager

**Executive Summary**

The City purchases miscellaneous maintenance, repair and operating (MRO) supplies at pricing competitively established through various cooperative purchasing contracts. The MRO supplies are not procured through City administered bids due to the smaller volume and wide variety of these items, including but not limited to: specialized tools (power, hand, pneumatic), hardware (plumbing, electrical, air filters), and lighting (lamps, ballast, fixtures).

MRO supplies can be categorized into two groups, immediate need and those to be delivered. MRO supplies needed immediately for use in the field are procured locally at Home Depot whereas those supplies not needed immediately are ordered online and delivered the following day by Grainger. The City has been purchasing MRO supplies from each of these vendors since 1999 and 1976, respectively. MRO supplies are purchased from Home Depot and Grainger at pricing competitively established through a cooperative request for proposals (RFP).

City Departments are now increasingly using Amazon Business' on-line procurement for MRO supplies due to very competitive pricing and free shipping.

Amazon Business is an on-line marketplace that offers an extremely wide selection of products to serve the needs of businesses including governmental entities. Through the U.S. Communities cooperative contract # R-TC-17006, Amazon Business is able to offer very competitive pricing and free two-day shipping for all orders regardless of size.

City Administration is recommending that City Council approve the purchase of MRO supplies and library materials from Amazon Business at pricing available through a U.S. Communities cooperative purchasing contract, #R-TC-17006.

**Suggested Action:**
Resolved, to approve the purchase of maintenance, repair, operating supplies, and library materials from Amazon Services, LLC, 325 9th Avenue N., Seattle, WA  98109, at pricing available through the U.S. Communities Government Purchasing Alliance, contract #R-TC-17006, through January 18, 2022.
GENERAL INFORMATION:
Cooperative purchasing is an efficient way for governmental entities to utilize combined purchasing power to obtain greater discounts for needed products and services. The City of Sterling Heights will expend more than $150,000 annually on miscellaneous maintenance, repair, and operating supplies and library materials. Funds are appropriated and available in each office/department’s operating budget.

In September 2016, Prince William County Public Schools (Virginia) as lead agency issued a request for proposals (RFP) for On-line Marketplace Purchasing of Products and Services, RFP # R-TC-17006. The proposal from Amazon Services, LLC (Amazon Business) was accepted and a contract was awarded for the period of January 19, 2017 to January 18, 2022, and is available to U.S. Communities cooperative members, including the City of Sterling Heights.

STAFF ANALYSIS AND FINDINGS:
Departments have many options to purchase MRO supplies not otherwise found on specific bid awards by the City. Those needed immediately are purchased locally from vendors such as Home Depot, with pricing through a cooperative purchasing contract. Supplies that are not needed immediately can be ordered on-line through vendors such as Grainger, Office Depot and others, also through cooperative purchasing contracts. Many identical items are available from multiple cooperative purchasing contracts. The City is not bound to purchase MRO supplies from an exclusive vendor and compare price and delivery options to ensure it is procuring the MRO supply in need at the best available price and in the time frame needed.

As with all cooperative purchasing, whether locally or on-line, controls are in place and managed by the Office of Purchasing to ensure that only City employees designated by their respective departments are issued authorizations to make MRO supplies purchases. Online orders are reviewed, processed, and released on a daily basis, or as needed through the Office of Purchasing. This control measure ensures that items being ordered are appropriate and are NOT available under a previously awarded specific item bid from another vendor.

Amazon Marketplace is a new, on-line supplier for MRO supplies and Library materials. By adding Amazon Business as a vendor, the City has another option to procure MRO supplies at competitive prices and delivery options. The City can avail itself of the competitive pricing for MRO supplies established with Amazon Services, LLC through the U.S. Communities cooperative purchasing contract awarded through an RFP process.

STAFF RECOMMENDATION:
Please see the suggested action on the accompanying agenda statement.
Amazon Business Contract

Online Marketplace for the Purchases of Products and Services

Lead Agency:
Prince William County Public Schools, VA

Contract Number:
R·TC·17006

5 year initial term, January 19, 2017 – January 18, 2022
Option to renew for (3) additional (2) year periods

Contract Resource Documents

Contract Updates


REQUEST INFORMATION

Postings

Number of suppliers who responded to RFP: 12

Posting Information:         Date Posted:
Everything you love about Amazon is available for U.S. Communities registered agencies

Government, Education and Nonprofit sectors can enjoy the ease of Amazon Business.

Drive efficiencies and improve compliance with the Amazon Business cooperative contract. U.S. Communities and Amazon Business have a multi-year contract that opens the Amazon Business marketplace to more than 90,000 U.S. Communities registered agencies, including five national sponsors and 90 state sponsors.

By utilizing the U.S. Communities contract, you can reduce the need for multiple quotes, and in many cases eliminate a lengthy RFP process. Select from hundreds of millions of products, and we’re adding more every day.

Benefits

**Price Discounts**
Enjoy business-only pricing with quantity price breaks reserved for Amazon Business accounts.

**Tax-Exempt Purchasing**
Take advantage of your group’s tax-exempt status and enroll in the Amazon Tax Exemption Program. Easily share the setting across your organization.

**Seller Credentials**
Meet your sourcing diversity requirements and find sellers with attributes such as small business, women-owned and minority-owned.

**Spend Controls and Visibility**
Manage authorized purchasers, set spending limits, approve purchases and use enhanced analytics tools. Pay using purchasing cards or pay by invoice.

Get Started!

1. Create a free Amazon Business account at [www.amazonbusiness.com/usc](http://www.amazonbusiness.com/usc)
   Already have an account? Go to Step 2.

2. Join U.S. Communities (no cost, quantity or spending limits)
   Already a participating agency? Go to Step 3.

3. Enroll to use the contract*

*IMPORTANT: To use the contract, you must contact an Amazon Business customer advisor to verify your eligibility and become activated. [www.amazonbusiness.com/contact/uscommunities](http://www.amazonbusiness.com/contact/uscommunities)

“Amazon Business delivers the buying experience our end-users want, and we are thrilled to provide the contract vehicle for this extensive nationwide Online Marketplace.”

- Anthony Crosby, Administrative Coordinator of Purchasing for Prince William County Public Schools
### Contract Summary

<table>
<thead>
<tr>
<th>Contract Title</th>
<th>Lead Agency</th>
<th>Evaluation Team</th>
<th>Contract Number</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online Marketplace</td>
<td>Prince William County Public Schools, VA</td>
<td>City of Kansas City, North Carolina State University, Harford County Public Schools, and Prince William County Public Schools</td>
<td>R-TC-17006</td>
<td>5 years, January 19, 2017 – January 18, 2022 with option to renew for (3) additional (2) year periods</td>
</tr>
</tbody>
</table>

### Approved Categories

Participating public agencies can now purchase on Amazon Business from 10 competitively awarded categories. This means registered agencies can reduce the need for soliciting multiple quotes, and in many cases eliminate a lengthy RFP process.

- Books
- Office Supplies
- Classroom, School, Art Supplies & Materials
- Audio-Visual & Electronics
- Higher Education Scientific Research Equipment & Lab Supplies
- Home & Kitchen
- Musical Instruments
- Animal Supplies, Equipment & Food
- Clothing
- Miscellaneous & Hard-to-Find Items

Visit [www.amazonbusiness.com/usc](http://www.amazonbusiness.com/usc) for more information and to get started with your free Amazon Business account.
This Contract entered into this ___ day of ___ by, Amazon Services, LLC, Amazon Business, 325 9th Avenue N., Seattle, WA 98109, hereinafter referred to as the "Contractor" and Prince William County School Board, P.O. Box 389, Manassas, VA 20108, hereinafter referred to as the "Prince William County Public Schools", "Purchasing Agency" or "PWCS".

WITNESSETH that the Contractor and PWCS, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

1. SCOPE OF CONTRACT: Contractor shall provide an On-Line Marketplace for the Purchase of Products and Services in accordance with the Statement of Needs, General Terms and Conditions and Special Terms and Conditions stated herein.

2. CONTRACT DOCUMENTS: The contract documents shall consist of the following:

   2.1. This signed Contract document;


3. CONTRACT TERM AND RENEWAL:

   3.1. The initial term of this contract shall be from the date of award, January 19, 2017 to January 18, 2022, with the option to renew for three (3) additional two (2)-one-year periods, upon mutual written consent of the parties to the contract. Proposed prices shall remain firm for the initial term of the contract.

4. CONTRACT ADMINISTRATOR/PROJECT MANAGER: The following PWCS employees are identified to use all powers under the contract to enforce its faithful performance:

   4.1. CONTRACT ADMINISTRATOR: As the Contract Administrator, the following individual, or his/her designee, shall serve as the interpreter of the conditions of the contract and shall use all powers under the contract to enforce its faithful performance.
4.2. **PROJECT MANAGER:** The following individuals shall work directly with the Contractor in scheduling and coordinating work, answering questions in connection with the scope of work, and providing general direction under the resulting contract:

5. **TIME OF PERFORMANCE:** In accordance with Contractor's proposal, Section 4.2.2. and 5.3.2.

6. **PRICING:** In accordance with Contractor's proposal, Section 4.2.1.

7. **PAYMENT TERMS:** In accordance with Contractor's proposal, Section 5.3.6.

Prince William County does not discriminate against faith-based organizations in accordance with the Code of Virginia, §2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

This contract shall constitute the whole agreement between the parties. There are no promises, terms and conditions, or obligations other than those contained herein, and this contract shall supersede all previous communications, representations, or agreements, written or verbal, between the parties hereto related to the provision of goods (including leases thereof), services and/or insurances described herein.

IN WITNESS THEREOF, the parties have caused this Contract to be executed by the following duly authorized officials:

**CONTRACTOR:**

[Signature]
Authorized Signature

Type Name: Vice President
Title: Vice President
Date: Jan 27, 2017

**PURCHASING AGENCY:**

[Signature]
Authorized Signature

Type Name: Supervisor of Purchasing
Title: Supervisor of Purchasing
Date: 1-31-17
MEMORANDUM OF NEGOTIATIONS  
R-TC-17006  
Dated: January 19, 2017

Prince William County Schools (hereinafter called PWCS) and Amazon Services, LLC (hereinafter called the Contractor) hereby agree to the following in the execution of Contract R-TC-17006 for On-Line Marketplace for the Purchases of Products and Services. The final Contract contains the following documents listed in the order of precedence:

a. Contractor's proposal dated October 14, 2016;
b. Contractor's response to Clarification Questions dated October 31, 2016, attached;
c. PWCS's Request for Proposal, R-TC-17006 and all Addendum #1;
d. Contractor's Business Accounts Terms and Conditions (currently available at https://www.amazon.com/gp/help/customer/display.html?nodeId=201613180), attached;
e. PWCS's General Terms and Conditions, Section 11 (RFP - Revised 12/16/16), attached;
f. This Memorandum of Negotiations;
g. Any subsequent modifications to the Contract.

1. The contract term shall remain as originally issued in the RFP, as follows:

9.1. The initial term of this contract shall be five years (5) from the date of award to December 30, 2021, with the option to renew for three-two (2) year periods, upon mutual written consent of the parties to the contract.

2. Amazon Whispercast is not being offered upon award but will remain in scope for future offerings by the Contractor. In addition, all new Amazon business opportunities may be modified to the Contract by mutual agreement between the Contractor and PWCS.
3. The following provision is added to PWCS Special Terms and Conditions:

10.7 NOTICE OF DEFERRAL UNDER FEDERAL GRANT UNIFORM GUIDANCE:
As permitted under the rule published at 80 FR 54407, Prince William County Schools is electing to defer until July 1, 2017, the implementation of the procurement provisions of the Uniform Guidance, as detailed in 2 CFR 200 subsections .317 through .326. During this period, we will continue to operate under the guidance of 44 C.F.R. § 13.36(a)-(i) (States, Local and Tribal governments) and 2 C.F.R. 215.40-48 (Institutions of Higher Education, Hospitals, and Private Non-Profits). This provision shall constitute the documentation of this decision as required, and shall be deemed incorporated into our internal procurement policies.

4. Contractor's response to Clarification Questions dated October 31, 2016, Question #1: The State of Iowa is hereby removed as an excluded state and allowed use of the Master Agreement award.

ACCEPTED BY:

[Signature]
Contractor Authorized Signature

[Signature]
Vice President

[Signature]
Jim Totty, C.P.M., CPPO
Supervisor of Purchasing

[Date]
Jan 27, 2017

[Date]
1/31/17
AGENDA STATEMENT

**Item Title:** To approve the purchase of two (2) 2019 Ford Interceptor Utility Police Pursuit AWD vehicles from Bartow Ford (Total cost of $62,208).

**Submitted By:** Office of Purchasing

**Contact Person/Telephone:** Jared Beaudoin, Purchasing and Facilities Maintenance Manager - 586.446.2392

**Administration Approvals:**
- MR City Clerk
- JV Finance & Budget Director
- MK City Attorney
- MV City Manager

**Executive Summary**

The Ford Interceptor Utility Police Pursuit AWD is the make and model selected by the Sterling Heights Police Department (SHPD) to standardize the fleet. Ford Motor Company has ceased production of the 2019 model of the Interceptor Utility Police Pursuit AWD vehicle. Although production of the 2020 model year will commence this month, orders will not begin to be filled until October, 2019. Due to an immediate need to supplement the SHPD’s fleet, the Department of Public Works researched the availability of 2019 models being held as inventory at dealers nationwide.

Bartow Ford, located in Bartow, Florida, has a very limited supply of new 2019 Ford Interceptor Utility Police Pursuit AWD vehicles in the Oxford White exterior color required by the SHPD. The cost per vehicle to purchase from Bartow Ford is $31,104.00 per vehicle. The purchase of the available 2019 model over the yet to be manufactured 2020 model, will result in a savings to the City of approximately $1,295 per vehicle.

City Administration is recommending City Council approve the sole source purchase of two 2019 Ford Interceptor Utility Police Pursuit AWD vehicles from Bartow Ford, 2800 US Hwy North, Bartow, Florida 33830, at a cumulative cost of $62,208.00. Please see the attached staff report, purchase recommendation from Police Captain Ken Pappas, and supporting documentations for additional information.

**Suggested Action:**

Resolved, to:

a) Purchase two (2) 2019 Ford Interceptor Utility Police Pursuit AWD vehicles from Bartow Ford, 2800 US Hwy North, Bartow Florida 33830, in the cumulative amount of $62,208.00; and

b) Authorize a budget amendment of $62,208 from General Fund Reserves.
GENERAL INFORMATION:
The Sterling Heights Police Department (SHPD) is requesting approval to purchase two 2019 Ford Interceptor Utility Police Pursuit AWD vehicles. This purchase, if approved, will fill the need for 2 of the 8 police patrol vehicles approved for purchase in the fiscal year 2019/20 budget. The purchase is being advanced to meet an immediate need for police vehicles in the SHPD fleet. The 2019 model year vehicles are not available elsewhere in the market and represent a per vehicle savings of $1,295 when compared to a similar 2020 model year vehicle.

Funding for the acquisition of the police patrol vehicles is budgeted in the Fiscal Year 2019/2020 budget at 43790901 (Capital Projects Fund – Vehicles) 984315 (Vehicles – Police Operations).

STAFF ANALYSIS AND FINDINGS:
Ford Motor Company ceased production of the 2019 Ford Police Interceptor Utility police pursuit vehicle last fall and the 2020 model will not be available for delivery until after October, 2019. The delay in production has created a severe shortage for the Ford Interceptor Utility police pursuit vehicle for police departments across the country, including Sterling Heights.

The 2019 Ford Interceptor Utility Police Pursuit AWD is sold out in Michigan and unavailable for purchase. Bartow Ford in Bartow Florida has a very limited supply of new 2019 Ford Interceptor Utility Police Pursuit AWD vehicles in the Oxford White exterior color required by the Sterling Heights Police Department, at a delivered cost of $31,104.00 per vehicle. The dealer is holding two 2019 models for the City to purchase pending City Council approval on May 7, 2019. Pricing is comparatively discounted however not based upon any cooperative bid.

City Code §2-217(A) states “Competitive bids shall not be required with respect to the following purchases otherwise required by law: (5) Sole source supplies and services.”

2019 models of the Ford Interceptor Utility Police Pursuit AWD vehicle are not readily available in the inventories of fleet dealerships. Research by the DPW located Bartow Ford in Florida as the sole source of this model in the color required by the SHPD. Additionally, the purchase of the available 2019 models over the yet to be manufactured 2020 model will result in a savings to the City of approximately $1,295 per vehicle, with comparable police equipment options.

The vehicles purchased from Bartow Ford in Florida will be fully warranted by Ford Motor Company. Any local Ford dealers can provide warranty repair service. The vehicle specifications and available options for the referenced police patrol vehicle are detailed in the attached documentation.

STAFF RECOMMENDATION:
Please see Suggested Action on the accompanying Agenda Statement.
Notification list:
Bartow Ford
2800 US Highway North
Bartow, FL 33830
Richard Weissinger, Commercial Fleet Sales
thefordtruckguy@gmail.com
Date: April 23, 2019

To: Jared Beaudoin, Purchasing Manager

From: Captain Kenneth Pappas, Police Administration

Subject: Purchase of 2 Patrol Vehicles FY 2019/20

The Police Department is budgeted to purchase 7 police vehicles in the 2018/19 fiscal year vehicle replacement plan. Two of the vehicles were to be Ford Interceptors approved for purchase on the April 16th meeting by council. Ford ceased late production of the 2019 Police Interceptor model due to complications and retooled plants to begin production on its redesigned 2020 model. The 2020 Ford interceptor is to begin production in early May 2019 with anticipated October 2019 delivery.

The Department of Public works identified Bartow Ford located in Bartow Florida that has a very limited supply of new 2019 Ford Police Interceptor Utility Pursuit AWD vehicles in the Oxford White exterior color required by the Sterling Heights Police Department, with competitive pricing they will be delivered at a cost of $31,104.00 per vehicle. The purchase of the available 2019 models over the yet to be manufactured 2020 model, will result in a savings to the City of approximately $1,295 per vehicle.

The 2019/20 budget approved by City Council included the funding to purchase 8 replacement Ford Police Interceptor Utility police patrol vehicles. The 2020 Ford Police Interceptor Utility model will not be available for delivery until October 2019. The Sterling Heights Police Department has an immediate need for replacement police patrol vehicles.

The Police Department is recommending City Council authorize the immediate sole source purchase of two 2019 Ford Interceptor Utility Police Pursuit AWD vehicles from Bartow Ford, at a cumulative cost of $62,208.00. The listed vehicles were discussed with DPW and approved. Funding for the acquisition of the police patrol vehicles is budgeted in the Fiscal Year 2019/2020 budget at 43790901 (Capital Projects Fund – Vehicles) 984315 (Vehicles – Police Operations).
April 16, 2019

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>K8A</td>
<td>2019 Ford Interceptor Utility</td>
</tr>
<tr>
<td>99R</td>
<td>3.7L V-6 Engine</td>
</tr>
<tr>
<td>44C</td>
<td>6 Speed Automatic Transmission</td>
</tr>
<tr>
<td>86T</td>
<td>Rear Taillight Prep Package Pre-existing holes with standard twist lock sealed capability, does not include LED installed lights, eliminates need to drill housing assemblies</td>
</tr>
<tr>
<td>43D</td>
<td>Dark Car Feature</td>
</tr>
<tr>
<td>60A</td>
<td>Factory Grill, Lamp, Siren &amp; Speaker Wiring</td>
</tr>
<tr>
<td>51Y</td>
<td>Factory Pillar Mounted Spotlight</td>
</tr>
<tr>
<td>53M</td>
<td>SYNC Voice Activated Bluetooth</td>
</tr>
<tr>
<td>60R</td>
<td>Noise Suppression Bond Straps</td>
</tr>
<tr>
<td>76R</td>
<td>Reverse Sensing</td>
</tr>
<tr>
<td>18D</td>
<td>Factory Rear View Camera with In Dash Display</td>
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</tbody>
</table>

**TOTAL PURCHASE AMOUNT PER UNIT** $30,119.00

**SALE PRICE INCLUDES ALL FLEET INCENTIVES AND REQUIRES VALID MICHIGAN MUNICIPAL FLEET ID NUMBER**

**Shipping** $985.00

If you have any questions or need any additional information please feel free contact me anytime.

Sincerely Yours,
Richard Weissinger
Commercial Fleet Sales
Direct Line (813) 477-0052
Fax (863) 533-8485

2800 US Hwy North
Bartow, Florida 33830
### CITY OF STERLING HEIGHTS
### POLICE DEPARTMENT VEHICLE SPECIFICATIONS
### FORD POLICE INTERCEPTOR UTILITY
### Comparison Pricing

<table>
<thead>
<tr>
<th>OPTION #</th>
<th>DESCRIPTION</th>
<th>2020</th>
<th>2019</th>
<th>Delivery INC</th>
<th>Savings</th>
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<tbody>
<tr>
<td>K8A</td>
<td>Ford Police Interceptor- Utility Auto - V6 - AWD</td>
<td>$31,544.00</td>
<td>N/C</td>
<td>INC</td>
<td>$1,295.00</td>
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<td>YZ</td>
<td>Oxford White Clearcoat - Exterior Paint</td>
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<tr>
<td>18D</td>
<td>Global Lock/Unlock Feature</td>
<td>N/C</td>
<td>N/C</td>
<td></td>
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<tr>
<td>43D</td>
<td>Dark Car Feature</td>
<td>20.00</td>
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<tr>
<td>51Y</td>
<td>Drivers Spotlight, Incandescent</td>
<td>350.00</td>
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<tr>
<td>60 A</td>
<td>Grill, Lamp, Siren, Speaker Wiring</td>
<td>50.00</td>
<td>30.00</td>
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<td>60R</td>
<td>Noise Suppression Bonds (Ground Straps)</td>
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<td>76R</td>
<td>Reverse Sensing</td>
<td>275.00</td>
<td>50.00</td>
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<tr>
<td>86T</td>
<td>Tail Lamp/Police Interceptor Housing Only</td>
<td>60.00</td>
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</tbody>
</table>

Notes: 51Y cost estimated

- **2020**: 3.3 L V-6 Engine w/ 10 Speed Auto Trans
- **2019**: 3.7L V-6 Engine w/ 6 Speed Auto Trans

2020 Pricing via Macomb County Cooperative Bid
2019 Pricing via Sole Source - Bartow Ford
Ford presents its greatest variety of crimefighting power ever. In addition to the vaunted pursuit-rated Ford Police Interceptor Utility and Sedan, you’re offered a dynamic pair of Ford Police Responders — the first pursuit-rated truck and the first pursuit-rated sedan. There’s also the first-ever Ford Special Service Plug-in Hybrid Sedan (not shown) that can go up to an EPA-estimated 25 miles without gas. "Rounding things out, and rounding up criminals, is the capable Expedition/MAX SSV, along with the built Ford Tough F-150 SSV (not shown) and Transit PTV. An impressive lineup!"
The Ford Police Interceptor® Utility is the best-selling pursuit-rated police vehicle in the United States; when armed with the 365-hp EcoBoost® V6 and standard AWD, it hits 60 mph in 5.9 seconds — 0.5 seconds faster than the competition. 1

In the most recent official tests by the Michigan State Police and Los Angeles County Sheriff's Department vs. competitive utility entries, the Police Interceptor clocked the quickest 0-60-mph run and 0-100-mph run times, along with the fastest lap, fastest average lap, fastest 1/4 mile, and fastest top speed in the 1/4 mile. Year after year, phenomenal is the word for it.

An intimidating presence, offering commanding views and more. Front seats feature slim, uniquely shaped bolsters that enable officers to quickly get in, get going and get out. These minimized bolsters supply a generous amount of space for a duty belt. To allow for a tailored fit, the Cayman power driver’s seat is standard. To configure the fully 60/40 split-fold seat as desired, or fold fully out of the way for 85.1 cu. ft. of useful space to go with its 1,630-lb. standard payload capacity. Devices and K9 officers can be kept cooler with the auxiliary air conditioning.

Keeping it all as simple as possible. The liftgate release switch in the overhead console is not only handy, but helps provide added security by relocking the mechanism after 45 seconds if unopened. A rear view camera with washer is standard — the camera display in the 4.2” center-stack LCD screen is standard too, or choose to have that display in the rearview mirror as a no-charge option.

It's purpose-built in the U.S.A. — engineered in Dearborn and assembled in Chicago, it's a cost-controlled, hassle-free turnkey package. The majority of components on the Utility are identical to the Sedan. The standard 3.7L V6 and available 3.5L EcoBoost V6 share many parts for simplified service. Furthermore, the 4 keys that come with the Police Interceptor don't contain microchips. Meaning cost is minimal for copies, and the entire fleet can run with one common key when the keyed-alike option is ordered.

See the full Police Interceptor Utility DNA on pages 18-27.

1 Based on IHS Polk police vehicle registration data for 2017 CY. Horsepower rating achieved with 93-octane fuel.
2 Available feature. 3 Based on Michigan State Police and Los Angeles County Sheriff's Department test results for 2018 models.
4 Assembled in the U.S.A. with domestic and foreign parts.
When outfitted with the available 365-hp EcoBoost® V6 and standard AWD, the Ford Police Interceptor® Sedan beats every pursuit-rated police vehicle (including the V8-equipped competition). The testing of the available 365-hp EcoBoost® V6 outran the quickest 0-60 mph and 0-120 mph acceleration times — along with the fastest 400-foot elapsed times — at 365-hp and fastest top speed in the 1/4 mile, in all that furious Michigan State Police testing at Grattan Raceway and Los Angeles County Sheriff’s Department testing at Auto Club Speedway, the Police Interceptor Sedan rated fastest overall. It rules supreme.

**Comfort is first-rate, not to mention first-class.** Upholstered in heavy-duty cloth, the power driver’s seat accommodates 6 ways and includes manual lumbar support. Slim seat bolsters make getting in and out of the vehicle a quick affair, and they supply ample room for a duty belt. The rear bench maximizes space and is upholstered in heavy-duty vinyl. Access is made easy with wide-opening rear doors.

**Handles it all with a lot of care.** Within the super-capacity trunk, 16.6 cu. ft. of full-size room draws equipment out of sight. Pull up the flat load floor for the standard full-size spare stationed inside. It’s identical to the other 4 wheels and comes ready-locked with a TPMS sensor. A slide-out, custom-fit electronics tray provides extra storage for equipment, and an auto-running circulation fan is designed to keep conditions temperate for sensitive devices.

**It’s made in America specifically for police duty, and IT’S BUILT on the same platform as the Police Interceptor Utility.** That means the Police Interceptor Sedan maintains the parts and service routines, such as when it comes to servicing the standard 3.5L V6 and available 3.5L EcoBoost® V6. This supports the tenacious brake pads, rotors, calipers and more. Crucially, exact-spec components can also keep breakdown time to a minimum.

See the full Police Interceptor Sedan DNA on pages 18-27.

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The Ford F-150 Police Responder has the most interior passenger volume of any pursuit-rated police vehicle, with 131.8 cu. ft. of total space. The front seats are leather, complete with body armor and holsters. Shoulder room, hip room and rear leg room are the most of any pursuit-rated police vehicle. The driver's seat is 8-way powered, and both front seats — with reduced bolsters to ensure comfort when wearing a duty belt — are upholstered in heavy-duty cloth. Front seat backs have anti-stab plates, head restraints in both rows are located, and the flooring is vinyl. Doors, windows and sideview-mirror glass are powered. Amenities extend to SYNC® productivity screen, and the Remote Keyless Entry System.

Possessing the highest horsepower and greatest torque of any pursuit-rated police vehicle, the F-150 Police Responder™ is also the first-ever pursuit-rated pickup truck to market. 375 horses are at your command, supplemented with a super-responsive 470 lb.-ft. of torque. Its 3.5L EcoBoost® V6 engine is paired with a 10-speed automatic transmission configured with progressive range select and selectable drive modes: normal, tow/haul, snow/wet, eco-select, and sport. The shifter is steering column-mounted, the alternator is 240 amps, and the speedo is police-calibrated. Upgraded brake calipers, unique brake pad friction material and an upgraded front stabilizer bar deliver necessary performance.

Resounding with the best payload capacity (2,030 lbs.) and best standard towing capacity (7,000 lbs.) of any pursuit-rated police vehicle, this powerful pickup has a first-in-class, military-grade, aluminum-alloy body and cargo box to reinforce its Built Ford Tough® reputation for quality, durability and high-strength. Aluminum resists corrosion, and this grade fends off dents and dings; the fully boxed high-strength steel frame sets the foundation.

Outfitted exclusively in a SuperCrew® 4x4 setup — and buttressed with a versatile 5.5’ box — the go-anywhere attitude is fortified with an FX4 Off-Road Packageaptitude. The power-packed F-150 Police Responder™ is equipped with underbody skid plates and an underbody skid plate. The rear axle is electronic-locking, and there’s the added benefit of Hill Descent Control™.

Based on 2018 model-year ratings. Based on Michigan State Police and Los Angeles County Sheriff’s Department test results for 2018 models. “Class is Full-Size Pickups under 8,500 lbs. GVWR based on Ford segmentation. “6000-series aluminum alloy.

#1 INTERIOR SPACE IN AMERICA
POLICE RESPONDER HYBRID SEDAN

The electrifying, all-new 2019 Ford Police Responder™ Hybrid Sedan is the first pursuit-rated hybrid to market. Purpose-built for police duty, it’s outfitted in the heavy-duty, upfit-friendly style of Police Interceptors.

Optimized for local patrol, this forward-thinking hybrid has a projected EPA-estimated rating of 40 city/36 hwy/38 combined mpg. It’s hailed as the 2018 Commercial Green Car of the Year™ by Green Car Journal. The award honors vehicles raising the bar for environmental performance.

Ford Telematics™ is standard issue. Every new Police Responder Hybrid Sedan comes with a built-in Ford modem and 2-year Ford Telematics subscription—standard. Fuel savings, CO₂ emissions, vehicle health, and more—this powerful, simpler-to-operate delivers manufacturer-grade information, insights and solutions right to your fingertips.

By minimizing engine idle time, large electrical loads demanded by police use can be handled more efficiently than a conventional gas-powered cruiser. The Police Responder Hybrid Sedan reduces engine idling time by powering its electrical load with the lithium-ion battery; the engine is required intermittently to top off the battery.

More uptime, less downtime: See the savings calculator on the next page for a detailed breakdown of how your agency could save more than 1,550 gallons of fuel per year, per vehicle. Benefits include potential fuel savings and reduced CO₂ emissions, as well as potentially fewer fill-ups—meaning less vehicle downtime to help keep your vehicles and officers on the road, at the ready.

It’s loaded with a number of unique attributes. The powertrain is pursuit-calibrated and there are front deflector plates; regenerative braking and the cooling system are police-purposed; the suspension, wheels, tires, hubcaps and brakes are police-tuned; police-specific cloth front seats have heavy-duty cloth with slim bolsters, plus anti-stab plates in the seat backs; instrumentation is police-centric; the rotary gear shift dial is relocatable; and vinyl rear seating and flooring are easy-clean.
Purpose-built for the police duty cycle, the Police Responder™ Hybrid Sedan powertrain offers significant potential fuel savings compared to a traditional police cruiser. The Police Responder Hybrid Sedan’s lithium-ion hybrid battery can provide added benefits when considering the unique idling demands of day-to-day police use.

While driving, estimated Police Responder Hybrid Sedan fuel economy compares favorably against the Police Interceptor® Sedan. Estimated Police Responder Hybrid Sedan fuel economy is projected at 40 city/36 hwy/38 combined mpg. Actual mileage will vary.

While stopped, even when not in motion, police vehicles must constantly keep their engines running to power electrical equipment. Ford data shows that police vehicles spend approximately 61% of each shift at engine idle. This equates to roughly 4 hours of every 8-hour shift. The Police Responder Hybrid Sedan reduces engine idle time by powering the high electrical loads of a police vehicle with its lithium-ion battery. So the engine runs less—it’s intermittently called upon to top off the battery.

In total, and in comparison, the Police Responder Hybrid Sedan potentially saves:

- An estimated 585 gallons of fuel per year while driving.
- An estimated 966 gallons of fuel per year while stopped.
- An estimated 1,551 total gallons saved per year, total.

That's $3,877 in potential savings per year, per vehicle. (Assuming an example gas price of $2.50 per gallon.)

And a potential 27,421 lbs. of CO$_2$ emissions reduced per year, per vehicle.

Visit fordpoliceresponder.com to calculate your own agency’s potential savings.
The all-new 2019 Ford Special Service Plug-In Hybrid Sedan is the first Ford plug-in hybrid police vehicle to market. It’s aimed squarely at specialized, non-pursuit applications like detective, investigative and admin support.

Strong evidence supports the possibility you can perform your daily duties in a zero-fuel-emissions capacity: The EPA-estimated all-electric range is 25 miles — patrol in this all-battery mode at speeds up to 85 mph. Plug the stealthy sedan in and make the rounds. Upon your return to the station, simply plug in to get the same thing all over again, and again and again. The day-on-day savings rapidly start to add up. Wherever you suppose the estimated 25, you’ll seamlessly transition into gas/line-electric hybrid mode for the added miles each and every time out. While in this simple, the projected EPA-estimated rating is a 42 combined mpg1 with an expected EPA-estimated range of 610 miles.3

Utilizing an optional 240-volt charger, you can power up the high-capacity, 9.0-kWh lithium-ion battery of the Special Service Plug-In Hybrid Sedan in approximately 2.5 hours. It can also be fully recharged about 4 hours with the included 240-volt convenience charge cord that plugs into a conventional wall socket. Simply plug one end of the cord into the onboard, and then plug the other end into the vehicle’s illuminated charge port.

Unique 5-spoke alloy wheels add a bit more shine to the outside; purpose-built police living quarters welcome you inside. The all-cloth seats offer easy access to a rear door, smooth ride, heavy-duty fabric and anti-slip plates. They’re divided by the metal console mounting plate. Housing mounted up, and back in a rear-comfort seat. A bench seat is also vinyl. The special police setup also includes to the front doors: Child’s seat and unique door trim panels (with rear closing parts). A reinforced top tray on the dashboard is for mounting equipment, and the police-applied options include a rear outboard airbag. Among other standard highlights, the overhead console has red-and-white aft light, and there will be a guard of a rear passenger airbag. A police auxiliary power distribution box (PDB) in the trunk. The Police Engine Idle Feature blocks for unmissioned driving of the engine front being driven, unless an authorized key fob is present. Numerous options include the Dark-Car Feature, driver spot lamp and a variety of police lighting packages.

**PATROL, PLUG IN, REPEAT**
WHEN PURSUIT ISN’T CRUCIAL

Fulfill your agency’s need for extreme capability and a go-anywhere attitude with the Ford F-150 Special Service Vehicle. This full-size pickup is built by Ford to be capable of high-strength, military-grade, aluminum alloys. These panels don’t rust, and they’re dent- and ding-resistant. (Other words: this SSV is made to stand up to punishment. High-strength steel comes up to 78% of its fully boxed, modular frame that’s stronger than ever.

The F-150 edition seats 5 and is available in XL and XLT SuperCabs, as well as in XL SuperCrew, in 2WD or 4WD, with either the 375-hp 3.5L Ti-VCT V8 FlexFuel or the 355-hp 3.5L EcoBoost® V6 torque-heavy engines – each powerplant is matched with a 10-speed SelectShift® automatic transmission for peak acceleration and performance. For the XL edition V6 with the Max. Trailer Tow Package®, it taps into a remarkable 2,000 lb-ft of max. towing capacity. To help direct the hitch ball to the trailer receiver, the rearview camera with dynamic hitch assists is visible inside the vehicle. The instrument panel display. It turns the complicated task of hitching a trailer into a simple, one-person job. Special features also include a high-output 240-amp alternator, cloth front seating with center section delete, the space-saving convenience of a column-mounted shifter, and a vinyl rear bench and vinyl floor covering for ease of maintenance.

F-150 is Built Ford Tough® to work hard. In other words, you can depend on it to get the job done. After all, there are a million and one reasons why Ford F-Series is America’s best-selling truck for over 41 years.

EXPEDITION/MAX SSV

When room rules big-time, the recently restyled Ford Expedition Special Service Vehicle is the epitome of full-size SUVs. The upgraded aluminum alloy body encompasses an ultra-refined cabin that boasts ample room for 5 officers, police equipment and accompanying cargo. Thoughtful design cues include smart connectivity technology and a space-enhancing, fold-flat load floor – not to mention the handy set of 3rd-row storage bins in place of 3rd-row seating spaces. Well-cushioned cloth adorns the front-row bucket seats, and the same cloth comfort is optional for the reclining and foldable 40/20/40 2nd row. Easy-to-clean vinyl covers the standard 2nd-row seating, along with the entire floor area – front to back.

At nearly a foot longer than the standard-length version, the Ford Expedition MAX Special Service Vehicle can accommodate an additional 16.9 cu. ft. of supplies and munitions. Both Expedition models are provisioned with a state-of-the-art 3.5L EcoBoost twin-turbocharged direct-injection V6. Delivering a tenacious 375 hp and 470 lb.-ft. of torque, the benefits of this engine become all the more apparent when taking advantage of the max. 9,300-lb. towing capacity that gains from standard trailer sway control. Stick with RWD, or opt for greater all-terrain confidence with 4WD. Whatever your decision, you can benefit from the efficiency gains of the 10-speed SelectShift® automatic transmission and Auto Start-Stop Technology. You’re further reinforced with a 3.73 electronic limited-slip differential (eLSD), a column-mounted shifter, 10-speed automatic transmission, and all-terrain tires with outlined white letters. No matter the situation, you’ll take charge of the action big-time in an extended-length Expedition SSV, or do it all the more impressively in an extended-length Expedition MAX SSV. Available in XL trim only. Be unstoppable.
**FLEXIBLE PRISONER TRANSPORT**

Make it happen with the Ford Transit Prisoner Transport Vehicle: compartmentalize with single, double or triple prisoner-transport inserts; customize with surveillance cameras, lighting accents, heating/cooling and more. Versatility also extends to the broad-in-class choice of vehicle configurations. Transit PTVs (both in available 3 roof heights, 3 body lengths, 3 engines and 2 wheelbases. Class-best max. interior height among pass-covered cargo vans in the high-roof model lets you carry tall items without hindrance. The cargo floor is flat, with three vertical sides for maximum usable space.

A substantially hauling capacity of up to 6,650 lbs helps the Transit PTV master even the most demanding of challenges. Class-best max. interior height among gas-powered cargo vans in the high-roof model lets you carry tall items without hindrance. The cargo floor is flat, with near-vertical sides for maximum usable space. A substantial hauling capacity of up to 4,650 lbs helps the Transit PTV master even the most demanding of challenges. Class-best max. interior height among gas-powered cargo vans in the high-roof model lets you carry tall items without hindrance. The cargo floor is flat, with near-vertical sides for maximum usable space.

Innovative technology helps counteract uncontrolled, inadvertent lateral movement due to perpendicular wind gusts. Side-wind stabilization joins AdvanceTrac® (Electronic Stability Control™) with RSC® (Roll Stability Control™) to help handle sudden side-wind gusts; the system can apply the brakes on one side of the vehicle if needed to help reduce the effect of such occurrences.

To ensure the Transit PTV fulfills its missions day after day, development vehicles were punished in durability testing. They had to tow loaded trailers in 90°F heat. They were started at −40°F and at over 14,500 ft. They even underwent 250,000 door-slam evaluation cycles, which is nearly 3 times as much scrutiny as what would normally be expected of a retail vehicle. Built Ford Tough® is built into the DNA of Transit Van, meaning every technological advance has passed exhaustive engineering standards.
SAFETY & SECURITY

SERVING TO PROTECT YOU

A. Industry-exclusive: 75-mph rear-impact crash-tested. Ford Police Interceptors continue a tradition of being the only vehicles on the market engineered to meet this test.

B. Level III+ or Level IV+ ballistic front-door panels. Ford Interceptors offer National Institute of Justice Level III+ or Level IV+ ballistic protection for the door panels. These panels can handle a wide range of military rifle ammunition. Level III panels can stop all handgun and rifle ammunition. Level IV+ panels can stop all handgun ammunition, all rifle ammunition, and .30-caliber rifle penetrations. Each panel style can also handle special space threats identified by the Los Angeles Police Department.

C. Extra-tough anti-stab plates. To help keep unruly types at bay, deflective steel intrusion plates are built into the driver and front passenger seat backs.

D. Surveillance Mode. This system warns that someone is approaching the rear of the vehicle. Upon detection, a three-tone sound, the driver’s side door automatically rolls up, and all doors lock. Intermittent Fault Filter® (IFF) technology sifts out erroneous changes in sensor signals.

E. SPACE (Side Protection And Cabin Enhancement) Architecture. A hydroformed cross-vehicle cross-member solidifies the vehicle’s sides.

F. Multiple airbags. Just in case, the front-seat Personal Safety System™ (with front airbags), front-seat side airbags, and 1st- and 2nd-row Safety Canopy® System (housing side-curtain airbags) are at the ready. Both Police Interceptors additionally include a rollover sensor.

G. Virtual force field of assurance. In the event of a crash, advanced safety technology helps to absorb the energy of the collision and to direct the impact forces away from the occupants. Additionally, complex zones are engineered to absorb the impact of the vehicle, further absorbing and disengaging the energy of a crash to reduce intrusion into the occupant compartment.

H. Hidden rear door-lock plungers. These out-of-sight plungers are manually operable only by officers in front.

I. Manual key lock cylinders. The 3 exterior cylinders – on the front doors and decklid/liftgate – provide quick, reliable access with a simple fleet key.

Warning: As with any body armor, protection provided by the ballistic door panel is limited. Certain rounds or combinations of rounds may penetrate the panel and cause serious injury or death. You can be legally and criminally liable for such injuries or death. Always wear your safety belt, secure children in the rear seat and follow airbag warning label instructions.

D. Multiple airbags. In the event of a crash, advanced safety technology helps to absorb the energy of the collision and to direct the impact forces away from the occupants. Additionally, complex zones are engineered to absorb the impact of the vehicle, further absorbing and disengaging the energy of a crash to reduce intrusion into the occupant compartment.

I. Manual key lock cylinders. The 3 exterior cylinders – on the front doors and decklid/liftgate – provide quick, reliable access with a simple fleet key.

The full-size spare tire secured in the factory location is necessary to achieve police-rated 75-mph rear-impact crash-test performance attributes.

Available feature. Contact 1.800.34.FLEET for panel performance specifications. Visit fleet.ford.com for more details.

WARNING: As with any body armor, protection provided by the ballistic door panel is limited. Certain rounds or combinations of rounds may penetrate the panel and cause serious injury or death. You can be legally and criminally liable for such injuries or death. Always wear your safety belt, secure children in the rear seat and follow airbag warning label instructions.
Heavy-duty steering and suspension components on the Police Interceptors respond in the name of control, capability and comfort. Electric power-assisted steering (EPAS) adjusts to whole speed, crowned roads and crosswinds. For smooth, predictable, high-speed handling at every turn, the front and multilink rear suspensions are fully independent—each one also incorporates a sturdy stabilizer bar to combat body lean. Nested coil springs and stiffened, gas-pressurized hydraulic shocks are made for the rigors of police work. Premium hubs and bearings are extra large for extra-long durability. The unique Ford designed underbody deflector plate helps divert debris and guard against scrapes—crucial to the integrity of the oil pan. The plate’s shape facilitates oil-filer changes.

Heavy-duty anti-lock disc brakes contribute to extreme high performance. Police vehicles don’t just need to go fast; they must halt rapidly—under control. Developed in association with the Los Angeles County’s Deputy sheriffs and the Los Angeles Police Department, this long-wear-life system’s unique inverted-hat vented rotors are paired with large swept-area calipers and unique pads for high thermal capacity.

Heavy-duty cooling system regulates extreme heat. The high-capacity radiator, engine oil cooler and transmission fluid cooler—working with the police-calibrated fan and grille—optimize operation in times of pursuit or periods of idling. The high-capacity radiator, engine oil cooler and transmission fluid cooler—working with the police-calibrated fan and grille—optimize operation in times of pursuit or periods of idling.

Heavy-duty wheels are teamed with police-purposed tires. Heavy-duty wheels are designed to withstand the punishment of daily duty no matter where the trail leads. The 5-spoke design lets the brakes breathe freely and cool off. Tires are constructed to maximize grip, handling, rigidity and tread wear. To keep things rolling, the spare is not only full size, it’s equipped with a Tire Pressure Monitoring System (TPMS) sensor. While TPMS is a standard vehicle feature, the Utility takes it one step further with Individual TPMS, which can display exact, tire-by-tire pressure figures.

Heavy-duty 220-amp alternator meets demands. There’s ample support for radar, lights, radios, cameras, computers and more.

Heavy-duty door tethers strengthen hinge action during police work. These supplemental, front-door tethers were thoroughly tested for strength and mechanical integrity. As a whole, Police Interceptors are put through numerous heavy-duty evaluations. Both the Utility and Sedan are enhanced police durability-cycle tested. They’re subjected to endurance events like curb, 30-mph railroad crossings, 8” curb impacts, and water fording tests to levels of 18” at 15 mph and 10” at 40 mph.
DON'T LOSE A SPLIT SECOND

Police-calibrated AWD isn’t an add-on – on Ford Police Interceptors, it’s the standard mode of operation: a full-time, always-active system that continually adjusts torque distribution. And it’s easy to operate. Preemptive torque is delivered by the millisecond among all 4 wheels to help maximize traction in snow or rain, on ice or gravel, and even when maneuvering over dry pavement. An active, on-demand coupling allocates torque precisely from the front to the rear up to 100% of available torque to either axle. There’s no delay in delivery – aggressive handling at any speed is predictable and easy. This unique AWD was co-developed with EVOC (Emergency Vehicle Operator Course) instructors for the utmost responsiveness and performance in challenging situations.

In addition, police-programmed AdvanceTrac® electronic stability control provides the confidence to hit corners hard. The system constantly monitors wheel speed, steering angle, lateral acceleration, and vehicle traction for both the vertical and horizontal roll axis. To help avoid skidding and oversteering, it utilizes the Anti-Lock Brake System (ABS) and traction control whenever undesirable oversteer or understeer is detected. Roll Stability Control® is unique to the Utility, gyroscopic sensors check body-roll angle at least 100 times per second.

The transmission adapts to officer driving habits, tracking maneuvers for optimal response in cruising situations as well as pursuit mode. Police-tuned, electric power-assisted steering (EPAS) ensures light turning effort at low speeds. Suspension components are fine-tuned for deft maneuvering at any speed. All of which reinforces the maxim of “Just drive."

Engine and transmission components are backed by the assurance of the earlier of 5 years or 100,000 miles with Ford Protect™ PowertrainCARE which further proof of the faith in dependability – backed by Ford Motor Company, honored at all Ford Dealerships, and fixed with Ford authorized parts installed by factory-trained and -certified technicians. 

Based on 2018MY ratings. Actual mileage will vary. Horsepower ratings achieved with 93-octane fuel. Flex fuel is not available in states with California emissions standards: CA, CT, MA, MD, ME, NJ, NY, OR, PA, RI, VT and WA. Electronically limited in police powertrain calibrations. Remember that even advanced technology cannot overcome the laws of physics. It’s always possible to lose control of a vehicle due to inappropriate driver input for the conditions. Visit fleet.ford.com for more information on AdvanceTrac® and other electronic stability programs. Based on 2020MY ratings. Transmission rating applies only with 5th gear engaged. All-horsepower rating achieved with 93-octane fuel. This fuel is available in certain areas with limited availability. See dealer for details. See owner's manual for complete limitations and warranty information. The earlier of 5 years or 100,000 miles with PowertrainCARE coverage is a Ford Protect extended service plan – with a zero deductible – that’s standard on all Police Utility and Sedan models, except in Florida and New York, where it is the earlier of 5 years or 100,000 miles with a PowertrainCARE Limited Warranty. See your dealer for full details. In Texas, a Ford Protect extended service plan is a Service Contract from Ford Motor Company (License #SCP-165).
Ergonomic front seats are made to law and order. Within the expansive living quarters, police-specific amenities are numerous. For convenience, the driver’s seat is 6-way powered and lumbar support is adjustable; both benefits are available for the front-passenger seat. The premium foam padding in each front seat is specially sculpted for officers’ utility belts, making it easier to buckle in safely, comfortably and effortlessly—even when packing a sidearm. Side bolsters along the seat bottoms are slim-styled, as is the high-strength-steel B-pillar, to address the frequent entering and exiting of the cabin every shift; proving all the more invaluable when the need arises to run in or rush out. Front seat fabric is ultra-durable, with seat wear resistance against gun butts, duty belts and the like tested proven to be long-lasting. Anti-slip pads installed in the seat backs provide an added measure of got-your-back reassurance.

The rear seat doesn’t take a back seat to attention. Wide-opening rear doors make 2nd-row ingress/egress a no-problem matter. The simplified rear door closeout panels have no map pockets or cupholders, reducing opportunities to hide contraband. Available hidden door lock plungers, accessible exclusively from the front row door jams, are manually activated to secure occupant containment in back. Both the rear seat and the flooring throughout are covered in heavy-duty vinyl to ensure clarity. Rear seating is available in heavy-duty cloth as part of the Police Interior Upgrade Package, which also includes a carpeted front floor, a rear floor console, rear cupholders, rear coat hooks, and carpeted floor mats. Delete exterior police badging, and then clip on a set of full-face wheel covers to create a stealth-like appearance for administrative, detective and investigative ops. Keep haps even more under wraps with the user-configurable Silent Police Mode to disable all courtesy lamps and daytime running lamps, fixed/white dome lighting is available too.

Simplified access measures. Gas and brake pedals are conveniently power-adjustable. The Sedan trunk release and Utility liftgate release are finger-touch-activated. Specific to the Utility, the global lock/unlock capability for the doors and liftgate can be ordered as a no-charge option. Every vehicle comes with a set of simple keys; making for an easy, cost-effective strategy for agencies. The availability of keyed-alike sets allows use of just a “single key” for a combined Sedan and Utility fleet. Since the Police models are fleet-tested, high usage is anticipated, and power failure won’t inhibit actions. Optionally, the Remote Keyless Entry System includes 4 fobs.

Driver-distraction solutions. Two LCD screens—packed with helpful details, including engine-hour and engine-idle-hour meters—are operated by 5-way steering wheel-mounted controls. Once paired, SYNC recognizes a cell phone and supports hands-free voice calling: Press a switch on the steering wheel, then speak commands. Another keep-your-eyes-on-the-roadname is the certified speedometer (also available in digital format) for at-a-glance readouts. Change lanes with help from BLIS® (Blind Spot Information System) with cross-traffic alert.
CUSTOMIZED AND CUSTOMIZABLE OFFICER’S OFFICE

To help dramatically reduce upfitting time, Ford offers compatible, factory-direct police equipment that’s first-rate. Save administrative time, shop time and vehicle downtime with expert installation; utilizing components available individually or in complete packages; everything is verified exactly as part of the Ford Quality System. Crash testing, cycle testing, vibration, severe temperature, humidity and corrosion are evaluated extensively. All parts – such as the Ready-for-the-Road Package system controller and police headlamp housing – are validated to whole manufacturer safety standards and backed by Ford Dealers and authorized Ford Fleet maintenance facilities; they’re also covered under the Ford factory warranty. See pages 42-51 for details on factory packages and free-standing options. For technical information that can be used as a checklist to help ensure important steps in the modification process are considered, download an official Ford Police Modifiers Guide at fleet.ford.com/truckbbas/topics/modGuide.html.

VERSATILE AFTERMARKET COST-SAVINGS POTENTIAL

An engineered-in, column-mounted shifter is a durable space-saver, freeing up the center-console space to make way for police equipment. The removable front console mounting plate comes standard and is a solid foundation for aftermarket equipment. Space measures a wide-open 9” between the driver and front-passenger seats. And wiring can be channeled from the instrument panel and for the back of the vehicle. To streamline upfitting, a rear console plate is available to interface with the front plate. It extends through the 2nd-row occupant area, acting as a wiring conduit on top of the transmission tunnel. A pair of 50-amp battery ground circuits are included with the standard power distribution junction block in back. Up front, the reinforced universal top tray is centrally located and sized ideally for speed-sensing systems.

Customizable auxiliary control buttons, supported by a state-of-the-art electrical system, minimize distraction while performing police tasks on the go: Ford engineers integrated 4 remappable switches on the steering wheel. They’re available to connect the driver with aftermarket equipment, including lights, sirens, speakers, canine door releases and other police applications. Whatever the need, grounded outputs are onboard for use with the switches, plus dual 12-volt powerports are easily accessed. And every Police Interceptor comes equipped with a substantial 220-amp alternator to handle the gamut of electronic police ancillaries, from video cameras to printers.

Shining array of Ford LED lighting solutions are tailored specifically to each Police Interceptor. Intense, long-lasting LEDs provide optimum visibility and heads-up performance. They fully comply with SAE Emergency Lighting Standards. (See pages 42-44 for a visual rundown of factory lighting solutions.)

A secret storage vault and tools-of-the-trade tray made to order. Positioned in easy reach on the driver’s side of the trunk or cargo area on the respective Police Interceptor, the lockable storage vault is a convenient place to store seized firearms, drugs, and other assorted small goods and paraphernalia. A sedan exclusive that’s factory-installed, the aluminum trunk electronics tray is both handy and versatile. Add the trunk circulation fan to supply a steady flow of air from the cabin.

POLICE INTERCEPTOR® UTILITY & SEDAN DNA
®

POLICE INTERCEPTOR UTILITY & SEDAN SPECS

STANDARD FEATURES
4.2" color LCD screens including digital speed
readout in police instrument cluster and center
stack “smart display”
9" space between driver’s seat and frontpassenger seat for aftermarket consoles
12-volt powerpoints (2)
75-mph rear-impact crash tested1

STANDARD SAFETY & SECURITY
Headliner – Easy-to-drop
Independent front and rear suspensions

Advanced, ultra-high-strength boron steel in the
A-, B- and C-pillars

Liftgate unlock switch – Overhead console (Utility)

AdvanceTrac® electronic stability control (Sedan)

Mirrors – Power sideview, manual foldaway with
integrated blind spot mirrors

AdvanceTrac with RSC®
(Roll Stability Control™) (Utility)

Power-adjustable pedals

Airbag – Front-passenger knee (Utility)

EXTERIOR COLORS
Ignition-wired trunk release (Sedan)
Personal Safety System™ for driver and
front passenger 2
Rear view camera with washer (Utility)
SOS Post-Crash Alert System™

®

All-wheel drive (AWD)

Power distribution junction block with two (2)
50-amp battery ground circuits

Airbags – Front-seat side, plus Safety Canopy
System with side-curtain airbags and rollover sensor

Alternator – Heavy-duty 220-amp

Power door locks

Audio – AM/FM stereo/single-CD player with
MP3 capability, clock and 4 speakers (Sedan),
6 speakers (Utility)

Power windows with one-touch-up/-down driver’s
side with disable feature (Sedan)

Brakes – 4-wheel heavy-duty disc with Anti-Lock
Brake System (ABS) (police-calibrated)

Tire Pressure Monitoring System (TPMS);
Utility features a true-location Individual TPMS

Badge – Police Interceptor

Power windows with one-touch-up/-down driver/
front-passenger side with disable feature (Utility)

DRIVETRAINS

Battery – Heavy-duty (78-amp-hr/750 CCA)

Powertrain mounts – Heavy-duty

Police Interceptor Sedan (AWD) – Standard

P2M

Built-in steel intrusion plates in both front seat backs

Rear recovery hook (Utility)

Police Interceptor Sedan (FWD) – Optional

P2L

Climate controls – Manual air conditioning

Rear-window defroster

Police Interceptor Utility (AWD) – Standard

K8A

Column-mounted shifter

Red/white dome light – 1st row

Console mounting plate – Front

Redundant digital speedometer display

Cooling system – Heavy-duty
Cruise control

Seat – Front heavy-duty cloth, 6-way power
driver’s with manual lumbar

Dash pass-through for aftermarket wiring

Seat – Front heavy-duty cloth passenger

Door-sill scuff plates – Front and rear

Seat – Rear vinyl bench (Sedan)

Easy Fuel® capless fuel filler

Seat – Rear vinyl 60/40 split-fold bench (Utility)

Electric power-assisted steering – Heavy-duty

Taillamps – Halogen (Sedan)

3.5L EcoBoost V6 with 6-speed automatic transmission – Optional (top speed 131 mph)

99T/12T

Engine – 3.7L Ti-VCT V6 FFV-capable

Taillamps – LED (Utility)

Engine-hour meter

Tilt/telescoping steering column (Sedan)

Utility
3.7L Ti-VCT V6 FFV with 6-speed automatic transmission – Standard (top speed 131 mph)

99R/44C

Engine-idle-hour meter

Tilt steering column (Utility)

3.5L EcoBoost V6 with 6-speed automatic transmission – Optional (top speed 131 mph)

99T/44C

Exterior key locks – Driver and front-passenger
doors and decklid/liftgate

Tires – 245/55R18 all-season BSW

Fleet key – Low-cost replacement (includes 4 keys)

Transmission – 6-speed automatic
(police-calibrated)

Flooring – Heavy-duty vinyl

Trunk/cargo area – Flat load floor

Full-size spare wheel and tire with TPMS

Underbody deflector plate
(Sedan; Utility with 3.5L EcoBoost®)

Glass – Solar-tinted (Sedan)
Glass – Solar-tinted 1st row; privacy glass 2nd row,
rear quarter and liftgate (Utility)

Oxford White (YZ)

Agate Black* (UM)

Smokestone* (HG)

Arizona Beige* (E3)

Medium Brown* (BU)

Kodiak Brown* (J1)

Vermillion Red (E4)

Dark Toreador Red* (JL)

Light Blue* (LN)

Royal Blue* (LM)

Norsea Blue* (KR)

Blue* (FT)

Dark Blue* (LK)

Silver Gray* (TN)

Medium Titanium* (YG)

Sterling Gray* (UJ)

Traction control

POWERTRAINS
Sedan
3.7L Ti-VCT V6 FFV with 6-speed automatic transmission – Standard (top speed 131 mph)

99K/44J

3.5L Ti-VCT V6 FFV with 6-speed automatic transmission – Optional (top speed 131 mph)

998/44J

3.5L EcoBoost V6 with 6-speed automatic transmission – Optional (top speed 148 mph)

99T/44C

WHEELS

Universal top tray for police equipment

Ingot Silver* (UX)

Wheels – Heavy-duty 18" 5-spoke steel

*Metallic.

Headlamps – Projector-beam halogen (Sedan)
Headlamps – LED low beams; incandescent
(halogen) high beams (Utility)

INTERIOR COLORS
Standard: Set of 5 heavyduty 18" 5-spoke steel
wheels with center caps
(5th wheel is full-size spare)

Optional: Set of 4
18" full-face wheel covers
with metal clips (65L)

Optional: Set of 4
18" painted aluminum
wheels (Sedan 642/
Utility 64E)
Charcoal Black heavy-duty cloth
(standard for front row,
optional for rear row)

28

The full-size spare tire secured in the factory location is necessary to achieve police-rated 75-mph rear-impact crash-test performance attributes. 2Includes dual-stage front airbags, safety belt pretensioners, safety belt energy-management
retractors, safety belt usage sensors, driver’s seat position sensor, crash severity sensor, restraint control module and Front-Passenger Sensing System.

Charcoal Black heavy-duty vinyl
(standard for rear row)

1

Because of occasional variations in printing, consult your Ford Dealer to ensure the true color choice you make is correct. Colors shown are representative only. See your dealer for actual paint/trim options. Visit fleet.ford.com for more
information on colors and special paint options.

2019 POLICE & SPECIAL SERVICE VEHICLES • FordPoliceInterceptor.com • FordPoliceResponder.com

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### AVAILABLE FEATURES

| Sedan | Utility | 1sr- and 2nd-row carpeting | Tie-down hooks (3) | 12V power outlet(s) | 110V power outlet(s) | Air distribution | Rear seatback pockets | 120-watt audio speaker | Keyless Start | Advanced Keyless Entry | Start/Stop button(s) | Rear defrost (with 2-speed wiper) | Memory system (Up to 4 driver memory places) | Driver and front-passenger power seats | Daytime running lamps | Auto-dimming rearview mirror | Power tailgate (standard) | Power liftgate | Power driver’s door lock | Driver’s door lock (keyless) | Driver’s door lock (remote) | Passenger’s door lock (keyless) | Passenger’s door lock (remote) | Cargo rear opening width at floor | Cargo rear opening height | Cargo rear opening liftgate height to ground | Cargo capacity (lbs.) | Hidden door lock plungers (for rear doors) | Inoperative rear door handles | Inoperative rear door handles/inoperative locks | Keyed alike – 0576x | Keyed alike – 0151x | Keyed alike – 1111x | Keyed alike – 1435x | Keyed alike – 30350x | Keyed alike – 0135x | Keyed alike – 3035x | Keyed alike – 01365x | Keyed alike – 30365x | Keyed alike – 08565x | Keyed alike – 30865x |
|--------|--------|---------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

### DIMENSIONS & CAPACITIES

<table>
<thead>
<tr>
<th>Sedan</th>
<th>Utility</th>
<th>Length (in.)</th>
<th>Width (in.)</th>
<th>Height (in.)</th>
<th>Cargo Rear Opening Height (in.)</th>
<th>Cargo Rear Opening Width (in.)</th>
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<td>79.2</td>
<td>63.0</td>
<td>39.0</td>
<td>42.0</td>
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</tbody>
</table>

### AVAILABLE PACKAGES

- Cargo Wiring Upfit Package
- Front/Rear LED Lighting Solution
- Rear Lighting Solution
- Halo Headlamp Conversion Kit
- Rear (120V plug-in)
- Rear Lighting Solution
- Halo Headlamp Conversion Kit (Front) (120V plug-in)
- Halo Headlamp Conversion Kit (Rear) (120V plug-in)
- Rear Lighting Solution (Front) (120V plug-in)
- Rear Lighting Solution (Rear) (120V plug-in)

### VINYL COLOR TREATMENTS & WRAPS

- Two-Tone Vinyl Packages #1
  - #1
  - #2

### POLICE INTERCEPTOR® UTILITY & SEDAN SPECS

- Available on select series. Restrictions may apply. See your dealer for details.
- Dimensions and capacities shown may vary due to optional features and/or production variability. Cargo and load capacity limited by weight and weight distribution. See your dealer for details.
F-150 POLICE RESPONDER® SPECS

STANDARD FEATURES

- Backup alarm system
- Black plastic fender flares

AVAILABLE FEATURES

- Black diamond-tread plate side steps
- Power windows and door locks

INTERIOR COLOR

- Oxford White
- Race Red
- Velocity Blue
- Ingot Silver

INTERIOR FEATURES

- 12V power points, front (2)
- Alternator – 240-amp
- AM/FM stereo/single-CD player with 6 speakers
- Auto-lamp automatic on/off headlamps
- Black vinyl floor covering
- Daytime running lamps – non-configurable
- Steering column-mounted shifter
- SYNC® with progressive range select and tow/haul mode
- Twin moonroof

ENGINE

- 3.5L EcoBoost 4-valve V6

TRANSMISSION

- 10-speed SelectShift automatic

DIMENSIONS & CAPACITIES

- Length (in.)
- Width (standard mirrors folded) (in.)
- Height (in.)
- Wheelbase (in.)

- CAPACITIES (cu. ft.)
- Passenger volume (cu. ft.)

- Towing (lbs.)
- Payload (lbs.)

- Tires – LT275/65R18 OWL all-terrain

SAFETY & SECURITY

- AdvanceTrac® with RSC®
- LED security approach lamps
- Rear view camera with dynamic hitch assist
- MyKey®

- Tire Pressure Monitoring System (excludes spare)

WARNING:

Ford Police Interceptors are the only vehicles on the market designed for the 75-mph rear-impact crash test.

- Available on select series. Restrictions may apply.

See your dealer for details.

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STANDARD FEATURES

- 12V powerpoint and USB port
- Alternator – 165-amp (Police Responder Hybrid Sedan)
- Audio – AM/FM stereo with 6 speakers
- Available power distribution box in trunk, plus rear power lug
- Battery – 12V, 80-amp; 12V, 150-amp (Police Responder Hybrid Sedan)
- Brakes – Police-tuned Regenerative Braking System
- Center console (in Police Responder Hybrid Sedan)
- Console mounting plate – Front
- Dashboard lights for grilles, seat, and speaker
- Door controls
- Door-side safety plates – Front
- Dual-dual-lamp Automatic Headlamps (branded)
- Easy Flex™ safety capless fuel filler
- Engine – 2.0L iVCT Atkinson-cycle I-4 engine with parallel hybrid electric motor (Police Responder hybrid Sedan)
- Engine – 2.0L iVCT Atkinson-cycle I-4 engine with extended range (Police Responder Hybrid Sedan)
- Engine oil cooler (Police Responder Hybrid Sedan)
- Engine oil filter
- Front trunk – Police along with certified calibrated 2.0L iVCT Atkinson-cycle I-4 engine (PHEV)
- Front trunk – Police along with certified calibrated 2.0L iVCT Atkinson-cycle I-4 engine (HEV)
- Front trunk – Police along with certified calibrated 2.0L iVCT Atkinson-cycle I-4 engine (HEV)
- Front trunk – Police along with certified calibrated 2.0L iVCT Atkinson-cycle I-4 engine (PHEV)
- Fuel door – Police with a label
- Glove box – Locking
- Headlamps – Halogen
- Headlamps – LED
- Heavy-duty front-door tether straps
- Hvac control circuit for grille lights, siren and speaker
- Inoperable rear door handles/inoperable locks/operable from driver's side
- Inoperative rear view camera
- Power door locks
- Power windows with one-touch-up/-down
- Push-button start
- Rear view camera
- Rearview mirror (no-charge option)
- Recessed headlight glass in front bumper
- Rearview mirror (no-charge option)
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**EXTERIOR COLORS**
- Oxford White
- Race Red
- Velocity Blue

**INTERIOR COLORS**
- Oxford White
- Velocity Blue
- Race Red
- Agate Black
- Medium Earth Gray
- Dark Earth Gray
- Ingot Silver

**STANDARD FEATURES**
- 4x2/4x4 selectable 4x4 transfer case
- 3.5L EcoBoost V6 engine
- 23.0-gallon fuel tank capacity (SuperCab)
- Electronic shift-on-the-fly (ESOF) (4x4)
- Mirrors – Power sideview (XL 101A)
- Power windows and door locks (XL 101A)
- CNG/Propane Gaseous Engine Prep Package (98G)
- FX4 Off-Road Package (55A)
- Heavy-Duty Payload Package (627)
- Max. Trailer Tow Package (53C)
- 26.0-gallon fuel tank capacity (SuperCrew)
- Quick-release tailgate with lock
- Trailer Tow Package (53A)
- Sync (XL 101A)
- Cruise control (XL 101A)
- Daytime running lamps – Configurable
- Easy Fuel (XL 101A)
- AdvanceTrac with RSC (Roll Stability Control™)
- Personal Safety System™ for driver and right-front passenger with dual-stage front airbags and LATCH – Lower Anchors and Tether Anchors for Children
- MyKey®
- Airbags – Front-seat side and safety canopy
- Rearview camera with dynamic hitch assist
- Trailer sway control
- Lighter in weight and high-strength steel

**AVAILABLE PACKAGES**
- CNG/Propane Gaseous Engine Prep Package (98G)
- F-150 Off-Road Package (55A)
- Heavy Duty Package (927)
- Trailer Tow Package (53C)
- External appearance fx (36.0 optional)

**DIMENSIONS & CAPACITIES**
- Max. Trailer Tow Package (53C)
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 240-amp alternator
- Cloth 40/blank/40 front seats (SG) with center-seat section deleted (restraint control module cover provided)
- Column-mounted shifter
- Vinyl rear bench seat and floor covering

**SPECIAL SERVICE VEHICLE (SSV) PACKAGE (66S)**
- Available on XL SuperCab and XL SuperCrew only
- 5.0L Ti-VCT 4-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- SHO-type alternator
- Cloth 40/blank/40 front seats (SG) with center-seat section deleted (restraint control module cover provided)
- Column-mounted shifter
- Vinyl rear bench seat and floor covering

**AVAILABLE PACKAGES**
- CNG/Propane Gaseous Engine Prep Package (98G)
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- Heavy Duty Package (927)
- Trailer Tow Package (53C)
- External appearance fx (36.0 optional)

**CARGO AREA**
- 5½’ Styleside Box
- 6½’ Styleside Box
- 8’ Styleside Box

**DIMENSIONS**
- Wheelbase
- Length
- Height
- Width (standard mirrors folded)
- Cargo box tie-downs

**CAPACITIES**
- Passenger volume (cu. ft.)
- Payload (lbs.)
- Towing capacity
- Towing capacity (lbs. @ 19% grade)
- Towing capacity (lbs. @ 19% grade) (restraint control module cover provided)

**ENGINES**
- 3.5L EcoBoost V6 engine
- 5.0L Ti-VCT 4-valve V8 FFV
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine

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- SHO-type alternator
- Cloth 40/blank/40 front seats (SG) with center-seat section deleted (restraint control module cover provided)
- Column-mounted shifter
- Vinyl rear bench seat and floor covering

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- CNG/Propane Gaseous Engine Prep Package (98G)
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- Heavy Duty Package (927)
- Trailer Tow Package (53C)
- External appearance fx (36.0 optional)

**CARGO AREA**
- 5½’ Styleside Box
- 6½’ Styleside Box
- 8’ Styleside Box

**DIMENSIONS**
- Wheelbase
- Length
- Height
- Width (standard mirrors folded)
- Cargo box tie-downs

**CAPACITIES**
- Passenger volume (cu. ft.)
- Payload (lbs.)
- Towing capacity
- Towing capacity (lbs. @ 19% grade)
- Towing capacity (lbs. @ 19% grade) (restraint control module cover provided)

**ENGINES**
- 3.5L EcoBoost V6 engine
- 5.0L Ti-VCT 4-valve V8 FFV
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
- 6x6-valve V8 FFV or 3.5L EcoBoost® 4-valve V6 engine
### STANDARD FEATURES
- 12-volt powerpoints (4)
- Power side locks
- Power windows with one-touch-up/-down feature for front/rear passenger side
- Rear window wiper (12"/18"

### AVAILABLE FEATURES
- Front floor console delete
- 17" steel wheels (265/70R17 AT OWL)
- 3.73 electronic limited-slip differential (4x2)
- Vinyl 2nd-row seat
- 3rd-row storage bins

### STANDARD SAFETY & SECURITY
- 3-point safety belts for all seating positions
- Dual-stage front airbags (includes driver’s knee airbag)

### INTERIOR COLORS
- Oxford White
- Race Red
- Blue
- **Silver Spruce**
- Ingot Silver*
- Stone Gray*
- Agate Black*
- Magnetic*
- **Metallic.

### EXTERIOR COLORS
- Oxford White
- Race Red
- Blue
- **Silver Spruce**
- Ingot Silver*
- Stone Gray*
- Agate Black*
- Magnetic*
- **Metallic.

### DIMENSIONS & CAPACITIES

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<th>Exterior (in.)</th>
<th>Expedition</th>
<th>Expedition MAX</th>
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<tr>
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<td>Height (inc.)</td>
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<tr>
<th>Interior (in.)</th>
<th>Expedition</th>
<th>Expedition MAX</th>
</tr>
</thead>
<tbody>
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<td>Head room (max.)</td>
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<td>42.0</td>
</tr>
<tr>
<td>Leg room (max.)</td>
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<tr>
<td>Hip room</td>
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### TRAILER WEIGHT RATINGS

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<th>Expedition</th>
<th>Expedition MAX</th>
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<tbody>
<tr>
<td>Max. Load (lbs.)</td>
<td>9,300 lbs</td>
<td>9,000 lbs</td>
</tr>
</tbody>
</table>

### ENGINES

<table>
<thead>
<tr>
<th>Engine Type</th>
<th>Transmission</th>
<th>Horsepower (hp @ rpm)</th>
<th>Torque (lb.-ft. @ rpm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.5L EcoBoost V6</td>
<td>10-speed SelectShift</td>
<td>375 @ 5,000</td>
<td>470 @ 3,500</td>
</tr>
</tbody>
</table>

### EXPEDITION/MAX SSV SPECS

- **STANDARD FEATURES**
  - Air conditioning with rear auxiliary controls
  - Auto Start-Stop Technology
  - 12-volt powerpoints (4)

- **AVAILABLE PACKAGE**
  - Heavy-Duty Trailer Tow Package (536)
  - 3.73 electronic limited-slip differential (4x2)
  - Vinyl floor covering

- **AVAILABLE FEATURES**
  - Front floor console delete
  - 17" steel wheels (265/70R17 AT OWL)
  - 3.73 electronic limited-slip differential (4x2)
  - Vinyl 2nd-row seat

- **SPECIAL SERVICE VEHICLE (SSV) PACKAGE (102A)**
  - 3-point safety belts for all seating positions
  - Dual-stage front airbags (includes driver’s knee airbag)

- **STANDARD SAFETY & SECURITY**
  - 3-point safety belts for all seating positions
  - Front airbags (includes driver’s knee airbag)

- **INTERIOR COLORS**
  - Oxford White
  - Race Red
  - Blue

- **EXTERIOR COLORS**
  - Oxford White
  - Race Red
  - Blue
  - **Silver Spruce**

- **DIMENSIONS & CAPACITIES**

<table>
<thead>
<tr>
<th>Exterior (in.)</th>
<th>Expedition</th>
<th>Expedition MAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Length</td>
<td>210.0</td>
<td>221.9</td>
</tr>
<tr>
<td>Width (inc.)</td>
<td>93.4</td>
<td>93.4</td>
</tr>
<tr>
<td>Height (inc.)</td>
<td>76.6</td>
<td>76.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interior (in.)</th>
<th>Expedition</th>
<th>Expedition MAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head room (max.)</td>
<td>42.0</td>
<td>42.0</td>
</tr>
<tr>
<td>Leg room (max.)</td>
<td>43.9</td>
<td>43.9</td>
</tr>
<tr>
<td>Hip room</td>
<td>52.2</td>
<td>52.2</td>
</tr>
</tbody>
</table>

### TRAILER WEIGHT RATINGS

<table>
<thead>
<tr>
<th>Hitch Class</th>
<th>Expedition</th>
<th>Expedition MAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Max. Load (lbs.)</td>
<td>9,300 lbs</td>
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<tr>
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<th>Transmission</th>
<th>Horsepower (hp @ rpm)</th>
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<td>10-speed SelectShift</td>
<td>375 @ 5,000</td>
<td>470 @ 3,500</td>
</tr>
</tbody>
</table>
STANDARD FEATURES

- 120-volt powerpoint – 3
- 25-gallon fuel tank capacity
- 4x4 all-wheel drive
- Air conditioning – Front (manual)
- Ambient lighting – 3-level
- Alloy wheels – 16" alloy
- Engine – 3.7L Ti-VCT V6 gas
- Front passenger airbag (MR and HR)
- Mirrors – Power sidemirror (short-arm)
- Power windows and door locks

DIMENSIONS & CAPACITIES

- WHEELBASE (in.)
  - Regular 130
  - Long 148
  - EL 148
- Engine – 3.7L Ti-VCT V6 gas
- Front track (LWB) 68.5
- Front overhang 40.3
- Rear overhang 49.7
- Roof height (LWB) 100.8
- Safety belted seats - 2

EXTERIOR COLORS

- Blue Jeans*
- Ingot Silver*
- Magnetic*
- Oxford White
- School Bus Yellow
- Shadow Black
- Green Gem*

EXTERIOR COLORS

- Shadow Black
- Oxford White
- School Bus Yellow
- Green Gem*

INTERIOR COLORS

- Pewter Charcoal Black
- Marshmallow
- Black

PRISONER TRANSPORT VEHICLE (PTV)

- Built Ford Tough®
- RWD lineup can be compartmentalized and customized with heating/cooling, lighting, surveillance cameras and more
- Unibody construction with choice of 3 roof heights, 3 length and 3 powertrains (including EcoBoost® and diesel options)
- CNG/Propane Gasoline, Engine Prep Packages & conversion available
- Flex-fuel capability
- Maximum payload ratings of up to 4,650 lbs.

AVAILABLE FEATURES

- 3-lengths: Regular Cab (RWB), Long (LWB) and EL (LWB EL)
- 3-roof heights: Low Roof (LR), Mid Roof (MR) and High Roof (HR)
- Manual – Heavy-duty
- Cruise control
- Crossbeams
- Driver-assist safety features (right-side)
- Dual (last row wheels)
- Dual sliding side doors (350 SRW)
- Engine – 3.7L Power Stroke® 7.3L Diesel
- Engine – 3.5L EcoBoost® V6 gas
- Engine block heater
- Heavy-duty single rear wheel
- High-capacity electric wiper switches (2)
- Integrated trailer brake controller (MR)
- Mirrors – Manual sideview (short-arm)
- Mirrors – Power sideview (long-arm)

AVAILABLE PACKAGES

- Ambulance/medical (MR)
- Ambulance/medical (HR)
- Emergency/first responder (MR)
- Emergency/first responder (HR)
- Heavy-duty trailer towing package (GLM)
- Interior upgrade package (96C)
- Premium genuine engine prep package (W16)
- Exterior upgrade package (18D)

STANDARD SAFETY & SECURITY

- Rear view camera
- Side-stripe stabilization
- Brake pressure monitoring system
- Tire pressure monitoring system

AVAILABLE FEATURES

- AdvancedTrac® with RSC® (Roll Stability Control®)
- Lane-Keeping System
- Pre-Collision Assist
- Side-Wind Stabilization
- Rearview camera
- Emergency/first responder (MR)
- Emergency/first responder (HR)
- MyKey®
- Passive Anti-Theft System
- Trailer Wiring

EXTERNAL COLORS

- Oxford White
- White Gold
- White Platinum

INTERIOR COLORS

- Marshmallow
- Black

INTERIOR SAFETY & SECURITY

- Airbags – Driver and front-passenger front, front-seat side, and Safety Canopy® System with side-curtain airbags
- Front fog lamps
- Power windows and door locks
- Door overhangs
- Dual sliding side doors (MR and HR)
- Remote start
- Keyless entry
- Keyless entry
- Rearview camera
- Emergency/first responder (MR and HR)
- Emergency/first responder (LR)
- MyKey®
- Rearview camera
- Emergency/first responder (MR)
- Emergency/first responder (HR)

AVAILBLE PACKAGES

- Police Police Interceptor Package (84C)
- Police Police Interceptor Package (94C)
- Police Police Interceptor Package (95C)
- Police Police Interceptor Package (96C)
- Police Police Interceptor Package (W16)

ENGINES

- 3.7 L 275 @ 6,000
- 3.5 L 260 @ 4,500
- 3.7 L 275 @ 6,000
- 3.7 L Power Stroke® 7.3L

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PRISONER TRANSPORT VEHICLE (PTV)

- Built Ford Tough®
- RWD lineup can be compartmentalized and customized with heating/cooling, lighting, surveillance cameras and more
- Unibody construction with choice of 3 roof heights, 3 length and 3 powertrains (including EcoBoost® and diesel options)
- CNG/Propane Gasoline, Engine Prep Packages & conversion available
- Flex-fuel capability
- Maximum payload ratings of up to 4,650 lbs.
**POLICE INTERCEPTOR® UTILITY LIGHTING SOLUTIONS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Image</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police front housing</td>
<td>![Image]</td>
</tr>
<tr>
<td>Eliminates the need to drill or modify housing assemblies, with incremental hole for side marker lights.</td>
<td></td>
</tr>
<tr>
<td>Police headlamp</td>
<td>![Image]</td>
</tr>
<tr>
<td>Includes base headlamp with high-beam wiggly wiggly function and (2) white LED side warning lights.</td>
<td></td>
</tr>
<tr>
<td>Rear-quarter glass side marker LED lamps</td>
<td>![Image]</td>
</tr>
<tr>
<td>Features backlit flashing, three high-intensity LED lamps.</td>
<td></td>
</tr>
<tr>
<td>Police taillamp</td>
<td>![Image]</td>
</tr>
<tr>
<td>Includes halogen base lamp, plus (2) integrated hemispheric side warning LED lights.</td>
<td></td>
</tr>
<tr>
<td>Rear-quarter glass side marker LED lamps</td>
<td>![Image]</td>
</tr>
<tr>
<td>Features backlit flashing, linear high-intensity LED lamps.</td>
<td></td>
</tr>
<tr>
<td>Police liftgate-glass lights</td>
<td>![Image]</td>
</tr>
<tr>
<td>Includes (2) backlit flashing, linear high-intensity LED lights (driver side red, passenger side blue) with amber-only traffic direction mode.</td>
<td></td>
</tr>
<tr>
<td>Police liftgate lights</td>
<td>![Image]</td>
</tr>
<tr>
<td>Features (2) backlit flashing, linear high-intensity LED lights (driver side red, passenger side blue) mounted on the edge of the rear spoiler. Lights activate when liftgate is open.</td>
<td></td>
</tr>
<tr>
<td>Pocket warning lamps</td>
<td>![Image]</td>
</tr>
<tr>
<td>Custom-designed, multifunctional Park/Turn/Warn (PTW) LED assemblies integrated into the headlamp system.</td>
<td></td>
</tr>
<tr>
<td>Front interior visor light bar</td>
<td>![Image]</td>
</tr>
<tr>
<td>Includes (2) backlit flashing, linear high-intensity LED lights (driver side red, passenger side blue) mounted inside the windshield glass. Lights can be preprogrammed for tricolor (red, white, blue) patterns.</td>
<td></td>
</tr>
<tr>
<td>Rear spoiler traffic warning lights</td>
<td>![Image]</td>
</tr>
<tr>
<td>Includes (2) backlit flashing, linear high-intensity LED lights (driver side red, passenger side blue) mounted on the edge of the rear spoiler. Lights can be preprogrammed for tricolor (red, white, blue) patterns.</td>
<td></td>
</tr>
</tbody>
</table>

**Available on select series. Restrictions may apply. See your dealer for details.**
POLICE INTERCEPTOR® SEDAN LIGHTING SOLUTIONS

HEADLAMP HOUSING (13B)

- Police front housing. Eliminates the need to drill or modify housing assemblies, with incremental hole for side marker lights.

FRONT HEADLAMP LIGHTING SOLUTION (14A)

- Police headlamp. Includes base headlamp with high-beam wig-wag function and (2) white LED side warning lights.

SIDE MARKER LED LAMPS (90E)

- Police side lamps. Fender side markers feature backlit flashing, linear high-intensity LED lamps.

TAILLAMP LIGHTING SOLUTION (662)

- Police taillamp. Includes integrated rear lamp, plus (2) integrated hemispheric LED side warning lights.

REAR LIGHTING SOLUTION (663)

- Police back-window lights. Includes (1) backlit flashing, linear high-intensity LED lights (driver side red; passenger side blue) with a surround cover mounted inside the back window glass. Police trunk lights. Includes (2) backlit flashing, linear high-intensity LED lights (driver side red; passenger side blue) mounted inside the trunk lid; lights activate when trunk is open.

POLICE RESPONDER® HYBRID SEDAN & SSV PLUG-IN HYBRID SEDAN LIGHTING SOLUTIONS

FRONT HEADLAMP LIGHTING SOLUTION (14A)

- Police headlamp. Includes base headlamp with high-beam wig-wag function and (2) LED side warning lights (driver side red; passenger side blue).

FRONT MARKER PREP BEZEL (185)

- Police front marker. Includes prep for LED lights (driver side red; passenger side blue).

SIDE MARKER LED LAMPS (590)

- Side marker lights. Features backlit flashing, linear high-intensity LED lamps.

TAILLAMP LIGHTING SOLUTION (52D)

- Police taillamp. Includes base LED lights with wig-wag module functionality, with alternating reverse lights and tail lamp lights only.

REAR LIGHTING SOLUTION (51C)

- Police back-window lights. Includes (2) backlit flashing, linear high-intensity LED lights (driver side red; passenger side blue) with surround cover mounted inside the back window glass. Police trunk lights. Includes (2) backlit flashing, linear high-intensity LED lights (driver side red; passenger side blue) mounted inside the trunk lid; lights activate when trunk is open.

Available on select series. Restrictions may apply. See your dealer for details.
FACTORY-INSTALLED UPFIT PACKAGES

READY-FOR-THE-ROAD PACKAGE
Available on Police Interceptor Utility (67H), Police Interceptor Sedan (856), and Police Responder Hybrid Sedan (20D)

- Police headlamp housing
- Police headlamps
- Police taillamps
- Police rear lighting
- Grille LED lights
- Storage vaults
- Rear console plate
- Front console mounting plate
- Trunk storage vault
- Trunk electronics tray
- Trunk circulation fan
- Control systems
- Wiring harness

DELUXE LIGHT PACKAGE
Includes (2) backlit flashing (linear high-intensity LED lights) – (driver side red; passenger side blue)

ESSENTIAL LIGHT PACKAGE
Includes (2) backlit flashing, linear high-intensity LED lights (driver side red; passenger side blue) with surround cover mounted inside the liftgate glass on the Utility, and inside the back window on the Sedans. Also with (2) backlit flashing, linear high-intensity LED lights mounted inside the liftgate lip on the Utility, and inside the decklid on the Sedans.

FACTORY-INSTALLED UPFIT PACKAGES

Police headlamps, includes base headlamp with high beam wiper function. Also with (2) white LED side warning lights on the Police Interceptor Sedan and Utility, with wide-range LED lights mounted in the lower bezel on the Police Responder Hybrid Sedan.

Police taillamps, includes halogen base lamp – plus, for Police Interceptors only, (2) integrated hemispheres; right headlight LED side warning lights.

Police rear lighting, includes (2) backlit flashing, linear high-intensity LED lights (driver side red; passenger side blue) with surround cover mounted inside the liftgate glass on the Utility, and inside the back window on the Sedans. Also with (2) backlit flashing, linear high-intensity LED lights mounted inside the liftgate lip on the Utility, and inside the decklid on the Sedans.

Trunk storage vault, lockable and ideal for contraband/small arms; located on the driver’s side of the trunk area in the Police Interceptors, and on the passenger side of the trunk in the Police Responder Hybrid Sedan.

Trunk electronics tray, aluminum, retractable locking tray installed at plant; no height adjustment.

Trunk circulation fan, wired to ignition to turn on; circulates air from the cabin to the trunk.

Wiring harness (Utility), includes (2) light connectors that support up to (3) LED lights each (engine compartment), (2) grille LED light connector, (2) Whelen specific WECAN cable connects CenCom to control head, (2) 50-amp battery and ground circuits in-trunk, (2) high-current pigtail, (2) overlay wiring harness, grille LED lights, siren and speaker wiring, and control power harness.

Wiring harness (Sedan), includes (2) light connectors that support up to (6) LED lights each (engine compartment), (2) grille LED light connector, and (1) 10-amp siren/speaker circuit (engine to cargo area).

Available. Restrictions may apply. Siren Speaker Limited Warranty: 2 years/36,000 miles. See your dealer for details. Police Interceptor packages are covered under the New Vehicle Limited Warranty of 3 years/36,000 miles except where noted.
POLICE & SPECIAL SERVICE VEHICLES

• FordPoliceInterceptor.com
• FordPoliceResponder.com

TRUNK UPPFIT PACKAGE
Available on Police Interceptor Sedan (854)

A. Trunk electronics tray – Aluminum, retractable locking tray installed at factory; no height adjustment
B. Trunk circulation fan – Wired to ignition to turn on; circulates air from the cabin to the trunk; wiring harness not included
C. Rear console plate – Interfaces with front console mounting plate and extends through 2nd-row occupant area to seat bottom; acting as wiring conduit on top of transmission tunnel
D. Wiring harness – Includes (2) light connectors – supports up to (3) LED lights (engine compartment); (2) grille LED light connector – supports (2) LED lights; (2) 50-amp battery ground circuits (not included); (4) neutral interlock circuits (engine to trunk); (2) 50-amp battery ground circuits in power distribution junction block (in trunk); (2) 50-amp relay center (not included); trunk electronics tray (4 sq. ft.) with 18" of travel when fully extended; and pre-wiring for grille LEDs and siren

LIGHT CONTROLLER PACKAGE
Available on Police Interceptor Sedan (855)

A. Trunk electronics tray – Aluminum, retractable locking tray installed at factory; no height adjustment
B. Trunk circulation fan – Wired to ignition to turn on; circulates air from the cabin to the trunk
C. Rear console plate – Interfaces with front console mounting plate and extends through 2nd-row occupant area to seat bottom; acting as wiring conduit on top of transmission tunnel
D. Wiring harness – Includes (2) light connectors – supports up to (3) LED lights (engine compartment); (2) grille LED light connector – supports (2) LED lights; (2) 50-amp battery ground circuits (not included); (4) neutral interlock circuits (engine to trunk); (2) 50-amp relay center (not included); trunk electronics tray (4 sq. ft.) with 18" of travel when fully extended; and pre-wiring for grille LEDs and siren
E. Control system – Includes PCC8R controller, control head, and wire

CARGO WIRING UPPFIT PACKAGE
Available on Police Interceptor Utility (67G)

C. Rear console plate – Interfaces with front console mounting plate and extends through 2nd-row occupant area to seat bottom; acting as wiring conduit on top of transmission tunnel
D. Wiring harness – Includes (2) light connectors – supports up to (6) LED lights (engine compartment); (2) grille light connectors; and (1) 10-amp siren/speaker circuit (engine to cargo area)
E. Control system – Includes PCC8R controller, light relay center, control head, cable from controller to control head (console to cargo area), and wire

POLICE INTERIOR UPGRADE PACKAGE
Available on Police Interceptor Sedan (12P) and Police Interceptor Utility (65U)

F. Cloth rear seat – Heavy-duty fabric
G. Center floor console – 2 cupholders and unique police finish
Front and rear floor mats – Carpeted and custom fit (not shown)
Front and rear carpeted floor covering – Premium-grade (not shown)

FACTORY-INSTALLED UPPFIT PACKAGES

1 Available. Restrictions may apply. Econoline Limited Warranty: 2 years/30,000 miles. See your dealer for details. Ford Police Interceptor packages are covered under the New Vehicle Limited Warranty of 3 years/36,000 miles except where noted.
Confidence in the capability of police equipment
Components and installations are
authorized by Ford.
verified through the comprehensive Ford Quality System for exacting evaluation in terms of crash testing, cycle
testing, vibration testing, hot/cold testing, corrosion testing and the like.

FREE-STANDING OPTIONS

A. Trunk electronics tray – Aluminum, retractable locking tray
   (installed at plant); no height adjustment (Police Interceptor
   Sedan only)
B. Trunk circulation fan – Wired to ignition to turn on
   upon closing and from interior in the trunk, along with a
   manual override (Police Interceptor Sedan and Police Responder
   Sedan only)
C. Front interior kick panels – Thick gauge custom for
   the front area (not available with storage vault
   (Police Interceptor Sedan only)
D. Trunk/seat area surround vault – Customizable and ideal for
   compartmentalized areas; located on the driver’s side of the trunk
   (Police Interceptor Sedan only)
   – Wired to ignition to turn on; included (Police Interceptor Sedan and
   Police Responder Hybrid Sedan only)
E. Hidden door lock plate – Aluminized (driver’s side only, Police
   Interceptor Sedan only)
F. Hidden door lock plungers – Manual lock rods; rear door
   handles inoperable (Police Interceptors only)
G. Sideview mirror side marker LED lamps – Backlit flashing, linear
   high-intensity (Police Interceptor Utility only)
H. Rear interior kick panels – Thick gauge custom for
   the rear area (not available with storage vault
   (Police Interceptor Sedan only)
I. Slidebar mirror side marker LED lamps – Backlit flashing, linear
   high-intensity (Police Interceptor Utility only)
J. Slidebar mirror side marker LED lamps – Backlit flashing, linear
   high-intensity (Police Interceptor Utility only)

VEHICLE SPECIAL ORDER (VSO) PAINT, LIGHTING & EQUIPMENT

VSO provides special paint and equipment options that are not currently available
through regular factory production. VSO offers a means of creating customized solutions
that can meet the unique requirements of your force.

VSO color and equipment availability: VSO can provide a variety of unique paint finishes;
check the Engineered is a very popular choice. In addition, VSO lighting packages and options –
such as those listed at right – offer a distinctive appearance and help ensure adherence to
state laws and regulations.

New option development (VSO inquiries): Establishing new VSO options is initiated by a
customer request called a “VSO inquiry.” Your dealership representative will submit the VSO inquiry.
All requests are received, reviewed and approved by the VSO department to ensure the end
product is compatible with regular and limited options. The end product must also meet Ford
Motor Company standards of quality, durability, safety and performance.

Production timing: If you add existing VSO options to your vehicles, the process takes 60-90
days to go from order receipt to production. For newly created VSO options, please include the
development timing provided within the inquiry response. For your fleet planning purposes, VSO
production typically ramps smooth after Job One and take two or three months to hit capacity.
To help you plan better, please visit fleet.ford.com/orders/vehicle-special-order
before ordering, to view the most current VSO options.

To view all current and special paint options, have your dealer access the VSO order guide via fleet.ford.com. The guide is
live and options are always up to date.

SELECT FACTORY-INSTALLED UPFIT OPTIONS

MOST WANTED VSO EXTERIOR COLOR

MOST WANTED VSO POLICE LIGHTING OPTIONS

Front marker lights – Red/red, blue/blue or red/blue split
Front PTW (Park/Turn/Warn) lights (Police Interceptor Sedan only) – Red/red or blue/blue
Side marker lights (Police Interceptor Sedan only) – Red/red or blue/blue
Rear lights – Red/red or blue/blue
Rear quarter glass side marker lights (Police Interceptor Sedan only) – Red/red or blue/blue
Rear PTW (Park/Turn/Warn) lights (Police Interceptor Sedan only) – Red/red or blue/blue
Sideview mirror side marker lights (Police Interceptor Utility only) – Red/red or blue/blue
Side marker lights (Police Interceptor Utility only) – Red/red or blue/blue
Rear PTW (Park/Turn/Warn) lights (Police Interceptor Utility only) – Red/red or blue/blue
Rear marker lights – Red/red or blue/blue
To view all current and special paint options, have your dealer access the VSO order guide via fleet.ford.com. The guide is
live and options are always up to date.

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ESSENTIAL RESOURCES

How many units can you add to your fleet this year? The Ford Credit Municipal Lease/Purchase Finance Program is a flexible funding plan available to state and local governments that will let you acquire the units you need when you need them.

<table>
<thead>
<tr>
<th>FORD CREDIT</th>
<th>FORD PARTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>BENEFITS</td>
<td></td>
</tr>
<tr>
<td>- Maximize limited budget funds – typically you can get the benefit of cost-efficient tax-exempt financing.</td>
<td>- Reduce the high cost and down time of maintaining older, high mileage vehicles.</td>
</tr>
<tr>
<td>- Add value to your fleet with current technology.</td>
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</tr>
<tr>
<td>- Finance add-on equipment, upfits and extended warranty plans</td>
<td>- Finance add-on equipment, upfits and extended warranty plans</td>
</tr>
<tr>
<td>- No security deposit required.</td>
<td>- No security deposit required.</td>
</tr>
<tr>
<td>- Accumulate equity with each payment, and realize ownership at lease end.</td>
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</tr>
<tr>
<td>- Flexible payment schedules, including monthly, quarterly, or annual payments, can be arranged to meet your needs.</td>
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</tr>
<tr>
<td>- Ford Credit Municipal Finance Specialists will assist you in handling the transaction from start to finish.</td>
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</tr>
</tbody>
</table>

LEARN MORE: Ford Motor Credit Company LLC is not acting as a municipal advisor or financial advisor, and has no fiduciary duties to any party in connection with this transaction. Ford Motor Credit Company LLC is not offering or selling any security, and this document is not intended to be and should not be construed as “advice” within the meaning of Section 15B of the Securities Exchange Act of 1934 and the municipal advisor rules of the SEC.

Note: Vehicles shown for illustrative purposes only.

An Industry Fleet. Acting as a liaison and resource for law enforcement agencies nationwide, the Police Advisory Board provides frank and direct feedback on the products, programs and policies of Ford. These standout officials help refine current vehicles and create future offerings, input on safety, reliability and durability is essential to serving unique operational needs, and proves invaluable to the ongoing development of Ford law-enforcement vehicles. Please visit fleet.ford.com for more PAB specifics.

FORD PROTECT IS AVAILABLE FOR ALL FORD SPECIAL SERVICE VEHICLES

Log in as a Police Advisory Board member to receive the latest Ford information and updates.

FORD FLEET CARE

Ford FleetCare is a centralized billing service you can use to make a single monthly payment on behalf of your entire fleet for and Quick Lane® purchases at participating Ford Dealers can also be included. There is no enrollment fee, no per-vehicle fee and no administration fee.

QUALITY FLEET CARE

Ford FleetCare is an extension of the Ford service you can receive to make your operation more efficient and vehicle maintenance more predictable.

Ford Motor Credit Company (“FMCC”) is providing the information contained in this document for discussion purposes only in connection with the acquisition of Ford Motor Credit receivables by the purchaser / transferee. FMCC is not offering or selling any security, and this document is not intended to be and should not be construed as “advice” within the meaning of Section 15B of the Securities Exchange Act of 1934 and the municipal advisor rules of the SEC. FMCC is not recommending that you take any action and you should discuss any actions with your own advisors as you deem appropriate.

Based on the assumption that you could purchase Option A for $125,000 from your annual budget, or you could lease/purchase Option B with a total equipment cost of $356,000 at 5.35% APR, resulting in 3 annual payments of $124,922.

Note: This is an example and rates are subject to change. Funding subject to credit approval by Ford Credit.
Non-original equipment can adversely impact vehicle crash performance. For example, push-bars could adversely affect airbag deployment in frontal impacts, and prisoner barricades could result in head and neck trauma in high-speed rear impacts. Due to the variability of equipment installed, based on individual law-enforcement agency requirements, Ford does not test aftermarket equipment for functionality with Ford components. Law enforcement must balance needs for function and other officer safety concerns when equipping police vehicles with non-original equipment.

Some features discussed may be optional. Vehicles throughout this brochure may be shown with optional features and/or aftermarket equipment. Features shown may be offered only in combination with other options or subject to additional ordering requirements or limitations. Information in this brochure was developed from Order Guides as of May 2018. Following publication of this brochure, certain changes in standard equipment, options and the like, or product delays may have occurred which would not be included in these pages.

Features shown may be locked out while the vehicle is in gear. Not all features are compatible with all phones. Message and data rates may apply.

For more information, visit fleet.ford.com.

FORD FLEET

North American Fleet, Lease & Remarketing Operations

fleet.ford.com • 1.800.34.FLEET

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AGENDA STATEMENT

Item Title: To award a bid for materials and services for removal and replacement of fencing for a two-year period (Estimated annual expenditure of $20,000).

Submitted By: Office of Purchasing

Contact Person/Telephone: Jared Beaudoin, Purchasing and Facilities Maintenance Manager - 586.446.2392

Administration Approvals:

<table>
<thead>
<tr>
<th>MR</th>
<th>City Clerk</th>
</tr>
</thead>
<tbody>
<tr>
<td>JV</td>
<td>Finance &amp; Budget Director</td>
</tr>
<tr>
<td>MK</td>
<td>City Attorney</td>
</tr>
<tr>
<td>MV</td>
<td>City Manager</td>
</tr>
</tbody>
</table>

Executive Summary

Fencing is installed on many municipal property sites to control public access. The most notable example of such fencing installations include around retention and detention ponds installed in close proximity to residential areas. Due to age, physical damage, and in some cases vandalism, the Department of Public Works (DPW) has the need to periodically remove existing fencing in poor condition and install replacement fencing. The fencing is typically chain link of various lengths and heights, depending on the degree needed to control access. Because of this fencing is visible to residents, there is a need for periodic replacement to ensure its integrity and appearance.

The DPW and Office of Purchasing prepared and issued an Invitation to Bid to contractors qualified to provide materials and services for the replacement of City fencing. The ITB sought unit pricing for a variety of fencing products and materials and contractor services, including removal of fencing, installation of posts, rails, and chain link fencing material. Bid pricing was to include all labor.

On March 19, 2019, two bids were received in response to an invitation to bid for materials and services for removal and replacement of fencing. After a thorough review of the two bids, recommendation is being made to award the bid to RMD Holdings, Ltd., d/b/a Nationwide Construction Group, as the low bidder meeting all specifications. Nationwide Construction Group is located in Richmond, Michigan and has been in the fencing business since 1979. This contractor employs 95 full-time employees and has previously provided fencing repair and replacement services to the City with excellent results. Current customers include the Michigan Department of Transportation, several county road commissions, airports, municipalities, and school districts.

Please refer to the attached Staff Report, bid tabulation, and memorandum from DPW Operations Manager Erik Skurda for additional information.

Suggested Action:
Resolved, to award the bid for materials and services for removal and replacement of fencing to RMD Holdings, Ltd., d/b/a Nationwide Construction Group, 69951 Lowe Plank Road, Richmond, MI 48062, at unit pricing bid for a two-year period, and authorize the City Manager to extend the bid award two additional one-year periods, upon mutual consent.
GENERAL INFORMATION:

On March 19, 2019, two bids were received for materials and services for removal and replacement of fencing installed around retention and detention ponds monitored and maintained by the Department of Public Works. An Invitation to Bid was advertised on SHTV, posted to the MITN website, Twitter, and published in the Sentry Newspaper.

Funds are budgeted in the Public Works Center – Retention Pond Maintenance account, #11744442-837000 for fence related expenditures.

STAFF ANALYSIS AND FINDINGS:

Personnel from the DPW, Parks & Recreation Department, and Office of Purchasing have reviewed the two bids submitted. Recommendation is being made to award of the bid for a two-year period to RMD Holdings, Ltd., d/b/a Nationwide Construction Group, the overall low bidder.

Nationwide Construction Group, located in Richmond, MI, has been providing fencing services to the City with excellent results. This contractor has the manpower and equipment to service any fencing needs of the City and have excellent references from numerous governmental clients.

Please see the attached departmental recommendations and supporting documentation for additional information.

STAFF RECOMMENDATION:

Please see Suggested Action on the accompanying Agenda Statement.
Notification list:
RMD Holdings, Ltd. Db Georgia Construction Group
69951 Lowe Plank Road
Richmond, MI 48062
Robert DeMil, President
rdemil@nationwidecos.com
Date: April 3, 2019

To: Jared Beaudoin, Purchasing Manager

From: Erik Skurda, Operations Manager

Subject: Recommendation: Fencing – Removal and Installation

The Department of Public Works has reviewed the bids received on March 19, 2019 for fencing removal and installation services at various City sites. This bid includes unit pricing that covers many different applications of the City’s fencing needs which includes a number of retention/detention basins. During routine inspections of these areas, it is often noticed the fencing materials must be replaced, repaired, or refurbished due to age and wear. Restoring these areas located within the confines of the City's neighborhoods will enhance the curb appeal of these open spaces, while still protecting the valuable pump equipment used to prevent basement flooding caused by storm water. After review of the bids received, the Department of Public Works recommends awarding the following company as the lowest qualified bidder meeting all specifications.

RMD Holdings, Ltd dba Nationwide Construction Group
69951 Lowe Plank Road
Richmond, MI 48062
Project Manager – Mel Kucway

RMD Holdings, Ltd (Nationwide Construction Group) specializes in all fencing applications, and has been in the industry for forty years. Nationwide has held contracts with the State Department of Transportation, County Road Commissions, Airport Operating Boards, and several municipalities and school districts. Furthermore, the City has utilized Nationwide for fencing needs in the past and has always had excellent and timely services rendered. DPW staff is confident Nationwide will continue to perform to the City’s expectations during this two year contract period.

The annual expenditures for fencing needs will vary depending on project scope. It is anticipated the majority of repairs will fall under the Public Works Center - Retention Pond Maintenance account #11744442-837000.

c: Michael Moore, Public Works Director
Martin Sowa, General Supervisor
Jonathan Orzel, Sewer Division Supervisor
# CITY OF STERLING HEIGHTS
## BID TABULATION - MARCH 19, 2019
### ITB-SH19-014: MATERIALS, REMOVAL, AND INSTALLATION SERVICES FOR FENCING NEEDS

#### A. Removal of Materials

- **Remove/dispose existing fence materials-up to 9' tall**
  - Unit: LF
  - Unit Cost: $3.00
  - Est. Qty: 1000
  - Total Cost: $3,000.00

- **Remove/dispose existing fence materials-over 9' tall**
  - Unit: LF
  - Unit Cost: 4.00
  - Est. Qty: 1000
  - Total Cost: $4,000.00

**Total:** $7,000.00

#### B. Installation of Materials

1. **4' 2⅞" line post with 12" x 42" foundation:**
   - Unit: EA
   - Unit Cost: $62.22
   - Est. Qty: 100
   - Total Cost: $6,222.00

2. **6' 2⅞" line post with 12" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 71.42
   - Est. Qty: 100
   - Total Cost: 7,142.00

3. **9' 2⅞" line post with 12" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 85.21
   - Est. Qty: 100
   - Total Cost: 8,521.00

4. **16' 4" OD line post with 18" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 271.37
   - Est. Qty: 100
   - Total Cost: 27,137.00

5. **20' 4" OD line post with 18" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 317.30
   - Est. Qty: 100
   - Total Cost: 31,730.00

6. **4' terminal 3" post with 12" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 77.89
   - Est. Qty: 100
   - Total Cost: 7,789.00

7. **Unit cost to replace 1½" top rail:**
   - Post Cap
   - 4' - 9 Gauge 2" Mesh Chain Link Fabric
   - 6' – 9 Gauge 2" Mesh Chain Link Fabric
   - 9' – 9 Gauge 2" Mesh Chain Link Fabric

**Total:** $116,341.00

#### C. Installation of Materials

1. **4' 2⅞" line post with 12" x 42" foundation:**
   - Unit: EA
   - Unit Cost: $49.67
   - Est. Qty: 100
   - Total Cost: $4,967.00

2. **6' 2⅞" line post with 12" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 55.29
   - Est. Qty: 100
   - Total Cost: 5,529.00

3. **9' 2⅞" line post with 12" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 63.71
   - Est. Qty: 50
   - Total Cost: 3,185.50

4. **16' 4" OD line post with 18" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 181.86
   - Est. Qty: 10
   - Total Cost: 1,818.60

5. **20' 4" OD line post with 18" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 205.47
   - Est. Qty: 10
   - Total Cost: 2,054.70

6. **4' terminal 3" post with 12" x 42" foundation:**
   - Unit: EA
   - Unit Cost: 59.41
   - Est. Qty: 10
   - Total Cost: 594.10

**Total:** $33,248.90

---

**Furture Fence Company**

**Nationwide Construction Group**
## D. Other Materials

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<thead>
<tr>
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<td>EA</td>
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**D. Total:** $19,625.00

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<td>EA</td>
<td>150.00</td>
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</tr>
<tr>
<td>EA</td>
<td>15.00</td>
<td>25</td>
<td>375.00</td>
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</table>

**D. Total:** $8,812.50

**Bid Grand Total (A-D):** $176,214.90

**$156,475.00**
INVITATION TO BID

ITB-SH19-014

The City of Sterling Heights, Michigan is accepting sealed bids for MATERIALS, REMOVAL, AND INSTALLATION SERVICES FOR FENCING NEEDS until TUESDAY, MARCH 19, 2019 AT 2:30 P.M. in the Office of the City Clerk, 40555 Utica Road, Sterling Heights, Michigan 48313. Specifications are attached.

Jared Beaudoin
Purchasing Manager

Office of Purchasing
586-446-2740

Official bid specifications are available only at www.mitn.info.
VI. SPECIFICATIONS

The City of Sterling Heights is seeking sealed bids from qualified vendors to provide MATERIALS, REMOVAL, AND INSTALLATION SERVICES FOR FENCING NEEDS to the City on an as-needed basis. The City currently anticipates several projects within the City. In addition, the City would like to establish a Contractor(s) who can respond to other fencing projects as they arise during the year on a routine basis, or for emergency events. It is the intent of this solicitation to secure a source for the City of Sterling Heights for a period of two (2) years with two (2) one (1) year renewal options, at the mutual agreement of both parties.

GENERAL SPECIFICATIONS

It will be the responsibility of the Contractor to furnish all services, labor, materials, equipment, tools, insurance, permits, and fees (if any) necessary to render the services according to the scope of services set forth by the City.

Pricing

Pricing shall include materials, delivery and installation. Product shall be FOB destination without additional freight charges. Upon completion of each individual project, the Contractor shall submit to the City a detailed invoice to include all itemized materials, work performed and labor hours used to complete the project.

Quotations

When a written quote is requested, the Contractor shall submit to the representative of the department requesting, a detailed written estimate of the proposed services prior to any work being performed by the Contractor.

- Written quotes shall be submitted within three (3) days of the initial request by the City. The Contractor shall submit an itemized not-to-exceed price, giving a full description of the project for each project covered by this contract.
- Written quotes shall list the location name and address. The project estimate shall list each and every item per bid specifications, i.e., bid items and quantity, all hardware items used, and labor. Each quote shall be submitted with a clear sketch or drawing indicating work being quoted showing distance, and direction and swing of any gates (if applicable).

Materials

All supplies, materials, and equipment used in the performance of this Contract shall be of the type and quality used in commercial chain-link fence replacement services and shall be maintained in good operating condition at all times.

Materials anticipated for projects are listed in detail on the Bid Form.

Post spacing shall be spaced a maximum of 10'0" on center (o.c.). Terminal spans may be less, to a minimum of 7'0" in order to adjust line spans or even footage.

Official bid specifications are available only at www.mitn.info.
Post Settings – All fence posts shall be set in concrete with no filler added. Concrete holding each post shall be crowned away from post to shed water. Concrete shall be of a commercial grade with a minimum 28-day compressive strength of 2500 psi.

Miscellaneous Fittings - Miscellaneous steel fittings and hardware for use with zinc-coated steel fabric shall be of commercial grade steel or better quality, wrought or cast as appropriate to the article, and sufficient in strength to provide a balanced design when used in conjunction with fabric posts, and wires of the quality specified herein. All steel fittings and hardware shall be protected with a zinc coating applied in conformance with ASTM A 153.

Electrical Grounds - Electrical grounds shall be constructed at 300-foot intervals and where any power line passes over the fence. The ground shall be installed directly below the point of crossing. The ground shall be accomplished with a copper clad rod 8 feet long and a minimum of 5/8 inch in diameter driven vertically until the top is 6 inches below the ground surface. A No. 6 solid copper conductor shall be clamped to the rod and to the fence in such a manner that each element of the fence is grounded. Installation of the ground rods shall not constitute a pay item and shall be considered incidental to fence construction.

The City reserves the right to purchase any materials for the Contractor to use. The Contractor shall not charge a mark-up fee for material furnished by the City.

Removal of Material
The Contractor shall be responsible for removing and disposing any and all existing fencing. Upon removal of existing fencing, the City reserves the option to retain fencing removed by Contractor (per department requesting services).

When removing fence posts, the Contractor shall completely fill and compact post holes with dirt so they are level with the adjacent area. The Contractor shall not fill the post holes with the concrete removed from the old fence posts.

Warranty
All work shall conform to all existing governing authorities’ codes and regulations. The work must be accomplished with professional methods and standards of the trade.

Warranty – please indicate any extended warranties on materials and labor. Minimum 1-year warranty required on both materials & labor. The Contractor assumes full responsibility for completion of the services stipulated for fence installation and repair services.

Labor and Installation
Working Hours: The normal working hours for this contract shall be from 7:00 a.m. to 6:00 p.m., Monday through Friday, excluding holidays unless otherwise written authorization from the City Representative is given.

The City reserves the right to question any job when the hours performed by the Contractor seem excessive for the work completed.

Official bid specifications are available only at www.mitn.info.
The Contractor shall visit job sites and be responsible for all field measurements and aware of job conditions.

Installation shall be in compliance with all requirements and instructions of applicable manufacturer.

Installation shall be done in a neat workman-like manner. The fence shall follow the natural contour of the ground (no gaps under fence) in a straight line from one point (corner) to another unless otherwise noted on the drawing. Fence posts shall be plumb and the top rails shall be attached in a manner that forms a smooth horizontal alignment.

**Safety**
The Contractor shall be responsible for the provision of adequate and proper safety precautions for both the workmen and all persons in and around the work area.

Execution of Work - The Contractor shall be responsible for performing the work necessary to meet all MIOSHA standards and best safety practices. These standards shall be performed in a safe, neat, and high-quality workmanlike manner using only accepted methods in carrying out the work and complying with all federal, state and local laws.

Loss control and safety: The Contractor shall retain control over its employees, agents, servants and subcontractors, as well as control over its invitees, and its activities on and about the subject premises and the manner in which such activities shall be undertaken and to that end, the Contractor shall not be deemed to be an agent of the City.

- Precaution shall be exercised at all times by the Contractor for the protection of all persons, including employees, and property.
- The Contractor shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.
- It is agreed that Contractor takes full responsibility for all security measures or controls needed for the safe use of the subject premises and that the City does not represent that the security measures taken by the Contractor are adequate for the purposes intended.

**Clean-up**
All furnishings and equipment shall be placed back in the original locations. All work areas must be returned to original condition.

- Contractor shall clean and remove from the premises, all surplus and discarded materials, rubbish, and temporary structures, and shall restore in an acceptable manner all property, both public and private, which has been damaged during the prosecution of the work, and shall have the work in a neat and presentable condition.
- Note – Any and all debris shall be removed from the premises –construction debris, trash, etc., shall not be left or buried on site.

*Official bid specifications are available only at [www.mtn.info](http://www.mtn.info).*
Scheduled Projects
The Contractor shall respond by telephone to the designated City representative within two (2) business days from the time of initial notification of a new job.

- Upon contact with the appropriate departmental representative, a walk-through of the proposed job site will occur within two (2) business days or as scheduled with the City of Sterling Heights departmental representative.
- Project work shall begin as scheduled with the City departmental representative and shall proceed with satisfactory progress, as determined by the City Representative, until completion.
- Should the Contractor be unable to comply with the above milestone dates for individual project work, the City may contact and schedule work with another contractor.

Emergencies
Should an event occur, resulting in possible harm to any person or City property, the City will be the first priority for any emergency fencing needed. The City Manager will determine what constitutes a disaster. The Contractor must respond to a call for emergency work within two (2) hours.
VII. BID FORM

The undersigned hereby declares that the instructions and specifications have been carefully examined and that the MATERIALS, REMOVAL, AND INSTALLATION SERVICES FOR FENCING NEEDS, will be furnished for the prices set forth in this bid. It is understood and agreed that all bids are F.O.B. DESTINATION, that all bid prices shall remain in effect for at least ninety (90) days from the date of the bid opening to allow for the award of the bid and that, if chosen the successful vendor, the prices will remain firm for two (2) years from date of contract with two (2) one (1) year renewal options, at the mutual agreement of both parties.

All quantities indicated are estimated amounts for one (1) year and may vary during the course of the contract. The estimated quantities are used for assisting in the determination of the lowest responsible bidder. It is the intent of the City to purchase the services in the quantity and frequency as listed in this bid, however, the City reserves the right to reduce or eliminate this purchase without prior notice. The City reserves the right to split and/or reject all bids to realize the greatest cost savings.

Section A Total: $__________________

Section B Total: $__________________

Section C Total: $__________________

Section D Total: $__________________

Bid Grand Total (A-D): $__________________

If awarded this bid, would you accept the City's payment via a City Credit Card? (Your response to this question has no impact on the award of this bid.)

☐ Yes ☐ No

How did you receive notification of this bid? (please check all that apply)

☐ MITN ☐ City of Sterling Heights website ☐ Text notification from City

☐ Email notification from City ☐ Local paper ☐ Other: ________________________________

How did you obtain the bid specifications? If bid documents were downloaded from a website, please list: ________________________________

Would you be interested in free notification from the City via text or email for ALL future solicitations? Yes ☐ No☐

If yes: text ☐ email ☐ both ☐

Company__________________________

Official bid specifications are available only at www.mitn.info.
VII. BID FORM - (CONT'D)

I hereby state that I have read, understand and agree to be bound by all the terms of this bid document. The undersigned certifies that he has downloaded all documents/addendums associated with this bid from the MITN website.

Company ____________________________________________
Address ____________________________________________
City/State/Zip ________________________________________
Representative/Title __________________________________
Telephone/Fax ________________________________________
Terms ________________________________________________
E-Mail Address/Website ________________________________
Signature/Date ________________________________

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<td></td>
</tr>
<tr>
<td>1. Remove / dispose existing fence materials – up to 9' tall</td>
<td>LF</td>
<td>$_________</td>
<td>1000</td>
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<td>2. Remove / dispose existing fence materials – over 9' tall</td>
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<td>$_________</td>
<td>1000</td>
<td>$_________</td>
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**Section A Total:** $_________

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</tr>
<tr>
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<td>$_________</td>
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<td>$_________</td>
</tr>
<tr>
<td>2. 6' 2¾&quot; line post with 12&quot; x 42&quot; foundation</td>
<td>EA</td>
<td>$_________</td>
<td>100</td>
<td>$_________</td>
</tr>
<tr>
<td>3. 9' 2¾&quot; line post with 12&quot; x 42&quot; foundation</td>
<td>EA</td>
<td>$_________</td>
<td>100</td>
<td>$_________</td>
</tr>
<tr>
<td>4. 16' 4&quot; OD line post with 18&quot; x 42&quot; foundation</td>
<td>EA</td>
<td>$_________</td>
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<td>7. Unit cost to replace 1¾&quot; top rail</td>
<td>LF</td>
<td>$_________</td>
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<tr>
<td>8. Post Cap</td>
<td>EA</td>
<td>$_________</td>
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<td>$_________</td>
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<tr>
<td>9. 4' - 9 Gauge 2&quot; Mesh Chain Link Fabric</td>
<td>LF</td>
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<tr>
<td>10. 6' – 9 Gauge 2&quot; Mesh Chain Link Fabric</td>
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<td>11. 9' – 9 Gauge 2&quot; Mesh Chain Link Fabric</td>
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**Section B Total:** $_________

Official bid specifications are available only at www.mitn.info.
### VII. BID FORM - (CONT'D)

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<tr>
<td>(galvanized)</td>
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<tr>
<td>1. 4' 2½&quot; line post with 12&quot; x 42&quot; foundation</td>
<td>EA</td>
<td>$_________</td>
<td></td>
<td>$_________</td>
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<tr>
<td>2. 6' 2½&quot; line post with 12&quot; x 42&quot; foundation</td>
<td>EA</td>
<td>$_________</td>
<td>100</td>
<td>$_________</td>
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<tr>
<td>3. 9' 2½&quot; line post with 12&quot; x 42&quot; foundation</td>
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<td>$_________</td>
<td>50</td>
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<tr>
<td>4. 16' 4&quot; OD line post with 18&quot; x 42&quot; foundation</td>
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<td>$_________</td>
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<td>5. 20' 4&quot; OD line post with 18&quot; x 42&quot; foundation</td>
<td>EA</td>
<td>$_________</td>
<td>10</td>
<td>$_________</td>
</tr>
<tr>
<td>6. 4' terminal 3&quot; post with 12&quot; x 42&quot; foundation</td>
<td>EA</td>
<td>$_________</td>
<td>10</td>
<td>$_________</td>
</tr>
<tr>
<td>7. Unit cost to replace 1½&quot; top rail</td>
<td>LF</td>
<td>$_________</td>
<td>100</td>
<td>$_________</td>
</tr>
<tr>
<td>8. Post Cap</td>
<td>EA</td>
<td>$_________</td>
<td>100</td>
<td>$_________</td>
</tr>
<tr>
<td>9. 4' – 11.5 Gauge 2&quot; Mesh Chain Link Fabric</td>
<td>LF</td>
<td>$_________</td>
<td>1000</td>
<td>$_________</td>
</tr>
<tr>
<td>10. 6' – 11.5 Gauge 2&quot; Mesh Chain Link Fabric</td>
<td>LF</td>
<td>$_________</td>
<td>1000</td>
<td>$_________</td>
</tr>
<tr>
<td>11. 9' – 11.5 Gauge 2&quot; Mesh Chain Link Fabric</td>
<td>LF</td>
<td>$_________</td>
<td>250</td>
<td>$_________</td>
</tr>
</tbody>
</table>

**Section C Total:** $_________

### D. Other Materials

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Unit</th>
<th>Unit Cost</th>
<th></th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Install bottom tension wire</td>
<td>LF</td>
<td>$_________</td>
<td>1000</td>
<td>$_________</td>
</tr>
<tr>
<td>2. Straighten Existing Posts</td>
<td>EA</td>
<td>$_________</td>
<td>25</td>
<td>$_________</td>
</tr>
<tr>
<td>3. 10' 4&quot;x4&quot; pressure treated pine post with 12&quot;x42&quot; foundation</td>
<td>EA</td>
<td>$_________</td>
<td>25</td>
<td>$_________</td>
</tr>
<tr>
<td>4. 6' Stockade Section (pressure Treated Pine)</td>
<td>EA</td>
<td>$_________</td>
<td>25</td>
<td>$_________</td>
</tr>
<tr>
<td>5. Re-tie line posts/top/bottom rails</td>
<td>EA</td>
<td>$_________</td>
<td>25</td>
<td>$_________</td>
</tr>
</tbody>
</table>

**Section D Total:** $_________

This form must be completed and returned with your bid.
AGENDA STATEMENT

Item Title: To award a bid for sewer maintenance supplies for a one-year period (Estimated total expenditure of $10,000).

Submitted By: Office of Purchasing

Contact Person/Telephone: Jared Beaudoin, Purchasing and Facilities Maintenance Manager - 586.446.2392

Administration Approvals: 
MR City Clerk  JV Finance & Budget Director  MK City Attorney  MV City Manager

Executive Summary

On an annual basis, the City competitively bids the purchase of sewer maintenance supplies to be used by the Sewer Division of the Department of Public Works (DPW) during the course of repairs to utility structures (i.e. manholes, gate wells, and catch basins). The specific supplies are detailed in the attached staff report. Quantities are estimates based upon expected use. All supplies are quoted as delivered.

Recommendation is being made to award the bid to Core & Main, the sole bidder, at unit pricing bid. Core & Main has previously supplied products to the DPW with positive results.

The City expects to spend approximately $10,000 annually for sewer maintenance supplies. Please see the attached Staff Report and departmental recommendation for additional information.

Suggested Action:

Resolved, to award the bid for sewer maintenance supplies to Core & Main, 6575 23 Mile Road, Shelby Township, MI 48316, at unit prices bid for a one-year period.
GENERAL INFORMATION:

On April 16, 2019, bids were received for sewer maintenance supplies to be used by the Sewer Division of the Department of Public Works (DPW). An Invitation to Bid was advertised on SHTV, posted on the MITN website, Twitter, and published in the Sentry newspaper. One (1) vendor responded with bids, as outlined on the attached bid tabulation. Based on estimated quantities, the DPW expects to expend $10,000 for the purchase of sewer maintenance supplies for the one-year period covered by this bid.

Funds are budgeted annually and will be charged to 59958558 (W&S Fund - Sewer Collection) 841000 (Distribution Line Repair) for the purchase of the items used in the maintenance and repair of utility structures (i.e. manholes, gate wells, and catch basins) including concrete work in and around these structures:

<table>
<thead>
<tr>
<th>A. Portland Cement</th>
<th>H. 3” x 6” Manhole Brick</th>
<th>M. Hydraulic Cement</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. Mortar</td>
<td>I. 4” x 6” Manhole Brick</td>
<td></td>
</tr>
<tr>
<td>C. Redi-Mix</td>
<td>J. 4” Perforated Weeptile</td>
<td></td>
</tr>
<tr>
<td>F. 2½” x 8” Manhole Block</td>
<td>K. 4” Tee</td>
<td></td>
</tr>
<tr>
<td>G. 2” x 6” Manhole Brick</td>
<td>L. 4” Caps</td>
<td></td>
</tr>
</tbody>
</table>

STAFF ANALYSIS AND FINDINGS:

Personnel from the DPW and Office of Purchasing have reviewed the sole bid submitted. Recommendation is being made to award the bid to Core & Main at the unit prices bid. Core & Main did not bid on items D and E and the DPW will seek alternative sources.

The DPW has purchased from Core & Main in the past with success and found the supplies and service provided by this vendor satisfactory. The unit pricing bid by Core & Main is comparable to the pricing under the expiring bid award.

Please see the attached departmental recommendation and supporting documentation for additional information.

STAFF RECOMMENDATION:

Please see the suggested action on the Agenda Statement.
Notification list:
Core & Main
6573 23 Mile Road
Shelby Township, MI 48316
Dan Napier, Sales
danny.napier@coreandmain.com
Interoffice Memorandum

Date: April 17, 2019
To: Jared Beaudoin, Purchasing Manager
From: Erik Skurda, Operations Manager

Subject: Recommendation – Sewer Maintenance Supplies

The Department of Public Works has reviewed the bids received on April 16, 2019 for DPW Sewer Maintenance Supplies. These supplies are utilized to rehabilitate and repair utility structures and storm water catch basins by Sewer Collection Division. Based on unit prices bid, DPW recommends the bid be awarded to the lowest bidder meeting specifications and requirements:

Core & Main
6575 23 Mile Rd
Shelby Twp, MI 48316
Attn: Dan Napier danny.napier@coreandmain.com

<table>
<thead>
<tr>
<th>ITEM</th>
<th>Vendor</th>
<th>Unit Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>Portland Cement</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>B.</td>
<td>Mortar</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>C.</td>
<td>Redi-Mix</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>D.</td>
<td>Expansion Strip 3&quot; x 5' x 3/8&quot;</td>
<td>No Bid</td>
</tr>
<tr>
<td>E.</td>
<td>Expansion Strip 6&quot; x 5' x ½&quot;</td>
<td>No Bid</td>
</tr>
<tr>
<td>F.</td>
<td>2 1/2&quot; x 8&quot; Manhole Brick</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>G.</td>
<td>2' x 6&quot; Manhole Block</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>H.</td>
<td>3' x 6&quot; Manhole Block</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>I.</td>
<td>4' x 6&quot; Manhole Block</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>J.</td>
<td>4&quot; Perforated Weeptile</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>K.</td>
<td>4&quot; Tee</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>L.</td>
<td>4&quot; Caps</td>
<td>Core &amp; Main</td>
</tr>
<tr>
<td>M.</td>
<td>Hydraulic Cement</td>
<td>Core &amp; Main</td>
</tr>
</tbody>
</table>
Core & Main has held previous contracts with the City. Core & Main has proven to be very reliable and DPW staff has been satisfied with all products and services purchased.

No bids were received for items “D” and “E” of the bid form. DPW will explore other options to procure this commodity through appropriate purchasing channels or rebid this item.

The DPW estimates spending $10,000.00 annually for the purchase of Sewer Maintenance Supplies. Funding for this contract is budgeted in the Sewer Collection - Distribution Line Repair, account # 59958558-841000.

C: Michael Moore, Public Works Director
    Jon Orzel, Sewer Collection Supervisor
CITY OF STERLING HEIGHTS  
BID TABULATION - APRIL 16, 2019  
ITB-SH19-020: DPW SEWER MAINTENANCE SUPPLIES

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>Portland Cement</td>
<td>360 bags</td>
<td>$11.60</td>
<td>$4,176.00</td>
</tr>
<tr>
<td>B.</td>
<td>Mortar Type &quot;N&quot;</td>
<td>180 bags</td>
<td>9.20</td>
<td>1,656.00</td>
</tr>
<tr>
<td>C.</td>
<td>Redi-Mix</td>
<td>84 bags</td>
<td>3.37</td>
<td>283.08</td>
</tr>
<tr>
<td>D.</td>
<td>Expansion Strip 3&quot; x 5' x ¾&quot;</td>
<td>1,500 ft</td>
<td>N/B</td>
<td>0.00</td>
</tr>
<tr>
<td>E.</td>
<td>Expansion Strip 6&quot; x 5' x ½&quot;</td>
<td>500 ft</td>
<td>N/B</td>
<td>0.00</td>
</tr>
<tr>
<td>F.</td>
<td>2½&quot; x 8&quot; Manhole Brick</td>
<td>2,900 brick</td>
<td>0.39</td>
<td>1,131.00</td>
</tr>
<tr>
<td>G.</td>
<td>2&quot; x 6&quot; Manhole Block</td>
<td>600 block</td>
<td>1.53</td>
<td>918.00</td>
</tr>
<tr>
<td>H.</td>
<td>3&quot; x 6&quot; Manhole Block</td>
<td>200 block</td>
<td>1.48</td>
<td>296.00</td>
</tr>
<tr>
<td>I.</td>
<td>4&quot; x 6&quot; Manhole Block</td>
<td>100 block</td>
<td>1.53</td>
<td>153.00</td>
</tr>
<tr>
<td>J.</td>
<td>4&quot; Perforated Weep tile</td>
<td>450 ft</td>
<td>0.92</td>
<td>414.00</td>
</tr>
<tr>
<td>K.</td>
<td>4&quot; Tee</td>
<td>50 ea</td>
<td>4.73</td>
<td>236.50</td>
</tr>
<tr>
<td>L.</td>
<td>4&quot; Caps</td>
<td>50 ea</td>
<td>2.96</td>
<td>148.00</td>
</tr>
<tr>
<td>M.</td>
<td>Hydraulic Cement</td>
<td>12 buckets</td>
<td>22.29</td>
<td>267.48</td>
</tr>
<tr>
<td></td>
<td><strong>TOTALS</strong></td>
<td></td>
<td></td>
<td><strong>$9,679.06</strong></td>
</tr>
</tbody>
</table>
INVITATION TO BID
ITB-SH19-020

The City of Sterling Heights, Michigan is accepting sealed bids for DPW SEWER MAINTENANCE SUPPLIES until TUESDAY, APRIL 16, 2019 AT 2:30 P.M. in the Office of the City Clerk, 40555 Utica Road, Sterling Heights, Michigan 48313. Specifications are attached.

Jared Beaudoin
Purchasing Manager

Office of Purchasing
586-446-2740

Official bid specifications are available only at www.mitn.info.
IV. SPECIFICATIONS

This inquiry implies no obligation on the part of the buyer. Unless otherwise specified, there is no restriction on the number of items that may be ordered. Quantities indicated in the proposal are estimated and may vary during the course of the Contract. The estimated quantities are used for assisting in the determination of the lowest responsible bidder.

APPROVAL OF MATERIALS:
Materials supplied may be sampled and tested for conformance with the specification requirements or as determined with a material certification.

The procedures followed for sample or for certification will be in accordance with the Michigan Department's Materials Sampling Guide.

The materials supplier shall provide such facilities as may be required for collecting and forwarding samples and shall not use the materials represented by the sample until they have been found to satisfy the requirements of the specifications.

The materials supplier shall furnish the required samples without charge and when required, shall prepay transportation charges for shipment of samples to the testing laboratory.

Materials will be tested by and at the expense of the City of Sterling Heights unless otherwise provided.

All materials proposed to be used may be inspected and tested at any time and at any place during this agreement.

GENERAL INFORMATION:
Deliveries: Deliveries will be made to Sterling Heights Department of Public Works, 7200 18 Mile Road. Delivery is desired within two (2) business days of notice to deliver.

Charges: List all miscellaneous charges on a separate sheet.

Bid prices will be firm for one (1) year beginning with the date of City Council Award.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Specification</th>
<th>Estimated Annual Usage</th>
<th>Estimated Average Order</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>Portland Cement</td>
<td>90 lb. Bags Type 1A</td>
<td>360 Bags</td>
<td>80 Bags</td>
</tr>
<tr>
<td>B.</td>
<td>Mortar Type “N”</td>
<td>70 lb. Bags Must meet ASTM Spec</td>
<td>180 Bags</td>
<td>90 Bags</td>
</tr>
<tr>
<td>C.</td>
<td>Redi-Mix</td>
<td>Redi-Mix Cement 80 lb. Bags</td>
<td>84 Bags</td>
<td>42 bags (1 pallet)</td>
</tr>
</tbody>
</table>

Official bid specifications are available only at www.mitn.info.
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Specification</th>
<th>Estimated Annual Usage</th>
<th>Estimated Average Order</th>
</tr>
</thead>
<tbody>
<tr>
<td>D</td>
<td>Expansion</td>
<td>3&quot; x 5' x ¾&quot; Premolded Fiber Expansion</td>
<td>1,500 Feet</td>
<td>1,500 Feet</td>
</tr>
<tr>
<td>E</td>
<td>Expansion Strip</td>
<td>6&quot; x 5' x 1-2&quot; Premolded Fiber Expansion</td>
<td>500 Feet</td>
<td>500 Feet</td>
</tr>
<tr>
<td>F</td>
<td>2⅜&quot; x 8&quot; Manhole Brick</td>
<td>Spec with compression strength of 4,300 P.S.I. BOCA approved</td>
<td>2,900 Brick</td>
<td>1 Pallet</td>
</tr>
<tr>
<td>G</td>
<td>2&quot; x 6&quot; Manhole Block</td>
<td>Must meet ASTM Spec C-139</td>
<td>600 Block</td>
<td>1 Pallet</td>
</tr>
<tr>
<td>H</td>
<td>3&quot; x 6&quot; Manhole Block</td>
<td>Must meet ASTM Spec C-139</td>
<td>200 Block</td>
<td>1 Pallet</td>
</tr>
<tr>
<td>I</td>
<td>4&quot; x 6&quot; Manhole Block</td>
<td>Must meet ASTM Spec C-139</td>
<td>100 Block</td>
<td>1 Pallet</td>
</tr>
<tr>
<td>J</td>
<td>4&quot; Perforated Weeptile</td>
<td>100' Coils with Slits and Sock</td>
<td>450 Feet</td>
<td>150 Feet</td>
</tr>
<tr>
<td>K</td>
<td>4&quot; Tee</td>
<td>4&quot; Tee</td>
<td>50 Each</td>
<td>12 Each</td>
</tr>
<tr>
<td>L</td>
<td>4&quot; Caps</td>
<td>4&quot; Caps</td>
<td>50 Each</td>
<td>12 Each</td>
</tr>
<tr>
<td>M</td>
<td>Hydraulic Cement</td>
<td>5 gal Buckets, ATSM C109 &amp; C191</td>
<td>12 Each</td>
<td>6 Each</td>
</tr>
</tbody>
</table>

Note: All Tees and Caps should match with Weeptile.
V. BID FORM

The undersigned hereby declares that the instructions and specifications have been carefully examined and that Sewer Maintenance Supplies will be furnished for the prices set forth in this bid. It is understood and agreed that all bids are F.O.B. DESTINATION, that all bid prices shall remain in effect for at least ninety (90) days from the date of the bid opening to allow for the award of the bid and that, if chosen the successful vendor, the prices will remain firm for one (1) year from date of contract.

All quantities indicated are estimated amounts for one (1) year and may vary during the course of the contract. The estimated quantities are used for assisting in the determination of the lowest responsible bidder. It is the intent of the City to purchase the services in the quantity and frequency as listed in this bid, however, the City reserves the right to reduce or eliminate this purchase without prior notice. The City reserves the right to split and/or reject all bids to realize the greatest cost savings.

BID GRAND TOTAL: $___________

Indicate number of days to complete delivery after receipt of an order: ____________

If awarded this bid, would you accept the City's payment via a City Credit Card? (Your response to this question has no impact on the award of this bid.)

☐ Yes ☐ No

How did you receive notification of this bid? (please check all that apply)

☐ MITN ☐ City of Sterling Heights website ☐ Text notification from City

☐ Email notification from City ☐ Local paper ☐ Other: __________________________

How did you obtain the bid specifications? If bid documents were downloaded from a website, please list: ____________________________

Would you be interested in free notification from the City via text or email for ALL future solicitations? Yes ☐ No ☐

If yes: text ☐ email ☐ both ☐

I hereby state that I have read, understand and agree to be bound by all the terms of this bid document.

The undersigned certifies that he has downloaded all documents/addendums associated with this bid from the MITN website.

Company ________________________________

Official bid specifications are available only at www.mitn.info.
### V. BID FORM (CONT'D)

<table>
<thead>
<tr>
<th>Item</th>
<th>Estimated Annual Usage</th>
<th>Description</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>360 Bags</td>
<td>Portland Cement</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>B.</td>
<td>180 Bags</td>
<td>Mortar Type &quot;N&quot;</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>C.</td>
<td>84 Bags</td>
<td>Redi-Mix</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>D.</td>
<td>1,500 Feet</td>
<td>Expansion 3&quot; x 5&quot; x 3/8&quot; Premolded Fiber Expansion</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>E.</td>
<td>500 Feet</td>
<td>6&quot; Expansion Strip 6&quot;x 5'x 1-2&quot; Premolded Fiber Expansion</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>F.</td>
<td>2,900 Brick</td>
<td>2½&quot; x 8&quot; Manhole Brick according to ASTM C-67-66</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>G.</td>
<td>600 Block</td>
<td>2&quot; x 6&quot; Manhole Block</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>H.</td>
<td>200 Block</td>
<td>3&quot; x 6&quot; Manhole Block</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>I.</td>
<td>100 Block</td>
<td>4&quot; x 6&quot; Manhole Block</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>J.</td>
<td>450 Feet</td>
<td>4&quot; Perforated Weeptile</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>K.</td>
<td>50 Each</td>
<td>4&quot; Tee</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>L.</td>
<td>50 Each</td>
<td>4&quot; Caps</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Official bid specifications are available only at [www.mitn.info](http://www.mitn.info).
**V. BID FORM (CONT'D)**

<table>
<thead>
<tr>
<th>Item</th>
<th>Estimated Annual Usage</th>
<th>Description</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>M.</td>
<td>12 Bkts</td>
<td>Hydraulic Cement</td>
<td>$________</td>
<td>$____</td>
</tr>
</tbody>
</table>

**BID GRAND TOTAL (A – M)**

(Please carry total forward to page 10)

$______________

*Note: All Tees and Caps should match with Weep tile.*

This form **must** be completed and returned with your bid.
AGENDA STATEMENT

Item Title: To receive a report from the Purchasing Manager pursuant to City Code §2-221(B) regarding the emergency purchase of a pump for discharging of storm water collected at the Moravian Pointe retention basin situated west of Hayes Road, south of 15 Mile Road, Section 36 (Total expense of $32,550).

Submitted By: Office of Purchasing

Contact Person/Telephone: Jared Beaudoin, Purchasing and Facilities Maintenance Manager - 586.446.2392

Administration Approvals:

MR City Clerk  JV Finance & Budget Director  MK City Attorney  MV City Manager

Executive Summary

City Code §2-221(B) requires that the Purchasing Manager file a report with the City Council regarding the circumstances giving rise to an emergency purchase.

During a routine inspection, personnel from the Department of Public Works noticed that the Moravian Pointe retention basin situated in Section 36 was retaining a larger than normal volume of storm water runoff. Further investigation identified that one of the two large Flygt pumps was inoperable. The resulting high water level in the retention basin increased the risk of flooding for the houses and streets in Section 36.

Following an evaluation, it was determined that repair of the previously reconditioned and now inoperable pump was not cost effective given its age. Rather, a quote was requested and received in the amount of $32,550 from Kennedy Industries for replacement of the pump. Kennedy Industries, Inc. is Flygt’s authorized distributor of all Flygt products and services in Lower Michigan. After reviewing the quote, the decision was made to perform the work on an emergency basis at an estimated cost of $32,550.

Kennedy Industries encountered challenges associated with the ordering of the 8" Flygt 35HP, 460V submersible pump and did not receive it from the manufacture for installation until December 12, 2018. DPW staff completed installation on February 12, 2019.

After the replacement pump was installed and operational, the discharge of storm water run-off from the Moravian Pointe retention basin returned to normal levels and the threat of flooding to residences subsided. Please see the attached departmental correspondence and supporting documentation for additional information.
The total cost for the emergency pump replacement by Kennedy Industries, Inc. is $32,550 and will be charged against account 59958558 (Sewer Collection) 982000 (Machinery and Equipment).

**Suggested Action:**

Resolved, to receive the report of the Purchasing Manager pursuant to City Code §2-221(B) regarding the emergency purchase of a 8" Flygt 35HP, 460V submersible pump from Kennedy Industries, Inc. 4925 Holtz Drive, PO Box 930079, Wixom, MI 48393, in the amount of $32,550.
Date: April 23, 2019

To: Jared Beaudoin, Purchasing Manager

From: Erik Skurda, Operations Manager

Subject: Emergency Purchase of Moravian Pointe Retention Pond Pump

Moravian Pointe retention basin is located east of Schoenherr, south of 15 Mile and accepts storm water from over half the homes located within section 36 of the City. During periods of heavy rainfall the two pumps located at this site operate constantly to remove storm water in the basin to a 60” main line that runs under 15 Mile and outlets into the Red Run Drain.

After City Manager approval on August 29, 2018 the Department of Public Works immediately ordered the replacement 35 horse power 8 inch submersible pump. Because Kennedy industries is the sole supplier of the pump that must be utilized to work in conjunction with the current operating panels, build times vary and the exact specifications must be accurate to accommodate the anticipated volumes of the retention pond. During the time without the main pump functioning at Moravian Point lift station, Public Works staff diligently inspected the area, making sure all flooding potential was mitigated.

The DPW received the pump on December 12, 2018 and public works staff members were able to complete the installation by February 12, 2019. Installing the needed replacement pump has restored Moravian Point to a fully functional reliable state and staff is confident wet weather conditions that often happen during spring will not create any issues for the outlying neighborhoods. During the down time of the primary pump, no basement flooding was reported due to the failed primary pump.

The cost of $32,550 has been charged to the Sewer Collection Machinery and Equipment Capital Purchase account (59958558-982000).
**INVOICE**

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**REMIT TO:**
KENNEDY INDUSTRIES, INC.
P.O. BOX 930079
WIXOM, MI 48393

B STE190
I CITY OF STERLING HEIGHTS
L PO BOX 8009
T STERLING HEIGHT, MI 48311-8009

S STERLING HEIGHTS PUBLIC WORKS
L 7200 18 MILE ROAD
T PO# 20190903-00
L STERLING HEIGHT, MI 48314

**ATTENTION:**
JOHN ORZEL 586-446-2445 jorzel@sterling-heights.net

**CUSTOMER REF/PO #** | **JOB #** | **JOB TITLE** | **SLP** | **SHIPPING TYPE** |
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| (1) FLYGT, SUBMERSIBLE SEWAGE PUMP, MODEL NP3202.185-642 IMP WITH HIGH CHROME IMPELLER AND INSERT RING. 35 HP, 3 PHASE, 460 VOLT WITH 8" DISCHARGE AND 50 FT. MOTOR AND SENSOR CABLE. PUMP EQUIPPED WITH SEAL FAIL/HIGH TEMP CABLE. |
| (1) 20 FT PIECE OF 3/8" CHAIN |
| (1) 1/2" QUICK LINK |

**RECEIVED**

**FINANCE DEPT.**

**#5758558-982000**

**RECEIVED**

**#20190903**

**SUPERIOR FAX**

**RECEIVED**

**FINANCE DEPT.**

**SUPERIOR FAX**

**RECEIVED**

**FINANCE DEPT.**

This invoice is subject to and incorporates by reference Kennedy Industries, Inc.'s ("Kennedy") Terms & Conditions and Customer Warranty available at www.Kennedyind.com which will be provided by email upon written request. Buyer expressly agrees to the provisions set forth in the Terms & Conditions and Customer Warranty posted on Kennedy's website.

**TERMS OF PAYMENT ARE NET 30 DAYS FROM DATE OF INVOICE**

**A 7% PER ANNUM SERVICE CHARGE SHALL BE APPLIED TO ANY BALANCE**

**CREDIT CARD PAYMENTS ARE SUBJECT TO AN ADDITIONAL 3% CHARGE**

| SUBTOTAL: | $32,550.00 |
| TAX:       | $0.00 |
| TOTAL:     | $32,550.00 |

P.O. Box 930079 Wixom, MI 48393  -  4925 Holtz Drive Wixom, MI 48393  -  Phone: 248-684-1200  -  Fax: 248-684-6011

www.KennedyInd.com
Purchase Order

Fiscal Year 2019
Page 1 of 1

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 20190903-00

ACCOUNTS PAYABLE
40555 UTICA ROAD
PO BOX 8009
STERLING HEIGHTS, MI 48311

KENNEDY INDUSTRIES INC
4925 HOLTZ DR
PO BOX 930079
WIXOM MI 48393

STERLING HEIGHTS PUBLIC WORKS
ATTN: SEWER DIVISION
7200 EIGHTEEN MILE ROAD
STERLING HEIGHTS MI 48314

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Date Ordered Vendor Number Date Required Freight Method/Terms Department/Location
08/31/2018 773 08/31/2018 SEWER COLLECTION

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Please be advised that the following is the City of Sterling Heights' policy with regard to ordering:

1. Items shall not be shipped to the City of Sterling Heights unless Purchase Order Is received or an authorized Purchase Order Number is given over the phone. Items received without an authorized Purchase Order Number will be returned to the vendor at the vendor's expense.
2. Any changes/additions to this order must be approved by Purchasing.

Municipalities Are Exempt From All Sales Taxes and Federal Taxes.

**DUE TO THE DESIGN OF THE PARKING LOT, DELIVERIES MADE TO 40555 UTICA ROAD, 40111 DODGE PARK ROAD, 40255 DODGE PARK ROAD, AND 40333 DODGE PARK ROAD CANNOT ACCEPT SEMI-TRUCK DELIVERIES. NO LOADING DOCK AVAILABLE.**

Net 30 Days

Net Total Ext. Price $32,550.00

By Purchasing Manager

PURCHASING COPY
STE190
CITY OF STERLING HEIGHTS
PO BOX 8009
STERLING HEIGHT, MI 48311-8009

ACCEPTED BY:_____________________________________
COMPANY:_________________________________________
DATE:_____________________________________________
PO#:_____________________________________________

ATTENTION:
JOHN ORZEL 586-446-2445 jorzel@sterling-heights.net

WE ARE PLEASED TO PROPOSE THE FOLLOWING FOR YOUR CONSIDERATION:

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<td>(1) 1/2&quot; QUICK LINK</td>
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NET PRICE INCLUDING FREIGHT, BUT NO TAXES: --- $32,550.00 TOTAL

WE DO NOT INCLUDE:
INSTALLATION, SITE WORK, CONCRETE, ANCHOR BOLTS, PIPING, VALVES, COVER, STARTERS, CONTROLS, CONDUIT, WIRING, JUNCTION BOXES OR START-UP UNLESS LISTED ABOVE.

WE APPRECIATE THIS OPPORTUNITY TO QUOTE AND LOOK FORWARD TO BEING OF FUTURE SERVICE.

SINCERELY,
KEITH SIKAITIS / IRENE LITNER
KENNEDY INDUSTRIES INC

This quote is subject to and incorporates by reference Kennedy Industries, Inc.’s (“Kennedy”) Terms & Conditions and Customer Warranty available at www.kennedyind.com which will be provided by email upon written request. Kennedy reserves the right to changes the Terms & Conditions and Customer Warranty for future orders. By accepting this quote and/or issuing a purchase order relative to this quote, buyer expressly agrees to the provisions set forth in the Terms & Conditions and Customer Warranty posted on Kennedy’s website.

CREDIT CARD PAYMENTS ARE SUBJECT TO AN ADDITIONAL 3% CHARGE
NO TAXES OF ANY KIND ARE INCLUDED IN THIS PROPOSAL

P.O. Box 930079 Wixom, MI 48393 - 4925 Holtz Drive Wixom, MI 48393 - Phone: 248-684-1200 - Fax: 248-684-6011

www.KennedyInd.com
November 13, 2017

Tim Goudy  
Territory Manager  
Flygt Products  
14125 South Bridge Circle  
Charlotte, NC 28273

To whom it may concern:

Kennedy Industries, Inc. is Flygt’s exclusive authorized sales, maintenance repair and service distributor in Lower Michigan for Flygt products.

Contact information is as follows:

Kennedy Industries, Inc.  
4925 Holtz Drive  
Wixom, MI 48393  
248-684-1200 Phone / 248-684-6011 Fax  
Email: info@kennedyind.com Website: www.kennedyind.com

If you have any questions please feel free to contact me @ 513-250-6270.

Sincerely,

Tim Goudy  
Tim Goudy  
Territory Manager  
Flygt Products - A Xylem Brand

Office: 1.513.239.4409  Mobile: 1.513.250.6270  Email: Tim.Goudy@Xyleminc.com
Date: August 28, 2018

To: Jared Beaudoin, Purchasing Manager

From: Erik Skurda, Operations Manager

Subject: Emergency Purchase of Moravian Pointe Retention Pond Pump

Moravian Pointe retention basin is located east of Schoenherr, south of 15 Mile and accepts storm water from over half the homes located within section 36 of the City. During periods of heavy rainfall the two pumps located at this site operate constantly to remove storm water in the basin to a 60" main line that runs under 15 Mile and outlets into the Red Run Drain.

During a routine inspection, Public Works staff noticed that the retention basin was holding a larger than normal volume of water. Upon further inspection staff identified the inoperable pump within the pump housing. The site, designed for two pumps, is currently operating on one pump increasing the chances of failure. If failure occurs potential flooding can result and extensive damages to the communities residents within the surrounding area.

The sole source provider, Kennedy Industries, has submitted a quote of $32,550.00 for a new pump that will restore Moravian Point to its designed operating capacity. Kennedy industries is the authorized sales, maintenance, and service distributor in Lower Michigan for this style of pump.

The Department of Public Works is requesting the approval to proceed with the purchase of a new pump immediately as a delay in the process could result in flooded roadways and basements for the surrounding residents.

Approved: Mark D. Vanderpool, City Manager
AGENDA STATEMENT

Item Title: To receive a report from the Purchasing Manager pursuant to City Code §2-221(B) regarding the emergency purchase of a pump for the Viceroy Sewage Lift Station situated east of Dequindre Road, North of 14 Mile Road, Section 31 (Total expense of $15,765).

Submitted By: Office of Purchasing

Contact Person/Telephone: Jared Beaudoin, Purchasing and Facilities Maintenance Manager - 586.446.2392

Administration Approvals:
- MR City Clerk
- JV Finance & Budget Director
- MK City Attorney
- MV City Manager

Executive Summary

City Code §2-221(B) requires that the Purchasing Manager file a report with the City Council regarding the circumstances giving rise to an emergency purchase.

On January 10th, 2019, personnel from the Department of Public Works received an alarm notification that one of the three primary pumps at the Viceroy Sewage Lift Station, situated in Section 31, had malfunctioned. These three pumps, two primary and one back-up, "lift" wastewater to an elevation where it flows into the sanitary sewer interceptor where it flows by gravity to the treatment facilities. Further investigation by DPW personnel revealed that one of the two large primary Flygt pumps was inoperable. Although the back-up pump was operational, there was an immediate need to have the inoperable pump repaired or replaced in order to reduce the risk of a sanitary sewer back-up in the homes and businesses in Section 31.

Following an evaluation, it was determined that repair of the previously reconditioned and now inoperable pump was not cost effective given its age. Rather, a quote was requested and received in the amount of $15,765 from Kennedy Industries for a 6" Flygt 10 HP, 230 V three-phase submersible pump. Kennedy Industries, Inc. is Flygt's authorized distributor of all Flygt products and services in Lower Michigan. After reviewing the quote, the decision was made to purchase and install the new replacement pump on an emergency basis at an estimated cost of $15,765.

Kennedy Industries delivered the pump and DPW staff completed installation on March 27, 2019.

With the new replacement pump installed and operational, the Viceroy Sewage Lift Station is operating at peak performance. Please see the attached departmental correspondence and supporting documentation for additional information.
The total cost for the emergency purchase from Kennedy Industries, Inc. is $15,765 and will be charged against account 59958558 (Sewer Collection) 982000 (Machinery and Equipment).

**Suggested Action:**

Resolved, to receive the report of the Purchasing Manager pursuant to City Code §2-221(B) regarding the emergency purchase of a 6” Flygt 10 HP, 230 V three-phase submersible pump from Kennedy Industries, Inc. 4925 Holtz Drive, PO Box 930079, Wixom, MI  48393, in the amount of $15,765.
Interoffice Memorandum

Date: April 15, 2019

To: Jared Beaudoin, Purchasing Manager

From: Erik Skurda, Operations Manager

Subject: Emergency Purchase Follow up - Viceroy Lift Station Sewage Pump

Viceroy Sewage Lift Station is located on the south end of the City and is tasked with lifting on average 100,000 gallons of sewage every day. In order to maintain this flow, three pumps are located within the lift station, two primary and one backup. During periods of heavy flow, the two primary pumps operate constantly to force sewage to a height where it can then be safely gravity fed to the Oakland-Macomb Interceptor Drain (OMID) that ultimately takes the sewage to the waste treatment facility.

On January 10, 2019 Department of Public Works staff was notified via an alarm that one of the primary sewage pumps had become inoperable. DPW staff immediately removed the faulty Flygt pump and transported it to Kennedy industries, the sole supplier of Flygt pumps, parts, and service, to obtain a detailed quote for repair or replacement. Upon inspection from Kennedy industries, pump repairs would exceed the cost of new replacement. The $15,765 estimate for replacement was then submitted and approved on January 15, 2019 to mitigate any timing issues that could leave the City subject to sewage back-ups caused by an inoperable primary lift pump.

During the down time of this primary pump, DPW staff closely monitored levels and performance of the remaining pumps located within the lift station. No back-ups were reported due to the conditions caused from being short one pump. After receiving the new primary pump, installation was completed on March 27, 2019. DPW sewer division personnel also cleaned the sewage lift station and installed the new pump without causing any disruptions to service. Viceroy sewage lift station is now operating at peak capacity and is restored to proper pumping conditions.

The cost of this unbudgeted expenditure in the amount of $15,765 has been charged to the Sewer Collection Capital Machinery and Equipment account (59958558-982000).
INVOICE

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REMIT TO:
KENNEDY INDUSTRIES, INC.
P.O. BOX 930079
WIXOM, MI 48393

TO:
CITY OF STERLING HEIGHTS
PO BOX 8009
STERLING HEIGHT, MI 48311-8009

ATTENTION:
JON ORZEL 586-446-2445
jorzel@sterling-heights.net

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FLYGT, PUMP, NON-CLOG, NP438-4 10/460/3, 50' FM FLS FV

RECEIVED

JAN 3 1 2019

FINANCE DEPARTMENT

This Invoice is subject to and incorporates by reference Kennedy Industries, Inc.'s ("Kennedy") Terms & Conditions and Customer Warranty available at www.KennedyInd.com which will be provided by email upon written request. Buyer expressly agrees to the provisions set forth in the Terms & Conditions and Customer Warranty posted on Kennedy's website.

*TERMS OF PAYMENT ARE NET 30 DAYS FROM DATE OF INVOICE
*A 7% PER ANNUM SERVICE CHARGE SHALL BE APPLIED TO ANY BALANCE
*CREDIT CARD PAYMENTS ARE SUBJECT TO AN ADDITIONAL 3% CHARGE

SUBTOTAL: $15,765.00
TAX: $0.00
TOTAL: $15,765.00

www.KennedyInd.com
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2. Any changes/additions to this order must be approved by Purchasing.

Municipalities Are Exempt From All Sales Taxes and Federal Taxes.

Net 30 Days

By ___________________________ Purchasing Manager

PURCHASING COPY

Total Ext. Price $15,765.00

PO Total $15,765.00
WE ARE PLEASED TO PROPOSE THE FOLLOWING FOR YOUR CONSIDERATION:

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NET PRICE INCLUDING FREIGHT, BUT NO TAXES: $15,765.00

DELIVERY: 8-10 WEEKS (AFTER RECEIPT OF ORDER)

WE DO NOT INCLUDE:
INSTALLATION, CONCRETE, OR SITE WORK, ANCHOR BOLTS, PIPING, VALVES, COVER, CONDUIT, WIRING, JUNCTION BOXES, PADLOCKS OR KEYS, START-UP UNLESS LISTED ABOVE

WE APPRECIATE THIS OPPORTUNITY TO QUOTE AND LOOK FORWARD TO BEING OF FUTURE SERVICE.

SINCERELY,

MIKE HORN
MHORN@KENNEDY.COM
REPAIR CENTER MANAGER

NO TAXES OF ANY KIND ARE INCLUDED IN THIS PROPOSAL

TOTAL: $15,765.00
November 13, 2017

Tim Goudy  
Territory Manager  
Flygt Products  
14125 South Bridge Circle  
Charlotte, NC 28273  

To whom it may concern:  

Kennedy Industries, Inc. is Flygt's exclusive authorized sales, maintenance repair and service distributor in Lower Michigan for Flygt products.  

Contact information is as follows:  

Kennedy Industries, Inc.  
4925 Holtz Drive  
Wixom, MI 48393  

248-684-1200 Phone / 248-684-6011 Fax  
Email: info@kennedyind.com Website: www.kennedyind.com  

If you have any questions please feel free to contact me @ 513-250-6270.  

Sincerely,  

Tim Goudy  
Territory Manager  
Flygt Products - A Xylem Brand
Date: January 15, 2019

To: Jared Beaudoin, Purchasing Manager

From: Erik Skurda, Operations Manager

Subject: Emergency Purchase of Viceroy Lift Station Sewage Pump

Viceroy Sewage Lift Station is located on the South end of the City and is tasked with lifting on average 100,000 gallons of sewage every day. In order to maintain this flow three pumps are located within the lift station, two primary and one backup. During periods of heavy flow the two primary pumps located at this site operate constantly to force sewage to a height where it can then be safely gravity fed to the interceptor that ultimately takes the sewage to the waste treatment facility.

Public Works staff was notified via an alarm at the station that sends a signal when the back-up pump is operating. Upon further inspection staff identified the inoperable primary pump. Disassembly and diagnosis has deemed this pump to be non-repairable. The site, designed for three pumps, is currently operating on one primary pump and one back-up increasing the chances of failure. If failure occurs sewage back-up can result and extensive damages to the surrounding properties.

The sole source provider, Kennedy Industries, has submitted a quote of $15,765.00 for a new pump that will restore Viceroy Sewage Lift Station to its designed operating capacity. Kennedy Industries is the authorized sales, maintenance, and service distributor in Lower Michigan for this style of pump.

The Department of Public Works is requesting the approval to proceed with the purchase of a new pump immediately as a delay in the process could result in sewage overflow in local homes and businesses.

Approved:

Mark D. Vanderpool, City Manager
AGENDA STATEMENT

Item Title: To purchase voting booths for use at City election precincts (Total cost of $53,364).

Submitted By: Office of Purchasing

Contact Person/Telephone: Jared Beaudoin, Purchasing and Facilities Maintenance Manager - 586.446.2392

Administration Approvals: MR City Clerk JV Finance & Budget Director MK City Attorney MV City Manager

Executive Summary

Voting booths are an essential component for protecting the privacy of a citizen during the voting process. Voting booths are installed at each of the City's 45 precincts on Election Day and provide privacy to a citizen completing a ballot. The City Clerk's current inventory of 460 suitcase-style voting booths is more than 25 years old and is in need of immediate replacement. The majority of these voting booths in use were designed for the old punch card voter ballot no longer in use.

The City Clerk is recommending the purchase of 550 ReadyVote voting booths for placement at all 45 City precincts on election days. The recommended booth is all metal and requires no assembly. The ReadyVote booth comes with wheels for easy transport, nest together for efficient storage, and are easily moved by election workers into different configurations in the precinct. Importantly, they have an ergonomic design and can handle the larger 20 inch ballots. The ReadyVote booths are Help America Vote Act (HAVA)-approved and 90 of the 550 new voting booths will be ADA compliant. The City field tested the proposed voting booths at the 2016 Presidential Election with very positive voter responses.

The total cost to purchase 550 new voting booths, including shipping, is $147,650. However the manufacturer has a supply of lightly used refurbished voting booths available at a total delivered cost of $53,364.20, a savings of 64% when compared to the cost of purchasing new ReadyVote booths. The refurbished booths were used in West Virginia for three elections, come fully inspected, and will include installation of a City provided Sterling Heights logo imprint on the side. The ReadyVote booths provide an improvement over the current inventory of aging voting booths, require less staff time, streamline election inspector set-up and take-down time in the precinct, provide years of no maintenance use and enhance the voting experience of the public.

The City Clerk had originally proposed funding the purchase of new voting booths over a 3-year period. The substantial savings of $94,285 (64% discount) will be realized by purchasing all 550 voting booths at this time.
City Administration is recommending City Council authorize the sole source purchase of 550 ReadyVote voting booths from C.R. Daniels, Inc., 3451 Ellicott Center Drive, Ellicott City, MD 21043, at a cumulative cost of $53,364.20.

Funding for the purchase of voting booths in the amount of $32,000 was included in the 2018/19 City Clerk budget. A budget amendment of $21,364.20 is required to complete this purchase. The City will attempt to sell the current inventory of 460 booths to help offset the budget amendment required to fund this purchase.

Please see the attached staff report, purchase recommendation from City Clerk Melanie Ryska and supporting documentation for additional information.

**Suggested Action:**

Resolved, to:

a) Purchase 550 ReadyVote voting booths from C.R. Daniels, Inc., 3451 Ellicott Center Drive, Ellicott City, MD 21043, at a cumulative cost of $53,364.20; and,

b) Authorize a budget amendment of $21,364.20 from General Fund Reserves
GENERAL INFORMATION:
The City Clerk is requesting approval to purchase 550 refurbished ReadyVote voting booths. This is a sole source purchase as the lightly used voting booths are only available from the manufacturer C.R. Daniels, Inc.

Funding for the acquisition of the voting booths in the amount of $32,000 was included in the Fiscal Year 2018/2019 budget, account 43717216 (Capital Projects Fund – Capital Outlay) 982000 (Machinery & Equipment). A budget amendment of $21,364.20 is required from General Fund Reserves to fund the balance of the purchase.

STAFF ANALYSIS AND FINDINGS:
The current suitcase-style voting booths in use by the City have reached the end of their useful life. Use of the existing inventory of voting booths is labor intensive, requiring pre-election inspection, unboxing, opening and closing, checking for damage or missing parts, salvaging replacement parts, if available, and re-boxing. The storage boxes holding 4 booths are heavy and cumbersome to move from storage to the precincts and back to storage. In the precinct, election inspectors for every election must physically move, unbox, assemble, disassemble and re-box the booths. The current booths were designed for a shorter punch card ballot and are not suitable for the longer optically scanned ballots that can reach 20 inches in length.

The ReadyVote voting booth is manufactured by C.R. Daniels, Inc. This vendor has available a limited supply of 550 lightly used ReadyVote booths at a 64% discount, when compared to the cost of purchasing new ReadyVote booths. Comparison pricing is as follows:

<table>
<thead>
<tr>
<th></th>
<th>New</th>
<th>Refurbished</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost per</td>
<td>Quantity</td>
</tr>
<tr>
<td>ReadyVote Model 9C</td>
<td>$259.00</td>
<td>460</td>
</tr>
<tr>
<td>ADA ReadyVote 9D</td>
<td>$289.00</td>
<td>90</td>
</tr>
<tr>
<td>Freight</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>550</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Cost per</th>
<th>Quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ReadyVote Model 9C</td>
<td>$98.78</td>
<td>460</td>
<td>$45,438.80</td>
</tr>
<tr>
<td>ADA ReadyVote 9D</td>
<td>$88.06</td>
<td>90</td>
<td>7,925.40</td>
</tr>
<tr>
<td>Freight</td>
<td></td>
<td></td>
<td>Included</td>
</tr>
<tr>
<td></td>
<td></td>
<td>550</td>
<td>$53,364.20</td>
</tr>
</tbody>
</table>

Savings $94,285.80 64%

The ReadyVote both is an all-steel, welded voting booth that requires no assembly or maintenance. Lockable wheels provide easy movement with no lifting involved and secure placement in the precinct. The table surface will accommodate longer 20 inch ballots. It is well built, adaptable to different configurations and offers excellent voter convenience and privacy. The booths nest for convenient storage and can be wheeled around in groups, with no lifting
required. The City election field tested the same ReadyVote booth with excellent results.

City Code §2-217(A) states “Competitive bids shall not be required with respect to the following purchases otherwise required by law:

(5) Sole source supplies and services.”

The requested purchase of 550 refurbished ReadyVote voting booths is only available from C.R. Daniels, Inc.

The City Clerk had originally proposed funding the purchase of 550 new voting booths over a 3-year period. The substantial savings of $94,285 (64% discount) will be realized by purchasing all 550 voting booths at this time.

**STAFF RECOMMENDATION:**
Please see Suggested Action on the accompanying Agenda Statement.
Notification list:
C.R. Daniels, Inc.
3451 Ellicott Center Drive
Ellicott City, MD 21043
Gary V. Abel, President & CEO
gvabel@crdaniels.com
The City has approximately 460 voting booths to accommodate its 45 precincts in 32 locations. A majority of the voting booths are more than 25 years old and most of them are already maintained to their potential and can no longer be repaired. Election Inspectors routinely express concern about the stability of our current booths. Not only are the booths cumbersome to assemble and disassemble, the legs easily fall off when the booths are moved; they are not very stable. Some are simply an accident waiting to happen, should a voter lean too much.

The initial goal of the Clerk’s Office was to replace 405 of the current 460 booths over three fiscal years, keeping a number of current booths, in the best condition, as back-ups for larger elections. The proposed replacement option is the ReadyVote Booth that requires no assembly and minimal maintenance. These steel booths are stable and on wheels, making precinct setup almost effortless. The versatility of the ReadyVote Booths will also allow for more efficient use of space in our smaller precincts.

The cost of ReadyVote Booths is $259 for regular booth and $289 for ADA compliant booths. The current budget allows for the purchase of approximately 120 booths, including freight. The Clerk’s Office was able to secure a vendor commitment to sell refurbished booths at a fraction of the cost. C.R. Daniels, Inc. is a diversified manufacturer with expertise in textile, plastic, and metal fabrication, including election products. In fact, the President & CEO, Gary Abel is one of the inventors of the ReadyVote Booth.

C.R. Daniels, Inc. has over 600 ReadyVote Booths that were used for three elections in Kanawha County, West Virginia. Kanawha County opted to use all ExpressVote machines at their precincts eliminating the need for standard booths. The attached picture show that the booths are in excellent condition and C.R. Daniels is offering to sell the booths at a discounted price. Additionally, the vendor will place the supplied City logo on each booth at no extra
At the refurbished price, the City can purchase the 550 booths at a 64% savings as outlined on the attached quote from C.R. Daniels, Inc.

The Clerk’s Office is proposing the purchase of 460 ReadyVote 9C booths and 90 ReadyVote 9D ADA booths for a total of $53,365.40, a 64% savings than if purchased new.

Replacing all booths will enhance uniformity throughout all precincts. The old booths will be sold to offset the cost of the new booths.

Election booths is a budgeted item in the City Clerk’s FY 2018-19 capital fund account 43717216 982000 in the amount of $32,000. A budget amendment of $21,365.40 would be necessary for the complete this purchase.

Attachment: C.R Daniels New and Refurbished pricing
April 24, 2019

Sterling Heights – Elections
City of Sterling Heights
Sterling Heights MI 48311-8009

Below and attached please find, for your favorable consideration, our proposal to provide our patented Dandux ReadyVote Voting booth. I’ve attached for reference a product information sheet as well as our current price list.

<table>
<thead>
<tr>
<th>NEW</th>
<th>Qty</th>
<th>List Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V09CB ReadyVote 9C nesting voting booth</td>
<td>460</td>
<td>$259</td>
</tr>
<tr>
<td>41V09DB ReadyVote ADA 9D nesting voting booth</td>
<td>90</td>
<td>$289</td>
</tr>
<tr>
<td>Freight (on above qty of booths)</td>
<td></td>
<td>$2,500</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$147,650.00</td>
</tr>
</tbody>
</table>

As an alternative to new booths, we have available a limited quantity of used refurbished booths.

<table>
<thead>
<tr>
<th>REFURBISHED</th>
<th>Qty</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>41V09CB ReadyVote 9C nesting voting booth</td>
<td>460</td>
<td>$98.78</td>
</tr>
<tr>
<td>41V09DB ReadyVote ADA 9D nesting voting booth</td>
<td>90</td>
<td>$88.06</td>
</tr>
<tr>
<td>Freight (on above qty of booths)</td>
<td></td>
<td>included</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$53,364.20</td>
</tr>
</tbody>
</table>

All pricing includes us installing customer supplied logo stickers, two per booth. Please allow two to three weeks for us to install. Freight is included from our Ellicott City, Maryland manufacturing facility to one location in Sterling Heights, Michigan in dedicated trailer loads. You will need to provide a loading dock and / or labor to unload.
Quantities of refurbished booths are subject to prior sale but as agreed, we will hold the offered quantities for you until May 15th.

We hope our proposal meets with your approval. If you have any questions, please let us know.

C.R. Daniels, Inc

Gary V. Abel
President & CEO
C.R. Daniels Inc
PRODUCT INFORMATION

Dimensions: 28" x 21" x 60"

Finish: Puritan Gray, other custom colors available with large quantity orders

Ergonomic Design: Sloped writing surface with smooth waterfall front edge. Designed to handle a 20" ballot on both landscape and portrait orientations.

Ease of Use
Forget everything you know about voting booth set-up: the time, the cost, the frustration. ReadyVote is proud to introduce the patented ReadyVote Voting Booth — the ultimate in durability, convenience and affordability.

The Convenience of ReadyVote Saves You Time & Money
Made right here in America, this unique booth is the easiest to set up because no set-up is required. Thanks to innovations such as its built-in wheels and nesting design, the ReadyVote requires no lifting or carrying, saving you time and energy. And the innovative nesting features of ReadyVote, developed by Casto & Harris, offer a compact and space-saving solution that is without equal in the industry today.

Sturdy Construction & Maintenance Free
Talk about durability. With its large, sturdy surface and privacy for voting, the ReadyVote is built to last. Its steel construction and design elements eliminate the need for routine maintenance or parts replacement.

Your All-Around Ideal Voting Booth Solution
When you consider all of the above, and the fact that ReadyVote is HAVA approved and ADA compliant, you’ve never had an easier purchasing decision to make when it comes to voting booths.

*Portable Modular Voting Booth (ReadyVote) covered by one or more of the following patents, other patents pending: D616,217 • D603,184 • D603,483 • D603,621
### Tired of Repetitive Lifting & Moving?

ReadyVote saves you time, energy and money. It requires no lifting or carrying to store or use on Election Day. Unmatched in durability, quality, versatility and convenience, the ReadyVote is the last voting booth you'll ever need to purchase.

#### The ReadyVote Solution

<table>
<thead>
<tr>
<th><strong>Suitcase-Style Voting Booths</strong></th>
<th><strong>ReadyVote</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Repeated lifting and carrying</td>
<td>No lifting or carrying</td>
</tr>
<tr>
<td>Prone to breakage</td>
<td>Durable</td>
</tr>
<tr>
<td>Difficult and time-consuming set-up</td>
<td>Can deploy 10 booths in one minute</td>
</tr>
<tr>
<td>Requires ongoing maintenance</td>
<td>No need for replacement parts or other maintenance costs</td>
</tr>
<tr>
<td>Large storage space required</td>
<td>Reduced storage space requirements; store 600 ReadyVote booths in a 4' by 100' area</td>
</tr>
<tr>
<td>No options</td>
<td>Brake casters, color and identification decals among available ReadyVote options</td>
</tr>
<tr>
<td>Unstable design</td>
<td>Sturdy, ergonomic design</td>
</tr>
<tr>
<td>Accommodates 20&quot; landscape ballot</td>
<td>Accommodates 20&quot; landscape and portrait ballots</td>
</tr>
<tr>
<td>Limited voting configurations</td>
<td>Multiple configuration options (see graphics below)</td>
</tr>
</tbody>
</table>

![Nesting](image1.png)  ![Staggered](image2.png)  ![Circular](image3.png)  ![In-Line](image4.png)
## VOTING BOOTHS

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V09CB</td>
<td>ReadyVote 9C - 4 brake casters</td>
<td>$259.00</td>
</tr>
<tr>
<td>41V09DB</td>
<td>ADA ReadyVote 9D - 4 brake casters</td>
<td>$289.00</td>
</tr>
<tr>
<td>41V09EB</td>
<td>Side Access ADA 9E -</td>
<td>$254.00</td>
</tr>
<tr>
<td>41V14CB</td>
<td>ReadyVote 14C</td>
<td>$234.00</td>
</tr>
<tr>
<td>41V140D</td>
<td>ReadyVote 14D ADA Frontal Access</td>
<td>$271.00</td>
</tr>
<tr>
<td>41V140E</td>
<td>ReadyVote 14E ADA Side access</td>
<td>$232.00</td>
</tr>
</tbody>
</table>

## QUAD EXPRESS CART

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V1404-EV</td>
<td>Quad Express Cart (base) includes 4 ea ExpressVote Brackets</td>
<td>$1,600.00</td>
</tr>
</tbody>
</table>

### Options for Quad Express Cart

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V1404-EV-A-FLS</td>
<td>Lower Folding Storage - Quad Express</td>
<td>$300.00</td>
</tr>
<tr>
<td>41V1404-EV-A-LPP</td>
<td>Lower Plastic Panels - Quad Express</td>
<td>$225.00</td>
</tr>
<tr>
<td>41V1404-EV-A-PF</td>
<td>Privacy Frame Set (curtains NOT included) 4 ea suggested</td>
<td>$75.00</td>
</tr>
<tr>
<td>17V1404-EV-A-PC</td>
<td>Privacy Curtain Set (two curtains per set) 4 ea suggested</td>
<td>$45.00</td>
</tr>
<tr>
<td>17V1404</td>
<td>Cover - Quad Express / Express Storage</td>
<td>$190.00</td>
</tr>
<tr>
<td>51CA020-652B</td>
<td>Brake Caster Upgrade - threadlock brakes all four casters</td>
<td>$55.00</td>
</tr>
</tbody>
</table>

## DUEL EXPRESS CART

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V1402-EV</td>
<td>Duel Express Cart (base) includes 2 ExpressVote Brackets</td>
<td>$1,125.00</td>
</tr>
</tbody>
</table>

### Options for Duel Express Cart

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V1402-EV-A-FLS</td>
<td>Lower Folding Storage - Duel Express</td>
<td>$275.00</td>
</tr>
<tr>
<td>41V1402-EV-A-LPP</td>
<td>Lower Plastic Panels - Duel Express</td>
<td>$190.00</td>
</tr>
<tr>
<td>41V1402-EV-A-PF</td>
<td>Privacy Frame Set (curtains NOT included) 2 ea suggested</td>
<td>$75.00</td>
</tr>
<tr>
<td>17V1404-EV-A-PC</td>
<td>Privacy Curtain Set (two curtains per set) 2 ea suggested</td>
<td>$45.00</td>
</tr>
<tr>
<td>17V1402</td>
<td>Cover - Duel ExpressCart</td>
<td>$180.00</td>
</tr>
<tr>
<td>51CA020-652B</td>
<td>Brake Caster Upgrade - threadlock brakes all four casters</td>
<td>$55.00</td>
</tr>
</tbody>
</table>

## MINI EXPRESS CART

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V1502-EV</td>
<td>MiniExpress Cart (base) includes 2 ExpressVote Brackets</td>
<td>$1,125.00</td>
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</table>

### Options for Duel Express Cart

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V1502-EV-A-FLS</td>
<td>Lower Folding Storage - Mini Express</td>
<td>$250.00</td>
</tr>
<tr>
<td>41V1502-EV-A-LPP</td>
<td>Lower Plastic Panels - Quad Express</td>
<td>$190.00</td>
</tr>
<tr>
<td>411201-A-TS</td>
<td>Top Shelves (2 included)</td>
<td>$300.00</td>
</tr>
<tr>
<td>41V0041-EV</td>
<td>Express Vote Bracket (ea - 2 max / requires shelf option)</td>
<td>$175.00</td>
</tr>
<tr>
<td>17V1502</td>
<td>Cover - MiniExpress Cart</td>
<td>$180.00</td>
</tr>
<tr>
<td>51CA020-652B</td>
<td>Brake Caster Upgrade - threadlock brakes all four casters</td>
<td>$55.00</td>
</tr>
</tbody>
</table>

## BALLOT BOX CART

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V1201-DS200</td>
<td>Ballot Box Single Transport Cart (base)</td>
<td>$1,100.00</td>
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</table>

### Options for Ballot Box carts

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V900A-01</td>
<td>QuickSet Privacy Curtain Assembly (Ballot Box)</td>
<td>$325.00</td>
</tr>
<tr>
<td>411201-A-TS</td>
<td>Top Shelves (2 included)</td>
<td>$300.00</td>
</tr>
<tr>
<td>17V1201</td>
<td>Cover - Ballot Box Transport Cart</td>
<td>$180.00</td>
</tr>
<tr>
<td>51CA020-652B</td>
<td>Brake Caster Upgrade - threadlock brakes all four casters</td>
<td>$55.00</td>
</tr>
<tr>
<td>AutoCart</td>
<td>Description</td>
<td>Price</td>
</tr>
<tr>
<td>------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>41V800-DS200</td>
<td>AutoCart ES&amp;S DS200</td>
<td>$1,450.00</td>
</tr>
<tr>
<td>41V814-EVDS</td>
<td>AutoCart ESS DS200 w ExpressVote Bracket</td>
<td>$1,625.00</td>
</tr>
<tr>
<td>41V800-M100</td>
<td>AutoCart ESS M100</td>
<td>$1,425.00</td>
</tr>
<tr>
<td>41V800-OS</td>
<td>AutoCart - OS Ballot Box</td>
<td>$1,480.00</td>
</tr>
<tr>
<td>41V800-S</td>
<td>AutoCart - Sequoia Optech</td>
<td>$1,530.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Options for AutoCarts</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>17V800</td>
<td>AutoCart Cover (M100 / DS 200 / OS)</td>
<td>$190.00</td>
</tr>
<tr>
<td>17V800-S</td>
<td>Cover - AutoCart Sequoia Optech</td>
<td>$220.00</td>
</tr>
<tr>
<td>41V800A-01</td>
<td>QuickSet Privacy Curtain Assembly (STD)</td>
<td>$325.00</td>
</tr>
<tr>
<td>41V800A-02</td>
<td>QuickSet Privacy Curtain Assembly (ADA)</td>
<td>$360.00</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Precinct Storage and Transport Carts</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V3072</td>
<td>Precinct Storage and Transport Cart</td>
<td>$2,700.00</td>
</tr>
<tr>
<td>41V3072-OVO</td>
<td>Precinct Storage and Transport Cart</td>
<td>$2,850.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Options for Precinct Carts</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>17V3072</td>
<td>Cover - Precinct Cart</td>
<td>$300.00</td>
</tr>
<tr>
<td></td>
<td>Sliding Shelves</td>
<td>$275.00</td>
</tr>
<tr>
<td></td>
<td>Fixed Shelves</td>
<td>$75.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rack N Roll Carts</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V200E05</td>
<td>R-05 5 Unit Rak N Roll</td>
<td>$620.00</td>
</tr>
<tr>
<td>41V200E10</td>
<td>R-10 10 Unit Rack N Roll</td>
<td>$1,030.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Options for Rack N Roll</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>17V200E05</td>
<td>Cover R-5 5 Unit Rak N Roll</td>
<td>$160.00</td>
</tr>
<tr>
<td>17V200E10</td>
<td>Cover R-10 10 Unit Rak N Roll</td>
<td>$195.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Misc. ReadyVote Carts &amp; Accessories</th>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>41V1404-S</td>
<td>Express Storage Cart</td>
<td>$1,100.00</td>
</tr>
<tr>
<td>41V900</td>
<td>Ballot on Demand Printer Cart (base)</td>
<td>$1,030.00</td>
</tr>
<tr>
<td>41V1030</td>
<td>Ballot Cart</td>
<td>$2,850.00</td>
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<tr>
<td>41V1221-DS200</td>
<td>Ballot Box Duel Transport Cart (base)</td>
<td>$2,150.00</td>
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<tr>
<td>41V1202-M100M</td>
<td>AutoCart II - M100 Modified (base)</td>
<td>$2,650.00</td>
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<tr>
<td>41V1202-DC</td>
<td>AutoCart II - Duel IVO</td>
<td>$2,880.00</td>
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<tr>
<td>41V830-C</td>
<td>Dandux SOLO Cart - Model - C</td>
<td>$2,450.00</td>
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<tr>
<td>17V0121-DS200</td>
<td>Cover - ESS DS200</td>
<td>$180.00</td>
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<tr>
<td>17V900</td>
<td>Cover - BOD Printer Cart</td>
<td>$180.00</td>
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<tr>
<td>41V09-L1</td>
<td>Ready Vote Light</td>
<td>$38.00</td>
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<tr>
<td></td>
<td>Ready Vote County Decals / Flag / Pocket</td>
<td>$36.00</td>
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<td></td>
<td>IVO Bracket (Auto Cart / Auto Cart II)</td>
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<td></td>
<td>Express Vote Bracket</td>
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<tr>
<td></td>
<td>Storage Tote w/ lid</td>
<td>$66.00</td>
</tr>
</tbody>
</table>

www.crdaniels.com
410.461.2100
1.800.933.2638
Orders: Phone, email, fax or mail orders to corporate headquarters. Phone orders on which a confirmation is not received prior to shipment will be considered correct as shipped. Orders received via email, fax or mail NOT MARKED confirming will be processed as original orders. Changes to orders cannot be accepted once processed.

Phone: 410-461-2100 or 1-800-933-2638 between 8 am and 4:30 pm EST.
Email: custcare40 @ crdaniels.com
Fax: 410-461-2987
Mail: C.R.Daniels Inc. / 3451 Ellicott Center Drive / Ellicott City MD 21043

Terms: Terms are Net 30 with finance charges incurred on any past due balance.

FOB Point: All items on this price list are FOB Factory - Ellicott City MD 21043 unless indicated.

Covers and Curtains are FOB Factory - Rutledge TN 37861

PRICE LIST This price list is for general information purposes only and replaces all previous issues. C.R.Daniels Inc reserves the right to make changes without notice in materials, equipment, models, colors, specifications, and prices. All dimensions and weights given are nominal. No fitness for intended use is implied. Neither manufacturer nor seller shall be liable for any injury, loss or damage direct or consequential, out of the misuse or inability to use the product.

Damaged Shipments All orders are shipped FOB shipping point. All orders are carefully inspected prior to shipment for quality, compliance to manufacturer's specifications and completeness of order. Shipments should be inspected UPON RECEIPT for damages or missing goods. Claims for visible or concealed damages or missing merchandise should be filed immediately directly with the carrier.

Return Shipments Certain items on this price list are NOT SUBJECT TO RETURN. DO NOT RETURN GOODS without an authorization. Return goods without an authorization WILL NOT BE ACCEPTED from the transportation companies. C.R.Daniels will not be responsible for any resulting charges for storage or redelivery. All returns must be unused, in original packaging and in resalable condition. All returns must be shipped prepaid and are subject to a 25% restocking charge (minimum $50)

Colors: Standard Product Color will be shipped unless an alternate is indicated.
Standard Color for metal fabricated items is Gray PowderCoated unless stated otherwise
 Covers are Gray with contrasting accents. Curtains are white. Red/ White / Blue optional
Optional colors available for all items

In addition to Dandux ReadyVote Election Product Line we offers a full line of Fabric, Poly and Metal material handling Products as well as multiple sizes of Dividable, Stackable, and nestable Tote boxes and trays. Local Sales Representative are available to help with your selection.

C.R.Daniels, Inc 3451 Ellicott Center Drive Ellicott City Maryland 21043
www.crdaniels.com 1-800-933-2638

ISO 9001:2015
AGENDA STATEMENT

Item Title: To approve final payment in the amount of $111,691.12, plus interest on retainage, for Dodge Park Road Resurfacing, 15 Mile Road to Metropolitan Parkway, City Project #18-304, and 15 Mile Road Resurfacing, Mustang Drive to Schoenherr Road, City Project #18-314.

Submitted By: Engineering

Contact Person/Telephone: Brent Bashaw, City Engineer - 586.446.2721

Administration Approvals: MR City Clerk   JV Finance & Budget Director   MK City Attorney   MV City Manager

Executive Summary

At the June 19, 2018 regular meeting, City Council awarded the bid for Dodge Park Road Resurfacing, 15 Mile Road to Metropolitan Parkway, City Project #18-304, and 15 Mile Road Resurfacing, Mustang Drive to Schoenherr Road, City Project #18-314, to Cadillac Asphalt, LLC, in the total amount of $2,173,349.62.

All of the foregoing work has been satisfactorily completed and the contractor has submitted the necessary Contractor's Declaration, Contractor's Affidavit, and Consent of Surety. Attached is the Final Estimate for the subject project. Recommendation is being made to approve final payment to Cadillac Asphalt, LLC in the amount of $111,691.12, plus interest on retainage, for Dodge Park Road Resurfacing, 15 Mile Road to Metropolitan Parkway, and 15 Mile Road Resurfacing, Mustang Drive to Schoenherr Road.

Suggested Action:

Resolved, to approve final payment to Cadillac Asphalt, LLC, 1785 Rawsonville Road, Belleville, MI 48111, in the amount of $111,691.12, plus interest on retainage, for Dodge Park Road Resurfacing, 15 Mile Road to Metropolitan Parkway, City Project #18-304, and 15 Mile Road Resurfacing, Mustang Drive to Schoenherr Road, City Project #18-314.
GENERAL INFORMATION: At the June 19, 2018 regular meeting, City Council awarded the bid for the subject City projects in the cumulative amount of $2,173,349.62. City Project #18-304 addressed the poor condition of Dodge Park Road from 15 Mile Road to Metropolitan Parkway through the milling, base repairs, and resurfacing with an asphalt overlay. City Project #18-314 addressed the poor condition of 15 Mile Road from Mustang Drive to Schoenherr Road through the milling of the existing concrete surface and resurfacing of the roadway with three inches of asphalt overlay. Base repairs were made as necessary prior to application of the new asphalt overlay for structural support.

TECHNICAL INFORMATION: The final contract price of $2,052,231.12 is less than the bid award amount of $2,173,349.62 by 5.6%.

STAFF ANALYSIS AND FINDINGS: All work has been successfully completed on the subject projects and the contractor has submitted the necessary Contractor's Declaration, Contractor's Affidavit, and Consent of Surety.

STAFF RECOMMENDATION: Please see the Suggested Action on the accompanying agenda statement.
NOTIFICATION LIST

Rodney Schleben
Cadillac Asphalt, LLC
1785 Rawsonville Road
Belleville, MI 48111
rschleben@mipmc.com
CITY OF STERLING HEIGHTS  
40555 Utica Road  
Sterling Heights, Michigan  
Phone (586) 446-2720

Progress Payment Certificate

PROJECT:  
Dodge Park Road Resurfacing, 15 Mile Road to Metro Parkway  
Fifteen Mile Road Resurfacing, Mustang to Schoenherr

City Project No. 18-304  
City Project No. 18-314

CONTRACTOR:  
Cadillac Asphalt, LLC  
1785 Rawsonville Rd  
Belleville, MI 48111

DATE: 04/15/19

Final Estimate  
PAY AMOUNT  
$111,691.12

Prepared By:  
Andrew Konkle, Civil Engineer II  
Date: 4/16/19

Approved By:  
Brent Bashaw, City Engineer  
Date: 4/18/19

Original Contract Price:  
$2,173,349.62

Final Contract Price:  
-

Percent Paid Including This Estimate:  
94%

Amount Earned to Date:  
$2,052,231.12

Amount Withheld:  
Subtotal:  
$2,052,231.12
Retain:  
Total:  
$2,052,231.12
Less Previous Payment:  
$1,940,540.00
Amount Due This Estimate:  
$111,691.12

Estimate #1  
$350,190.00

Estimate #2  
$533,610.00

Estimate #3  
$458,440.00

Estimate #4  
$598,300.00

Estimate #5  
$111,691.12

Estimate #6

Estimate #7

Estimate #8

Estimate #9

Estimate #10

Final Estimate

Total  
$2,052,231.12

TOTAL AMOUNT TO BE HELD IN RETAINAGE ACCOUNT  
$0
## Section I - Fifteen Mile Road Resurfacing (22700700-988314)

<table>
<thead>
<tr>
<th>ITEM/DESCRIPTION</th>
<th>CONTRACT QUANTITY</th>
<th>ACTUAL QUANTITY</th>
<th>UNIT PRICE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Pavement, Remove</td>
<td>5,485 SYD</td>
<td>5,811.1</td>
<td>11.80</td>
<td>68,570.98</td>
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<tr>
<td>2. MDOT HMA 2C</td>
<td>2,098 TON</td>
<td>2,927.78</td>
<td>89.00</td>
<td>260,572.42</td>
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<tr>
<td>3. MDOT HMA 36A (Hand Patching)</td>
<td>179 TON</td>
<td>28.4</td>
<td>120.00</td>
<td>3,408.00</td>
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<tr>
<td>4. Cold Mill Concrete Pavement, Variable Depth (1.5 inches to 3 inches)</td>
<td>21,174 SYD</td>
<td>21,418.4</td>
<td>3.05</td>
<td>65,326.12</td>
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<tr>
<td>5. Undercut &amp; Fill, 21AA Aggregate</td>
<td>500 CYD</td>
<td>95.9</td>
<td>55.50</td>
<td>5,322.45</td>
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<tr>
<td>6. Conc Pvnt Repair, Detail 7, Case I</td>
<td>12,000 FT</td>
<td>2,572.0</td>
<td>6.00</td>
<td>15,432.00</td>
</tr>
<tr>
<td>7. Conc Pvnt Repair, Detail 8, Case IV</td>
<td>1,000 FT</td>
<td>14.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>8. Bituminous Leveling Course Mix HMA 5E10, PG70-22, Max 20% RAP</td>
<td>1,835 TON</td>
<td>1,641.3</td>
<td>92.00</td>
<td>151,003.28</td>
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<tr>
<td>9. Bituminous Wearing Course Mix HMA 5E10, PG70-22, Max 20% RAP</td>
<td>1,835 TON</td>
<td>1,580.8</td>
<td>90.00</td>
<td>142,270.20</td>
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<tr>
<td>10. Reconstruct Drainage Structure</td>
<td>25 FT</td>
<td>2.0</td>
<td>240.00</td>
<td>480.00</td>
</tr>
<tr>
<td>11. Structure Frame, Adj.</td>
<td>10 EA</td>
<td>11.0</td>
<td>665.00</td>
<td>7,315.00</td>
</tr>
<tr>
<td>12. Inlet Filter</td>
<td>35 EA</td>
<td>100.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>13. Sawcut &amp; Seal Asphalt Joints, 5/8 inch deep x 1/2 inch wide</td>
<td>24,418 FT</td>
<td>24,548.0</td>
<td>1.37</td>
<td>33,630.76</td>
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<tr>
<td>14. Curb &amp; Gutter, Remove</td>
<td>248 FT</td>
<td>465.0</td>
<td>12.25</td>
<td>5,696.25</td>
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<tr>
<td>15. Curb &amp; Gutter, Conc, Det C2</td>
<td>2,355 FT</td>
<td>2,951.9</td>
<td>20.00</td>
<td>59,038.00</td>
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<tr>
<td>16. Curb &amp; Gutter, Conc, Det M</td>
<td>279 FT</td>
<td>440.6</td>
<td>24.00</td>
<td>10,574.40</td>
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<tr>
<td>17. Conc Pvnt, Nonreinf, 9 inch</td>
<td>476 SYD</td>
<td>499.1</td>
<td>63.00</td>
<td>31,443.30</td>
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<tr>
<td>18. Conc Pvnt, Nonreinf, 8 inch</td>
<td>120 SYD</td>
<td>112.1</td>
<td>54.00</td>
<td>6,053.40</td>
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<tr>
<td>19. Conc Pvnt, Nonreinf, 6 inch</td>
<td>25 SYD</td>
<td>50.00</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>20. Remove Concrete Sidewalk</td>
<td>200 SFT</td>
<td>35.4</td>
<td>4.90</td>
<td>173.46</td>
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<tr>
<td>21. 4 inch Concrete Sidewalk</td>
<td>100 SFT</td>
<td>285.1</td>
<td>5.00</td>
<td>1,425.50</td>
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<tr>
<td>22. 6 inch Concrete Sidewalk Ramp</td>
<td>100 SFT</td>
<td>100.1</td>
<td>7.00</td>
<td>700.70</td>
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</table>
## Final Estimate

**PROPOSAL**

Dodge Park Road Resurfacing, 15 Mile to Metro Parkway, City Project #18-304

15 Mile Road Resurfacing, Mustang to Schoenherr, City Project #18-314

<table>
<thead>
<tr>
<th>ITEM/DESCRIPTION</th>
<th>CONTRACT QUANTITY</th>
<th>ACTUAL QUANTITY</th>
<th>UNIT PRICE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>23. Detectable Warning Surface</td>
<td>24 FT</td>
<td>5.0</td>
<td>50.00</td>
<td>250.00</td>
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<tr>
<td>24. Adjust Monument</td>
<td>1 EA</td>
<td>365.00</td>
<td>0.00</td>
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<tr>
<td>25. Pavt Mrk, Thermopl, 6 inch, Crosswalk</td>
<td>297 FT</td>
<td>256.0</td>
<td>2.95</td>
<td>755.20</td>
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<tr>
<td>26. Pavt Mrk, Thermopl, 24 inch, Stop bar</td>
<td>113 FT</td>
<td>109.0</td>
<td>12.50</td>
<td>1,362.50</td>
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<tr>
<td>27. Pavt Mrkg, Polyurea, 4 inch, White</td>
<td>2,525 FT</td>
<td>548.0</td>
<td>0.78</td>
<td>427.44</td>
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<tr>
<td>28. Pavt Mrkg, Polyurea, 4 inch, Yellow</td>
<td>8,014 FT</td>
<td>5,921.0</td>
<td>0.78</td>
<td>4,618.38</td>
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<tr>
<td>29. Pavt Mrkg, Polyurea, Only</td>
<td>2 EA</td>
<td>4.0</td>
<td>185.00</td>
<td>740.00</td>
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<tr>
<td>30. Pavt Mrkg, Polyurea, Rt Turn Arrow Sym</td>
<td>1 EA</td>
<td>1.0</td>
<td>185.00</td>
<td>185.00</td>
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<tr>
<td>31. Pavt Mrkg, Polyurea, Lt Turn Arrow Sym</td>
<td>4 EA</td>
<td>4.0</td>
<td>185.00</td>
<td>740.00</td>
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<tr>
<td>32. Recessing Pavement Markings, Longit</td>
<td>10,541 FT</td>
<td>6,469.0</td>
<td>0.55</td>
<td>3,557.95</td>
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<tr>
<td>33. Recessing Pavement Markings, Transv</td>
<td>375 SFT</td>
<td>418.0</td>
<td>2.95</td>
<td>1,233.10</td>
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<tr>
<td>34. Sign, Type III, Rem</td>
<td>12 EA</td>
<td>25.00</td>
<td>0.00</td>
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<tr>
<td>35. Sign, Type IIIA</td>
<td>61 SFT</td>
<td>19.50</td>
<td>0.00</td>
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<tr>
<td>36. Post, Steel, 2 Pound</td>
<td>32 FT</td>
<td>10.00</td>
<td>0.00</td>
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<tr>
<td>37. Sign, Type B, Temp</td>
<td>534 SFT</td>
<td>534.0</td>
<td>4.00</td>
<td>2,136.00</td>
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<tr>
<td>38. Plastic Drum, High Intensity</td>
<td>355 EA</td>
<td>355.0</td>
<td>18.00</td>
<td>6,390.00</td>
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<tr>
<td>39. Barricade, Type III, High Intensity, Lighted</td>
<td>20 EA</td>
<td>20.0</td>
<td>75.00</td>
<td>1,500.00</td>
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<tr>
<td>40. Lighted Arrow, Type B</td>
<td>2 EA</td>
<td>2.0</td>
<td>450.00</td>
<td>900.00</td>
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<tr>
<td>41. Sign Cover</td>
<td>3 EA</td>
<td>25.00</td>
<td>0.00</td>
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<tr>
<td>42. Sign, Portable, Changeable Message</td>
<td>2 EA</td>
<td>2.0</td>
<td>3,000.00</td>
<td>6,000.00</td>
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<tr>
<td>43. Color Audio-Video Recording of Project Area</td>
<td>1 LS</td>
<td>1.0</td>
<td>1,300.00</td>
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<tr>
<td>44. Traffic Maintenance and Control</td>
<td>1 LS</td>
<td>1.0</td>
<td>58,000.00</td>
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<tr>
<td>45. Agency Permit (MCDR)</td>
<td>1 LS</td>
<td>1,000.00</td>
<td>0.00</td>
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<tr>
<td>46. Restoration - 3 inch Topsoil, Seed, Fertilizer &amp; Hydroseeding</td>
<td>785 SYD</td>
<td>4,472.5</td>
<td>6.80</td>
<td>30,413.00</td>
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<tr>
<td>47. Restoration - 3 inch Topsoil &amp; Sod</td>
<td>50 SYD</td>
<td>16.00</td>
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</table>
## ITEM/DESCRIPTION

<table>
<thead>
<tr>
<th>Item/Description</th>
<th>Contract Quantity</th>
<th>Actual Quantity</th>
<th>Unit Price</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>48. Sprinkler Repair, 3/4 inch Poly Pipe</td>
<td>100 FT</td>
<td>2.25</td>
<td>0.00</td>
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</tr>
<tr>
<td>49. Sprinkler Repair, 1 inch Poly Pipe</td>
<td>100 FT</td>
<td>1,033.0</td>
<td>2.35</td>
<td>2,427.55</td>
</tr>
<tr>
<td>50. Sprinkler Rotary Head</td>
<td>10 EA</td>
<td>65.00</td>
<td>0.00</td>
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</tr>
<tr>
<td>51. Sprinkler Spray Head</td>
<td>10 EA</td>
<td>37.0</td>
<td>60.00</td>
<td>2,220.00</td>
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<tr>
<td>52. EJIW 5105 Frame and Cover</td>
<td>12 EA</td>
<td>8.0</td>
<td>590.00</td>
<td>4,720.00</td>
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<tr>
<td>53. Major Road Sign</td>
<td>2 EA</td>
<td>500.00</td>
<td>0.00</td>
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</tr>
<tr>
<td>54. Digital Loop Detector</td>
<td>2 EA</td>
<td>1,750.00</td>
<td>0.00</td>
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</tbody>
</table>

**Subtotal - Section I** 998,312.34

### Section II - Dodge Park Resurfacing (22700700-988304)

<table>
<thead>
<tr>
<th>Item/Description</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Pavement, Remove</td>
<td>3,241 SYD</td>
<td>12.25</td>
<td>49,765.63</td>
</tr>
<tr>
<td>2. MDOT HMA 2C</td>
<td>825 TON</td>
<td>100.00</td>
<td>83,913.00</td>
</tr>
<tr>
<td>3. MDOT HMA 36A (Hand Patching)</td>
<td>129 TON</td>
<td>125.00</td>
<td>11,537.50</td>
</tr>
<tr>
<td>4. Cold Mill Concrete Pavement, Variable Depth</td>
<td>28,347 SYD</td>
<td>3.05</td>
<td>86,458.35</td>
</tr>
<tr>
<td>5. Undercut &amp; Fill, 21AA Aggregate</td>
<td>390 CYD</td>
<td>55.50</td>
<td>11,702.18</td>
</tr>
<tr>
<td>6. Conc Pnvt Repair, Detail 7, Case I</td>
<td>10,000 FT</td>
<td>6.25</td>
<td>31,481.25</td>
</tr>
<tr>
<td>7. Conc Pnvt Repair, Detail 8, Case IV</td>
<td>1,000 FT</td>
<td>11.00</td>
<td>0.00</td>
</tr>
<tr>
<td>8. Bituminous Leveling Course Mix HMA 5E10, PG64-28, Max 20% RAP</td>
<td>2,571 TON</td>
<td>88.00</td>
<td>196,838.40</td>
</tr>
<tr>
<td>9. Bituminous Wearing Course Mix HMA 5E10, PG64-28, Max 20% RAP</td>
<td>2,571 TON</td>
<td>89.00</td>
<td>200,000.80</td>
</tr>
<tr>
<td>10. Reconstruct Drainage Structure</td>
<td>22 FT</td>
<td>240.00</td>
<td>1,680.00</td>
</tr>
<tr>
<td>11. Structure Frame, Adj</td>
<td>1 EA</td>
<td>665.00</td>
<td>0.00</td>
</tr>
<tr>
<td>12. Inlet Filter</td>
<td>38 EA</td>
<td>100.00</td>
<td>0.00</td>
</tr>
<tr>
<td>13. Sawcut &amp; Seal Asphalt Joints, 5/8 Inch Deep x 1/2 Inch Wide</td>
<td>32,656 FT</td>
<td>1.49</td>
<td>30,579.27</td>
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<td>14. Curb &amp; Gutter, Remove</td>
<td>166 FT</td>
<td>14.25</td>
<td>2,801.55</td>
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</tbody>
</table>
## Final Estimate

**PROPOSAL**

Dodge Park Road Resurfacing, 15 Mile to Metro Parkway, City Project #18-304  
15 Mile Road Resurfacing, Mustang to Schoenherr, City Project #18-314

<table>
<thead>
<tr>
<th>ITEM/DESCRIPTION</th>
<th>CONTRACT QUANTITY</th>
<th>ACTUAL QUANTITY</th>
<th>UNIT PRICE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. 6&quot; Curb &amp; Gutter, Conc, Det F5</td>
<td>953 FT</td>
<td>686.0</td>
<td>23.00</td>
<td>15,778.00</td>
</tr>
<tr>
<td>16. Curb &amp; Gutter, Conc, Det M</td>
<td>102 FT</td>
<td>72.4</td>
<td>25.00</td>
<td>1,810.00</td>
</tr>
<tr>
<td>17. Conc Pvnt, Nonreinf, 9 Inch</td>
<td>1,418 SYD</td>
<td>2,280.5</td>
<td>63.00</td>
<td>143,671.50</td>
</tr>
<tr>
<td>18. Conc Pvnt, Nonreinf, 8 Inch</td>
<td>152 SYD</td>
<td>54.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>19. Conc Pvnt, Nonreinf, 6 Inch</td>
<td>25 SYD</td>
<td>35.5</td>
<td>50.00</td>
<td>1,775.00</td>
</tr>
<tr>
<td>20. Remove Concrete Sidewalk</td>
<td>2,752 SFT</td>
<td>4,158.4</td>
<td>1.40</td>
<td>5,821.76</td>
</tr>
<tr>
<td>21. 4&quot; Concrete Sidewalk</td>
<td>1,207 SFT</td>
<td>1,343.6</td>
<td>5.00</td>
<td>6,718.00</td>
</tr>
<tr>
<td>22. 6&quot; Concrete Sidewalk Ramp</td>
<td>1,308 SFT</td>
<td>2,814.8</td>
<td>7.00</td>
<td>19,703.60</td>
</tr>
<tr>
<td>23. Detectable Warning Surface</td>
<td>234 FT</td>
<td>197.0</td>
<td>50.00</td>
<td>9,850.00</td>
</tr>
<tr>
<td>24. Adjust Monument/Monitoring Well</td>
<td>6 EA</td>
<td>365.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>25. Pavt Mrk, Polyurea, 6 inch, Crosswalk</td>
<td>1,197 FT</td>
<td>1,180.0</td>
<td>2.95</td>
<td>3,481.00</td>
</tr>
<tr>
<td>26. Pavt Mrk, Polyurea, 24 inch, High Intensity Crosswalk</td>
<td>274 FT</td>
<td>180.0</td>
<td>12.50</td>
<td>2,250.00</td>
</tr>
<tr>
<td>27. Pavt Mrk, Polyurea, 24 inch, Stop bar</td>
<td>242 FT</td>
<td>217.0</td>
<td>12.50</td>
<td>2,712.50</td>
</tr>
<tr>
<td>28. Pavt Mrkg, Polyurea, 4 inch, White</td>
<td>2,410 FT</td>
<td>2,203.0</td>
<td>0.75</td>
<td>1,652.25</td>
</tr>
<tr>
<td>29. Pavt Mrkg, Polyurea, 4 inch, Yellow</td>
<td>12,943 FT</td>
<td>12,768.0</td>
<td>0.75</td>
<td>9,576.00</td>
</tr>
<tr>
<td>30. Pavt Mrkg, Polyurea, Only</td>
<td>7 EA</td>
<td>7.0</td>
<td>185.00</td>
<td>1,295.00</td>
</tr>
<tr>
<td>31. Pavt Mrkg, Polyurea, Rt Turn Arrow Sym</td>
<td>4 EA</td>
<td>4.0</td>
<td>185.00</td>
<td>740.00</td>
</tr>
<tr>
<td>32. Pavt Mrkg, Polyurea, Lt Turn Arrow Sym</td>
<td>3 EA</td>
<td>3.0</td>
<td>185.00</td>
<td>555.00</td>
</tr>
<tr>
<td>33. Recessing Pavement Markings, Longit</td>
<td>15,353 FT</td>
<td>14,971.0</td>
<td>0.55</td>
<td>8,234.05</td>
</tr>
<tr>
<td>34. Recessing Pavement Markings, Transv</td>
<td>1,678 SFT</td>
<td>1,588.0</td>
<td>2.95</td>
<td>4,684.60</td>
</tr>
<tr>
<td>35. Sign, Type B, Temp</td>
<td>459 SFT</td>
<td>688.0</td>
<td>4.00</td>
<td>2,752.00</td>
</tr>
<tr>
<td>36. Plastic Drum, High Intensity</td>
<td>403 EA</td>
<td>375.0</td>
<td>18.00</td>
<td>6,750.00</td>
</tr>
<tr>
<td>37. Barricade, Type III, High Intensity, Lighted</td>
<td>52 EA</td>
<td>27.0</td>
<td>75.00</td>
<td>2,025.00</td>
</tr>
<tr>
<td>38. Lighted Arrow, Type B</td>
<td>4 EA</td>
<td>5.0</td>
<td>450.00</td>
<td>2,250.00</td>
</tr>
<tr>
<td>ITEM/DESCRIPTION</td>
<td>CONTRACT QUANTITY</td>
<td>ACTUAL QUANTITY</td>
<td>UNIT PRICE</td>
<td>AMOUNT</td>
</tr>
<tr>
<td>-------------------------------------------------------------</td>
<td>-------------------</td>
<td>-----------------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>39. Sign Cover</td>
<td>2 EA</td>
<td>20.0</td>
<td>25.00</td>
<td>500.00</td>
</tr>
<tr>
<td>40. Sign, Portable, Changeable Message</td>
<td>2 EA</td>
<td>2.0</td>
<td>3,000.00</td>
<td>6,000.00</td>
</tr>
<tr>
<td>41. Color Audio-Video Recording of Project Area</td>
<td>1 LS</td>
<td>10.0</td>
<td>1,200.00</td>
<td>1,200.00</td>
</tr>
<tr>
<td>42. Traffic Maintenance and Control</td>
<td>1 LS</td>
<td>10.0</td>
<td>62,000.00</td>
<td>62,000.00</td>
</tr>
<tr>
<td>43. Agency Permit (MCDR)</td>
<td>1 LS</td>
<td>10.0</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>44. Restoration - 3&quot; Topsoil, Seed, Fertilizer &amp; Hydroseeding</td>
<td>518 SYD</td>
<td>3,242.0</td>
<td>6.80</td>
<td>22,045.60</td>
</tr>
<tr>
<td>45. Restoration - 3&quot; Topsoil &amp; Sod</td>
<td>50 SYD</td>
<td>16.0</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>46. Sprinkler Repair, 3/4&quot; Poly Pipe</td>
<td>200 FT</td>
<td>2.25</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>47. Sprinkler Repair, 1&quot; Poly Pipe</td>
<td>100 FT</td>
<td>2.35</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>48. Sprinkler Rotary Head</td>
<td>20 EA</td>
<td>65.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>49. Sprinkler Spray Head</td>
<td>10 EA</td>
<td>4.0</td>
<td>60.00</td>
<td>240.00</td>
</tr>
<tr>
<td>50. EJIW 5105 Frame and Cover</td>
<td>1 EA</td>
<td>1.0</td>
<td>590.00</td>
<td>590.00</td>
</tr>
<tr>
<td>51. Major Road Sign</td>
<td>2 EA</td>
<td>500.00</td>
<td>0.00</td>
<td></td>
</tr>
</tbody>
</table>

Subtotal - Section II                                        |                   |                 |            | 1,053,918.78|

Total - Sections I - II                                      |                   |                 |            | 2,052,231.12|
April 16, 2019

To: Andrew Konkle  
City of Sterling Heights  
Engineering Department  
40555 Utica Road  
Sterling Heights, MI 48446

From: Rodney Schleben

Re: Cadillac Asphalt Request for Final Payment

Mr. Andrew Konkle,

Cadillac Asphalt L.L.C. is requesting final payment, including retainage for all completed work on both projects, 15 Mile Road, project number 18-314 and Dodge Park Road, project number 18-304.

Respectfully,

Rodney Schleben
April 16, 2019

To: Andrew Konkle  
City of Sterling Heights  
Engineering Department  
40555 Utica Road  
Sterling Heights, MI 48446  

From: Rodney Schleben  

Re: Final Quantities  

Mr. Andrew Konkle,  

Cadillac Asphalt L.L.C. with its subcontractors, agree to final quantities submitted by the City of Sterling Heights for both projects, 15 Mile Road, project number 18-314, and Dodge Park Road, project number 18-304, totaling contract value of $2,052,231.12.

Respectfully,  
Rodney Schleben
CONTRACTOR'S DECLARATION

I hereby declare that I have not, during the period July 19, 2018 to March 20, 2019 A.D., 2019 performed any work, furnished any material, sustained any loss, damage or delay for any reason, including soil conditions encountered or created, or otherwise done anything for which I shall ask, demand, sue for, or claim compensation from:

the Owner, or his agents, in addition to the regular items set forth in the contract numbered:

18-304 & 18-314 and dated July 19, ______ A.D., 2018, for:

15 Mile Road & Dodge Park Road

executed between myself and the Owner, and in the Change Orders for work issued by the Owner in writing as provided thereunder, except as I hereby make claim for additional compensation and/or extensions of time as set forth on the itemized statement attached hereto.

There is an itemized statement attached. [Is not]

Date: March 20, 2019

B: [Signature]

Title: Project Manager
CONTRACTOR'S AFFIDAVIT

STATE OF MICHIGAN )
COUNTY Macomb ) SS

The undersigned, Rodney Schleben hereby represents that on July 19, 2019 he (it) was awarded a Contract by The City of Sterling Heights hereinafter called the Owner, to repair pavement on 15 Mile & Dodge Park Roads in accordance with the terms and conditions of Contract Number(s) 18-304 & 18-314 and the undersigned further represents that the subject work has now been accomplished and the said contract has now been completed.

The undersigned hereby warrants and certifies that all of his (its) indebtedness arising by reason of the said contract has been fully paid or satisfactorily secured; and that all claims from subcontractors and others for labor and material used in accomplishing the said project, as well as all other claims arising from the performance of the said contract, have been fully paid or satisfactorily settled. The undersigned further agrees that, if any such claim should hereafter arise, he (it) shall assume responsibility for the same immediately upon request to do so by the Owner.

The undersigned, for a valuable consideration, the receipt of which is hereby acknowledged, does further hereby waive, release and relinquish any and all claims or right of lien which the undersigned now has or may hereafter acquire upon the subject premises for labor and material used in accomplishing said project owned by the Owner.

This affidavit is freely and voluntarily given with full knowledge of the facts on this 20 day of March, 2019.

Contractor
By: [Signature]
Title: Project Manager

Subscribed and Sworn to before me, a Notary Public in and for Oakland County, Michigan, on this 20 day of March, 2019.

[Signature]
Notary Public

My Commission Expires: April 9, 2023
CONSENT OF
SURETY COMPANY
TO FINAL PAYMENT

PROJECT: 15 Mile Road Resurfacing, Mustang Drive to Schoenherr Road, City of Sterling Heights, Michigan
Project #18-314, Dodge Park Road Resurfacing, 15 Mile Road to Metropolitan Parkway, City Project #18-304

TO (Owner)
City of Sterling Heights, Michigan
40555 Utica Road
Sterling Heights, MI 48313

CONTRACTOR:
Cadillac Asphalt, L.L.C.
2575 S. Haggerty Road, Suite 100
Canton, MI 48188

CONTRACT FOR: $2,173,349.62

SURETY COMPANY, on bond of Cadillac Asphalt, L.L.C.

CONTRACTOR hereby approves of the final payment to the Contractor and agrees that final payment to the Contractor shall not relieve the Surety Company of any of its obligations to the Owner, as set forth in the said Surety Company's Bond.

IN WITNESS WHEREOF, Western Surety Company and the Surety Company has hereunto set its hand this 27th day of March 2019.

ATTEST: (SEAL)

Loretta J. Ravert - Attorney-in-Fact
Title
POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal hereon affixed hereby make, constitute and appoint

Charles G Richmond, David M Underwood, Michael S Richmond, Loretta J Ravert, Individually

of Jackson, MI, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 2nd day of June, 2016

WESTERN SURETY COMPANY

Paul T Buflat, Vice President

State of South Dakota
County of Minnehaha

J Mohr, Notary Public

CERTIFICATE

I, L Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinafore set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 27th day of March, 2019

L Nelson, Assistant Secretary
Authorizing By-Law

ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7 All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.
AGENDA STATEMENT

Item Title: To authorize the partial vacation of an existing watermain easement in conjunction with the proposed Chaldean Community Foundation building addition at 3601 15 Mile Road in Section 30; PSP18-0030, EG18-0024.

Submitted By: Engineering

Contact Person/Telephone: Brent Bashaw, City Engineer - 586.446.2721

Administration Approvals:
- MR City Clerk
- JV Finance & Budget Director
- MK City Attorney
- MV City Manager

Executive Summary

The Chaldean Community Foundation (Applicant) is the owner of real property situated on the north side of 15 Mile Road, west of Ryan Road, and commonly known as 3601 15 Mile Road. Applicant desires to construct a building addition at this site, the footprint of which would partially encroach upon the City’s existing 12’ wide water main easement and water main servicing the site.

Applicant has made a request to the Office of Engineering to vacate a portion of the existing water main easement that encroaches on the footprint of the proposed building addition. The water main will be re-routed around the proposed building and a new easement granted to the City for the new water main location. Additionally, the Applicant desires to obtain a building permit and permission to initiate building construction within a portion of the existing easement while the easement vacation document is being prepared. The Office of Engineering recommends approval of the request by the owner subject to certain conditions as specified below.

Suggested Action:

Resolved, to direct the City Attorney to prepare the necessary agreement to vacate a portion of the existing 12’ water main easement for the proposed Chaldean Community Foundation building addition at 6301 15 Mile Road in Section 30; PSP18-0030, EG18-0024, and the Mayor and City Clerk are hereby authorized to sign the agreement on behalf of the City; and,

Resolved, that City Council indicates no objection to the issuance of a building permit for the Chaldean Community Foundation building addition at 3601 15 Mile Road in Section 30; PSP18-0030, EG18-0024, subject to the following:

1. That site plans and building plans be approved by City Administration prior to issuance of a building permit;
2. That Applicant pay all costs incurred by the City in the preparation of the easement vacation document(s), including attorney fees; and

3. That Applicant agrees in writing to indemnify and hold the City, its officers and employees, harmless from all damages to persons or property arising from construction activities in the existing easement prior to completion of the vacation process.
CITY OF STERLING HEIGHTS
STAFF REPORT
May 7, 2019

RE: Chaldean Community Foundation Building Addition, Section 30 – Partial Vacation of Existing 12’ Water Main Easement

Prepared By: Brent Bashaw, City Engineer (586) 446-2720

GENERAL INFORMATION: The Chaldean Community Foundation (Applicant) proposes to construct a building addition at 3601 15 Mile Road. A portion of this site development requires that an existing water main be relocated due to a conflict with the proposed building addition. Applicant has made a request (see attached) to partially vacate the existing water main easement. The existing water main easement to be vacated and the replacement water main easement are shown attached exhibits.

TECHNICAL INFORMATION: Applicant is in the process of dedicating water main easements to the City of Sterling Heights in conjunction with Building Addition construction.

STAFF ANALYSIS AND FINDINGS: A water main easement will be dedicated over the proposed relocated water main on the site prior to Engineering approval. Therefore, the existing water main easements may be vacated.

STAFF RECOMMENDATION: Please see the Suggested Action on the accompanying Agenda Statement.

Cc: Chris McLeod, City Planner
    Jason Castor, City Development Director
    Andrew Konkle, Civil Engineer II
March 20, 2019

Revised on April 16th, 2019

Mr. Scott A. Charron  
City of Sterling Heights  
40555 Utica Road  
P.O. Box 8009  
Sterling Heights, MI 48311-8009  

Re: Chaldean Community Foundation, Section 23, PSP 18-0030, EG 18-0024  
3601 15 Mile Rd Building Construction  
Sterling Heights Michigan  

Dear Mr. Charron,

I am writing this letter on behalf of Chaldean Community Foundation ("CCF") to allow for a portion of a 12' Water Main Easement, as described in Liber 23288 of Plats, Page 813, Macomb County Records, to be vacated and to obtain a permission to work within this vacated easement. Nowak and Fraus Engineers documents, as attached in Exhibit A, indicate and describe the location of the portion of the 12' wide public Water Main Easement being vacated. This drawing, per attached, is described as "Exhibit A – Water Main Easement Vacation". Please consider this letter as a request by CCF to vacate that portion of the easement shown on the drawing per the City ordinance requirements, and we further request a permission to work within the existing water main easement.

If you have any questions, please do not hesitate to call. Thank You.

Sincerely;

[Signature]

Martin Manna  
President
EXHIBIT A
WATER MAIN EASEMENT VACATION (SKETCH)

No. 35442 MONTECristo Dr.
Owner: KATHLEEN COMPTON
APN: 10-30-478-023

NOWAK & FRAUS ENGINEERS
46777 Woodward Ave.
Pontiac, MI 48342-5032
Tel. (248) 332-7931
Fax. (248) 332-8257

SCALE: 1" = 80'

DATE DRAWN JOB NO. SHEET
04-15-2019 AJE H806 1 of 2

NOWAK & FRAUS ENGINEERS
46777 WOODWARD AVE.
PONTIAC, MI 48342-5032
TEL. (248) 332-7931
FAX. (248) 332-8257

SCALE: 1" = 80'
EXHIBIT A
WATER MAIN EASEMENT VACATION (LEGAL DESCRIPTIONS)

LEGAL DESCRIPTION - PROPERTY
A PARCEL OF LAND BEING PART OF THE SOUTHEAST 1/4 OF SECTION 30, TOWN 2 NORTH, RANGE 12 EAST, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF "PALMER WOODS NORTH", ACCORDING TO THE MASTER DEED THEREOF RECORDED IN LIBER 13591, PAGE 799, MACOMB COUNTY RECORDS AND DESIGNATED AS MACOMB COUNTY SUBDIVISION PLAN No. 800; THENCE SOUTH 02 DEGREES 33 MINUTES 00 SECONDS EAST, 360.51 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF 15 MILE ROAD (120 FEET WIDE); THENCE ALONG SAID NORTHERLY LINE 108.60 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS OF 1918.24 FEET, CENTRAL ANGLE OF 03 DEGREES 14 MINUTES 37 SECONDS, AND CHORD BEARING SOUTH 85 DEGREES 28 MINUTES 26 SECONDS WEST, 108.58 FEET; THENCE CONTINUING ALONG SAID NORTHERLY LINE 108.53 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS OF 1916.39 FEET, CENTRAL ANGLE OF 03 DEGREES 14 MINUTES 41 SECONDS, AND CHORD BEARING SOUTH 82 DEGREES 14 MINUTES 25 SECONDS WEST, 108.51 FEET; THENCE CONTINUING ALONG SAID NORTHERLY LINE 208.19 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS OF 1918.24 FEET, CENTRAL ANGLE OF 06 DEGREES 13 MINUTES 06 SECONDS, AND CHORD BEARING SOUTH 77 DEGREES 30 MINUTES 34 SECONDS WEST, 208.08 FEET TO THE SOUTHEAST CORNER OF SAID "PALMER WOODS NORTH"; THENCE NORTH 02 DEGREES 26 MINUTES 40 SECONDS WEST ALONG THE EAST LINE OF SAID "PALMER WOODS NORTH", 416.91 FEET TO THE SOUTHWEST CORNER OF "PALMER WOODS NORTH"; THENCE NORTH 88 DEGREES 23 MINUTES 20 SECONDS EAST ALONG THE SOUTH LINE OF SAID "PALMER WOODS NORTH", 420.83 FEET TO THE POINT OF BEGINNING.

CONTAINING 160.365 SQUARE FEET OR 3.68 ACRES.


LEGAL DESCRIPTION - WATER MAIN EASEMENT VACATION
A 12’ WIDE WATER MAIN EASEMENT VACATION BEING PART OF THE SOUTHEAST 1/4 OF SECTION 30, TOWN 2 NORTH, RANGE 12 EAST, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, WHOSE CENTERLINE IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF "PALMER WOODS NORTH", ACCORDING TO THE MASTER DEED THEREOF RECORDED IN LIBER 13591, PAGE 799, MACOMB COUNTY RECORDS AND DESIGNATED AS MACOMB COUNTY SUBDIVISION PLAN No. 800; THENCE SOUTH 88 DEGREES 23 MINUTES 20 SECONDS WEST, 155.60 FEET ALONG THE SOUTH LINE OF SAID "PALMER WOODS NORTH"; THENCE SOUTH 01 DEGREES 36 MINUTES 40 SECONDS EAST, 12.37 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 88 DEGREES 23 MINUTES 37 SECONDS WEST, 38.01 FEET; THENCE SOUTH 02 DEGREES 32 MINUTES 43 SECONDS EAST, 59.29 FEET TO POINT ‘A’; THENCE CONTINUING FROM SAID POINT ‘A’ SOUTH 02 DEGREES 32 MINUTES 43 SECONDS EAST, 204.43 FEET TO A POINT OF ENDING; THENCE CONTINUING FROM SAID POINT ‘A’ SOUTH 87 DEGREES 27 MINUTES 17 SECONDS WEST, 13.65 FEET TO A POINT OF ENDING.

NOWAK & FRAUS ENGINEERS
46777 WOODWARD AVE.
PONTIAC, MI 48342-5032
TEL. (248) 332-7931
FAX. (248) 332-8237
DATE  DRAWN  JOB NO.  SHEET
04-15-2019  AJE  H806  2 of 2
EXHIBIT A
WATER MAIN EASEMENT (LEGAL DESCRIPTIONS)

LEGAL DESCRIPTION - PROPERTY

A PARCEL OF LAND BEING PART OF THE SOUTHEAST 1/4 OF SECTION 30, TOWN 2 NORTH, RANGE 12 EAST, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF "PALMER WOODS NORTH", ACCORDING TO THE MASTER DEED THEREOF RECORDED IN LIBER 13591, PAGE 799, MACOMB COUNTY RECORDS AND DESIGNATED AS MACOMB COUNTY SUBDIVISION PLAN No. 800; THENCE SOUTH 02 DEGREES 33 MINUTES 00 SECONDS EAST, 360.51 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF 15 MILE ROAD (120 FEET WIDE); THENCE ALONG SAID NORTHERLY LINE 108.60 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS OF 1918.24 FEET, CENTRAL ANGLE OF 03 DEGREES 14 MINUTES 37 SECONDS, AND CHORD BEARING SOUTH 85 DEGREES 28 MINUTES 26 SECONDS WEST, 108.58 FEET; THENCE CONTINUING ALONG SAID NORTHERLY LINE 108.53 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS OF 1916.39 FEET, CENTRAL ANGLE OF 03 DEGREES 14 MINUTES 41 SECONDS, AND CHORD BEARING SOUTH 82 DEGREES 14 MINUTES 25 SECONDS WEST, 108.51 FEET; THENCE CONTINUING ALONG SAID NORTHERLY LINE 208.19 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS OF 1918.24 FEET, CENTRAL ANGLE OF 06 DEGREES 13 MINUTES 06 SECONDS, AND CHORD BEARING SOUTH 77 DEGREES 30 MINUTES 34 SECONDS WEST, 208.08 FEET TO THE SOUTHEAST CORNER OF SAID "PALMER WOODS NORTH"; THENCE NORTH 02 DEGREES 26 MINUTES 40 SECONDS WEST ALONG THE EAST LINE OF SAID "PALMER WOODS NORTH", 416.91 FEET TO THE SOUTHWEST CORNER OF "PALMER WOODS NORTH"; THENCE NORTH 88 DEGREES 23 MINUTES 20 SECONDS EAST ALONG THE SOUTH LINE OF SAID "PALMER WOODS NORTH", 420.83 FEET TO THE POINT OF BEGINNING.

CONTAINING 160.365 SQUARE FEET OR 3.68 ACRES.


LEGAL DESCRIPTION - WATER MAIN EASEMENT

A 12' WIDE WATER MAIN EASEMENT BEING PART OF THE SOUTHEAST 1/4 OF SECTION 30, TOWN 2 NORTH, RANGE 12 EAST, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, WHOSE CENTERLINE IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF "PALMER WOODS NORTH", ACCORDING TO THE MASTER DEED THEREOF RECORDED IN LIBER 13591, PAGE 799, MACOMB COUNTY RECORDS AND DESIGNATED AS MACOMB COUNTY SUBDIVISION PLAN No. 800; THENCE SOUTH 88 DEGREES 23 MINUTES 20 SECONDS WEST, 155.60 FEET ALONG THE SOUTH LINE OF SAID "PALMER WOODS NORTH"; THENCE SOUTH 01 DEGREES 36 MINUTES 40 SECONDS EAST, 12.37 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 88 DEGREES 23 MINUTES 37 SECONDS WEST, 14.19 FEET TO POINT 'A'; THENCE CONTINUING FROM SAID POINT 'A', SOUTH 88 DEGREES 23 MINUTES 37 SECONDS WEST, 15.20 FEET; THENCE SOUTH 43 DEGREES 23 MINUTES 37 SECONDS WEST, 28.11 FEET; THENCE SOUTH 88 DEGREES 23 MINUTES 37 SECONDS WEST, 159.41 FEET; THENCE SOUTH 43 DEGREES 23 MINUTES 37 SECONDS WEST, 31.25 FEET TO POINT 'B'; THENCE CONTINUING FROM SAID POINT 'B', SOUTH 43 DEGREES 23 MINUTES 37 SECONDS WEST, 17.91 FEET; THENCE SOUTH 02 DEGREES 33 MINUTES 00 SECONDS EAST, 66.84 FEET; THENCE SOUTH 43 DEGREES 23 MINUTES 37 SECONDS WEST, 20.83 FEET; THENCE SOUTH 02 DEGREES 26 MINUTES 40 SECONDS EAST, 126.53 FEET; THENCE NORTH 87 DEGREES 33 MINUTES 23 SECONDS EAST, 205.37 FEET TO POINT 'C'; THENCE CONTINUING FROM SAID POINT 'C', NORTH 87 DEGREES 27 MINUTES 17 SECONDS EAST, 16.11 FEET; THENCE SOUTH 02 DEGREES 32 MINUTES 43 SECONDS EAST, 4.24 FEET TO A POINT OF ENDING; THENCE CONTINUING FORM SAID POINT 'A', SOUTH 01 DEGREES 36 MINUTES 23 SECONDS EAST, 29.00 FEET TO A POINT OF ENDING; THENCE CONTINUING FROM SAID POINT 'B', NORTH 46 DEGREES 36 MINUTES 23 SECONDS WEST, 31.65 FEET TO A POINT OF ENDING; THENCE CONTINUING FROM SAID POINT 'C', SOUTH 02 DEGREES 26 MINUTES 40 SECONDS EAST, 11.00 FEET TO A POINT OF ENDING.
AGENDA STATEMENT

Item Title: To set a public hearing date to consider the request by Des-Claw, LLC to transfer Industrial Facilities Tax Exemption Certificate # 2016-103 currently held by Ric-Man Construction, Inc. at 42600 R. Mancini Drive.

Submitted By: Office of Assessing

Contact Person/Telephone: Marcia Magyar-Smith, Assessor - 586-446-2341

Administration Approvals:
MR City Clerk  JV Finance & Budget Director  MK City Attorney  MV City Manager

Executive Summary

On March 14, 2019, Des-Claw, LLC, a Michigan Limited Liability Company (Applicant), filed an application to transfer Industrial Facilities Tax Exemption Certificate (IFEC) # 2016-103 held by Ric-Man Construction, Inc. at 42600 R. Mancini Drive. Applicant is seeking to assume the remaining 6 years of the existing 8-year abatement term.

Under MCL 207.571, an IFEC may be assigned and transferred by the holder of the IFEC to a new owner or lessee of the facility with the approval of the local governmental unit and the State Tax Commission, only after application by the new owner or lessee, and with notice and hearing in the same manner as provided in section 5, (MCL 207.555) for the application for a new certificate.

In preparation for the June 4, 2019 public hearing required under MCL 207.555, the City Assessor and Senior Economic Development Advisor will provide the City Council with a detailed staff report, including a specific recommendation regarding the tax abatement term according to the City’s existing Industrial Facilities Tax Abatement Program Guidelines.

Suggested Action:

Resolved, to set a public hearing on Tuesday, June 4, 2019 at 7:00 p.m. regarding the application by Des-Claw, LLC to transfer Industrial Facilities Exemption Certificate # 2016-103 held by Ric-Man Construction, Inc. at 42600 R. Mancini Drive.
March 14, 2019

City Council
City of Sterling Heights
40555 Utica Road
P.O. Box 8009
Sterling Heights, MI 48311-8009

Dear City Council:

Please transfer Industrial Facility Tax Exemption Certificate number 2016-103 (regarding 42600 Mancini Drive) from RIC-MAN Construction to DES - CLAW LLC.

Attached are the following:

1. Application for Industrial Facilities Tax Exemption Certificate
2. IFEC Letter Agreement
3. IFEC Application Affidavit of Fees
4. Legal Description and Tax ID Number

This request is for six (6) years based on the original application that was approved for eight (8) years. DES - CLAW LLC is requesting transfer of the remaining term. Attached is the executed seven (7) year lease of the facility.

Sincerely,

Tim Bradley
Manager
Application for Industrial Facilities Tax Exemption Certificate

INSTRUCTIONS: File the original and one copy of this form and the required attachments (two complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires one complete set (one original). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call 517-373-3302.

APPLICANT INFORMATION
All boxes must be completed.

1. Company Name (Applicant must be the occupant/operator of the facility)
   DES-CLAW, LLC

2. Standard Industrial Classification (SIC) Code (Sec. 2(10)) or 6 Digit Code
   3261

3. Facility Address (City, State, ZIP Code) (real and/or personal property location)
   42800 R. Manconi Drive
   City
   Macomb

4. Type of Approval Requested
   • New (Sec. 2(6))
   • Speculative Building (Sec. 3(3))
   • Research and Development (Sec. 2(10))
   • Transfer
   • Rehabilitation (Sec. 3(3))
   • Increase/Amendment

5. City/Township/Village (Indicate which)
   Utica

6. School District where facility is located
   School Code
   50210

7. Amount of years requested for exemption (1-12 Years)
   Six (6)

8. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.


5a. Cost of land and building Improvements (excluding cost of land)
   3,330,207.39

5b. Cost of machinery, equipment, furniture and fixtures
   • Attach Itemized listing with month, day and year of beginning of installation, plus total Personal Property Costs

6c. Total Project Costs
   • Round Costs to Nearest Dollar
   Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of this certificate unless otherwise approved by the STC.

8. 5a. Real Property Improvements
   5b. Personal Property Improvements
   □ Owned □ Leased

9. 5a. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption.
   Yes No

10. 5b. Cost of machinery, equipment, furniture and fixtures.

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor’s statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) date below must be as of December 31 of the year prior to the rehabilitation.
   a. TV of Real Property (excluding land)
   b. TV of Personal Property (excluding inventory)
   c. Total TV

12a. Check the type of District the facility is located in:
   • Industrial Development District
   • Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit)
   07/05/2016

12c. Is this application for a speculative building (Sec. 3(3))? Y N
APPLICANT CERTIFICATION - complete all boxes.
The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

<table>
<thead>
<tr>
<th>13a. Preparer Name</th>
<th>13b. Telephone Number</th>
<th>13c. Fax Number</th>
<th>13d. E-mail Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tim Bradley</td>
<td>(566) 803-6007</td>
<td></td>
<td><a href="mailto:bradley@venturecorporation.com">bradley@venturecorporation.com</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>14a. Name of Contact Person</th>
<th>14b. Telephone Number</th>
<th>14c. Fax Number</th>
<th>14d. E-mail Address</th>
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</tr>
</tbody>
</table>

15a. Name or Company Officer (No Authorized Agents)

Tim Bradley

15b. Signature of Company Officer (No Authorized Agents)

Tim Bradley

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.
This section must be completed by the clerk or the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

16a. Action taken by local government unit

If applicable, check or indicate N/A if Not Applicable

- Abatement Approved for ______ Yrs Real (1-12), ______ Yrs Pers (1-12)
  After Completion □Yes □No
  Denied (Include Resolution Denying)

16b. The State Tax Commission Requires the following documents to be filed for an administratively complete application.

Check or Indicate N/A if Not Applicable

1. Original Application plus attachments, and one complete copy
2. Resolution establishing district
3. Resolution approving/denying application.
4. Letter of Agreement (Signed by local unit and applicant)
5. Affidavit of Fees (Signed by local unit and applicant)
6. Building Permit for real improvements if project has already begun
7. Equipment List with dates of beginning of installation
8. Form 3222 (if applicable)
9. Speculative building resolution and affidavits (if applicable)
10. Lease Agreement showing applicants' tax liability.

17. Name of Local Government Body

18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk

19b. Name of Clerk

19c. E-mail Address

19d. Clerk's Mailing Address (Street, City, State, ZIP Code)

19e. Telephone Number

19f. Fax Number

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original of the completed application and all required attachments to:
Michigan Department of Treasury
State Tax Commission
PO Box 38471
Lansing, MI 48909
(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY

LUCI Code  Begin Date Real  Begin Date Personal  End Date Real  End Date Personal
Instruction for Completing Form 1012,

Industrial Facilities Tax Exemption (IFT) Application

The completed original application form 1012 and all required attachments, MUST be filed with the clerk of the local unit of government where the facility is or will be located. Complete applications must be received by the State Tax Commission by October 31 to ensure processing and certification for the following tax year. Applications received after the October 31 deadline will be processed as expeditiously as possible.

Please note that attachments listed on the application in number 16a are to be retained by the local unit of government, and attachments listed in number 16b are to be included with the application when forwarding to the State Tax Commission (STC).

(Before commencement of a project the local unit of government must establish a district, or the applicant must request in writing a district be established, in order to qualify for an IFT abatement. Applications and attachments must be received by the local unit of government within six months of commencement of project.)

The following information is required on separate documents attached to form 1012 by the applicant and provided to the local unit of government (city, township or village). (Providing an accurate school district where the facility is located is vital):

1. Legal description of the real property on which the facility is or will be located. Also provide property identification number if available.

2. Personal Property Requirements: Complete list of new machinery, equipment, furniture and fixtures which will be used in the facility. The list should include description, beginning date of installation or expected installation by month/day/year, and costs or expected costs (see sample). Personal property applications must have attached a certified statement/affidavit as proof of the beginning date of installation (see sample).

3. Real Property Requirements: Proof of date the construction started (groundbreaking). Applicant must include one of the following if the project has already begun; building permit, footings inspection report, or certified statement/affidavit from contractor indicating exact date of commencement.

4. Complete copy of lease agreement as executed, if applicable, verifying lessee (applicant) has direct ad valorem real and/or personal property tax liability. The applicant must have real and/or personal property tax liability to qualify for an IFT abatement on leased property. If applying for a real property tax exemption on leased property, the lease must run the full length of time the abatement is granted by the local unit of government. Tax liability for leased property should be determined before sending to the STC.

The following information is required of the local unit of government: [Please note that only items 2, 4, 5, 6, & 7 below are forwarded to the State Tax Commission with the application, along with items 2 & 3 from above. The original is required by the STC. The remaining items are to be retained at the local unit of government for future reference. (The local unit must verify that the school district listed on all IFT applications is correct.)]

1. A copy of the notice to the general public and the certified notice to the property owners concerning the establishment of the district.

2. Certified copy of the resolution establishing the Industrial Development District (IDD) or Plant Rehabilitation District (PRD), which includes a legal description of the district (see sample). If the district was not established prior to the commencement of construction, the local unit shall include a certified copy or date stamped copy of the written request to establish the district.

3. Copy of the notice and the certified letters to the taxing authorities regarding the hearing to approve the application.

4. Certified copy of the resolution approving the application. The resolution must include the number of years the local unit is granting the abatement and the statement "the granting of the Industrial Facilities Exemption Certificate shall not have the effect of substantially impeding the operation of (governmental unit), or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in (governmental unit—see sample).

5. Letter of Agreement (signed by the local unit of government and the applicant per P.A. 334 of 1993 (see sample)).

6. Affidavit of Fees (signed by the local unit of government and the applicant), (Bulletin 3, January 16, 1998). This statement may be
7. Treasury Form 3222 (if applicable - Fiscal Statement for Tax Abatement Request.)

The following information is required for rehabilitation applications in addition to the above requirements:
1. A listing of existing machinery, equipment, furniture and fixtures which will be replaced or renovated. This listing should include description, beginning date of installation or expected installation by month/day/year, and costs or expected costs.
2. A rehabilitation application must include a statement from the Assessor showing the taxable valuation of the plant rehabilitation district, separately stated for real property (EXCLUDING LAND) and personal property. Attach a statement from the assessor indicating the obsolescence of the property being rehabilitated.

The following information is required for speculative building applications in addition to the above requirements:
1. A certified copy of the resolution to establish a speculative building.
2. A statement of non-occupancy from the owner and the assessor.


For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.
Address: 42600 R. Mancini Drive, Sterling Heights, MI 48314
Tax I.D.#10-10-09-251-008

LEDDS ENTERPRISES INDUSTRIAL PARK CONDO UNIT 8 MCCP: 858 2nd Amendment to Master Deed withdrew 1.88 Acres of land (see spl-0730).
**IFEC LETTER OF AGREEMENT**

**DATE:** March 14, 2019

**COMPANY NAME:** DES-CLAW, LLC

**FACILITY ADDRESS:** 42600 R. Mancini Drive

City Council
City of Sterling Heights
40555 Utica Road
P.O. Box 8009
Sterling Heights, MI 48311-8009

**RE:** Industrial Facilities Tax Exemption Certificate between:

DE-S-CLAW, LLC and the City of Sterling Heights

Dear Members of Council:

DES-CLAW, LLC (the “Company”) has submitted the attached Application (the “Application”) to you requesting approval of an Industrial Facilities Tax Exemption Certificate (“IFEC”), pursuant to Michigan Public Act 198 of 1974, as amended, for the property located at 42600 R. Mancini Drive, Sterling Heights, (the “Facility”) (Legal Description of the property where the Facility is located is attached).

To encourage approval of the IFEC and in recognition of the investments the City of Sterling Heights (the “City”) will make toward the economic growth of the Company, which will benefit the City, the Company agrees as follows:

1. **General.** (Check applicable lines consistent with the Application)

   a. The Company will make the improvements set forth in the Application within two (2) years of the effective date of the IFEC (the “Effective Date”).

   b. The Company will purchase and/or lease and install the personal property as set forth in the Application within two (2) years of the Effective Date.

   c. **X** The Company will create 10 new full-time jobs at the Facility within two (2) years of the Effective Date.

   d. The Company will comply with the requirements imposed by the City as part of the site review prior to issuance of a Certificate of Occupancy.
2. **Compliance with Laws.** The Company agrees that it will operate the Facility in accordance with all applicable Federal, State, and local laws or regulations, including but not limited to zoning, outside storage, industrial waste disposal, air and water quality, noise control, and other environmental regulations.

3. **Continued Operation of the Facility.** The Company further agrees to continue to operate the Facility within the City for the period of the IFEC in order to retain the benefits of the IFEC.

4. **Premature Vacation of the Facility.** If the Company vacates, or intends to vacate, the Facility prior to the end of the term of the IFEC, the Company shall be responsible for the following:
   
   a. If the Company intends to vacate the Facility for which the IFEC has been approved and issued prior to the end of the term of this agreement, the Company agrees to notify the City Assessor in writing of such intent and the reasons for vacating not less than 60 days prior to vacating the facility.
   
   b. The Company agrees to make reasonable provisions satisfactory to the City and in compliance with all applicable laws, codes and ordinances to maximize the likelihood of re-occupancy or re-use of the unoccupied building for productive use within a reasonable time period after the Facility is vacated.
   
   c. The Company shall, if requested by the City, deposit an amount equal to the amounts anticipated to be due from the Company under this agreement as a result of the Company vacating the Facility prior to the term for which the IFEC was approved, including but not limited to any reasonable cleanup or maintenance costs, administrative fees, court costs, and attorney fees incurred.
   
   d. The Company shall pay any outstanding taxes and shall repay to all affected municipalities an amount equal to the total tax amount abated by the IFEC (unless recovery of a lesser amount is requested by the City or other taxing authority) within 30 days of the date of an invoice for such taxes.
   
   e. If the Company fails to pay the amount of the invoice for abated taxes within 30 days of the date of the City invoice, the Company shall be responsible for any additional costs incurred by the City in recovery of such taxes, including, but not limited to administrative fees, court costs, and attorney fees incurred.

5. **Notice of Completion and Final Cost Report.** The Company will submit to the City, not later than 90 days after the completion date for each property component for which an IFEC was granted a Notice of Completion and Final Cost Report in a form requested by the City which includes the actual completion date and final cost of each project component for which an IFEC was originally granted, and an explanation if the final cost of either the real or personal property listed on the Application was greater than the original estimated amount by more than 10%.

6. **Employment Status Report.** The Company will submit to the City, not later than January 31st of the second year after the effective date, and every two years after that date, an Employment Status Report in a form requested by the City, which includes the number of actual full-time jobs created as a direct result of the project for which the certificate was granted, and an explanation if the jobs created during the term of the IFEC was less than the original estimated amount.
7. **Review and Audit: Payment of Costs.** The Company understands that the City may review and audit the information provided by the Company to determine compliance with this agreement and that any costs for such services will be paid by the Company in accordance with a fee schedule approved by the City Council, which may be adjusted from time to time based upon increases in costs to the City.

8. **Remedies for Default for Failure to Satisfy Representations Made in Application.** The Company understands that the City may pass a resolution requesting that the State Tax Commission reduce the term of the IFEC or revoke the IFEC to the extent that the construction or expansion of the Facility has not been completed, expenditures made, or employment reached as represented by the Company in the application, by sending a copy of this Agreement along with a copy of the City Council resolution authorizing such action to the State Tax Commission. In addition, the Company acknowledges that the City may take into account any deficiency in job creation, or real or personal property investment made under this application in a subsequent application for an IFEC or an Exemption of New Personal Property filed by the Company.

9. **Consequences of Unsuccessful Real or Personal Property Tax Appeal.** The Company acknowledges that if during the term of this Agreement, the Company appeals any real or personal property assessment to the Michigan Tax Tribunal or other court of competent jurisdiction upon which it does not prevail, that the Company shall pay to the City all reasonable costs, expenses, and attorney fees incurred by the City in defending such appeals within thirty (30) days of the date of receipt of an invoice from the City. The Company also acknowledges that the City may consider such appeals in deciding the term of any subsequent certificates granted to the Company.

10. **Unforeseen Events.** By execution of this agreement, it is understood that the Company’s investment in the Facility and the City’s investment in the granting of the IFEC are to encourage economic growth within the City. The City acknowledges that in some instances, economic conditions may prevent the Company from complying fully with this agreement and the terms of the Application. The City will give the Company an opportunity to explain the reasons for any variations from the representations contained in the application and will evaluate the Company’s situation prior to taking any action authorized by paragraph 4 and 8 of this agreement.

11. **Entire Agreement.** This is the entire agreement of the parties relating to the matters covered by this Agreement, and no prior or subsequent promises, representations or assurances, whether in any other form, shall be used to modify, vary or contradict any provision of this Agreement, except for any written amendment to this Agreement or separate agreement signed following the date of this Agreement by authorized representatives of all parties to this Agreement.

12. **Severability.** The invalidity of any section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions thereof, which shall remain in full force and effect to govern the parties’ relationship.

13. **Reimbursement of Attorney Fees for Modification of Standard Agreement.** The Company agrees to reimburse the City within 30 days of the date of a receipt of an invoice from the City for all attorney fees incurred by the City in the negotiation or preparation of changes to the standard IFEC Letter of Agreement.
IFEC Application Affidavit of Fees

APPLICANT NAME: DES-CLAW, LLC

PROPERTY ADDRESS: 42600 R. Mancini Drive, Sterling Heights MI 48314

CERTIFICATION

In accordance with State Tax Commission Bulletin No. 3 dated January 1998, the City of Sterling Heights and the applicant referenced above do hereby swear and affirm that this applicant has not made, or promised to make payment of any kind to the City of Sterling Heights as a condition to the approval of this Application for an Industrial Facilities Tax Exemption (IFT) Certificate. Whether payments be referred to as “fees,” “payments in lieu of taxes,” “donations,” or by other like terms, such payments are contrary to the legislative intent of Act 198, as amended. We do hereby swear and affirm by our signatures below that “no payment of any kind in excess of the fee allowed, as amended by Public Act 323 of 1996, has been made or promised in exchange for favorable consideration of this Application for an IFEC.”

IFT APPLICANT

PRINT NAME: Tim Bradley
TITLE: Manager
SIGNATURE: [Signature]
DATE: March 4, 2019

The foregoing certification was acknowledged this 14th day of MARCH by

Tim Bradley, Manager on behalf of DES-CLAW, LLC

MARRIA SAROLI
Notary Public, State of Michigan - Macomb County, MI
My Commission Expires Dec. 25, 2025 Acting In the County of Macomb

CITY OF STERLING HEIGHTS

PRINT NAME: Melanie Ryska
TITLE: City Clerk
SIGNATURE: [Signature]
DATE: 3-22-2019

The foregoing certification was acknowledged this 22nd day of MARCH, 2019 by

Melanie D. Ryska, City Clerk on behalf of Sterling Heights

ANDREA L. BABA
Notary Public, State of Michigan - Macomb County, MI
My Commission Expires Oct 4, 2022 Acting In the County of Macomb
ACCEPTED BY: THE COMPANY

NAME: Tim Bradley  
TITLE: Member/Manager  
SIGNATURE: 

STATE OF MICHIGAN  
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this 14th day of March, 2019, by Tim Bradley, Member, on behalf of DES-CLAY LLC.

Notary Public, Macomb County, MI  
My Commission expires: 12-31-2025

ACCEPTED BY: CITY OF STERLING HEIGHTS  
A MUNICIPAL CORPORATION

NAME: Michael C. Taylor  
TITLE: Mayor  
SIGNATURE: 

STATE OF MICHIGAN  
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this ____ day of ________________ by Michael C. Taylor and Melanie Ryska, and City Clerk, respectively, on behalf of the City of Sterling Heights, a Michigan municipal corporation.

Notary Public, ________________ County, MI  
My Commission expires: ____________________

When recorded, return to:  
City Clerk  
City of Sterling Heights  
40555 Utica Road PO Box 8009  
Sterling Heights, MI 48311-8009

Drafted by:  
City of Sterling Heights  
40555 Utica Road  
P.O. Box 8009  
Sterling Heights, MI 48311-8009
LEASE AGREEMENT

BY AND BETWEEN

MANCINI HOLDINGS LLC
A MICHIGAN LIMITED LIABILITY COMPANY

AND

DES-CLAW LLC
A MICHIGAN LIMITED LIABILITY COMPANY
42315 R MANCINI DRIVE
STERLING HEIGHTS, MICHIGAN 48314
NET LEASE

THIS LEASE is made as of February 17, 2019 by and between MANCINI HOLDINGS LLC, A Michigan Limited Liability Company, ("Landlord") 7464 Nineteen Mile Road, Sterling Heights, MI 48314 and DES - CLAW LLC, a Michigan Limited Liability Company ("Tenant"), who agrees as follows:

SECTION I
THE PREMISES

1.01 Landlord hereby leases to Tenant the real property located at 42600 R MANCINI DRIVE, located in the City of Sterling Heights, County of Macomb, and State of Michigan, more particularly described in Exhibit "A" improvements on the Land, including without limitation those described in Section 2 (the "Improvements"). The Land and the Improvements collectively will constitute and be referred to in this Lease as the "Premises". The Premises has a total of approximately 43,762 square feet.

1.02 Landlord will retain +1/4 acres for Landlord's use as depicted in Exhibit "A".

SECTION 2
CONSTRUCTION OF IMPROVEMENTS

2.01 Landlord agrees to complete certain improvements to the building located on the Land, prior to the Commencement Date (defined in Section 3.01), substantially in accordance with the plans and specifications listed in Exhibit "B" attached to and made an integral part of this Lease (the "Plans"). No minor change from the Plans which may become necessary during the preparation of the Premises for Tenant will invalidate, change or affect this Lease.

2.02 The preparation of the Premises under Section 2.01 will be completed on or before March 1, 2019. If, in good faith, Landlord is delayed in such preparation by any labor dispute, strike, lockout, fire, unavailability of material, weather or other casualty, beyond its reasonable control, the period of delay necessarily caused by such occurrence will be added to the indicated completion date.

SECTION 3
THE TERM

3.01 The Term will commence (the "Commencement Date") will be March 1, 2019 and shall expire on February 28, 2026 unless sooner terminated as herein set forth. The actual Commencement Date shall be adjusted to the earlier of:

(i) The date Tenant takes possession of the Premises; or

(ii) The date Landlord tender's possession of the Premises to Tenant, ready for occupancy (but not earlier than the date shown in Section 2.02 without Tenant's consent).

The Term of this Lease (the "Term") will be Seven (7) years from and after the Commencement Date. If the Commencement Date is other than the first day of a calendar month, the Term will be extended to terminate at the end of the calendar month in which it would otherwise terminate under the preceding sentence.
3.02 The date shown in Section 2.02 represents Landlord's estimate of the date the Premises will be ready for occupancy. Landlord agrees to use its best efforts to complete all work, and to tender possession to Tenant, on or before the date shown in Section 2.02, or the extended date, if any, provided for therein. If Landlord is unable for any reason, to tender possession on that date, Tenant may not terminate this Lease (unless the delay exceeds 90 days and results from events within the Landlord's control and is not of an event of force majeure), and Landlord will not have liability for damages.

3.03 The Premises will be conclusively deemed "ready for occupancy" under Section 3.01 as soon as the work to be done under Section 2.01 has been substantially completed. The Premises will not be considered unready or incomplete if (i) only minor or unsubstantial details of construction, decoration or mechanical adjustments remain to be done within the building; or (ii) only landscaping or exterior trim remains to be done outside the building; or (iii) the delay in the availability of the Premises for Tenant's occupancy is caused in whole or in part by Tenant. Landlord will require its workmen to cooperate with Tenant's installers of equipment, trade fixtures, furnishings and decorations attached to the Improvements to the maximum extent possible, but Tenant agrees that delay of or interference with Landlord's preparation of the Premises caused by such installers will not postpone the Commencement Date or the obligation to begin paying rent. By occupying the Premises, Tenant will be deemed to have accepted the Premises and acknowledge that they are in the condition contracted for in this Lease.

3.04 If Landlord permits Tenant to enter into possession of the Premises, prior to the Commencement Date, Tenant agrees that such occupancy will be deemed to be under all the provisions of this Lease, including but not limited to the rental established herein.

3.05 Upon request by Landlord, Tenant will execute a written instrument confirming the Commencement Date and the expiration date of the Term.

SECTION 4
MINIMUM NET RENTAL

4.01 Tenant agrees to pay to Landlord, as minimum net rental for the original Term of this Lease, the total amount of Three Million Three Hundred Five Thousand Three Hundred Eighty Dollars and 32/100 ($3,305,380.32), in monthly installments of:

<table>
<thead>
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<th>Date</th>
<th>Sq. Ft.</th>
<th>Month</th>
<th>Annually</th>
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<td>$11.36</td>
<td>$41,410.43</td>
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</tbody>
</table>

Twenty-Six Thousand Six Hundred Forty ($26,640.00) will be applied to the Second Month's rent as described in 4.02 below.

The above dates for rental payments shall be adjusted based on the actual Commencement Date.

All Payments, Notices, and Correspondence to be addressed and sent as follows:

MANCINI HOLDINGS LLC
7464 Nineteen Mile Road
Sterling Heights, MI 48314
4.02 Each monthly installment of minimum net rental will be paid in advance, without any setoffs or deductions and without any prior demand therefore, on the first day of each and every month (the "Rent Day") during the Term, at the office of the Landlord first shown above, or at such other place as Landlord from time to time may designate in writing. Landlord acknowledges receipt of Thirty-Six Thousand Six Hundred Eighty Dollars and 00/100 ($36,680.00), representing First Month's Rent and Thirty-Six Thousand Six Hundred Eighty Dollars and 00/100 ($36,680.00) which represents Security Deposit for a total of Seventy-Three Thousand Three Hundred Sixty Dollars and 00/100 ($73,360.00). In the event the Commencement Date is other than the first day of a calendar month, the rental for the partial first calendar month of the Term will be prorated accordingly.

Landlord will give a credit of $100,000 per 6850 19 Mile Road Lease Amendment #2 dated and apply Thirty-Six Thousand Six Hundred Eighty Dollars and 00/100 ($36,680.00), representing First Month's Rent and Thirty-Six Thousand Six Hundred Eighty Dollars and 00/100 ($36,680.00) which represents Security Deposit for a total of Seventy-Three Thousand Three Hundred Sixty Dollars and 00/100 ($73,360.00) the balance of Twenty-Six Thousand Six Hundred Forty ($26,640.00) and will be applied to the Second Month's rent.

4.03 Landlord and Tenant acknowledge and agree that this is a net lease, and that it must yield, net, to Landlord during the original Term, not less than the minimum net rent shown in Section 4.01. All costs, expenses and charges of any nature whatsoever relating to the Premises which may be attributable to or become due during the Term will be paid by Tenant unless specifically set forth as Landlord's expense herein, and Tenant will indemnify and hold harmless Landlord from and against such costs, expenses and charges.

SECTION 5
LATE CHARGES AND INTEREST

5.01 Any rent, additional rent, or other sums, if any, payable by Tenant to Landlord under this Lease which are not paid within five (5) days after they are due, and any rent or other sums received and accepted by Landlord more than five (5) days after they are due, will be subject to a late charge of ten (10%) percent of the amount due. Tenant agrees that such late charge covers Landlord's administrative costs, is reasonable and is not a penalty or interest. Such late charge will be due and payable as additional rent on or before the next Rent Day.

5.02 Any rent, additional rent, late charges or other sums payable by Tenant to Landlord under this Lease not paid within thirty (30) days after the same are due will bear interest at a per annum rate equal to the greater of eleven (11%) percent or four percentage points above the effective prime interest rate per annum charged by JPMorgan Chase Bank, N.A. to its best commercial customers on the date when the rent, late charges or other sums became due, but not in excess of the maximum interest rate permitted by law. Such interest will be due and payable as additional rent on or before the next Rent Day, and will accrue from the date that such rent, late charges or other sums are payable under the provisions of this Lease until actually paid by Tenant.

5.03 Any default in the payment of rent, additional rent, late charges or other sums will not be considered cured unless and until the late charges and interest due hereunder are paid by Tenant to Landlord. If Tenant defaults in paying such late charges and/or interest, Landlord will have the same remedies as on default in the payment of rent. The obligation hereunder to pay late charges and interest will exist in addition to, and not in place of, the other default provisions of this Lease.

SECTION 6
TAXES, ASSESSMENTS AND UTILITIES

6.01 Tenant agrees to pay as additional rent for the Premises all taxes and assessments, general and special, all water rates and all other governmental impositions which may be levied on the Premises or any part thereof, or on any building or improvements at any time situated thereon, during or pertaining to the Term and any extensions thereof. All such taxes, assessments, water
rates and other impositions will be paid by Tenant before they become delinquent. The property
taxes and assessments for the first and last years of the Term or any extension thereof, will be
prorated between Landlord and Tenant so that Tenant will be responsible for any such tax or
assessment attributable to the period during which Tenant has possession of the Premises.

The so-called "due-date" method of proration will be used, under the presumption that taxes and
assessments are payable in advance. In the event that during the Term or any extension thereof (i)
the real property taxes levied or assessed against the Premises are reduced or eliminated, whether
the cause is a judicial determination of unconstitutionality, a change in the nature of the taxes
imposed or otherwise, and (ii) there is levied, assessed or otherwise imposed on the Landlord, in
substitution for all or part of the tax thus reduced or eliminated, a tax (the "Substitute Tax") which
imposes a burden upon Landlord by reason of its ownership of the Premises, then to the extent of
such burden the Substitute Tax will be deemed a real estate tax for purposes of this paragraph.

In the event Landlord shall elect to, or the governmental unit in which the property is located shall
submit, a separate tax bill directly to Tenant covering Tenant's obligations hereunder, Tenant agrees
to pay such tax on or before due date and furnish evidence to Landlord of that payment. In the
event Landlord shall receive one tax bill covering real estate of which the Premises are a part,
Landlord agrees to obtain, at Tenant's request, a letter or memorandum of the local Assessor
supporting the breakdown of the allocation of these Premises as it bears to the total real estate,
which breakdown shall be binding upon the parties.

6.02 Tenant agrees to pay all charges made against the Premises for water, gas, heat, electricity
and all other utilities as and when due during the continuance of this Lease. If Tenant shall use
water, gas, electricity or any other utility for any purpose in the Premises and Landlord shall elect
to supply water, gas, electricity or any other utility Tenant shall accept and use the utility as tendered by
Landlord and pay Landlord at the applicable rates filed with the proper regulating authority and in
effect from time to time covering such services.

6.03 In the event that payment of any and all of the foregoing taxes, assessments and utilities are
to be made from an escrowed fund required to be established by Landlord as mortgagor under the
terms of any first mortgage on the Premises, Landlord will so notify Tenant. Tenant will not be
required to pay directly such taxes, assessments and utilities as are paid from the escrowed fund,
but will instead, as additional rent, pay to Landlord on the first day of each month of the Term an
amount equal to the amount required to be paid by Landlord under the terms of such first mortgage
to the escrowed fund on account of such charges. If the actual taxes, assessments and utilities,
when due, exceed the total amounts from time to time paid by Tenant, Tenant will pay on demand
any deficiency to Landlord. If such payments by Tenant, over the Term, exceed the amount of
taxes, assessments and utilities paid therefrom, such excess will be refunded by Landlord to Tenant
at the expiration of the Term or when such excess is refunded by the mortgagor to Landlord,
whichever occurs first.

6.04 Tenant also agrees to pay as additional rent for the Premises all dues and assessments
levied against or in regard to the Premises by the City of Sterling Heights until the termination of the
Term and of any extended term of this Lease. Tenant will pay all such dues and assessments
before they become delinquent. Such dues and assessments which relate to specific periods of
time which periods include the Commencement Date and/or the termination date of this Lease or
any extension thereof will be prorated between Landlord and Tenant so that Tenant will be
responsible for any such dues and assessments attributable to the period during which Tenant has
possession of the Premises.

6.05 The Tenant shall pay as additional rent any money and charges required to be paid pursuant
to the terms of this Lease, whether or not the same may be designated "additional rent". If such
amounts or charges are not paid at the time provided in the Lease, they shall nevertheless, if not
paid when due, be collectible as rent thereafter falling due hereunder, but nothing herein contained
shall be deemed to suspend or delay the payment of any amount of money or charge at the time the
same becomes due and payable hereunder, or limit any other remedy of the Landlord.
SECTION 7
USE OF PREMISES AND SIGNS

7.01 The Premises during the continuance of this Lease will be used and occupied for warehouse and storage, light manufacturing and other logistical components of an ongoing logistics company as well as parking of trucks, trailers and repairing of the same only and not for any other purpose without the prior written consent of Landlord. Tenant agrees that it will not use or permit any person to use the Premises or any part thereof for any use or purpose in violation of the laws of the United States, the laws, ordinances or other regulations of the State and municipality in which the Premises are located, or of any other lawful authorities. During the Term or any extended term, Tenant will keep the Premises and every part thereof and all buildings at any time situated thereon in a clean and wholesome condition. Tenant shall promptly comply, at Tenant's sole cost and expense, with all laws, ordinances, regulations and orders affecting the Premises hereby leased, including the cleanliness, health, safety, occupation and use of the Premises.

7.02 All signs and advertising displayed in and about the Premises will only advertise the business carried on upon the Premises and Landlord will control the location, character and size thereof. No signs will be displayed except as approved in advance, in writing, by Landlord, and no awning will be installed or used on the exterior of the building unless approved in advance, in writing, by Landlord. Tenant shall promptly comply, at Tenant's sole cost and expense, with all laws, ordinances, orders, and regulations in any way relating to Tenant's sign or advertising. Tenant shall not install any exterior lighting or plumbing fixtures, shades, awnings, any exterior decorations or painting, build any fences or make any changes to the building exterior without the prior written consent of Landlord. Notwithstanding anything contained herein to the contrary, any sign(s) which Tenant may install in or about the Premises with the approval of Landlord, either simultaneously with the execution of this Lease or subsequently, shall belong to the Landlord upon the expiration or termination of this Lease and shall be left with the Premises (or upon any property adjoining the Premises) unless Landlord shall request Tenant to remove the same in writing, in which event Tenant shall be obligated to remove same at the expiration or earlier termination of this Lease at Tenant's sole cost. Any sign(s) that Landlord requests Tenant to remove shall be removed promptly and the Premises shall be restored to its original condition all at Tenant's sole cost and expense.

7.03 A) Tenant shall not use, store, generate, treat or dispose of any Hazardous Substance on the Premises, or cause, suffer or permit the same to be done by any person without the prior written consent of Landlord, which consent may be granted or withheld in Landlord's sole discretion. For purposes of this section, the term "Hazardous Substance" means any substance, the manufacture, use, treatment, storage, transportation, or disposal of which is regulated by any federal, state or local law or regulation having as its object the protection of public health, natural resources, or the environment, including, by way of illustration only and not as a limitation, the following: the Resource Conservation and Recovery Act; the Comprehensive Environmental Response, Compensation, and Liability Act; the Toxic Substances Control Act; the Federal Water Pollution Control Act; the Federal Clean Air Act; and the Michigan Natural Resources and Environmental Protection Act, as each of such acts shall be amended from time to time. Notwithstanding the foregoing, Tenant shall have the right to use Hazardous Substances (including fuel in above ground storage tanks) for operating and maintaining its truck fleet and forklifts as long as such use is in accordance with all applicable laws, including permits, fire marshal inspections, setback requirements etc. If Federal, State, City or any Governmental authority requires a pollution or storage tank insurance policy related to Tenant's storage tank use, Tenant will comply with such requirements and also name Landlord as additionally insured.

B) Landlord agrees to defend, indemnify and hold Tenant harmless from and against any liabilities including, without limitation, judgments, fines, penalties, court costs, and actual attorney fees claimed or asserted against or sustained by Tenant resulting from any and all claims related in any way to environmental condition that existed on or before the date of this Agreement. Notwithstanding the preceding, Tenant shall be liable only for, and Landlord shall not be obligated to indemnify Tenant, any release, spill, other contamination or exacerbation caused by Tenant whether by negligence, willful misconduct or violation of law.
C) Tenant shall promptly supply to Landlord a copy of (a) any reports or documents from any environmental audit, investigation, repairs, remediation or testing at any time undertaken on the Premises or adjacent property; (b) all notices, demands, inquiries, claims, or related documents received from any person or entity, including governmental agencies, as a result of hazardous substances alleged to be on, under or emanating from the Premises or adjacent property; and (c) any notices, reports, applications or related documents for licenses, permits, or approvals submitted by or on behalf of Tenant to any environmental regulatory agency affecting the Premises or adjacent property.

D) Landlord reserves the right (but shall not have the obligation) to enter upon and inspect the Premises at any time, and from time to time, during Tenant's business hours and, on reasonable notice, at other times. Such inspection may include, without limitation: (i) the taking and analysis of soil, groundwater, wastewater, surface water, storm water, or air emissions; and (ii) installation of soil borings, observation wells, and investigation of the surface or subsurface of the Premises by geophysical means. Tenant shall promptly furnish to Landlord any information requested by or on behalf of Landlord concerning Tenant's operations on the Premises and on adjacent property, whether or not such information is of a proprietary nature.

E) In the event that any Hazardous Substance is discovered to have been released by Tenant, its agents, invitees, contractors, suppliers, or third parties under Tenant's control, upon, under or emanating from the Premises and the Improvements or the Site during the term of this Lease, whether such discovery is made during the term of this Lease or at any time thereafter, Tenant shall, at its sole cost and expense, take all steps necessary to forthwith investigate, remove and properly dispose of such hazardous substance and clean up and remediate any contamination or damage resulting therefrom, in full compliance with all applicable laws and regulations and to the reasonable satisfaction of Landlord and the regulating entity. Tenant agrees to defend, indemnify and hold Landlord harmless from and against any liabilities including, without limitation, judgments, fines, penalties, court costs, and actual attorney fees claimed or asserted against or sustained by Landlord resulting from Tenant's failure to fully comply with the provisions of this Paragraph 7.03.

SECTION 8
INSURANCE

8.01 Landlord, at Tenant's expense, will obtain and maintain at all times until termination of this Lease and surrender of the Premises to Landlord, a primary policy of insurance covering the Premises, with reasonable "deductibles" as determined by the Landlord in its sole discretion, and providing the insurance protection to Landlord described in this Section. Landlord will retain in its possession the original policy and all endorsements, renewal certificates and new policies, if any, issued during the Term, but will provide Tenant upon request certificates evidencing the existence of the policy. Tenant agrees to pay the premiums for such insurance as additional rent within thirty (30) days after Landlord delivers personally or mails an invoice therefore to Tenant. Tenant acknowledges that the payment of the premiums is Tenant's responsibility, and Landlord will not be required to have paid the premiums prior to invoicing the Tenant.

8.02 The liability coverage under the primary policy will name Landlord and Landlord's mortgagee, only, as insured parties, and will provide comprehensive general public liability insurance coverage against claims for or arising out of bodily injury, death or property damage, occurring in, on or about the Premises or property in, on or about the streets, sidewalks or properties adjacent to the Premises. The limits of coverage will be, if dual limits are provided, initially, not less than Two Million Dollars ($2,000,000.00) with respect to injury or death of a single person, not less than Two Million Dollars ($2,000,000.00) with respect to any one occurrence and not less than One Million Dollars ($1,000,000.00) with respect to any one occurrence of property damage, or, in the alternative, a single limit policy in the amount of Two Million Dollars ($2,000,000.00), and thereafter in such reasonably appropriate increased amounts as may be determined by Landlord or Landlord's mortgagee; provided, however, that the amount of coverage will not be increased more frequently than at one (1) year intervals.
8.03 The primary policy will insure the Improvements, as defined in Section 1.01 hereof (but not any personal property, fixtures or equipment of Tenant), for full replacement cost under a cause of loss – special form policy. The named insured will be Landlord and Landlord’s mortgagee, only. The insurance amounts may be increased upon notice to Tenant on the recommendation or requirement of Landlord or Landlord’s mortgagee, in order to reflect increases in the replacement cost of the Improvements.

8.04 The primary policy also will provide loss of rents coverage sufficient, as reasonably determined by Landlord, to cover the net rental and all other charges which are the obligation of Tenant under this Lease for a 12-month period from the date of any loss or casualty.

8.05 In addition to the above, and not by way of substitution therefore, Tenant shall obtain, at its own expense, a general public liability insurance policy, including blanket contractual coverage, which shall name Landlord and Landlord’s mortgagee as additional insureds. The policy shall contain cross-liability endorsements and shall have the same limits of coverage as set forth in Section 8.02 as changed or amended from time to time. Such policy shall be issued by an insurance company having an A.M. Best Company rating of not less than "A". The policy procured by Tenant under this Subsection must provide for at least thirty (30 days) written notice to Landlord of any cancellation. At Landlord’s option, either a certificate of insurance or the original policy will be delivered by Tenant to Landlord prior to the effective date thereof, together with receipts evidencing payment of the premiums. Tenant will deliver certificates of renewal for such policies to Landlord at least thirty (30) days prior to the expiration dates thereof. The insurance provided by Tenant under this Subsection may be in the form of a blanket insurance policy covering other properties as well as the Premises; provided, however, that any such policy or policies of blanket insurance must specify therein, or Tenant must furnish Landlord with a written statement from the insurers under such policy or policies specifying, the amount of the total insurance allocated to the Premises, which amount will not be less than the amounts required by Subsection 8.02 hereof; provided, however, that any such policy or policies of blanket insurance must, as to the Premises, otherwise comply as to endorsements and coverage with the other provisions of this Subsection.

8.06 Except with respect to the insurance required by Subsection 8.02 and 8.05, neither Landlord nor Tenant may take out separate insurance concurrent in form or contributing in the event of loss with that required under this Section unless Landlord and Tenant are included therein as the insured payable as provided in this Lease. Each party will notify the other immediately of the placing of any such separate insurance.

8.07 If Tenant fails to provide all or any of the insurance required by Subsection 8.05 or subsequently fails to maintain such insurance in accordance with the requirement thereof, Landlord may, (but will not be required to) procure or renew such insurance, and any amounts paid by Landlord for such insurance will be additional rent, due and payable, on or before the next Rent Day, together with late charges and interest as provided in Section 5.

8.08 If Landlord’s mortgagee under any first mortgage on the Premises at any time requires, pursuant to the terms of the mortgage, that payment of insurance premiums be made from an escrowed fund, Landlord will so notify Tenant. In such event, Tenant will not directly pay the insurance premiums, but instead will pay to Landlord, as additional rent, the amounts which Landlord must pay into the escrowed fund on account of such premiums. If the actual premiums, when due, exceed the total payments from time to time made by Tenant into the escrowed fund, Tenant, upon demand, will pay any deficiency to Landlord. If the payments made by Tenant under this Subsection over the Term exceed the amount of premiums paid from such fund, Landlord will refund the excess to Tenant at the expiration of the Term or at the time such excess is refunded by the mortgagee to Landlord, whichever occurs first.
8.09 Tenant shall not carry any stock of goods or do anything in or about the Premises which in any way is likely to increase the insurance rates on the Premises and the building of which they are a part. Tenant agrees to pay, in addition to the insurance costs as described in this Lease, the total of any increase in premiums for insurance against loss by fire that may be charged during the Term on the amount of insurance to be carried by Landlord on the Premises resulting from the business carried on by Tenant in the Premises, whether or not Landlord has consented to the activity. If Tenant installs any electrical equipment that overloads the lines in the Premises, Tenant shall, at its own expense, make whatever changes are necessary to comply with the requirements of the Insurance Underwriters and governmental authorities having jurisdiction.

SECTION 9
DAMAGE BY FIRE OR OTHER CASUALTY

9.01 It is understood and agreed that if the Premises are damaged or destroyed, in whole or in part, by fire or other casualty during the Term, if and only to the extent that Landlord has received sufficient insurance proceeds, the Landlord will repair and restore the Premises to good tenantable condition with reasonable dispatch. The obligation of Landlord hereunder shall be limited to reconstructing the Premises in accordance with the initial plans and specifications for the construction of the Premises. Tenant shall have the right to terminate this Lease if repairs are not reasonably expected to be completed within six (6) months and use of more than 25% of the square footage of the building remains unusable at the end of the six (6) month period, unless such delay is attributable to events beyond Landlord's control. In no event shall Landlord be required to repair or replace Tenant's merchandise, trade fixtures, furnishings or equipment or any alterations or additions to the Premises accomplished by or on behalf of the Tenant. The rent, additional rent and all other charges which the obligation of Tenant under this Lease are will abate, if and only to the extent covered by loss of rents insurance proceeds, for the period the Premises are untenantable. Landlord shall not be required to repair any property installed in the Premises by Tenant nor to repair any portion of the Premises for which insurance proceeds are not paid to Landlord.

9.02 Tenant will have the option, exercisable by written notice to Landlord upon restoration of the Premises, to extend the original Term (or the extension of the Term during which the damage or destruction occurred, as the case may be) for a period, if any, during which Tenant was deprived of the use of all or a significant portion of the Premises by reason of such damage or destruction. Tenant's option must be exercised within twenty (20) days following completion of the work of restoration and repair and delivery of possession of the Premises to Tenant.

SECTION 10
REPAIRS

10.01 Tenant agrees at its own expense to keep the Improvements, including all structural, electrical, mechanical and plumbing systems, including replacements, at all times in good appearance and repair except for reasonable and normal wear and tear. Tenant will also pay all other expenses in connection with the maintenance of the Premises including repair and upkeep of grounds, sidewalks, driveways and parking areas in a first-class condition. In the event of any damage or destruction to the Premises, or any portion thereof, to the extent that available insurance proceeds are insufficient to repair or replace any portion of the Premises which Tenant is obligated to repair or replace, Tenant shall nonetheless immediately proceed to accomplish such repair or replacement at its sole cost and expense.

10.02 Notwithstanding any other provision of this Lease, from and after the date Tenant takes occupancy of the Premises, any repairs, additions or alterations to the Improvements or any of its systems (e.g., plumbing, electrical, mechanical, structural, or non-structural) which are required by any law, statute, ordinance, rule, regulation, governmental authority or insurance carrier, including, without limitation, OSHA, will be the obligation of Tenant.
10.03 Tenant agrees that not less than semi-annually during the Term, it shall reimburse Landlord after Landlord's heating and air conditioning maintenance company inspects and services the heating, ventilation and air conditioning systems servicing the Premises which shall include filter replacement, clogging, Freon recharging and other maintenance as may be required to maintain such systems in good operating condition and repair. Landlord shall submit paid bills for these inspections to Tenant semi-annually as evidence of compliance with this Subsection and Tenant shall promptly reimburse Landlord. The obligations imposed by this Subsection shall be in addition to and not in limitation of Tenant's obligations for repair as set forth in this Section 10. Landlord agrees prior to Tenant's occupancy to cause its contractors to inspect these systems at Landlord's sole cost and expense and Landlord agrees to make necessary repairs. A written report will be furnished to Tenant prior to occupancy.

10.04 Landlord shall be responsible to accomplish any maintenance, repairs or replacements so as to keep the roof and four outer walls serviceable and in good condition and repair, so long as any damage is not caused by any act of the Tenant. In such case, Tenant shall be responsible for the cost of said repair. Tenant shall at its own cost and expense replace any glass windows, doors, door hardware and frames in the premises. Tenant hereby accepts the parking lot to the rear of the building on the Premises in "As Is" condition. Tenant shall be responsible to return the front parking lot to Landlord in its present condition with normal wear and tear excepted. Tenant shall not be obligated to repair or replace any catch basins on the Premises, except where such damage is caused by acts or omissions of Tenant, less normal wear and tear.

10.05 Tenant acknowledges that it has been given a full and adequate opportunity to inspect the Premises or cause the Premises to be inspected on Tenant's behalf prior to the execution of this Lease and Tenant agrees and acknowledges that it has not been given any warranties or representations with regard to the condition of the Premises by Landlord, either written, verbal, express or implied, other than as specifically set forth herein. Tenant agrees that if the municipality within which the Premises are located requires any modifications or additions to the Premises (including but not limited to fire suppression system and fire annunciation strobes/horns) as a condition of Tenant having the right to engage in its particular business within the Premises, the costs and installation of same shall be borne solely by Tenant.

SECTION 11
PAYMENT FOR SERVICES RENDERED BY LANDLORD

11.01 If Landlord at any time: (i) does any work or performs any service in connection with the Premises, or (ii) supplies any materials to the Premises, and the cost of the services, work or materials is Tenant's responsibility under the provisions of this Lease, Landlord will invoice Tenant for this cost, payable within five (5) days after delivery of the invoice. This Section will apply to any such work, services or materials, whether furnished at Tenant's request or on its behalf and whether furnished or caused to be furnished by Landlord or its agents, employees or contractors. All amounts payable under this Section will be additional rent and failure by Tenant to pay them, when due, will be a default under this Lease and further will result in the assessment of late charges and interest under Section 5.

SECTION 12
ALTERATIONS

12.01 The parties agree that Tenant will not make any alterations, additions or improvements to the Premises without the written consent of Landlord and, if required by the terms of any mortgage on the Premises, the written consent of the mortgagee. All alterations, additions, improvements and fixtures (other than trade fixtures) which may be made or installed by either of the parties hereto upon the Premises and which in any manner are attached to the floors, walls or ceilings or any extension thereof shall be the property of Landlord, and at the termination of this Lease shall remain upon and be surrendered with the Premises as a part thereof, without disturbance, molestation or injury. Any floor covering, irrespective as to manner affixed, shall become the property of the Landlord; provided however that Landlord may designate by written notice to Tenant those alterations, additions, improvements and fixtures which shall be removed by Tenant at the expiration
or termination of the Lease, and Tenant shall, at Tenant's sole cost and expense, promptly remove these improvements, additions and fixtures and repair any damage to the Premises caused by such removal, to the condition as when originally received by Tenant, reasonable wear and tear excepted. In the event Tenant shall be in default at the time of vacation of the Premises, either at the expiration or termination of the lease or otherwise, the Tenant shall not be permitted to remove trade fixtures, machinery and equipment unless Landlord shall expressly agree in writing, and the trade fixtures, machinery and equipment shall be deemed, as with all other alterations, additions, improvements, including machinery and equipment and fixtures, to belong to Landlord.

SECTION 13
LIENS

13.01 After the Commencement Date, Tenant will keep the Premises free of liens of any sort and will hold Landlord harmless from any liens which may be placed on the Premises except those attributable to the acts of Landlord.

SECTION 14
EMINENT DOMAIN

14.01 If seventy-five (75%) percent or more of the building's net rentable area is condemned or taken in any manner (including, without limitation, any conveyance in lieu thereof) for any public or quasi-public use, the Term shall cease and terminate as of the date title is vested in the condemning authority. If twenty-five (25%) percent or less of the building's net rentable area is so condemned or taken, the Landlord may terminate this Lease if it determines, in the reasonable exercise of its business judgment, that continued operation of the Premises under this Lease would be uneconomic. If more than twenty-five (25%) percent but less than seventy-five (75%) percent of the building's net rentable area is so condemned or taken, with the result that Tenant's business is significantly and adversely affected thereby, or if such a portion of the parking area is so condemned or taken that the number of parking spaces remaining are less than the number required by applicable zoning or other code for the building, then either Landlord or Tenant may terminate this Lease as of the date title is vested in the condemning authority by written notice to the other.

14.02 If this Lease is not terminated following such a condemnation or taking, Landlord, as soon as reasonably practicable after such condemnation or taking and the determination and payment of Landlord's award on account thereof, shall expend as much as may be necessary of the net amount which is awarded to Landlord and released by landlord's mortgagee, if any, in restoring, to the extent originally constructed by Landlord (consistent, however, with zoning laws and building codes then in existence), so much of the building as was originally constructed by Landlord to an architectural unit as nearly like its condition prior to taking as shall be practicable. Should the net amount so awarded to Landlord be insufficient to cover the costs of restoring the building, in the reasonable estimate of Landlord, Landlord may, but shall have no obligation to, supply the amount of such insufficiency and restore the building to such an architectural unit, with all reasonable diligence, or Landlord may terminate this Lease by giving notice to Tenant not later than a reasonable time after Landlord has determined the estimated net amount which may be awarded to Landlord and the estimated cost of such restoration.

14.03 If this Lease is not terminated pursuant to Section 14.01, the minimum net rental payable by Tenant shall be reduced in proportion to the reduction in net rentable area of the building by reason of the condemnation or taking. If this Lease is terminated pursuant to Section 14.01, the minimum net rental and other charges which are the obligation of Tenant hereunder shall be apportioned and prorated accordingly as of the date of termination.
14.04 The whole of any award or compensation for any portion of the Premises taken, condemned or conveyed in lieu of taking or condemnation shall be solely the property of and payable to Landlord. Nothing herein to the contrary contained shall be deemed to preclude Tenant from seeking, at its own cost and expense, an award from the condemning authority for loss of its business, the value of any trade fixtures or other personal property of Tenant in the Premises or moving expenses, provided that the award for such claim or claims shall not be in diminution of the award made to Landlord.

SECTION 15
ASSIGNMENT OR SUBLETTING

15.01 Tenant agrees not to assign or in any manner transfer this Lease or any interest in this Lease without the previous written consent of Landlord, and not to sublet the Premises or any part of the Premises or allow anyone to use or to come in with, through or under it without like consent, which consent will not be withheld unreasonably. In no event may Tenant assign or otherwise transfer this Lease or any interest in this Lease at any time while in default thereunder. One such consent will not be deemed a consent to any subsequent assignment, subletting, occupation, or use by any other person. Tenant may, however, assign this Lease to a corporation with which it may merge or consolidate, to any parent or subsidiary of Tenant or subsidiary of Tenant's parent, or to a purchaser of substantially all of Tenant's assets, but only if the assignee has assets and creditworthiness substantially equal to or greater than Tenant and if the assignee executes an agreement required by Landlord assuming Tenant's obligations. The acceptance of rent from an assignee, sub-tenant or occupant will not constitute a release of Tenant from the further performance of the obligations of Tenant contained in this Lease. In the event of any assignment or sublease of all or any portion of the Premises where the rental or other consideration reserved in the sublease or by the assignment exceeds the rental or prorata portion of the rental as the case may be, for such space reserved in this Lease, Tenant agrees to pay Landlord monthly, as additional rent, on the Rent Day, one-half of the excess of the rental or other consideration reserved in the sublease or assignment over the rental reserved in this Lease applicable to the subleased/assigned space. Tenant acknowledges that Landlord selected Tenant in part on the basis of Tenant's proposed use and occupation of the Premises, and agrees that Landlord may withhold consent to any proposed sublease or assignment if the sub-tenant's or assignee's business or proposed use of the Premises would be physically injurious to the Building or would detract from the reputation of the industrial park, if any, within which the Premises are located.

15.02 Landlord and Tenant agree that any one of the following factors, or any other reasonable factor, will be reasonable grounds for Landlord deciding upon the Tenant's request to assign or sublet:

(a) Financial strength of the supposed sub-tenant/assignee must be at least equal to that of the existing Tenant.
(b) Business reputation of the proposed sub-tenant/assignee must be in accordance with generally acceptable commercial standards.
(c) Use of the Premises by the proposed sub-tenant/assignee must be substantially similar to the use permitted by this Lease.
(d) Use of the Premises by the proposed sub-tenant/assignee will not tend to violate or create any potential violation of any laws; and
(e) Use of the Premises will not violate any other agreements affecting the Premises.

SECTION 16
INSPECTION OF PREMISES

16.01 Tenant agrees to permit Landlord and the authorized representatives of Landlord to enter the Premises at all reasonable times during business hours for the purpose of inspecting the same.
SECTION 17
FIXTURES AND EQUIPMENT

17.01 All fixtures and equipment paid for by Landlord and all fixtures and equipment which may be paid for and placed on the Premises by Tenant from time to time but which are so incorporated and affixed to Improvements that their removal would involve damage or structural change to Improvements, will be and remain the property of Landlord, unless Landlord determines in its sole discretion that all or a portion of such fixtures and equipment shall be removed in which event Tenant shall remove same at its sole cost.

17.02 All furnishings, equipment and fixtures other than those specified in Section 17.01, which are paid for and placed on the Premises by Tenant from time to time (other than those which are replacements for fixtures originally paid for by Landlord) will remain the property of Tenant.

SECTION 18
SECURITY

18.01 This Lease constitutes a lien as security for the rent and other amounts payable hereunder and for the performance by Tenant of every other obligation herein contained, upon all the personal property and fixtures, of any nature, which are or may be placed on the Premises by Tenant. Tenant agrees to execute, upon request, an appropriate Uniform Commercial Code Financing Statement evidencing the lien. The lien may be enforced on the nonpayment of any rent or other amount due under this Lease or the non-performance of any obligations herein contained, by the taking and selling of such property or any of the property at private sale for such price as Landlord may obtain and the application of the proceeds of such sale against any amounts due under this Lease from Tenant to Landlord and against the expenses incident to the removal and sale of the property. Notice of such sale will be served on Tenant by posting on the Premises or by leaving the notice at or mailing it to Tenant’s address given herein at least seven (7) days in advance of such sale. Landlord may retain in its possession any property of Tenant after any sum payable under this Lease has become due and Landlord will not be liable in any action of replevin, conversation or similar remedy because of such retention. Tenant will indemnify and hold harmless Landlord from damages or claims by any third parties claiming rights in property sold or disposed of by Landlord pursuant to this Section.

SECTION 19
NOTICE OR DEMANDS

19.01 All bills, notices, statements, communications to or demands (collectively, “notice or demands”) upon Landlord or Tenant desired or required to be given under any of the provisions hereof must be in writing. Any such notices or demands from Landlord to Tenant will be deemed to have been duly and sufficiently given if a copy thereof has been mailed by United States mail in an envelope properly stamped and addressed to Tenant at the address of the Premises or Tenant’s registered office in the State in which the Premises are located at such time, or at such other address as Tenant may have last furnished in writing to the Landlord for such purpose, and any such notices or demands from Tenant to Landlord will be deemed to have been duly and sufficiently given if personally delivered to Landlord or mailed by United States mail in an envelope properly stamped and addressed to Landlord at the address last furnished by written notice from Landlord to Tenant. The effective date of such notice or demand will be deemed to be the time when personally delivered or mailed as herein provided. Landlord and Tenant have the option to use a nationally recognized courier express service such as Federal Express or DHL to send notices or demands, in which event the date of delivery of such notice or demand shall be deemed to be the day after the date of delivery of such notice or demand to the delivery company as indicated on a receipt of such company.
SECTION 20
BREACH; INSOLVENCY; RE-ENTRY

20.01 If any rental payable by Tenant to Landlord remains unpaid for more than five (5) days after the Rent Day, or if Tenant violates or defaults in the performance of any of its obligations in this Lease and the violation or default continues for a period of ten (10) days after written notice, Landlord may (but will not be required to) declare (i) this Lease forfeited and the Term ended; or (ii) re-enter the Premises; or (iii) exercise all other remedies available under Michigan law. Landlord shall not be liable for damages to person or property by reason of any legitimate re-entry or forfeiture, and Landlord will be aided and assisted by Tenant, its agents, representatives and employees. Tenant, by the execution of this Lease, waives notice of re-entry by Landlord except that Landlord agrees to abide by the Michigan Summary Proceedings Act. In the event of re-entry by Landlord without declaration of forfeiture, the liability of Tenant for the rent provided herein will not be relinquished or extinguished for the balance of the Term, and any rentals prepaid may be retained by Landlord and applied (i) against the costs of re-entry; or (ii) as liquidated damages; or (iii) both. Tenant will pay, in addition to the rentals and other sums agreed to be paid hereunder, reasonable attorneys' fees, costs and expenses in any suit or action instituted by or involving Landlord to enforce the provisions of, or the collection of the rentals due Landlord under this Lease, including any proceeding under the Federal Bankruptcy Code.

Tenant shall pay all legal fees, costs and expenses incurred by Landlord for the preparation and filing of seven (7) days notices for eviction, thirty (30) day notices to terminate tenancy, eviction proceedings and collection proceedings, such payment to be made to Landlord within ten (10) days after written demand. Landlord shall not be required to accept any past due amounts owing under this Lease unless such payments include legal fees, costs and expenses mentioned above.

20.02 If Tenant is adjudged bankrupt or insolvent, files or consents to the filing of a petition in bankruptcy under Federal or State law, applies for or consents to the appointment of a receiver for all or substantially all of its assets, makes a general assignment for the benefit of its creditors, fails generally to pay its debts as they become due, or does anything which, under the applicable provisions of the Federal Bankruptcy Code would permit a petition to be filed by or against Tenant, Tenant shall be in default under this Lease and to the extent from time to time permitted by applicable law, including, but not limited to, the Federal Bankruptcy Code, Landlord shall be entitled to exercise all remedies set forth in the preceding Subsection of this Section. In a reorganization under Chapter 11 of the Federal Bankruptcy Code, the debtor or trustee must assume this Lease or assign it within sixty (60) days from the filing of the proceeding, or he shall be deemed to have rejected and terminated this Lease. Tenant acknowledges that its selection to be the Tenant hereunder was premised in material part on Landlord's determination of Tenant's creditworthiness and ability to perform the economic terms of this Lease, and Landlord's further determination that Tenant and the character of its occupancy and use of the Premises would be compatible with the nature of the Premises and other adjacent properties of Landlord. Therefore, if Tenant, as debtor, or its trustee elects to assume or assign this Lease, in addition to complying with all other requirements for assumption or assignment under the Federal Bankruptcy Code, Tenant, as debtor, or its trustee or assignee, as the case may be, must also provide adequate assurance of future performance, including, but not limited to, a deposit, the amount of which shall be reasonably determined based on the duration of time remaining in the Term, the physical condition of the Premises at the time the proceeding was filed, and such damages as may be reasonably anticipated after reinstatement of the Lease, taking into account rental market conditions at the time of the reinstatement. In the event of an assignment, the Landlord must be reasonably assured that the financial condition of the assignee is sound, and that its use of the Premises will be compatible with the nature of the Premises and other adjacent properties of Landlord.

20.03 In the event of declaration of forfeiture at or after the time of re-entry, Landlord may re-lease the Premises or any portion(s) of the Premises for a term or terms and at a rent which may be less than or exceed the balance of the Term of and the rent reserved under this Lease. In such event Tenant will pay to Landlord as liquidated damages for Tenant's default any deficiency between the
total rent reserved and the net amount, if any, of the rents collected on account of the Lease or Leases of the Premises which otherwise would have constituted the balance of the term of this Lease. In computing such liquidated damages, there will be added to the deficiency and expenses which Landlord may incur in connection with re-leasing, such as legal expenses, attorneys' fees, brokerage fees and expenses, advertising and for keeping the Premises in good order or for preparing the Premises for re-leasing. Any such liquidated damages will be paid in monthly installments by Tenant on Rent Day and any suit brought to collect the deficiency for any month will not prejudice Landlord's right to collect the deficiency for any subsequent month by a similar proceeding. In lieu of the foregoing computation of liquidated damages, Landlord may elect, at its sole option, to receive liquidated damages in one payment equal to any deficiency between the total rent reserved hereunder and the fair and reasonable rental of the Premises, both discounted at eight (8%) percent per annum to present value at the time of declaration of forfeiture.

20.04 Whether or not forfeiture has been declared, Landlord will not be obligated or responsible, in any way, for failure to re-lease the Premises or, in the event that the Premises are re-leased, for failure to collect the rent under such re-lease. The failure of Landlord to re-lease all or any part of the Premises will not release or affect Tenant's liability for rent or damages.

20.05 The parties hereto shall and hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties connected with this Lease relating to any monetary defaults. In the event Landlord commences any proceedings for nonpayment of rent, minimum rent, or additional rent, Tenant will not interpose any counterclaim for whatever nature or description in any such proceedings. This shall not, however, be construed as a waiver of the Tenant's right to assert such claims in any separate action or actions brought by the Tenant.

SECTION 21
SURRENDER OF PREMISES ON TERMINATION

21.01 At the expiration (or earlier termination) of the Term, Tenant will surrender the Premises broom clean and in as good condition and repair as they were at the time Tenant took possession, reasonable wear and tear excepted, and promptly upon surrender will deliver all keys and building security cards for the Premises to Landlord at the place fixed for payment of rent. All costs and expenses incurred by Landlord in connection with repairing or restoring the Premises to the condition called for herein, together with the costs, if any, of removing from the Premises any property of Tenant left therein, together with liquidated damages in any amount equal to the amount of minimum net rental, Additional Rent, plus all other charges which would have been payable by Tenant under this Lease if the Term had been extended for the period of time reasonably required for Landlord to repair or restore the Premises to the condition called for herein, shall be invoiced to Tenant and shall be payable as additional rental within five (5) days after receipt of invoice.

SECTION 22
PERFORMANCE BY LANDLORD OF THE COVENANTS OF TENANT

22.01 If Tenant fails to pay any sum of money, other than rental, required to be paid hereunder or fails to perform any act on its part to be performed hereunder, including without limitation the performance of all covenants pertaining to the condition and repair of the Premises pursuant to Section 10, above, and such failure shall continue for a period of thirty (30) days (or a reasonable period of less than thirty (30) days when life, person or property are in jeopardy) after notice thereof by Landlord, Landlord may (but shall not be required to), and without waiving or releasing Tenant from any of Tenant's obligations, make any such payment or perform any such other act. All sums so paid by Landlord and all necessary incidental costs, including without limitation the cost of repair, maintenance or restoration of the Premises if so performed by Landlord hereunder, shall be deemed additional rental and, together with interest thereon at the rate set forth in Section 5.02, from the date of payment by Landlord until the date of repayment by Tenant to Landlord, shall be payable to Landlord within five (5) days after receipt of invoice by Tenant. On default in such payment, Landlord shall have the same remedies as on default in payment of rent. The rights and remedies granted to Landlord under this Section shall be in addition to, and not in lieu of all other remedies, if
any, available to Landlord under this Lease or otherwise, and nothing herein contained shall be construed to limit such other remedies of Landlord with respect to any matters covered herein.

SECTION 23

SUBORDINATION; ESTOPPEL CERTIFICATES

23.01 Tenant agrees that Landlord may choose to make this lease subordinate or paramount to any construction loans, mortgages, trust deeds and ground or underlying leases now or hereafter affecting the Premises, to any and all advances to be made thereunder, to the interest and charges thereon, and all renewals, replacements, and extensions thereon, provided the mortgagee, lessor or trustee named in any such mortgages, trust deeds or leases agrees to recognize the lease of Tenant in the event of foreclosure if Tenant is not in default. Tenant will execute promptly an instrument or certificate that Landlord may request to confirm such subordination, and hereby irrevocably appoints Landlord as Tenant’s attorney-in-fact to execute such instrument or certificate on its behalf.

23.02 Tenant, within ten (10) days after request (at anytime) by Landlord, will execute and deliver to Landlord, an estoppel certificate identifying the Commencement Date and expiration date of the Term stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, stating the modifications, and stating that Tenant does not claim that Landlord is in default in any way, or listing any such claimed defaults and include such other information reasonably requested. The certificate also will confirm the amount of monthly Minimum Net Rental and additional rent as of the date of the certificate, the date to which the rent has been paid in advance, and the amount of any security deposit or prepaid rent. If Tenant fails to deliver an executed certificate to Landlord within the ten (10) day period, the accuracy of the proposed certificate will be deemed conclusively confirmed. The form of an estoppel certificate that Tenant agrees to execute and deliver to Landlord is set forth on Exhibit “C” attached hereto and made a part hereof. Should Landlord or Landlord’s lender request another form containing the information set forth herein, Tenant agrees to execute and deliver such form pursuant to the terms of this Subsection.

SECTION 24

QUIET ENJOYMENT

24.01 Landlord agrees that at all times when Tenant is not in default under the provisions and during the Term, Tenant’s quiet and peaceable enjoyment of the Premises will not be disturbed or interfered with by Landlord or any person claiming by, through, or under Landlord.

SECTION 25

HOLDING OVER

25.01 If Tenant remains in possession of the Premises after the expiration of this Lease without executing a new lease, it will be deemed to be occupying the Premises as a tenant from month to month, subject to all the provisions of this Lease to the extent that they can be applicable to a month-to-month tenancy, except that the minimum net rental for each month will be two hundred (200%) percent of the regular monthly installments of minimum net rental set forth in Section 4.01, above for 42600 R Mancini Drive.

SECTION 26

REMEDIES NOT EXCLUSIVE; WAIVER

26.01 Each and every of the rights, remedies and benefits provided by this Lease are cumulative, and are not exclusive of any other rights, remedies and benefits, or of any other rights, remedies and benefits allowed by law.
26.02 One or more waivers of any covenant or condition by Landlord will not be construed as a
waiver of a further or subsequent breach of the same covenant or condition, and the consent or
approval by Landlord to or of any act by Tenant requiring Landlord's consent or approval will not be
deemed to waive or render unnecessary Landlord's consent or approval to or of any subsequent
similar act by Tenant.

SECTION 27
WAIVER OF SUBROGATION

27.01 Landlord and Tenant hereby waive any and all right of recovery against each other for any
loss or damage caused by fire or any of the risks covered by standard fire and extended coverage,
vandalism and malicious mischief insurance policies.

SECTION 28
RIGHT TO SHOW PREMISES

28.01 For a period commencing one hundred eighty (180) days prior to the termination of this
Lease or any extension thereof, Landlord may show the Premises and may display about the
Premises signs advertising the availability of the Premises.

SECTION 29
SECURITY DEPOSIT

29.01 Landlord hereby acknowledges the receipt of Thirty-Six Thousand Six Hundred Eighty
Dollars and 00/100 ($36,680.00), which shall constitute a Security Deposit. If Tenant defaults in
any of the provisions of this Lease, Landlord may use, apply or retain all or any part of the Security
Deposit for the payment of any minimum net rental and/or other charges which are the obligation of
Tenant under this Lease in default or for any other sum which Landlord may expend by reason of
Tenant's default, including any damages or deficiency in the re-leasing of the Premises. If Tenant
fully complies with all the provisions of this Lease, the Security Deposit, or balance thereof, will be
returned to Tenant, without interest, after (i) the termination of this Lease, (ii) the removal of Tenant,
and (iii) the surrender of possession of the Premises to Landlord. Unless Landlord is shown
evidence satisfactory to it that the right to receive the Security Deposit has been assigned, Landlord
may return the Security Deposit to the original Tenant regardless of one or more assignments of the
Lease itself.

SECTION 30
INDEMNIFICATION

30.01 Tenant, at its own cost and expense, will defend, indemnify and hold Landlord, its
licensees, servants, agents, employees and contractors, harmless from any loss, damage, claim of
damage, liability or expense to or for any person or property, whether based on contract, tort,
negligence or otherwise, arising directly or indirectly out of or in connection with the condition of the
Premises, the use or misuse thereof by Tenant or any other person, the acts or omissions of Tenant,
its licensees, servants, agents, employees or contractors, the failure of Tenant to comply with any
 provision of this Lease, or any event on the Premises, whatever the cause; provided, however, that
nothing herein shall be construed to require Tenant to indemnify Landlord against Landlord's own
acts, omissions or neglect.
SECTION 31
DEFINITION OF LANDLORD; LANDLORD'S LIABILITY

31.01 The Term "Landlord" as used in this Lease so far as covenants, agreements, stipulations or obligations on the part of the Landlord are concerned is limited to mean and include only the owner or owners of fee title (or of a ground leasehold interest) to the Premises at the time in question, and in the event of any transfer or transfers of the title to such fee the Landlord herein named (and in case of any subsequent transfers or conveyances the then grantor) will automatically be freed and relieved from and after the date of such transfer or conveyance of all personal liability for the performance of any covenants or obligations on the part of the Landlord contained in this Lease thereafter to be performed.

If Landlord fails to perform any provision of this Lease upon Landlord's part to be performed, and if as a consequence of such default Tenant recovers a money judgment against Landlord, such judgment may be satisfied only out of the proceeds of sale received upon execution of such judgment and levied thereon against the right, title and interest of Landlord in the Premises and out of rents or other income from such property receivable by Landlord and Landlord shall not be personally liable for any deficiency.

SECTION 32
ENTIRE AGREEMENT

32.01 This Lease and the Exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions and understandings between Landlord and Tenant concerning the Premises and there are no covenants, agreements, stipulations, promises, conditions or understanding, either oral or written, between the parties other than those set forth herein.

SECTION 33
TAXES ON LEASEHOLD

33.01 Tenant shall be responsible for and shall pay, before delinquency, all municipal, county or state taxes assessed during the Term against any leasehold interest or personal property of any kind, owned or placed in, upon or about the Premises by the Tenant.

SECTION 34
NOTICE BY TENANT

34.01 Tenant shall give immediate notice to Landlord (i) in case of fire or accidents in the Premises or in the building of which the Premises are a part, (ii) of defects of the Premises or in the building or (iii) in any fixtures or equipment.

SECTION 35
EASEMENTS AND UTILITIES

35.01 The Landlord shall have the right, without the consent of Tenant, to grant to adjacent land owner purchasers, Tenants or occupants or any governmental agency or public or private utility company, including Landlord, at any time and from time to time during the Term, as extended, easements, rights of ingress, egress, and common use and enjoyment with respect to the roads, walks, unimproved portions of the land, water, sewage, telephone, gas, and electricity lines, and Landlord may at any time and from time to time grant easements, public and private, for such purposes to itself and to others, and relocate any easements now or hereafter affecting the land.
SECTION 36
RIGHT TO PLAT

36.01 Landlord reserves the right to plat or otherwise subdivide the property during the Term. Further, Tenant agrees to cooperate with Landlord and execute and deliver to Landlord all documents as may be required by Landlord to effectuate this right to plat or otherwise subdivide the property.

SECTION 37
GENERAL

37.01 Many references in this Lease to persons, entities and items have been generalized for ease of reading, therefore, references to a single person, entity or item will also mean more than one person, entity or thing whenever such usage is appropriate (for example, "Tenant" may include, if appropriate, a group of persons acting as a single entity, or as tenants-in-common). Similarly, pronouns of any gender should be considered interchangeable with pronouns of other genders.

37.02 All agreements and obligations of Tenant under this Lease are joint and several in nature. Any waiver or waivers by Landlord of the provisions of this Lease will not constitute a waiver of any later breach of that provision, and any consent or approval given by Landlord with respect to any act, neglect or default by Tenant will not waive or make unnecessary Landlord's consent or approval with respect to any later similar act, neglect or default by Tenant.

37.03 Topical headings appearing in this Lease are for convenience only and do not define, limit or construe the contents of any paragraphs, sections or clauses.

37.04 This Lease can be modified or amended only by a written agreement signed by Landlord and Tenant.

37.05 All provisions of this Lease are and will be binding on the heirs, executors, administrators, personal representatives, successors and assigns of Landlord and Tenant.

37.06 The laws of the State of Michigan will control in the construction and enforcement of this Lease.

37.07 The exhibits attached to this Lease and made a part hereof are:

- Exhibit "A" - Legal Description
- Exhibit "B" - Landlord Improvements
- Exhibit "C" - Estoppel Certificate
- Exhibit "D" - Corporate Resolution
- Exhibit "E" - Guarantee (If Applicable)

SECTION 38
Options

38.01 Landlord will install a truck well per the Attached Exhibit "F" at Tenants option. Price and terms to be negotiated between Landlord and Tenant.
IN WITNESS WHEREOF, the Landlord and Tenant have executed this Lease as of the date set forth above.

SIGNED, SEALED AND DELIVERED IN WITNESSES:

LANDLORD: MANCINI HOLDINGS LLC
A MICHIGAN LIMITED LIABILITY COMPANY

By: Edward A. Mancini, Manager

TENANT: DES - CLAW LLC
A MICHIGAN LIMITED LIABILITY COMPANY

By: Tim Bradley, LLC Manager
TOWN 2 NORTH, RANGE 12 EAST, SECTION 9, COMMENCING AT THE NORTH POST SECTION 9; THENCE SOUTH 88 DEGREES 54 MINUTES WEST 25.0 FEET; THENCE SOUTH 01 DEGREE 15 MINUTES EAST 126.19 FEET; THENCE CONTINUING SOUTH 01 DEGREE 15 MINUTES EAST 731.81 FEET; THENCE SOUTH 88 DEGREES 54 MINUTES WEST 482.00 FEET; THENCE NORTH 01 DEGREE 15 MINUTES WEST 163.00 FEET; THENCE NORTH 88 DEGREES 54 MINUTES EAST 181.63 FEET; THENCE NORTH 01 DEGREE 15 MINUTES EAST 326.00 FEET; THENCE NORTH 88 DEGREES 54 MINUTES EAST 96.37 FEET; THENCE NORTH 01 DEGREE 15 MINUTES WEST 293.20 FEET; THENCE 210.57 FEET ALONG THE ARC OF A CURVE TO RIGHT, RADIUS 1277.78 FEET, LONG CHORD BEARS SOUTH 79 DEGREES 28 MINUTES 25 SECONDS EAST 206.82 FEET TO POINT OF BEGINNING.

PARCEL IDENTIFICATION # 10-09-100-068-000
EXHIBIT “B”

LANDLORD IMPROVEMENTS

Tenant to accept the premises in an “as is” condition.

Tenant Acknowledges that the following equipment belongs to Foster Blue Water Oil (Foster) and may be removed by Foster at Foster’s sole discretion.

1. 2-1,000 Gallon Doubled walled tank less Pumps (Gas and Diesel Fuel)
2. 3-550 Gallon Lube Tanks complete
3. 8-Lube Reals
4. 6-Oil & Grease Pumps
5. 2-oil drain carts

Landlord to leave Steelcase furniture for Tenants use. Tenant shall be responsible for any personal property tax of such furniture.

Landlord at landlord’s option shall remove all other furniture.

Landlord to install exterior Tuckwell per Exhibit F during the Spring/Summer of 2019.
EXHIBIT "C"
ESTOPPEL CERTIFICATE

Date: February _____, 2019
Lease dated: February _____, 2019

Between: MANCINI ENTERPRISES LLC, a Michigan Limited Liability Company, Landlord, and DES - CLAW LLC, a Michigan Limited Liability Company, Tenant

on Premises located and addressed as:
42600 R Mancini Drive, Sterling Heights, Michigan

Gentlemen:

The undersigned, as Tenant, hereby confirms and represents to you the following:

That it has accepted possession of the demised Premises pursuant to the terms of the aforesaid Lease.

That the building(s), improvements and space required to be furnished according to the aforesaid Lease have been satisfactorily completed in all respects.

That the Landlord has fulfilled all of its duties of an inducement nature and is not in default in any manner in the performance of any of the terms, covenants or provisions of said Lease.

That the aforesaid Lease has not been modified, altered or amended except by agreement dated N/A.

That there are no offsets or credits against rentals, nor have rentals been prepaid, except as provided by the lease terms.

That said rentals commence to accrue on the first day of March 2019. The primary lease term expires on February 28, 2026. The fixed monthly rental is

- 3/1/2019-2/28/2020 $10.06 sq. ft. $36,680.00 month $440,160.00 annum
- 3/1/2020-2/28/2021 $10.30 sq. ft. $37,580.00 month $450,960.00 annum
- 3/1/2021-2/28/2022 $10.56 sq. ft. $38,502.50 month $462,030.00 annum
- 3/1/2022-2/28/2023 $10.82 sq. ft. $39,448.00 month $473,376.00 annum
- 3/1/2023-2/28/2024 $11.08 sq. ft. $40,417.00 month $485,004.00 annum
- 3/1/2024-2/28/2025 $11.36 sq. ft. $41,410.43 month $496,925.16 annum
- 3/1/2025-2/28/2026 $11.36 sq. ft. $41,410.43 month $496,925.16 annum

That we have no notice of an assignment, hypothecation or pledge of rents or the lease, except to your company.

The above statements are made upon the understanding that your company will rely on them in connection with the making of a loan collaterally secured by an assignment of our lease, and that these statements are true to the best of our knowledge and belief.

WITNESSES:

TENANT: DES - CLAW LLC
A MICHIGAN LIMITED LIABILITY COMPANY

By:
Tim Bradley, LLC Manager

Sign Name
Marin Saro
Print Name
Maria Saro

Sign Name
Allen L. Grahek
EXHIBIT “D”

CORPORATE RESOLUTION OF THE MANAGERS OF DES – CLAW LLC, A MICHIGAN LIMITED LIABILITY COMPANY

THE UNDERSIGNED, being all of the managers of DES – CLAW LLC, A MICHIGAN LIMITED LIABILITY COMPANY hereby adopt the following resolutions:

RESOLVED, that Tim Bradley is authorized to sign a lease agreement dated February 14, 2019 with MANCINI ENTERPRISES LLC, A Michigan Limited Liability Company for the Premises located at 42600 R MANCINI DRIVE.

FURTHER RESOLVED, that all actions taken by Tim Bradley and in connection with the lease agreement are hereby ratified and affirmed in all respects, and all such actions shall be fully binding and enforceable upon the corporation.

MANAGERS:

Name:

Name: Nicholas R. Demiro
EXHIBIT “E”

GUARANTEE


The undersigned Mayco International LLC, whose address is 42400 Merrill Road, Sterling Heights, MI 48314, in consideration of the leasing of the leased Premises described in the annexed Lease ("Lease") to the above-named Tenant ("Tenant"), does hereby covenant and agree as follows:

1. The undersigned does hereby guarantee the full, faithful and timely payment and performance by Tenant of all of the payments, covenants and other obligations of Tenant under or pursuant to the Lease. If Tenant shall default at any time in the payment of any rent or any other sums, costs or charges whatsoever, or in the performance of any of the other covenants and obligations of Tenant, under or pursuant to the Lease, the undersigned, at its cost and expense, shall, on demand of the Landlord, fully and promptly, and well and truly, pay all rent, sums, costs and charges to be paid by Tenant, and perform all the other covenants and obligations to be performed by Tenant, under or pursuant to the Lease. In addition, the undersigned shall, on Landlord's demand pay to Landlord any and all sums due to Landlord, including (without limitation) all interest on past due obligations of Tenant, costs advanced by Landlord, and damages and all expenses (including attorneys' fees and litigation costs) that may arise as a consequence of Tenant's default. The undersigned hereby waives all requirements of notice of the acceptance of this Guarantee and all requirements of notice of breach or non-performance by Tenant.

The maximum total obligation of the undersigned for payments under the Guarantee is limited to Two Hundred Thousand Dollars ($200,000.00)

2. The obligations of the undersigned hereunder are independent of, and may exceed, the obligations of Tenant. A separate action or actions may, at Landlord's option, be brought and prosecuted against the undersigned, whether or not any action is first or subsequently brought against Tenant, or whether or not Tenant is joined in any such action, and the undersigned may be joined in any action or proceeding commenced by Landlord against Tenant arising out of, in connection with or based upon the Lease. The undersigned waives any right to require Landlord to proceed against Tenant or pursue any other remedy in Landlord's power whatsoever, any right to complain of delay in the enforcement of Landlord's rights under the Lease, and any demand by Landlord and/or prior action by Landlord of any nature whatsoever against Tenant, or otherwise.

3. This Guarantee shall remain and continue in full force and effect and shall not be discharged in whole or in part notwithstanding (whether prior or subsequent of the execution hereof) any alteration, renewal, extension, modification, amendment or assignment of, or subletting, concession, franchising, licensing or permitting under, the Lease. The undersigned hereby waives notices of any of the foregoing and agree that the liability of the undersigned hereunder shall be based upon the obligations of Tenant set forth in the Lease as the same may be altered, renewed, extended, modified, amended, or assigned. For the purpose of this Guarantee and the obligations and liabilities of the undersigned hereunder, "Tenant" shall be deemed to include any and all concessionaires, licensees, Franchisees, department operators, assignees, subtenants, permittees or others directly or indirectly operating or conducting a business in or from the leased Premises, as fully as if any of the same are the named Tenant under the Lease.

4. The undersigned's obligations hereunder shall remain fully binding although Landlord may have waived one or more defaults by Tenant, extended the time of performance by Tenant, released, returned or misapplied other collateral at any time given as security for Tenant's obligations (including other guarantees) and/or released Tenant from the performance of its obligations under the Lease.

5. This Guarantee shall remain in full force and effect notwithstanding the institution by or against Tenant, of bankruptcy, reorganization, readjustment, receivership or insolvency proceedings of any nature, or the disaffirmance of the lease in any such proceedings or otherwise.

6. If this Guarantee is signed by more than one party, their obligations shall be joint and several, and the release of one of such guarantors shall not release any other of such guarantors.
7. This Guarantee shall be applicable to and binding upon the heirs, executors, administrators, representatives, successors and assigns of Landlord, Tenant and the undersigned. Landlord may, without notice, assign this Guarantee in whole or in part.

8. In the event that Landlord shall institute any suit against the undersigned for (i) violation of or to enforce any of the covenants or conditions of this Guarantee; or (ii) to enforce any right of Landlord hereunder; (iii) should the undersigned institute any suit against Landlord arising out of or in connection with this Guarantee; (iv) should either party institute a suit against the other for a declaration of rights hereunder; (v) should either party intervene in any suit in which the other is a party, or enforce or protect its interest or rights hereunder, the prevailing party in any such suit shall be entitled to the fees of its attorney(s) in the reasonable amount thereof, to be determined by the court and taxed as a part of the costs therein.

9. The execution of this Guarantee prior to execution of the Lease shall not invalidate this Guarantee or lessen the obligations of Guarantor(s) hereunder.

IN WITNESS WHEREOF, the undersigned has executed this Guarantee this __ day of February 2019

WITNESSES:

Mariia Saroli
Printed Name

Tim Bradley, LLC Manager

Allen  L. Grajer
Printed Name
EXHIBIT "E"

TRUCK WELL
Interoffice Memorandum

Date: March 25, 2019
To: Assessing
    Treasury
    City Development

From: Melanie D. Ryska, City Clerk

Subject: DES-CLAW, LLC – 42600 R. MANCINI DRIVE, STERLING HEIGHTS, MI 48314 - IFEC

Please email the following information to abara@sterling-heights.net by 04/02/2019:

Assessing: List of Owners, Legal Description on the Map (Crossroads Included)
Treasury: Monies Owed, Liens
City Development: Code Compliance, Maintenance Issues
Office of Assessing
IFEC Information Sheet

Date: MAY 7, 2019
Applicant: DES-CLAW, LLC
Address: 42600 R. MANCINI DRIVE
Sidwell Number: 50-10-10-09-251-008

BUILDING SKETCH

1-S INDUSTRIAL
27 FT
44630.3 sf

STORAGE MEZZANINE ABOVE OFFICE
13,275

R MANCINI DRIVE
43,265 SQ FT TAKEN OFF BLUE PRINTS
Office of Assessing  
IFEC Information Sheet

Date: MAY 7, 2019  
Applicant: DES-CLAW, LLC  
Address: 42600 R. MANCINI DRIVE  
Sidwell Number: 50-10-10-09-251-008

PROPERTY LEGAL DESCRIPTION

MANCINI HOLDINGS, LLC
LEDDS ENTERPRISES INDUSTRIAL PARK CONDO  
UNIT 8  
MCCP: 858

2nd Amendment to Master Deed withdrew 1.88 Acres of land (see spl-0730)

PROPERTY LOCATION MAP
The City Council of the City of Sterling Heights will hold a public hearing on Tuesday, June 4, 2019, at 7:00 p.m. in the City Council Chambers, situated within the City Hall located at 40555 Utica Road, Sterling Heights, MI to consider the application by Des-Claw, LLC for the transfer of Industrial Facilities Exemption Certificate #2016-103, currently held by Ric-Man Construction, Inc. at 42600 R. Mancini Drive.

PROPERTY LEGAL DESCRIPTION

MANCINI HOLDINGS, LLC

LEDDS ENTERPRISES INDUSTRIAL PARK CONDO
UNIT 8
MCCP: 858

2nd Amendment to Master Deed withdrew 1.88 Acres of land (see spl-0730)
MANCINI ENTERPRISES, LLC

Parcel Identification No.: 50-10-10-09-251-008
Commonly known as: 42600 R. Mancini Drive

At such hearing, the applicant, city assessor, representative of each taxing unit, and any other resident or interested party shall have a right to appear and be heard concerning the application.

By Order of City Council

Published, May 15, 2019
Sterling Heights Sentry Newspaper
AGENDA STATEMENT

Item Title: To accept a proposal for managed janitorial services at select City facilities (Estimated annual expenditure of $600,000).

Submitted By: Office of Purchasing

Contact Person/Telephone: Jared Beaudoin, Purchasing and Facilities Maintenance Manager - 586.446.2392

Administration Approvals: MR City Clerk JV Finance & Budget Director MK City Attorney MV City Manager

Executive Summary

The City has contracted for managed janitorial services since 2012. The scope of janitorial services performed includes daily cleaning of offices, restrooms, meeting rooms, recreation spaces, hallways, periodic floor and window cleaning at nine City buildings totaling 229,000 square feet. In anticipation of the current contract for managed janitorial services expiring, the Office of Purchasing and Facilities Maintenance brought together several key Directors to assist and have input into the City's Request for Proposals (RFP) for Managed Janitorial Services. A representative from each City facility that receives janitorial services also had input into the City's RFP.

Using the prior seven years of experience and the collective input from affected employees, the RFP was materially amended prior to issuance. The most important modification requires the vendor to designate a company liaison who must be available daily to communicate with the City representative and each facility representative, provide daily performance evaluations at all Facilities, and provide, at minimum, weekly contact with each facility representative to review performance and facility cleanliness issues. The liaison is intended to provide the quality control and assurance needed by the City for its Managed Janitorial Services. The RFP also contemplates the opening of the new Community Center which adds an additional 98,000 of square feet to the City's needs for janitorial services.

Following the issuance of the RFP, a pre-bid meeting and walk-thru of facilities was held on March 26, 2019. Ten firms attended the walk-thru to assess the current conditions and had an opportunity to ask questions prior to submittal of their respective proposals.

On April 9, 2019, the City received seven proposals in response to the RFP. The City evaluation committee thoroughly reviewed all proposals and selected the following four vendors for interviews: DM Burr Group, GDI Integrated Facility Services, LGC Global Energy FM, and Tedesco Building Services. The committee's evaluative process based on scoring of the proposal and interview ranked LGC Global Energy FM's highest based upon dedication to and proficiency in service delivery, management
capabilities, technology, business-like approach to Managed Janitorial Services and capability to meet the City's increased high quality standards.

Based on the foregoing, recommendation is being made to accept the proposal by LGC Global Energy FM. It should be noted that a high performing vendor eliminates having City administrators having to devote time and resources to janitorial issues. While residents/visitors/employees may not always readily detect when janitorial services are being performed well, they most assuredly do take note when there are problems. The consensus of the committee is that LGC Global’s superior qualifications will ensure a consistent superior level of cleaning across all facilities.

**Suggested Action:**

Resolved, to accept the proposal by LGC Global Energy FM, LLC, 7310 Woodward Avenue, Suite 500, Detroit, MI 48202, for managed janitorial services for a three-year period, with an option to extend the terms and conditions of the proposal for two (2) additional three (3) year terms upon mutual consent, and authorize the City Manager to sign all required documentation on behalf of the City, subject to review and approval by the City Attorney.
Notification list:
LGC Global Energy FM, LLC.
7310 Woodward Avenue, Suite 500
Detroit, MI 48202
Tushar Patel, Chief Operating Officer
tushar.patel@lgccorp.com
<table>
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<tr>
<th>VENDOR</th>
<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
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<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
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### SUMMARY OF EVALUATIONS

**RFP-SH19-003: MANAGED CUSTODIAL SERVICES**

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<th>Criteria</th>
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<td>90</td>
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<td>80</td>
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<td>5 Availability of required personnel and equipment</td>
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<td>80</td>
<td>80</td>
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<td>6 Responsiveness of RFP</td>
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<td>80</td>
<td>50</td>
<td>95</td>
<td>60</td>
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**Total**

|       | DMB  | GDI  | LGC  | TBS  | DMB  | GDI  | LGC  | TBS  | DMB  | GDI  | LGC  | TBS  | DMB  | GDI  | LGC  | TBS  | DMB  | GDI  | LGC  | TBS  |
|-------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 1     | 15%  | 90   | 80   | 70   | 100  | 80   | 100  | 90   | 70   | 35   | 70   | 25   | 100  | 100  | 100  | 100  | 100  | 100  | 100  |
| 2     | 15%  | 90   | 70   | 90   | 100  | 90   | 100  | 80   | 70   | 40   | 70   | 20   | 100  | 100  | 100  | 100  | 100  | 100  | 100  |
| 3     | 10%  | 95   | 80   | 90   | 100  | 100  | 90   | 80   | 78   | 40   | 75   | 25   | 100  | 100  | 100  | 100  | 100  | 100  | 100  |
| 4     | 10%  | 90   | 60   | 95   | 70   | 100  | 80   | 80   | 75   | 35   | 70   | 20   | 100  | 75   | 100  | 100  | 100  | 100  | 100  |
| 5     | 10%  | 85   | 80   | 90   | 80   | 100  | 80   | 70   | 80   | 35   | 70   | 25   | 100  | 100  | 100  | 100  | 100  | 100  | 75   |
| 6     | 15%  | 90   | 90   | 90   | 65   | 100  | 80   | 80   | 80   | 45   | 70   | 30   | 100  | 100  | 100  | 100  | 100  | 100  | 75   |
| 7     | 10%  | 90   | 80   | 85   | 70   | 100  | 80   | 80   | 75   | 40   | 70   | 30   | 100  | 25   | 100  | 100  | 100  | 100  | 100  |
| 8     | 15%  | 80   | 50   | 95   | 60   | 80   | 90   | 60   | 30   | 50   | 70   | 30   | 50   | 75   | 100  | 25   | 100  | 25   | 25   |

**Average Scores:**

|        | DMB  | GDI  | LGC  | TBS  | DMB  | GDI  | LGC  | TBS  | DMB  | GDI  | LGC  | TBS  | DMB  | GDI  | LGC  | TBS  | DMB  | GDI  | LGC  | TBS  |
|--------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| DM Burr Group     | 81.7%| DMB  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| GDI Integrated Facility Services  | 64.6%| GDI  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| LGC Global Energy    | 85.8%| LGC  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Tedesco Building Services, Inc. | 71.3%| TBS  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |

Todd Macovis       | 1    |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
Amanda Opalewski   | 2    |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
Ken Pappas         | 3    |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
Danielle Cox       | 4    |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
Kyle Langlois      | 5    |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
REQUEST FOR PROPOSALS
FOR
MANAGED JANITORIAL SERVICES

RFP-SH19-003

MANAGED JANITORIAL SERVICES
Attention: Jared Beaudoin, Purchasing Manager
40555 Utica Road
Sterling Heights, Michigan 48313
E-mail: shpurchasing@sterling-heights.net
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2.12 TERMINATION FOR CONVENIENCE

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3.2.1 Operating Requirements

3.2.2 Scheduling

3.3 JANITORIAL REQUIREMENTS

3.3.1 Philosophy

3.3.2 Pre-Employment Screening

3.3.3 Drug Use Prevention

3.3.4 Vaccinations

3.3.5 Other Requirements

3.4 JANITORIAL TRAINING REQUIREMENTS

3.4.1 Pre-service Training and Ongoing Training

3.4.2 Safety Program

3.5 MAINTENANCE STANDARDS

3.5.1 Responsible Party

3.6 SUPPLIES

3.7 MINIMUM CLEANING STANDARDS

3.7.1 Dry Mopping, Wet Mopping & Scrubbing

3.7.2 Floor Finishing & Buffing

3.7.3 Stripping & Sealing

3.7.4 Rugs, Mats, Carpet

3.7.5 Dusting & Damp Wiping

3.7.6 Furniture and Desktops

3.7.7 Window Washing

3.7.8 Trash Cans and Trash Removal
### 3.7 Responsibilities of the Contractor

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<tr>
<td>Casual Labor</td>
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<tr>
<td>Mail Delivery &amp; Courier Service</td>
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<td>Monthly, Quarterly, and Annual Tasks</td>
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### 3.8 CONTRACTOR’S RECORDS AND REPORTING REQUIREMENTS

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<td>Records To Be Maintained By The Contractor</td>
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<td>Reports To Be Submitted Regularly To The City</td>
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I. OVERVIEW

1.1 SUBMISSION DEADLINE AND REQUIREMENTS
Sealed proposals for MANAGED JANITORIAL SERVICES will be received by the City of Sterling Heights until TUESDAY, APRIL 9, 2019 at 2:30PM EDT, after which time they will be publicly opened and read in the City Council Chambers.

Please read all instructions carefully. All information requested shall be entered in the appropriate space on the forms or provided in writing elsewhere as indicated. Your proposal may be disqualified if it is not submitted as detailed in this RFP.

All information shall be entered in ink or typewritten. Mistakes may be crossed out and corrections inserted before submission of your Proposal. Corrections shall be initialed in ink by the person signing the Proposal.

If the proposal is to be express mailed, "Proposal Documents Enclosed" must be conspicuously marked on the package. All proposals, regardless of method used for delivery, are to be delivered to the following address:

City of Sterling Heights
Office of the City Clerk
Attn: Melanie Ryska, City Clerk
40555 Utica Road
Sterling Heights, Michigan 48313

1.1.1 Your proposal must be clearly marked and delivered using the proposal shipping label provided.

1.1.2 Each Proposer is responsible for the submission of its Proposal. Proposals or Proposal revisions after the date and time specified will not be considered.

1.1.3 Proposals will be received at the City of Sterling Heights, Office of the City Clerk by 2:30 P.M., TUESDAY, APRIL 9, 2019. Late proposals will not be accepted.

1.1.4 Signed Original Proposal: Each Proposal must be an original and hard copy, and signed by an authorized member of the Proposer’s firm. This member should be the highest-ranking officer at the local level. Faxed or e-mailed proposals will not be accepted. **DO NOT** make any reference to proposal costs anywhere in your proposal except on the Confidential Cost Proposal Form.

1.1.5 The Proposer shall also submit with its signed original proposal, five (5) complete copies of the original proposal and one (1) electronic copy.
1.1.6 All Proposals shall be accompanied by a sworn and notarized statement disclosing any familial and/or business relationship that exists between the owner(s) and/or employee of the Proposer and any member of the Sterling Heights City Council, any elected or appointed official, or any employee of the City of Sterling Heights.

1.1.7 **Opening of Proposals:** At the specified time and date stated above, all submitted Proposals shall be opened. Only the names of the firms submitting proposals will be read. Proposals received will not be available for review. Any interested parties may attend. No immediate decision will be rendered. All information received will be confidential until after final action by the Sterling Heights City Council, except as required by law.

1.1.8 **Proprietary Information:** The information provided in the RFP is intended solely for internal use by the Proposer in its Proposal preparation. All information contained herein is proprietary and shall not be distributed to any third party, except as required by law.

1.1.9 **Pre-Proposal Inspection of Facilities:** Due to the complexity of the Scope of Work, a Pre-Proposal Inspection of Facilities will be held on **Tuesday, March 26, 2019, 9:00am** at City Hall Council Chambers 40555 Utica Road, Sterling Heights, MI 48313. Interested contractors are invited to attend to ask any questions they may have in preparation of their proposal and will be given the opportunity to examine the sites to become familiar with the conditions under which the work will be conducted. Administrative staff from the City of Sterling Heights will be present to address any questions raised by participants. Firms are limited to a maximum of two (2) attendees and some areas will be off limits to photography and measurements. Please review all solicitation documents and bring any questions you have to be addressed at this time. **Floor plans of all City of Sterling Heights Facilities are attached to the RFP.**

1.1.10 **Written Requests for Clarification:** Prospective Proposers may request that the City of Sterling Heights clarify information contained in the RFP. All such requests must be made by email to Jared Beaudoin, Purchasing Manager at shpurchasing@sterling-heights.net. The City of Sterling Heights will provide a response to all requests for clarification within three (3) business days after the receipt of such request. The City will not respond to any request for clarification received after the close of business on **April 4, 2019.** The City of Sterling Heights response to a request that requires significant clarification or a revision to the RFP will be posted through an addendum on the MITN website.

1.1.11 **Restrictions on Communication:** From the issue date of the RFP until a Contract is awarded, Proposers shall communicate through email exclusively with the City of Sterling Heights Purchasing Department
regarding the RFP at shpurchasing@sterling-heights.net. Communication with any other Department, staff member, or elected official is prohibited.

1.1.12 **Addenda to the RFP:** If it becomes necessary to revise any part of the RFP, notice of the revision will be posted through an addendum on the MITN website. All addenda shall become a part of the RFP. Each Proposer should in its Proposal, to avoid any miscommunication, acknowledge all addenda which it has received. The failure of a Proposer to receive, or acknowledge receipt of; any addendum shall not relieve the Proposer of the responsibility for complying with the terms thereof. Addenda will be issued to all firms on record as having received a copy of the RFP from the MITN website.

1.1.13 **RFP/Proposal Information Controlling:** City of Sterling Heights intends that all Proposers have equal access to information relative to the RFP, and that the RFP contains adequate information. Part of the RFP preparation has included discussions with selected prospective Proposers; however each Proposer shall prepare its Proposal based only on the information contained in the RFP, notwithstanding any information that may have been previously provided. A prospective Proposer noting any inconsistency between the information contained in the RFP and any information previously provided to it should request clarification (refer to Section 1.1.10). No information communicated, either verbally or in writing, to or from a Proposer shall be effective unless confirmed by written communication contained in the RFP, an addendum to the RFP, a request for clarification or written response thereto, or in the Proposal.

1.1.14 **Proposal Deposit:** Proposals must be accompanied by a Bank Issued Money Order or Cashier’s Check in the amount of **ten thousand dollars ($10,000)**, which will be returned to the unsuccessful Proposers after the acceptance of proposal by City Council. **CORPORATE CHECKS & BID BONDS ARE NOT ACCEPTABLE.** The Proposal Deposit will be returned to the successful Proposer upon submission of the specified acceptable Performance and Janitorial Bonds in accordance with the RFP specifications.

1.1.15 **Contractor Experience:** Proposals are limited to Contractors with at least five (5) years of experience providing Managed Janitorial Services for municipalities with similar size janitorial operations and with demonstrated ability in starting up operations of this scope.

1.1.16 **Finality of Decision:** Any decision made by the City of Sterling Heights, including Contractor selection, shall be final.

1.1.17 **Reservation of Rights:** City of Sterling Heights reserves the right in its sole discretion (for this and the other provisions of this RFP) to accept or
reject any or all Proposals, in whole or in part, with or without cause. The City of Sterling Heights reserves the right to postpone the proposal opening for its own convenience, waive any irregularity or informality in the RFP process, and the right to accept any proposal, which it shall deem to be in the most favorable interest of the City of Sterling Heights. The City of Sterling Heights reserves the right to request additional information from any or all Proposers, and negotiate fees and services with the Proposers concerning their Proposals.

1.1.18 **Release of Claims:** Each Proposer by its submission of its Proposal releases the City of Sterling Heights from any claims arising out of, and related to, the RFP process and selection of a Contractor. The submission of a proposal hereunder shall be considered evidence that the contractor is satisfied with respect to the conditions to be encountered, and the character, quantity, and quality of the work to be performed.

1.1.19 **Proposer Bears Proposal Costs:** A recipient of the RFP is responsible for any and all costs incurred by it or others acting on its behalf in preparing or submitting a Proposal, or otherwise responding to the RFP, or any negotiations incidental to its Proposal or the RFP.

1.1.20 **Withdrawn or Modified Proposals:** Proposals may be withdrawn or modified in person by an authorized representative of the proposer, provided their identity is made known and a receipt is signed for the proposal, but only if the withdrawal or modification is made prior to the date and time for receipt of Proposals set forth above.

1.1.21 **Irrevocability of Proposal:** All Proposals submitted shall not be withdrawn and shall be irrevocable for a minimum period of ninety (90) calendar days following the date and time for receipt of Proposals set forth above.

1.1.22 **Collusive Bidding:** The Proposer certifies that their Proposal is made without any previous understanding, contract or connection with any person, firm or corporation making a Proposal for the same project and is in all respects fair, without outside control, collusion, fraud or otherwise illegal action.

1.1.23 **Michigan Intergovernmental Trade Network (MITN)**
The City of Sterling Heights is part of an organization called the Michigan Inter-governmental Trade Network (MITN), a group of agencies that joined forces to create a Regional Bid Notification System to notify companies of new bid opportunities. All bids, quotations and proposals are now being posted online. All vendors are encouraged to visit [http://www.mitn.info](http://www.mitn.info) and click on the "The Michigan MITN System" link in order to register their company and gain access to new bids and proposals. If you do not have
Internet access, please call 1-800-835-4603 to speak to a representative at BidNet®, the technical support group that handles the MITN system.

If you did not receive this proposal directly from the MITN website, please notify us. Proposals from members of MITN are to be posted ONLY on the MITN website. Any other use is prohibited. The City of Sterling Heights cannot guarantee the accuracy of any information not obtained from the MITN website and is not responsible for any errors or omissions contained by information received from alternate sources.

1.2 CITY OF STERLING HEIGHTS PROFILE
The City of Sterling Heights is located in Macomb County, Michigan and covers 36.7 square miles. For this Proposal there are ten (10) Facilities which total 327,000 square feet to be cleaned, located throughout the City in accordance with the attached specifications.

1.3 OBJECTIVE OF RFP
The objective of this Request for Proposal (RFP) is to offer experienced professional janitorial cleaning companies the opportunity to present a thoroughly detailed Proposal of their expertise, cleaning approach/methodology and qualifications to the City of Sterling Heights. The Proposal shall detail the Contractor’s experience and expertise in performing Managed Janitorial Services for municipalities of similar size and scope as the City of Sterling Heights. This RFP specifically requests that Proposers present their qualifications and experience in janitorial management services.

The City invites responses from experienced professional janitorial cleaning companies that are qualified and willing to meet the minimum requirements as stated in this Request for Proposals, including the submission of the required Proposal Deposit. These specifications and requirements will assist in the procurement of the highest quality services possible to meet the requirements and needs of the City. Recommendations from Proposers are encouraged and will be reviewed and evaluated based on the best interests of the City.

The City of Sterling Heights will select the Proposal that it deems most qualified to serve the best interests of the City. The Contract will be awarded, if at all, to the lowest responsible Contractor who provides the best value, while meeting all specifications as determined by the City. Proposals should be submitted on the premise that the City intends to contract as a single unit, and that the Proposal must be acceptable to the City. Acceptance of a Proposal by the City does not constitute a contract. The final Contract document will be subject to negotiation and the City will approve execution of a Contract. While the financial responsibility of the Contractor is a significant concern, the City is equally concerned with the proven ability of the Contractor to satisfactorily perform the Contract so that the services will be provided in accordance with the proposed Contract.
The performance of the services hereinafter designated shall be of the highest quality workmanship by competent operators supervised at all times by the Contractor to assure adequate and efficient services performed with minimum interference with the normal functioning of the areas covered by this RFP. Generally, services are to be performed between the hours of 5:00 P.M. to 3:00 A.M., Monday through Friday except as specified in the Scope of Work for each Facility (Appendix B).

The RFP will be based on the premise that the City of Sterling Heights WILL PROVIDE NO EQUIPMENT. The Contractor shall be liable for any misuse or injury caused by the operation of the equipment utilized in providing services to the City under the contract. The Contractor is responsible for all damage caused to the Facility by their employees or equipment.

It shall be the Contractor's responsibility to purchase all materials and supplies required to maintain cleanliness standards. Materials and supplies shall be of a grade necessary to provide excellent cleaning performance, including disinfection for bathrooms and public areas. The Contractor will be required to keep an adequate inventory of materials and supplies at each Facility to maintain cleaning duties for at least one month. These supplies and materials will be included in the base bid.

The City shall provide all necessary paper towels, toilet tissue, sanitary napkins and hand foam/soap used in the washrooms. Water and coffee supplies will also be provided by the City for conference rooms and event setups. The Contractor must keep track of all provided supplies consumed by each City Facility and have an order process system that will provide a monthly report on each Facility's consumption and ordering information, detailing quantity and product name.

Power will be available at each floor; a closet will be available at each floor for storage, water, and waste. Care must be taken not to clog drains as these will be cleaned at the Contractor's expense if so clogged.

At all times it will be the Contractor's responsibility to staff the Facilities so as to allow for proper cleaning, and to have the staff to accommodate City activities, perform setups and teardowns, furniture moves, along with dealing with the City's requests. At a minimum, the Contractor will staff during the hours listed at each Facility. The Contractor should be aware there are many activities that occur outside of normal hours of operation. The Contractors shall include in the base bid all work necessary to provide time for set-up, clean-up, and tear down for such activities. Appendix B provides information on hours of operation and scope of work for all Facilities to be covered on the contract.

Services to be performed hereunder shall be rendered, except where otherwise stated, on a daily, five (5) day week (Monday-Friday) basis, exclusive of the following eleven (11) major holidays:
• New Year's Day
• Good Friday
• Memorial Day
• Fourth of July
• Labor Day
• Veteran's Day
• Thanksgiving Day
• Day after Thanksgiving
• December 24
• Christmas Day
• December 31

Generally if a holiday falls on a Saturday, City offices are closed the Friday preceding the holiday. If the holiday falls on Sunday then the Monday following the holiday, City offices are closed.

1.4 **AWARD**
The City of Sterling Heights will select no more than THREE Managed Janitorial Services Firms to proceed with the negotiation process from those submitting Proposals. The process will include the review and evaluation of cost, methods and procedures used to provide Managed Janitorial Services within the scope of this RFP. Past experience will also be judged by the references of each Proposer. A major portion of the negotiations will include the financial terms of the Contract.

1.5 **TERM OF CONTRACT**
The term of this Contract shall be for three (3) years with the City of Sterling Heights having the sole discretion for the option to renew the Contract for two (2) additional three (3) year periods.

1.6 **TENTATIVE SELECTION TIMELINE**

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*Firms should be prepared to attend interviews during the week of 04/15/2019.

*The City of Sterling Heights reserves the right to modify the Selection Timeline.*
1.7 **SCOPE OF SERVICES**

This RFP shall govern the performance of the provision of Managed Janitorial Services at the ten (10) municipal buildings located in the City of Sterling Heights, as hereinafter specifically described.

“**City**” shall hereinafter be the City of Sterling Heights.

“**Contractor**” shall hereinafter be the successful Proposer.

“**City Representative**” shall hereinafter be the city employee designated by the City as the primary contact for the term of the contract.

“**Facility Representative**” shall hereinafter be the city employee designated by the City as the primary contact for each Facility.

The Contractor shall provide:

1.7.1 Managed Janitorial Services for a three (3) year Contract term, which may be renewed for two (2) additional three (3) year periods; upon the successful annual review of performance at the sole discretion of the City.

1.7.2 Managed Janitorial Services provided shall include cleaning services and casual labor for varying assignments, and other daily seasonal tasks.

1.7.3 Except as provided in Sections 1.7.5 below, Managed Janitorial Services shall include providing all necessary management, supervision, labor, equipment, materials and supplies required to perform Managed Janitorial Service cleaning operations for all Facilities as specified in this RFP.

1.7.4 The Contractor shall provide all labor and ancillary staff to coordinate all functions under the Contract as to ensure the safe and timely cleaning operations of all City Facilities.

1.7.5 The Contractor will clean, provide setups and takedowns as required of each Facility on an as-needed basis.

1.7.6 The Contractor shall base cost projections on performing a full cleaning service. This service shall be as per all specifications of the RFP and Contract. The Contractor shall use their demonstrated expertise to further optimize the current janitorial operations in an effort to improve services and reduce costs.

1.8 **ABSENTEEISM**

Employee absenteeism can significantly and adversely affect the quality of services received by the City. The Contractor must maintain a pool of trained and qualified substitutes with the required background checks, available at short notice, to ensure that the City is adequately staffed in the event of illness or injury. It is expected the Contractor will always operate with a full complement of staff. Days that are not fully staffed, the Contractors invoice will be deducted by the hourly rate of the absence as well as a penalty as provided in Section 3.14.5
“Liquidated Damages” of this RFP. The Contractor must also keep track of its absenteeism rate, and upon request, this data must be provided to the City. If a change is needed, the Contractor is required to inform the Facility Representative when there will be a change of employees due to an absence.

If a Contractor’s supervisor is unavailable for work under the Contract for any substantial period of time (i.e., more than three consecutive work days), the Contractor will immediately inform the City Representative of the absence, the reason for the absence, and how the Contractor will ensure completion of the supervisor’s work.

The City reserves the right to audit payroll records and/or time cards of the Contractor and its employees. The Contractor must have a system in place to ensure the employees are on site at the Facilities and that the duration of the time indicated matches that noted in the invoice. Proposals shall detail the proposed process.

1.9 PROPOSAL REQUIREMENTS
This outlines the information that must be provided by each Proposer and the required format for the Proposal. Any Proposal not providing the required information, or not conforming to the format specified, may be disqualified. Please refer also to the SUBMISSION DEADLINE AND REQUIREMENTS section (Section 1.1) of the RFP for additional Proposal requirements.

Proposals must demonstrate an understanding of the Scope of Work and the ability to accomplish the tasks set forth and must include information that will enable the City to determine the Proposer’s overall qualifications. Each Proposal shall also include any other information that the Proposer feels is significant with respect to the City making an informed decision relative to the Proposal.

Any exceptions to the terms and conditions contained in the RFP, or the Contract or any other special considerations or conditions requested or required by the Proposer shall be enumerated by the Proposer and be submitted as part of its Proposal, together with an explanation as to the reason such terms and conditions cannot be met. Each Proposer shall be required and expected to meet the RFP requirements in its entirety, except to the extent exceptions are expressly noted in Schedule 3 of the Proposal. All pricing factors must be clearly indicated in the Proposer’s Pricing Schedule provided.

Each Proposer shall submit its Proposal for the initial 3-year term. Each Proposal shall include a transition plan.

1.10 PROPOSAL FORMAT
Within this RFP are requested Schedules 1-16. The Schedules provide the format for the Proposal and each Schedule must be completed and submitted for your Proposal to be considered.
1.10.1 Proposers must provide information, which will serve as an introduction of your Firm/Company on business letterhead. The Introduction should identify the main point of contact with name, title, phone number and email address for questions pertaining to the Proposal response submitted.

1.10.2 Proposers must provide background and qualifications of the personnel who would be involved with the City. Describe the chain of command and reporting relationships. Include a proposed organization chart. Identify and describe a plan for management, supervision, quality audits and follow-up. (To be referenced as Schedule 1).

1.10.3 Proposers must complete the Point by Point response to RFP Requirements/Contract Specifications/Signatures. (To be referenced as Schedule 2).

1.10.4 Proposers must state any exceptions, including explanations, to RFP Requirements/Contract and Specifications. (To be referenced as Schedule 3).

1.10.5 Proposers must provide detailed evidence that they are currently providing Managed Janitorial Services for Facilities of similar scope and size. (To be referenced as Schedule 4).

1.10.6 Proposers must provide a transition plan of action (outline form acceptable) to transfer from the current service provider. (To be referenced as Schedule 5).

1.10.7 Proposers must provide a continuity plan showing expected turnover rates for staff and how the Contractor will address the need to prevent excessive turnover of staff. The Contractor will also show how it will address absences in the event an employee is not available. (To be referenced as Schedule 6).

1.10.8 Proposers must currently clean at least 275,000 square feet daily for the same customer and provide satisfactory evidence that it can perform the Managed Janitorial Services specified in this RFP and Contract. (To be referenced as Schedule 7).

1.10.9 Proposers must demonstrate the ability to secure necessary and adequate cleaning materials and equipment to perform the scope of work within the proposed start-up time (To be referenced as Schedule 8).

1.10.10 Proposers must provide evidence of all aspects of their janitorial management and technical capabilities. These should include human resources services, computer systems and capabilities, and training.
programs for management and non-management personnel. The Proposers initial and on-going training program shall include an itemized list of topics and the number of hours per year each of the Contractor’s employees is required to complete. (To be referenced as Schedule 9).

1.10.11 Proposers must provide evidence of ability to provide adequate insurance coverage to protect the interests of themselves and the City. Proposers must also provide evidence of insurance in accordance with INSURANCE REQUIREMENTS (Section 2.4.7). (To be referenced as Schedule 10).

1.10.12 Proposers must include a letter from their bonding agent indicating that upon award of the contract, they will be able to secure the required Performance and Janitorial Bonds. (To be referenced as Schedule 10).

1.10.13 Proposers must describe any other resources to be provided by your company, not listed above, which would result in safe and efficient Managed Janitorial Services. (To be referenced as Schedule 11).

1.10.14 Proposers must provide a minimum of five (5) References, including:

- company name and address
- contact name, title, and phone number;
- description of services performed;
- total square footage of Facilities serviced;
- length in years and months providing these services.

(To be referenced as Schedule 12).

1.10.15 Proposers must provide a letter agreeing to be bound by the terms and conditions in this RFP, the Proposer’s Proposal, and the Contract. (To be referenced as Schedule 13).

1.10.16 Proposers must provide a listing of all litigation or regulatory proceedings within the United States and within the past five years as it pertains to (i) City’s in which the Proposer has been a party to contracts similar to the Contract, (ii) supplies, equipment or services of the type which are the subject of the proposed Contract/Signatures, or (iii) non-compliance of the Proposer’s supplies, equipment and services or the Proposer’s working conditions and employment practices with the Occupational Safety and Health Act and other applicable state and Federal requirements. (To be referenced as Schedule 14).

1.10.17 Proposers must provide executed copies of all required forms to be returned with your sealed proposal response include: Signature Page, Hold Harmless and Indemnity, Non-Iran-Linked Business (To be referenced as Schedule 15).
1.10.18 Proposers must provide a Detailed Summary and Explanation of Proposer’s Pricing for Managed Janitorial Services. (To be referenced as Schedule 16).

1.11 **PROOF OF QUALIFICATIONS**
The City will ensure compliance with the above by checking references listed in the Proposals, and conducting on-site visitation as deemed necessary by the City; as well as other sources.

1.12 **EMPLOYEES**
It must be understood that this RFP provides for the selection of a professional company to provide Managed Janitorial Services, including any applicable functions outside of normal hours of operation, for all Facilities within the City covered under this contract. It will be incumbent upon the Proposer to staff the operation as required to perform the Managed Janitorial Services as listed herein. The Proposer will not be obligated to hire any of these employees beyond what is in the Proposers’ best interests. The assigned Manager who will be responsible for the performance of the Contract will be assigned to the City as long as the employee is employed by the Contractor.

The selected contractor agrees to recruit, train, and supervise the necessary persons for the services to be provided hereunder. Such personnel are to be employees of the Contractor. The only sub-contractors that can be used in the performance of the contract requirements are specialized quarterly, bi-annual, or annual cleaning duties that require a specialty like terrazzo floors, wall washing, window washing, etc. Any person performing work for the Contractor shall adhere to the provisions of an employee, which include but are not limited to insurance, bonding, security clearances, etc.

1.13 **CONTRACTOR’S RESPONSIBILITY**
All experienced and qualified Proposers are requested to submit a Proposal based on its experience and capability. The City will select the Proposers deemed to serve the best interests of the City to proceed with the negotiation process. The City in its sole discretion reserves the right to request Post-Proposal interviews from all, some, or none of the Proposers.

1.14 **INTERVIEW**
The City of Sterling Heights will require qualified companies to participate in an interview and negotiation process to discuss their Proposal and to answer any questions the City may have regarding the Proposal. In that case, the City will notify the qualified companies’ main point of contact as listed in the Proposal. As per the RFP timeline, interviews will be scheduled the week of **April 15, 2019**.

1.15 **EVALUATION OF PROPOSALS**
Competitive sealed proposals will be evaluated based upon criteria formulated around the most important features of the service, of which qualifications,
experience, capacity and methodology, may be overriding factors, and price may not be determinative in the issuance of a contract or award.

Each Proposer submitting a Proposal should understand that the nature of the City’s janitorial operation is so complex that each and every facet of the operation may not be detailed in this RFP. The Proposer must document their expertise, experience, and approach based on their grasp of the City’s requirements. The Pre-Proposal Inspection of Facilities will afford the Proposer the opportunity to ask the necessary questions to submit a responsive and responsible Proposal. The Proposal must be complete, clear and concise. The following categories are the principal criteria by which Proposals will be evaluated:

- Cost
- Experience and Reliability
- Interview
- Methodology & Approach
- Staffing Plan

The City will evaluate the Proposals, based on the above criteria as well as other methods. City will select the Proposers that it deems most qualified to serve the interests of the City to proceed to the negotiation process. Each proposal submitted in response to this RFP shall focus on the above criteria. The Evaluation Committee also may consider past performance of the Proposer on other contracts with the city or other entities. Proposals will be evaluated equally and fairly; no preference will be given to any Proposer based solely on previous experience with the City or to an incumbent thereof. The City reserves the right to make additional inquiries and may request the submission of additional information.

II. GENERAL PROVISIONS

2.1 CONTRACT DURATION AND CHARACTERISTICS

2.1.1 Term
The initial term of this agreement shall be for three (3) years, effective upon acceptance of proposal by City Council and a start date of **June 1, 2019**. At that time, the Proposer will have all necessary employees hired and ready to begin work.

2.1.2 Renewal Provisions
The City plans to award a Contract to the Contractor as a result of this RFP for a term of three (3) years. The term may be extended for two (2) additional three (3) year periods with the City having the sole discretion for the option to renew the Contract.
2.1.3 **Cost Indexing**
All prices quoted are to be firm for the length of the initial three (3) year term. Should the City request an extension of the contract, pricing for subsequent terms would be negotiated with the Contractor.

2.2 **CITY OF STERLING HEIGHTS - CONTRACTOR COMMUNICATIONS**

2.2.1 **City of Sterling Heights - Contractor Liaison**
The Contractor shall designate a liaison to be available daily to communicate with the City Representative and Facility Representatives as per all specifications described herein. The Contractor liaison will provide daily performance evaluations at all Facilities and provide, at minimum, weekly contact with each Facility Representative to review performance and contract issues. The Contractor liaison is not to be considered part of the janitorial staff but represent the quality control and quality assurance to ensure the highest quality Managed Janitorial Services.

2.2.2 **Prior Notice Required for Quarterly & Annual Cleanings**
Before any quarterly or annual cleaning is performed, Contractor shall provide 24 hour written notice to the City Representative and Facility Representative (an e-mailed notification is acceptable).

2.2.3 **Provision of Notice**
All notices given pursuant to this Contract shall be in writing and may be hand delivered, or shall be deemed when received. If any notice is sent by facsimile, confirmation copies must be sent by mail or hand delivery to the specified address. Either party may from time to time change its Notice Address by written notice to the other party.

2.3 **LEGAL INTERPRETATION PROVISION**

2.3.1 **Definitions**

"**Contract**" means the Contract attached here to in Appendix B, which incorporates this RFP and the Contractor's Proposal.

"**Facilities**" means any equipment, Facility, and land or real estate owned or controlled by City of Sterling Heights.

"**Proposal**" means a response to this RFP by Proposer submitted in accordance with the RFP.
“Proposer” means any Janitorial Services Contractor submitting a Proposal to the City of Sterling Heights for Janitorial Services by the specified due date in accordance with the RFP.

“Contractor” means the Janitorial Services Proposer awarded a Contract to provide Managed Janitorial Services for the City of Sterling Heights in accordance with the RFP and the successful Contractor’s Proposal.

“City” means the City of Sterling Heights.

“City Representative” means the city employee designated by the City as the primary contact for the term of the contract.

“Facility Representative” means the city employee designated by the City as the primary contact for each Facility.

2.3.2 **Severability**
If any provision or provisions of this RFP and resulting Contract shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality and enforceability of the remaining provisions shall not, in any way be affected or impaired thereby.

2.3.3 **Amendments to this Contract**
No modifications or claimed waiver of any provision of the Contract shall be valid except by written amendment signed by authorized representatives of the City and the Contractor.

2.4 **CONTRACTORS GENERAL CONDITIONS**

2.4.1 **Performance Bond**
*Surety Performance Bond* - The Contractor whose proposal is accepted shall furnish a performance bond at their own expense with a company acceptable to the City in the amount of 25% of the proposed one-year contract amount. The Performance Bond shall serve as security for the faithful performance of this Contract including any maintenance or warranty provisions and for the payment of all persons performing labor or furnishing materials in connection with this Contract. Premiums for the Performance Bond shall be paid by the Contractor. If at any time the City shall be dissatisfied with any surety or surety bond or Performance Bond, or if for any other reason such bond shall cease to be adequate security for the City, the Contractor shall within ten (10) days after notice from the City to do so, substitute an acceptable bond in performance and sum and
signed by other sureties which are acceptable to the City. The premiums on such substitute bond shall be paid by the Contractor. The Performance Bond shall remain in full force and effect during the life of the Contract and during the term of any warranty or maintenance required by the specifications. (To be referenced as Schedule 10).

**Cash Performance Bond** - Contractor shall be allowed to provide a cash performance bond in lieu of the surety performance bond listed above.

**Janitorial Bond** - The Contractor shall procure and maintain during the life of this contract, a separate Janitorial Bond with a limit of not less than $10,000. This bond should be submitted to the City annually for the City to verify its placement. (To be referenced as Schedule 10).

The Contractor may not commence work and money orders or cashier’s checks will not be returned until the performance and janitorial bonds has been received and approved by the City.

### 2.4.2 Federal, State and Local Law Compliance, and City Policies

The Contractor will comply with all Federal, State, or local laws rules, ordinances, regulations, licenses and permits. The Contractor, including their employees and agents, shall be responsible for knowing the City of Sterling Heights policies concerning appropriate behavior of persons in the City and on its Facilities, including for example, the prohibitions of sexual harassment and smoking, and shall comply with such policies. The Contractor will also comply with all applicable Federal and State laws, and all MIOSHA and EPA standards for cleaning and maintaining public Facilities.

The City shall use its best efforts as reasonably requested by the Contractor to assist the Contractor to comply with any applicable Federal, State or local laws, rules and regulations. The Contractor shall in the performance of Managed Janitorial Services pursuant to this RFP and Contract, fully comply with all applicable Federal, State, or local laws, rules and regulations, and shall hold the City harmless from any liability from failure of such compliance.

### 2.4.3 Governing Law

The Contract shall be governed by and construed in accordance with the laws of the State of Michigan and the parties agree to the exclusive jurisdiction and venue of courts sitting in Macomb County, Michigan.

### 2.4.4 Taxes

Contractor is responsible for sales taxes and any other applicable taxes related to the goods and services provided under the Contract.
2.4.5 **Repairs to Property Damage**
Any damage to City Facilities, caused by the Contractor, its agents or employees shall be repaired or made whole so that Facilities are in as good condition as found. All repairs shall be accomplished at no cost to the City.

2.4.6 **OSHA & MIOSHA Compliance**
All goods or services furnished by the Contractor and the Contractor's working conditions and employment practices shall comply with all applicable Federal and State requirements, including OSHA & MIOSHA.

2.4.7 **Insurance Requirements**
The Contractor, and any and all of their subcontractors, shall not commence work under this contract until required insurance within this contract has been obtained and shall keep such insurance in force during the entire life of this contract. All insurance coverages shall be with insurance carriers licensed and admitted to do business in the State of Michigan and acceptable to the City. The requirements below should not be interpreted to limit the liability of the Contractor. If any insurance is written with a deductible or self-insured retention, the Contractor shall be solely responsible for said deductible or self-insured retention. The purchase of insurance and the furnishing of a certificate of insurance shall not be a satisfaction of the Contractor’s indemnification to the City. The Contractor is responsible to meet all MIOSHA requirements for on-the-job safety.

The Contractor shall procure and maintain during the life of this contract the following coverages:

*Workers Compensation Insurance* - including Employers Liability Coverage, in accordance with all applicable Statutes of the State of Michigan.

*Commercial General Liability Insurance* - on an “Occurrence Basis” with limits of liability not less than $1,000,000.00 per occurrence and aggregate, Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions:

1. Contractual Liability Coverage
3. Independent Contractors Coverage.
4. Broad Form General Liability Extensions.
5. Explosion, Collapse, and Underground, if applicable.
Automobile Liability - including Michigan No-Fault Coverages, with limits of liability of not less than $1,000,000.00 per occurrence combined single limit Bodily Injury and Property Damage. Coverage shall include all owned vehicles, non-owned vehicles and all hired vehicles.

Additional Insured - Following the official acceptance of proposal by City Council, the Commercial General Liability Insurance and Automobile Liability as described above shall include an Additional Insured endorsement as follows:

"The City of Sterling Heights, including all elected and appointed officials, all employees and volunteers, agents, all boards, commissions and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming the City of Sterling Heights as additional insured, coverage afforded is considered to be primary and any other insurance the City of Sterling Heights may have in effect shall be considered secondary and/or excess."

Cancellation Notice - Policies as described above, shall include an endorsement stating the following: It is understood and agreed thirty (30) days, ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction and/or Material Change shall be sent to:

City of Sterling Heights
Reference: RFP-SH19-003
Purchasing Manager
40555 Utica Road
Sterling Heights, MI 48313

Proof of Insurance Coverage: - The contractor shall provide the City at the time the contracts are returned by him/her for execution a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above shall be furnished, if so requested.

Required liability limits may be obtained by using an Excess/Umbrella Liability policy in addition to the primary liability policy(ies). If coverage limits are satisfied by an Excess and/or Umbrella policy, coverage must follow form of the primary liability policy(ies), including but not limited to additional insured and primary/non-contributory coverage.
If any of the above coverages expire during the term of this Contract, the Contractor shall deliver renewal certificates, endorsements and/or policies to the City at least ten (10) days prior to the expiration date.

If the required insurance (with the exception of the Additional Insured endorsement) is already in place, please include a copy of the Certificate of Liability Insurance with your proposal. However, if required insurance is not already in place when submitting the proposal, contractors shall include a letter from their insurance agent indicating that they will be able to secure a Certificate of Liability Insurance upon award of the contract. (To be referenced as Schedule 10).

2.4.8 **Hold Harmless and Indemnification**

To the fullest extent permitted by law, the Contractor expressly agrees to indemnify and hold the City, its elected and appointed officials, employees and volunteer and others working on behalf of the City, harmless from and against all loss, cost, expense, damage, liability or claims, whether groundless or not, arising out of the bodily injury, sickness or disease (including death resulting at any time there from) which may be sustained or claimed by any person or persons, or the damage or destruction of any property, including the loss of use thereof, based on any act or omission, negligent or otherwise, of Contractor or anyone acting in its behalf in connection with or incident to this contract or the work to be performed hereunder, except that the Contractor shall not be responsible to the City on indemnity for damages caused by or resulting from the City's sole negligence; and the Contractor shall, at its own cost and expense, defend any such claim and any suit, action, or proceeding which may be commenced hereunder, and the Contractor shall pay any and all judgments which may be recovered in any such suit, action or proceeding, and any and all expense, including, but not limited to, costs, attorneys' fees and settlement expenses which may be incurred therein.

2.4.9 **Environmental Indemnification**

Contractor hereby agrees to indemnify, defend and hold harmless the City, its successors, assigns, officers and members of its City (in their individual and official capacities) and employees, from and against any and all fines, charges, penalties, losses, costs, damages, liabilities, cleanup or response activity costs and/or expenses (including reasonable attorneys’ fees and actual consultants’ fees) incurred by Landlord as a result of any claims, demands, actions, causes of action, suits, proceedings, investigations, assessments and audits, whether of law or in equity (collectively “Claims”) attributable to (i) any third party claim or demand in connection with any Hazardous Substances generated, stored, leaked, spilled, discharged, emitted, or otherwise disbursed, in, on, under, above or about the Leased Premises, or violation of any Environmental Laws, from and after the date of this Lease; (ii) injuries sustained or other tort actions brought for Claims arising out of or related to any Hazardous
Substances; (iii) the presence, disposal (including off-site disposal), escape, leakage, discharge, emission, release or threatened release of any Hazardous Substances in, on, under, above, from or about the Leased Premises; and (iv) compliance with any administrative notice, order, request or demand relative to any Hazardous Substances on the Leased Premises or violation of any Environmental Laws.

2.4.10 **Force Majeure**
The Contractor agrees that its failure to comply with any of the terms and conditions of this RFP or Contract shall be grounds for termination of this Contract by the City. Notwithstanding the foregoing, if the performance by either party hereto of its respective non-monetary obligations of this RFP or Contract is delayed or prevented in whole or in parts by acts of God, fire, floods, storms, explosions, accidents, epidemics, war, civil disorder, strikes or other labor difficulties, or any law, rule regulation, order or other action adopted or taken by any Federal, State or local government authority, or any other cause not reasonably within said Party's control, whether or not specifically mentioned herein, such party shall be excused, discharged and released of performance only to the extent such performance or obligation is so delayed or prevented by such occurrence without liability of any kind. The City shall have the right to take over the operation of Managed Janitorial Services if the Contractor is prevented from operating for the reasons described above. The City may operate with City employees or other persons, as the City may deem appropriate until Contractor is able to resume its regular operations. The City shall pay to Contractor for the use of such supplies the compensation which would be due in accordance with the Contract had Contractor operated less all expenses and costs incurred in securing the services of operating personnel and other such costs of operation; provided, however, that City's deduction of such costs and expenses shall not exceed the difference between the total compensation paid to Contractor less Contractor's fixed costs of operation.

2.4.11 **Contract Assignment or Sub-Contract**
The resulting Contract shall not be assigned, transferred, or sublet by the Contractor in whole or in part without the prior written approval of the City.

2.4.12 **Contractor Independence**
The Contractor shall provide all labor and ancillary staff to coordinate all functions under the Contract as to ensure the safe and timely cleaning operations of all the City's Facilities. In addition to such other personnel as may be required to administer the Contract, the Contractor shall employ and assign a liaison as per Section 2.2.1; to act as the Contractor's designee in all matters relating to the Contract. The City shall be part of the selection process for the Contractor's assigned liaison.
2.4.13 **Covenant against Contingent Fees**
The Contractor warrants that no person or agency has been employed or retained to solicit or obtain this Contract upon an award of Contract or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the City shall have the right to annul this Contract without liability or, in its discretion, to deduct from the Contract price or consideration, or otherwise recover, the full amount of the contingent fee.

2.5 **Nondiscrimination in Employment**
The Contractor shall comply with Equal Employment Opportunity and Affirmative Action requirements as stipulated in Executive Order 11246 and Executive Order 11375 and all subsequent amendments thereto and superseding orders.

2.6 **Payments**
Contractor will invoice the City on the first of each month for Managed Janitorial Services and casual labor provided during the previous month. Each location shall be invoiced separately. Payment by City will be due no later than 30 days following receipt of invoice. Invoices for additional work must include the date and times of the work, the name of the location, the type of the work performed, the number of hours worked, and the name of the authorized Facility Representative who approved the work to be performed. Only disputed portions of any payment will be withheld until resolved. Once approved invoices are usually paid within 21 days.

Firm shall indicate in proposal response if they will accept payment for services by credit card without charging additional fees for credit card process.

2.7 **Dispute Resolution**
In the event of a dispute between the City and the Contractor, with respect to the Contractor’s failure to meet the requirements of the Contract, the following steps will be taken:

a. The City will provide the Contractor a letter stating the nature of the violation. Such correspondence may, at the City’s discretion be sent via email to the main point of contact for the contract.

b. The Contractor will have three (3) calendar days after receipt of letter to respond to the violation in writing. And shall, within seven (7) calendar days of receipt of the letter rectify the issues identified to the satisfaction of the City. The response must include the nature of the violation, how it was resolved and what steps are being taken to prevent this violation from occurring again.

c. If the Contractor has not resolved the violation within the above referenced seven (7) day period or has repeated a similar past violation, the City will
have the right to terminate the Contract upon thirty (30) days written notice
of intent to do so.

d. The Contractor will be liable for any difference in cost between agreed
price and price paid to an alternate contractor, including expenses
incurred to solicit other contractors.

2.8 CONTRACTOR’S REPRESENTATIONS
The Contractor will at all times observe and comply with all laws, ordinances,
regulations and codes of the Federal, State, County and other local government
agencies, which may in any manner affect the performance of the Contract and
in particular any such laws pertaining to safety. The Contractor, in performing
under the Contract will not discriminate against any worker, employee or
applicant, or any member of the public because of race, creed, color, religion,
national origin, age, sex, height, weight, nor otherwise commit an unfair
employment practice.

2.9 CHANGE OF LAW
Notwithstanding anything else to the contrary, in the event any Federal, State,
local or other governmental body's statutes, laws, rules or regulations are
changed, enacted/promulgated, or in the event there are other material changes
in the requirements of the City (which require added equipment), and the impact
of such changes materially impacts the methods and/or costs of the Contractor in
connection with providing the Managed Janitorial Service hereunder, then, in that
event, upon written notice to the City Representative, Contractor may request a
renegotiation of this Contract. Such renegotiation will include, but not be limited
to, the rates and levels of service. The Contractor and the City Representative
agree to negotiate in good faith and with due dispatch. Any modifications to this
Contract resulting from such negotiation(s) will become effective only as of the
beginning of the next anniversary date of the Contract after such written notice is
given by the Contractor.

In the event the Contractor and the City are unable to reach a satisfactory
Contract within ninety days after such written request, Contractor will have the
right to terminate the Contract by written notice to the City Representative, on or
before the next anniversary date, whereupon, effective on such next anniversary
date, the Contract will be null and void.

2.10 SEVERABILITY
In the event any provision(s) of the Contract will be illegal or invalid for any
reason, said provision(s) will be deemed to be fully severable without affecting
the remaining provisions of the Contract and the Contract will be construed and
enforced as if said illegal or invalid provision(s) had never been inserted herein.

Contractor's policy is to recruit and select applicants for employment solely on
the basis of their qualifications. The Contractor's decision to employ is based,
first, on whether any positions are available; and, second, on which applicant best meets the requirements of the open position.

2.11 TERMINATION
In the event the Contractor fails, at any time, to comply with, fully perform and strictly adhere to the terms and conditions contained in the Contract and all specifications as described herein; to be performed by the Contractor, its agents or employees, the City shall give forty-eight (48) hours’ notice, in writing, to the Contractor of said failure and, in the event the Contractor does not remedy such failure within forty-eight (48) hours from the receipt of such notice by it (except if such failure be impossible to remedy within forty-eight (48) hours, only because of weather conditions making roads impassable or other acts of God, or strikes) then, at the option of the City, the Contract may be terminated by delivery to the Contractor of written notice of such election to terminate, but the Contractor shall remain liable to the City for any costs to the City for Managed Janitorial Services. Failure to exercise the City’s rights within forty-eight (48) hours does not preclude any subsequent right to exercise at a later date. If the Contract is terminated in accordance with any of the provisions contained herein, all rights of the Contractor under the Contract shall cease.

2.12 TERMINATION FOR CONVENIENCE.  Notwithstanding anything herein contained, this Contract may be terminated by the City, without cause, upon ninety (90) days advance written notice to the Contractor.

III. CONTRACTORS OBLIGATIONS
The Contractor shall perform all of the services described in the RFP and in the Contract and make any arrangements that may not be described but that are necessary to perform these services. Contractor will provide all services throughout the term of this Contract. In addition, Contractor will require all employees to follow all applicable City policies.

The Contractor will provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of the work to be performed under this Contract. The Contractor will use its best efforts to provide clean Facilities for each day to begin.

The Base Contract will be staffed according to what the Contractor believes is necessary to complete the cleaning tasks as well as to take care of all the weekday and week-end events and setups and to keep each Facility open for the hours noted. For the existing hours refer to Appendix B.

The Contractor is required to quote and provide staffing and scheduling as required for performance of all services required hereunder. Include with your proposal response a detailed staffing plan that accounts for coverage at all Facilities specified in the RFP. For all shifts it is expected that at least one of the employees must be a Supervisor and is able to take direction and give direction
to others. As such he/she would be the individual Facility Representatives would provide daily information to about setups, events, and building concerns which require the attention of janitorial staff.

No visitors, spouses, children and/or pets of the Contractor's employees will be allowed at the Facilities during working hours unless they are bona fide employees of the Contractor at that Facility.

It is the Contractor’s responsibility to maintain the standard of cleanliness specified in the Contract. It is the responsibility of the Contractor to provide sufficient personnel to provide excellent cleaning performance that the requirements are met and, that each Facility is effectively cleaned on a daily basis.

The Contractor will employ only competent and satisfactory personnel and will provide a sufficient number of employees to perform the required services efficiently and in a manner satisfactory to the City.

The Contractor will provide, and all of the Contractor’s employees are required to wear, uniforms approved by the City on all work days. Logo and names on uniform shirts are required. Uniforms must be worn by all regular and substitute employees while performing under this Contract or working on the City grounds or Facilities.

The uniforms must be as follows:
- Collared shirts are required for men and women. The shirts may be short sleeve or long sleeve. Shirt colors and styles should be the same for all employees.
- Pants are required, and should also be the same (or coordinating) color and style for all employees.

In addition to uniforms, all contractor personnel are also required to wear a City-issued ID badge. The ID badge is to be clearly visible, while performing work at the City. ID badges are to be worn at the waist or above. The Badge will include employee name, company name, and photo of the employee.

The Contractor will be responsible for furniture setup and take-down (when appropriate) for events, or rental contracts that occur at any City Facility as assigned. These events are numerous and may occur outside of normal business hours. These functions are part of the base Contract.

All areas that are identified as “Permit Required” or “Restricted Access” require proper entrance in accordance with the City confined space entry program. Entry into these areas is not permitted by the Contractor’s employees.
Periodic special events will require the Contractor to modify the cleaning schedule to accomplish set up and teardown of those special events.

The Contractor may choose to schedule support clean up on the day after the event if the delaying of the cleanup does not detract or interfere with the overall look or environment of the City Facility or other scheduled activity.

Special events use of the Facilities on the weekends will occur on occasion. This is not common for the City. The Contractor will be responsible to perform the required set up and tear down as required at the Facility for scheduled use on a Saturday or Sunday. The Contractor will sometimes be required to provide extra or special coverage with very short notice. These scheduled events may be related to City administrative and staff needs. Services for such work will be billed as extra. Request for extra hours will be agreed upon in advance with the Facility Representative and invoiced separately.

The Contracted janitorial staffing is to be scheduled in such a way that:
Spaces that are to be used for after-hours activities are cleaned and set-up at the scheduled times, and efforts are made to ensure that the routine cleaning of the remainder of the Facility does not interfere with the scheduled activity.

The City reserves the right to change any and all of the work schedules and to notify the Contractor of such changes.

The Contractor will notify the City immediately of conditions, which will limit hours or decrease the daily work crews, such as illness or injury. In addition, the Contractor will notify the City Representative in advance of any condition or situation, which will affect the performance of the work under this Contract. In either case, the Contractor will communicate how the affected work will be rescheduled.

At a minimum the Contractor must staff each Facility so the hours of operation are consistent with the existing hours as well as staffing to provide the services needed.

The Contractor is responsible for the security of the Facility during the cleaning operation. If any of the Contractor's employees are scheduled to open or close the Facility, then that employee should have knowledge where alarm panels, lighting controls, and equipment is located. The Contractor will not be responsible for resetting fire alarm panels. It is incumbent on the Contractor to secure the Facility at the end of each shift and set the alarm (secure all doors, turn off all but designated lights, turn off ceiling fans, and close all windows). Electronically locked doors are to be unlocked or opened only during the time that cleaning is actually being done and all are to be relocked as soon as the service has been completed. For the safety of staff and the public at large, storage and janitorial closet doors are to be kept shut and locked when not present.
Exterior doors are to be unlocked and locked at the times specified by the Facility Representative. If the Contractor fails to properly secure any Facility, a non-compliance penalty as provided in Section 3.14.5 “Liquidated Damages” of this RFP will be applied and will be deducted from the monthly invoice. The Contractor is required to have someone who will be available to answer emergency calls, and to send someone to secure a Facility. The cost of the emergency response for these calls and actions will be at the Contractor’s expense. When difficulty is encountered in keeping areas locked or windows closed and locked, the City Representative or his designee will be notified before contractor’s staff leaving the building.

To ensure customer satisfaction, the Contractor’s employees will be required to maintain regular, open communication with building contacts and the Facility Representatives. Communication is critical when maintaining multiple City locations. If the need arises for the Facility Representative to contact one of the Contractor’s employees, there must be a system in place to accomplish this task.

The Contractor shall designate a supervisor for each shift that will monitor cleaning performance and assist janitorial staff when necessary to ensure excellent cleaning standards are being achieved. The shift supervisor will manage staffing, supplies, set-ups and teardowns, casual labor tasks, and emergency cleanings. The shift supervisor will remain onsite to address any janitorial concerns that may arise during their shift. The shift supervisor is required to fill out the cleaning frequency checklists daily and report any building issues to the Facility Representatives. It is expected the Supervisor on the shift will carry a device (furnished by the contractor) and will be available to the Contractor liaison. Supervisors must be available by phone at all times while onsite.

The Contractor agrees to respond to any emergency requests, including but not limited to, water pick-ups and/or mop-ups made necessary by rain, plumbing failure, leaks, or accidents; 24 hours per day, 7 days per week, 365 days per year. Hourly pricing for this after-hours, emergency service will be requested as per the Proposal format, Schedule 16.

Every effort will be made to conserve energy whenever possible throughout the cleaning schedule. Only areas in use will have lights on and doors and windows will remain closed whenever the heating or cooling systems are operating. There shall be no overriding of the heating or cooling units except for needs of after-hours activities.

The Contractor will ensure that any substances defined as hazardous by Federal or State law will be properly labeled and delivered or used in a way that complies with Federal or State laws.
The City is closed on, and the Contractor is not required to provide cleaning or other services on the following holidays. Note; however, work crews are to be scheduled in such a way as to ensure that all Facilities are clean and ready to open the next business day:

- New Year's Eve
- New Year’s Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Veteran’s Day
- Thanksgiving
- The Day After Thanksgiving
- Christmas Eve
- Christmas Day

The Police Department, Senior Center, Community Center, and Library are exempt from the holidays listed above. The City reserves the right to require some work on any or all of these holidays.

The Contractor will obtain and maintain at its own expense any necessary licenses and permits to provide the services specified in this Contract. The Contractor will ensure that all applicable equipment manufacturers’ recommendations on cleaning are followed. All equipment provided must be in good working order, and must be repaired immediately following a breakdown.

Contractor’s staff is required to work on all “acts of God” days. They will be required to perform select other tasks listed on the Cleaning Frequency Checklists. On “acts of God” days, the City in consultation with the Contractor may permit the afternoon shift custodians to begin work earlier in the day instead of their afternoon start time, with the approval of the City Representative.

Contractor’s staff is also required to work on all other days that the City is closed due to other inclement weather or due to boiler failure, electrical outages, etc. On these days, they should expect to work their regular schedule unless otherwise directed by the City Representative.

The City is a governmental agency and subject to Declared Emergencies (i.e. electrical outages, terrorist attacks, etc.) requiring the City to provide services outside of normal schedules. The Contractor Liaison may be contacted by the Facility Representative to perform cleaning activities during these events.

Due to operations continuing in City buildings during off-hours, the Contractor Liaison will call their employees in to work and perform cleaning activities. In this case the full-time casual labor rate will be charged for those employees reporting
to a City site even if the particular building requiring services would not normally have casual labor.

3.1 MANAGEMENT
The Contractor will provide management, and clerical staff, to coordinate all Contractor functions described in the RFP and Contract. The Contractor shall employ and assign a responsible project manager to act as the Contractor’s designee in all matters relating to the Contract and to the work to be done. At a minimum the Contractor’s operations office shall be adequately staffed from 7:30 a.m. to 5:30 p.m. during all days that City is open. The Contractor agrees to advise the City Representative on a mutually agreed upon monthly schedule regarding organization and operations matters concerning Managed Janitorial Services.

3.2 OPERATIONS

3.2.1 Operating Requirements
The Contractor shall provide all Managed Janitorial Services necessary to meet City’s routine needs. Service shall be provided on days a designated by the City.

3.2.2 Scheduling
The Contractor will schedule janitorial staff determined by the City’s needs in year one (1) and every subsequent year of the Contract.

3.2.2.1 Changes in Assignments
Custodians shall be permanently assigned to the same Facility whenever possible. If a change is made to a permanent assignment during the course of the contract, the Contractor shall notify the City Representative as soon as possible.

3.2.2.2 Changes in Established Facility Time Schedules
Changes to schedules shall be implemented by the Contractor as soon as possible but in no case more than five calendar days later than notification of the change is received by the Contract manager responsible for service to the City.

3.2.2.3 Changes in City Schedules
It is expected the Contractor will work when the City is closed due to inclement weather or other Facility related closings. If the City does close to ensure the health and safety of any person or for any other lawful reason, then the City shall not be obligated to pay for any services hereunder provided that the City has notified the Contractor by 7:30 a.m. of the day the Facilities are closed.
3.3 JANITORIAL REQUIREMENTS

3.3.1 Philosophy
It is the City’s intent to provide high-quality janitorial service and to ensure the safety and comfort of City employees and the public. The Contractor hereby recognizes and agrees to uphold the following general standards for personnel.

- For the protection of employees, persons who have contact with employees and/or residents must be of stable personality, and good moral character. Additionally, all employees shall be conversant in the English language and shall be able to take direction accordingly.

- The Contractor shall allow no person to provide Managed Janitorial Services if that person’s conduct might in any way expose an employee and/or resident to any impropriety of word or conduct, nor shall the Contractor allow any person to provide Managed Janitorial Services who is not, at any time, in a condition of mental and emotional stability.

- Contractor’s employees shall adhere to the highest level of privacy, integrity, and confidentiality of all City data and information. At no time shall any representative of contractor remove, photograph, copy, or reproduce any information from any of the premises except to properly dispose in a manner as allowed within this RFP. This includes information intended for disposal, shredding or recycling. Violation of this provision could result in termination of the contract.

- The possession or use, by any person, of alcohol, controlled substances, illegal drugs, firearms, knives, or other weapons are prohibited on City Property.

3.3.2 Pre-Employment Screening
The Contractor shall develop and implement a pre-employment interview and/or screening program for all candidates for employment who will be on premises and or in a City Facility. The screening program shall be designed to assist the Contractor in determining the candidates’ qualifications for work at any City Facility. This procedure must be reviewed and approved in advance by the City to ensure compliance with any and all applicable Federal and State laws, rules, ordinances, City policies, regulations, licensing, and permitting requirement applicable to providing Managed Janitorial Services contemplated in the RFP and the Contract, including, but not limited to:

Any person at a City site performing work for the Contractor shall be required to pass a background investigation and submit fingerprinting to
be approved by the City. The initial investigations to establish the contract will not be charged. Beginning in the third month of the contract, the Contractor will not be charged for the first five (5) investigations each month, but the sixth (6th) investigation and all investigations over this amount will be charged at $25 per investigation. The total amount per month to be charged will be deducted from the monthly invoice as provided in Section 3.14.5 “Liquidated Damages” of this RFP.

Establishing tests acceptable to, and approved by, the City that are designed to determine the presence of illegal drugs, controlled substances, or alcohol. The Contractor shall conduct random and reasonable suspicion drug and alcohol testing for all safety sensitive employees according to Federal and State law, rules and regulations and City policy. The Contractor shall have a zero tolerance policy for testing positive to drugs and alcohol and shall immediately remove an employee if they refuse to submit to a drug test, tests positive for illegal drugs, controlled substances or alcohol or violates the law, possesses, sells or consumes illegal drugs, controlled substances or alcohol on City Facility property.

3.3.3 Drug Use Prevention

3.3.3.1 Grounds for Testing
The Contractor shall conduct or cause to be conducted tests acceptable to the City that are designed to determine the presence of illegal drugs, controlled substances, or alcohol. Such tests shall be administered to:

- All permanent, temporary, or substitute custodians before the custodian first begins work under the Contract;
- Test results must be obtained before the custodian begins work; and
- Any person whom the Contractor or the City has reasonable cause to believe has reported to work or is at work or is on the City Facility under the influence of drugs or alcohol.

3.3.3.2 Grounds for Removal from Service
The Contractor must remove a trainee or employee from the training program or from service, as applicable, under the following circumstances:

- If a trainee or employee refuses to submit to a drug test in one of the above described situations;
If a trainee or employee possesses, consumes, sells, or dispenses alcoholic beverages, illegal drugs, or controlled substances on City property or during the course of providing Managed Janitorial Services to the City;

- If a trainee or employee violates the laws pertaining to drugs, controlled substances, or alcoholic beverages during the course of providing Managed Janitorial Services to the City;

- If a trainee or employee violates the laws pertaining to drugs, controlled substances, or alcoholic beverages at any time, if doing so adversely affects the City, its employees, or its property;

- If a trainee or employee tests positive for the presence of illegal drugs, controlled substances, or alcohol.

3.3.4 Vaccinations
The Contractor will be required to provide their employees who will be working in the Police Detention Area with Hepatitis B Vaccinations. Also, any other employee who would be mandated by any current or future law would be required to be provided with this vaccination by the successful contractor. Any other type of vaccinations required by any law during the term of the contract will be provided by the contractor.

3.3.5 Other Requirements
All employees must be at least 18 years of age, be a legal resident and must be conversant with the English Language, pass a background investigation, and meet all other checks as required by law prior to being placed in a position with the Contractor to work in the City.

3.4 JANITORIAL TRAINING REQUIREMENTS
The Contractor will provide or arrange for any such legally required or other training as is needed to ensure that qualified janitorial services staff is available to provide services described in the Contract.

3.4.1 Pre-service Training and Ongoing Training
The Contractor is to have, in-place, an on-going, effective and documented training program that provides all local, State and Federally mandated training and contains, at a minimum:
ORIENTATION PROGRAM BEFORE PLACEMENT IN JANITORIAL SERVICES:

- AHERA
- Asbestos Floor Tile Care
- Basic General Cleaning Procedures
- Blood-borne Pathogens
- Biohazard Cleaning
- Carpet Care
- Handbook Review
- Hard Floor Care
- Lock-out/Tag-out Procedures
- Infection Control
- Ladder Safety
- Personal Grooming
- Right-to-Know including Material Safety Data Sheets (SDS)
- Safety
- Sexual Harassment

The Contractor will provide written documentation annually of Contract employees who have attended such programs, including date and time, to the City Representative prior to being placed in the City.

ONGOING TRAINING PROGRAM AFTER PLACEMENT IN JANITORIAL SERVICES:

The Contractor will provide at least 12 hours of job-related training per year to its personnel assigned to the City. Recommended topics are as follows:

- ADA
- Asbestos Floor Tile Care
- Auto Scrubbing
- Basic Restroom Cleaning
- Biohazard Cleaning
- Blood-borne Pathogens
- Carpet Extraction
- Carpet Spot Removal
- Carpet Vacuuming
- Ceiling/Wall Washing
- Chemical Safety
- Cleaning Standards
- Daily Restroom Cleaning
- Damp/Wet Mopping
- Dust Mopping
- Equipment Checks
- Equipment Usage
- Ergonomics
- Fabric/Upholstery Cleaning
- Furniture Cleaning
- Infection Control
- Job Preparation and Clean up
- Ladder Safety
- Lifting Techniques
- Lock-out/Tag-out Procedures
- Office Cleaning
- Right to Know Safety Including Safety Data Sheets (SDS)
- Sexual Harassment
- Slips/Trips/Falls
- Spray Buffing
- Stripping/Refinishing Floors
- Window Blind Cleaning
- Window Washing

The Contractor must show proof that it has provided all trainings to its personnel as required by applicable codes and standards. The Contractor will provide the City Representative with training logs and, if requested, training verification.

3.4.2 Safety Program
Safety is a paramount concern of the City. In recognition of this priority, the Contractor shall plan and implement a comprehensive safety program. This program shall include but not be limited to regularly scheduled safety meetings for all janitorial staff. The Contractor shall conduct a minimum of four (4) safety meetings each City year, and custodians shall be required to attend. In the event a custodian fails to attend two (2) or more of these safety meetings, the custodian will be subject to suspension. The agendas of the meetings shall be available for inspection by the City on request.

3.5 Maintenance Standards
The Contractor shall provide and maintain in good and safe mechanical and operating condition all janitorial equipment for the performance of the contract. The Contractor will complete a written inspection form detailing the condition of all equipment before the beginning of each Fiscal year for review. The Contractor shall maintain the equipment so that their condition remains equal to or exceeds that condition recorded on the written inspection form, normal wear and tear excepted. Mechanically, equipment shall be maintained in a condition approximating that set out by the original manufacturer. Failure to maintain equipment in a condition acceptable to the City will constitute a default of Contract performance.

Contractor is required to use vacuums with HEPA filters with a noise level under 70 decibels.
3.5.1 **Responsible Party**

The Contractor shall be the responsible party with respect to any applicable annual required or mandated inspections of the equipment, maintenance and related issues.

3.6 **Supplies**

It is the intention of the City to provide all toilet paper, hand towels, sanitary napkins, and soap to be used under the contract. All mechanical dispensers required for dispensing the materials shall be supplied, installed, and maintained for proper mechanical operation by the City.

All cleaning equipment and supplies necessary for the performance of the services required under the provisions of this contract shall be furnished and maintained by the Contractor, and the Contractor shall be responsible for any repairs to such equipment. The City requires that Safety Data Sheets (SDS) be supplied. The City must have these on file for each location.

Prior to the start of the contract, the Contractor shall submit for approval a complete list of cleaning products to the City Representative, who has final approval on the products used. The list shall include the brand names and product number of all supplies to be used in fulfilling this contract by location. The City Representative has final control in requesting additional supplies if the quantity provided is found to be insufficient.

3.7 **Minimum Cleaning Standards**

Safety precautions will be followed at all times. Adequate signage must be utilized at all entry locations while cleaning bathrooms or locker rooms to indicate that the work is in process. “Wet Floor Signs” must be used at times while mopping in order to maintain a safe environment for employees and building visitors, etc.

The following definitions will be considered the minimum acceptable standard for the activities performed under this contract.

3.7.1 **Dry Mopping, Wet Mopping & Scrubbing**

The floors shall be properly prepared, thoroughly swept to remove all loose dirt and debris, gum, tar, and other foreign substances.

Upon completion of wet mopping or scrubbing, the floor shall be clean, free of dirt, stains, spills, mars, mop marks, and properly rinsed and dry mopped to present a clean appearance. All surfaces shall be dry with corners, cracks and splice joints clean. Cove base, walls, furniture, doors, etc. shall be wiped clean to remove any streaks or splashes.

Germicidal disinfectant cleaner shall be used on all restroom floors, shower areas, jail cells, walls, partitions, fixtures, and equipment when cleaning.
Wet mops used in the restroom areas may not be used in any other part of a building. Wet mops used in restrooms may not be used in shower areas. Wet mops utilized in jail cells for biohazard cleaning may not be used in any other area. Wet mops heads or handles must be color coded to correspond to the hazard they are cleaning: General areas: white mop head, Restrooms and Showers: blue mop head, Jail Cells & Biohazard: red mop head.

3.7.2 **Floor Finishing & Buffing**
Floor finish shall be applied in a thin, even coat. The number of coats applied will depend on the use and condition of the floor but in no case less than two coats. At stated frequencies, floors shall be wet mopped and buffed between regular floor finishing operations.

The floor shall be properly swept free of all loose dirt / debris prior to mopping. Upon completion of wet mopping, the floor shall be clean and free of dirt, water streaks, mop marks and properly rinsed, and dry mopped to present a clean appearance. All surfaces shall be dry with corners, cracks, splice joints, and cove base clean after wet mopping. The floor area will be machine spray buffed to restore the gloss of the floor. Finish floor as necessary to restore floor to a clean, bright appearance. Do not allow floor finish buildup at edges or corners and blend floor finish into existing floor finish leaving no demarcation line between the two.

3.7.3 **Stripping & Sealing**
There shall be complete removal of all dirt, old floor finish and other substances in returning floor to its original surface. All corners, edges, cracks, splice joints, cove base and area around floor-mounted appurtenances shall be completely cleaned.

Two thin coats of appropriate sealer shall be applied with caution to prevent streaking and bleaching of the floor surface. This application shall be applied in accordance with the manufacturer’s recommendation and shall be compatible with the floor finish to be used.

3.7.4 **Rugs, Mats, Carpet, Upholstery**
After vacuuming, all rugs, carpets shall be free from dust balls, dirt and other debris. All areas not reached by vacuum, shall be hand cleaned using appropriate cleaning equipment. Soft upholstery shall be free of all lint, dust, and other debris. Fabric or nap shall not be damaged by cleaning procedure. Spot cleaning of stains as they occur.

3.7.5 **Dusting & Damp Wiping**
Dusting residue shall not be moved from spot to spot but removed directly
from the area in which it lies by the most effective means appropriate; treated dusting cloths or vacuum tools. There shall be no dust streaks remaining on any surface, including corners, ledges, shelves, molding, etc. There shall be no oils, spots, smudges, or residue from dusting aids left on dusted surfaces.

Damp wiping consists of using a clean, damp cloth or sponge to remove all dirt spots, streaks from walls, glass or other specified surfaces, and then drying to provide a polished appearance.

3.7.6 **Furniture and Desktops**
Desks, files, tables, cabinets, etc. shall be kept free of fingerprints, stains, smudges, etc. Chrome legs and edgings shall be cleaned free of marks and polished to a bright appearance.

Desktops must be free of any papers, records, files, etc., if they are to be totally cleaned. Desktops shall be dusted with stains and spots wiped.

Computers and monitors will be dusted and monitors will be cleaned as needed. Telephones will be dusted and the handset will be wiped clean with a disinfectant cloth.

3.7.7 **Window Washing**
The Contractor will be responsible for cleaning & washing all inside and outside glass, windows, skylights, etc. The proposal must include information on whether your staff will perform this or if you will use a subcontractor. Exterior windows are to be cleaned quarterly. The cost of window cleaning shall be included in the Facility pricing on the Proposal Pricing Form and shall not be billed or invoiced separately.

3.7.8 **Trash Cans and Trash Removal**
Trash is to be removed on a daily basis from inside the building and from trash cans located outside and adjacent to building doors, to a dumpster / trash disposal area located on the site. The City will provide dumpsters at all facilities except the Nature Center, where the Contractor will be required to remove trash to a dumpster at the City Center complex. The City will provide all trash cans for offices, bathrooms, hallways etc. typically used by City employees and visitors. The Contractor will need to provide their own rolling collection equipment, containers, cleaning carts. Contractor shall provide all waste can liners and trash bags.

3.7.9 **Biohazard Clean-up**
A separate charge for biohazard clean up, such as blood, urine, feces, vomiting, etc. will **NOT** be accepted. Contractor shall be responsible for the prompt and adequate clean-up of such occurrences. The fees proposed should be all encompassing. The City does not have any figure
available as to the frequency or severity of such occurrences, whether in
the Detention Center in the Police Department, or anywhere else.

3.7.10 Casual Labor
Casual labor can include set up/take down of tables, chairs, etc.,
unloading of office supplies and other minor materials, brewing of coffee,
and delivery of mail and packages to City Facilities.

Casual Labor is required for City Hall, Police Department, Library, Senior
Center, and Community Center, to complete daily tasks, Monday through
Friday. This function will be performed by the daytime cleaning staff as
specified in each Facility Scope of Work (Appendix B). This will be
included in the Facility pricing on the Proposal Pricing Form and shall not
be billed or invoiced separately.

Casual labor services may be requested at other buildings or functions as
requested by the City. In the event that additional casual labor services
are required at any time of the day or night, including Saturday, Sunday
and Holidays, the Contractor shall provide such services at a Casual
Labor Hourly Rate and indicate what this rate would be on the Confidential
Proposal Pricing Form (Schedule 16) and be available on a 24-hour
notice. Casual labor can include porter/custodial type activity including, but
not limited to set up/take down of tables, chairs, etc., unloading of office
supplies and other minor materials, cleaning and special programs.

3.7.11 Mail Delivery & Courier Service
Contractor will be required to pick up and deliver mail to/from local post
office and City Hall on all working days. United States Postal Service
trays/bins are provided to transport all incoming mail from the Post Office
to the City Clerk’s office in City Hall and back to the Post Office the
following day. Additionally, mail courier service will be required between
City Hall and all other City facilities every working day. Inter-departmental
mail, which accumulates in the City Clerk’s office, shall be delivered once
per day to the Department of Public Works, Velocity Facility and Fire
Station #5. It is the Contractor’s responsibility to provide transportation for
their employee to these locations.

3.7.12 Monthly, Quarterly, and Annual Tasks
Monthly tasks are to be completed in their entirety every month. The
Contractor is expected to work on part of these tasks daily, if appropriate
for the specific task.

Quarterly tasks are to be completed in their entirety four (4) times per year

Annual tasks are to be completed in their entirety one (1) time per year.
3.8 **CONTRACTOR’S RECORDS AND REPORTING REQUIREMENTS**
The Contractor shall make available at any time to the City all operating records that the City may request. Additionally, the Contractor will provide certain regular reports to the City as specified in this section and others as mutually agreed on by the City and Contractor.

3.8.1 **Records to be maintained by the Contractor**

3.8.1.1 **Operating Records**
The Contractor shall maintain, for a minimum of one (1) year, daily records indicating absenteeism per building, supplies used per building, employee hours per Facility, accident occurrences and building complaints. Upon request contractor shall furnish operating records to the City within two (2) business days.

3.8.1.2 **Personnel Records**
The Contractor shall maintain records that include documentation of all custodians, management, and support staff compliance with all legal requirements and with all standards and requirements set forth in the RFP and in the Contract. The Contractor shall maintain these records for seven (7) years, at no cost to the City.

3.8.2 **Reports to be submitted regularly to the City**
If any of the following events occur during the Contractor’s performance of the Contract, the Contractor shall report to the City the described information within a period of 48 hours.

3.8.2.1 **MIOSHA**
Before bringing any new chemicals onsite, the Contractor must provide one copy of the Safety Data Sheets (SDS) to the City Representative.

The Contractor must maintain a complete and up-to-date inventory of Safety Data Sheets (SDS’s) for all chemicals used in each Facility. This inventory must be stored in a notebook labeled “SDS”, stored in the janitorial office area of each Facility. In addition, a master SDS notebook with a section for each Facility in the City must be provided and kept current at the City Representative’s office. The MSDS notebook must also include Michigan’s Right-To-Know procedures.

3.8.2.2 **Procedures**
The Contractor will maintain, in each Facility, a Procedures Manual, indexed and containing the following sections, specific for that Facility that will include, at a minimum:
1. Contractor’s standard policies and procedures
2. Daily routines/ schedules for custodians assigned to the Facility.
3. Emergency and safety procedures.
4. List of equipment maintained in the Facility.
5. Maintenance and user manuals for all custodian equipment in the Facility.
6. Contact information of all custodians assigned to the City.
7. Standard cleaning procedures.
8. Events and Setup information.

3.8.2.3 **Accident Reports**

All accidents or incidents involving the City patrons, staff, and equipment shall be verbally reported to the Facility Representative immediately. A written report shall be submitted to the City Representative by the Contractor within two (2) business days. A verbal notification to the Janitorial Liaison of incident shall be reported immediately.

Accident reports shall make clear or provide at a minimum the following:

- Who was involved in the accident;
- Whether any injury occurred;
- The janitorial staff, location, involvement of equipment, and nature and extent of any property damage;
- The Contractor’s assessment of chargeability of the accident.

Accident and incident reports are to be completed by the Contractor’s management and by affected employees.

The Contractor shall provide to the City any accident reports obtained from the Michigan State Police or from any other law enforcement agency as soon after the accident as they become available.

A City Accident/Incident form shall be completed by the Contractor.

3.9 **FACILITY ALARM CODES**

The City will provide the Contractor with alarm codes for each Facility. A set of security codes for all affected Facilities will be issued to the Contractor Liaison. Alarm codes must not be traded between or shared among employees. Previously assigned alarm codes must not be forwarded by the Contractor to new employees. Notification to the City will be immediate with the reassignment or termination of any individual who has been assigned an alarm code.
3.10 **CITY OF STERLING HEIGHTS DESIGNEE**
The City of Sterling Heights designee referred to throughout this RFP will be referred to as the Contractor Liaison. The City Representative is authorized to modify this designation.

3.11 **KEYS AND BADGES**
Keys and Badges to the Facilities will be supplied by the City. All complete set of keys will be issued to, and must be signed out by the Contractor Liaison.

3.11.1 **Initial Issuing of Keys and Badges**
The City of Sterling Heights will provide the Contractor Liaison with appropriate keys and badges for all Facilities.

3.11.2 **Copying of Keys and Badges**
At no time will copies be made of any keys or badges issued. If additional copies are needed, the Contractor must obtain keys from the City Representative.

3.11.3 **Key and Badge Replacement**
There will be a $25.00 charge for the replacement of any lost or stolen key or badge and a $100.00 charge to re-issue a complete set of keys to the Contractor Liaison, these charges will be deducted from the monthly invoice as provided in Section 3.14.5 “Liquidated Damages” of this RFP.

3.11.4 **Key and Badge Inventory**
The City of Sterling Heights reserves the right to inventory the Contractor’s keys or badge at any time.

3.11.5 **Lost Keys and Badges**
All lost Facility keys and badges assigned to the Contractor or to any of the Contractor’s employees, (whether interior or exterior keys or badges, etc.), must be reported, to the City Representative immediately upon discovery of the loss.

3.11.6 **Re-keying of Locks**
If the City deems it necessary to re-key any locks due to inadequate key or badge control/management by the Contractor, the cost will be deducted from the monthly invoice as provided in Section 3.14.5 “Liquidated Damages” of this RFP.

3.11.7 **Security of Keys and Badges**
The Contractor is prohibited from lending City Facility keys and badges to anyone. The Contractor and its employees are also prohibited from leaving keys and badges in janitor closets or from lying on janitorial carts, or otherwise out of their possession. Each instance of City-observed noncompliance will result in a non-compliance penalty of $50.
3.11.8 **Termination of Contract**
All keys and badges assigned to a Contractor's employee will be returned to the City Representative when his/her services in the assigned City end. All keys and badges will be returned to the City Representative at the termination of this Contract.

3.11.9 **Trading of Keys and Badges**
Keys and badges will not be traded between employees nor forwarded to new employees; instead, the keys and badges must be returned to the City to be re-issued.

3.12 **PROPERTY DAMAGE AND PROTECTION**
The Contractor will be responsible for reporting and paying for any damages to any of the City Facilities, equipment, and/or contents caused by the Contractor's employees. The Contractor will report, in writing, any damage that occurs to the Facility Representative.

All repairs to the City Facilities will be made or facilitated by the City. The City shall have the repair work completed and deduct the cost, plus an administrative fee, from the Contractor's invoice. The City will provide a written explanation with the deduction.

The Contractor will inform the Facility Representative (or in his/her absence, the City Representative) of any vandalism, evidence of attempts to force entry, and all other damages to any Facilities.

The Contractor will report, in writing, any items that they did not damage but that require maintenance or repair to the City Representative (i.e. dripping faucets, damaged walls, burned out lights, damaged carpets, etc.).

The Contractor will continuously maintain adequate protection of all work covered by the Contract from damage or loss and will protect the property from injury or loss arising in connection with this Contract, and will make good any such damage, injury or loss.

The Contractor is to secure each section of each Facility as it is completed.

The Contractor is responsible for the conduct of its personnel. The Contractor will cooperate fully with the City and with any Law Enforcement authorities in the investigation of any unlawful activities suspected of the Contractor's employees while working on the City property.

If personnel employed by the Contractor are found to have committed theft or other unlawful activities on any of the City properties they shall be immediately terminated and removed from servicing any City Facilities. The Contractor will be
responsible to the City for restitution which will include, but not be limited to, all actual losses, damages, costs of investigation, and costs of prosecution.

3.13 QUALITY CONTROL/INSPECTIONS
The Contractor Liaison, the City Representative, and Facility Representatives will perform quarterly inspections of each Facility to ensure tasks are completed according to the Cleaning Frequency Checklists, that the quality of work is satisfactory, and the Contractor's compliance with other terms of the Contract.

The Contractor will maintain historic inspections of each area and areas the employees are responsible for.

The Contractor Liaison will perform weekly inspections with the Facility Representative for each Facility. The Contract Liaison will use the required inspection forms or pre-printed forms mutually agreed upon between the City and the Contractor. Upon completion of each weekly inspection, the Contractor Liaison and Facility Representative will sign the inspection forms. The Facility Representative will provide a copy of the inspection form to the Contractor Liaison after the inspection before leaving the Facility. The Contractor Liaison will submit a copy of all completed weekly facility inspections to the City Representative each week.

An inspection of all Facilities will be conducted prior to the start of each contract year by a team of City personnel. This requirement is not intended to limit the Contractors responsibility to inspect or control its own work, nor does it limit the City's right to inspect any Facility at any time.

Failure to complete any required inspections (and failure to re-schedule and complete the inspection within three business days) will result in the issuance of a non-inspection penalty as provided in Section 3.14.5 “Liquidated Damages” of this RFP.

The City Representative may also periodically inspect the Facilities and will report any deficiencies and all unsatisfactory performance to the Contractor.

The Contractor will be granted a reasonable time to correct the deficiencies. Where it is necessary, at the discretion of the Facility Representative, to correct unsatisfactory performance to conduct City activities in a clean and safe environment, all costs incurred by the City to correct the deficiencies will be deducted from the monthly invoice.

The duties of the Supervisor shall not be performed by productive hourly employees, nor shall the Contractor Liaison perform cleaning duties except in the case of an emergency.
3.14 CITY OF STERLING HEIGHTS RIGHTS AND RESPONSIBILITIES

3.14.1 Discipline
The Contractor shall report to the City any incidents of misconduct of the janitorial staff and any corrective action taken.

3.14.2 Authority to Remove Equipment from Service
At the request of the City, the Contractor shall remove immediately from City service any and all Contractor janitorial equipment that is determined unfit for service by the City. The City will provide specific reasons for such requests to remove equipment from service.

3.14.3 Authority to Approve, Reject, and Require Removal of Janitorial Staff from Service
The City reserves the right to approve or reject for City service under this Contract any and all proposed custodians who may be providing Managed Janitorial Services at any time during the duration of this Contract. Further, at the request of the City, the Contractor shall immediately remove from service to the City, any or all custodians, whether permanent, substitute or temporary.

3.14.4 Deductions for Temporary City Closures
If one or more Facilities are closed for more than three consecutive work days for "acts of God", Facility renovations, and/or a problem with the Facility, the City Representative may request that cleaning services be temporarily suspended in the applicable Facility(s). If this occurs, the City’s bill for that month will be reduced by 1/20th for each day of work that cleaning services are cancelled in the applicable City Facility. If any such service reductions can be reasonably anticipated by the City, the City Representative will provide as much lead time to the Contractor as possible.

3.14.5 Liquidated Damages
To recover losses it suffers (which may be immeasurable) and to discourage poor performance, the City may assess liquidated damages. These damages accrue in addition to the City’s expectation that it will not pay for any service that has not been provided. The damages will be assessed against the Contractor regardless of whether the actual failure to perform was caused by the Contractor or by sub-contractors. Liquidated damages will be deducted from the Contractor's monthly invoice.

Liquidated damages may be assessed for the following infractions as listed below:
3.14.6 **Facility Alarm Code Replacements & Re-Keying Locks**

There will be a $50 charge for the replacement or sharing of Facility alarm codes.

If the City deems it necessary to re-key any locks due to inadequate key or badge control/management by the Contractor, the cost will be deducted from the monthly invoice.

3.14.7 **ID Badges, Keys, & Uniforms**

There will be a $25.00 charge for the replacement of any lost or stolen key or badge and a $100.00 charge to re-issue a complete set of keys to the Contractor Liaison, these charges will be deducted from the monthly invoice.

If a Contract employee is observed at the work site without wearing the Contractor issued ID badge or uniform, the Contractor will be in non-compliance with the Contract and a $25 deduction may be made on the monthly invoice.

3.14.8 **Fines for MIOSHA Violations**

If the City is assessed any fines for MIOSHA violations arising out of these Contracted services and attributable to the Contractor, the Contractor will reimburse the City for these fines by commensurately reducing the charges on the monthly invoice.

3.14.9 **Improper Chemical Use**

If the Contractor uses chemicals or methods that damage the City property, the Contractor will pay for the cost to restore the City’s property and/or replacement.

3.14.10 **Improperly Securing Facilities**

If the Contractor fails to properly secure any Facility, a non-compliance penalty of $50 per incident will be deducted from the monthly invoice. If the police are dispatched, the Contractor is responsible for the false alarm fee, which will be deducted from the monthly invoice.

3.14.11 **Non-answering of Cell Phone Calls or Pages**

Calls placed by the City Representative or Facility Representative to the Contractor Liaison that are not answered or returned within 30 minutes after the call is placed will be assessed a $25 penalty per incident. The deduction will be made on the monthly invoice.

3.14.12 **Non-approved Personnel**

If a Contractor’s employee is observed working in the City has not been authorized by the City Representative to work in a City Facility, the Contractor will be in non-compliance with the Contract and a $150
deduction will be made on the monthly invoice. The unauthorized employee will immediately vacate City property.

3.14.13 **Non-inspection**
Failure to complete any required inspections, as specified in the “Quality Control/Inspections” as per Section 3.13 of this RFP and failure to re-schedule and complete the inspection within three business days will result in the issuance of a non-inspection penalty of $100 per instance.

3.14.14 **Unfilled Employee Absences**
Whenever any custodians are absent from part or all of their City assignment and a substitute is not provided by the Contractor, the Contractor must deduct the following amount from the next invoice:

For each unfilled eight hour shift – a $200 penalty per instance will be assessed. This penalty is intended to reflect the Contractor’s labor savings by not providing eight hours of labor and to provide an “assured staffing” incentive. Any portion of an eight hour shift not covered by a Contractor substitute will be assessed a prorated penalty based on $200 per eight hour shift.

3.14.15 **Excessive Background Checks**
Beginning in the third month of the contract, the Contractor will not be charged for the first five (5) investigations each month, but the sixth (6th) investigation and all investigations over this amount will be charged at $25 per investigation. The total amount per month to be charged will be deducted from the monthly invoice.

3.14.16 **Services Provided By the City of Sterling Heights**
The City of Sterling Heights is responsible for and shall provide the following:

- Monthly Schedules of setups and events
- Hours of Operations
- Emergency Procedures
- Other items mutually agreeable to the City and the Contractor

IV. **CONFIDENTIAL COST PROPOSAL**
The City of Sterling Heights is interested in securing price quotations in the formats as detailed in Schedule 16.

All costs are to be compiled on the Confidential Cost Proposal Form (Schedule 16), signed by an authorized officer of the company and submitted within a sealed envelope kept separate from the submitted
proposal packet. The pricing envelope containing one (1) copy of the Confidential Cost Proposal Form must be sealed and marked with the following:

“Confidential Cost Proposal Envelope”
Your Company Name
RFP-SH19-003: Managed Janitorial Services
Date Due: Tuesday, April 9, 2019 at 2:30 p.m.

DO NOT make any reference to proposal costs anywhere in your proposal except on the Confidential Cost Proposal Form (Schedule 16).

V. PROPOSAL SHIPPING LABEL

Please cut below dotted line and affix to mailing envelope or package

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Proposal Documents Enclosed

From:
Company Name: ______________________________________________
Contact Person:  ______________________________________________
Phone Number:   ______________________________________________

Solicitation Title: MANAGED JANITORIAL SERVICES
Solicitation Number: RFP-SH19-003
Due Date: APRIL 9, 2019
Time: 2:30 p.m.

Deliver To:
City of Sterling Heights
Office of the City Clerk
Attn: Melanie Ryska, City Clerk
40555 Utica Road
Sterling Heights, MI 48313
APPENDIX A

PROPOSED MANAGED JANITORIAL SERVICES CONTRACT

THIS MANAGED JANITORIAL SERVICES CONTRACT, (the “Contract”) entered into this ________ day of ____________, 2019 (the “Effective Date”) by and between CITY OF STERLING HEIGHTS, a Michigan Municipal Corporation, whose address is 40555 Utica Road, Sterling Heights, Michigan, 48313 (hereinafter the “City of Sterling Heights”) and __________________, a __________________ ___, whose address is _____________________________ (hereafter the “Contractor”) (collectively the “Parties”).

RECITALS

A. The City of Sterling Heights issued a Request For Proposals for Managed Janitorial Services dated March 20, 2019 (the “RFP”), the purpose of which was to solicit proposals from qualified contractors with the ability to deliver a Turnkey Solution for Managed Janitorial Services, minor maintenance services, warehouse duties, minor grounds work, supplies and other services requested by the City of Sterling Heights (the “Managed Janitorial Services”) at a more cost effective price.

B. The Contractor submitted to the City of Sterling Heights a Proposal to the RFP dated April 9, 2019 (the “Proposal”) to provide all Managed Janitorial Services contemplated by the RFP.

C. Pursuant to the terms of the RFP, the Contractor shall be required to enter into a written contract with the City of Sterling Heights following written acceptance of the Proposal by the City of Sterling Heights.

D. The Parties agree that certain terms and provisions of the RFP and the Proposal must be further clarified and that certain additional terms and conditions need to be expressly set forth by way of this Contract.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, the Parties agree as follows:

1. RESTATEMENT CONSTITUTES THE CONTRACT

   (a) Incorporation By Reference

   The object of this Contract is to formalize in one document the complete agreement between the Parties, and to do so by specifically incorporating by reference into this Contract, the RFP, Addenda to the RFP, if any, the Proposal and other related documents, and by including certain additional necessary or appropriate Contract terms, particularly where the Contract
terms agreed to by the Parties during the RFP negotiation process do not correspond with the RFP.

(b) **Order of Precedence**

The Contract Documents, which all are incorporated herein by reference, include the following:

i. This Contract;

ii. **Exhibit A** to this Contract – the RFP and Addenda (if any);

iii. **Exhibit B** to this Contract – Contractor’s Proposal Cost Sheet;

iv. **Exhibit C** to this Contract - Contractor’s Proposal.

To the extent that the terms and conditions of the Contract Documents are in conflict, the terms and conditions shall be interpreted in the above-referenced order from (i) to (v). However, the Parties also agree that where there is not a conflict between any of the terms and conditions contained in the above-referenced Contract Documents, all of the Contract Documents shall be binding upon both parties.

2. **TERM AND TERMINATION**

The term of this Contract shall be for a period of three (3) years, commencing June 1, 2019 (the “Initial Term”). The City of Sterling Heights shall have the option to extend this Contract by up to two (2) additional three (3) year periods, subject to the written approval of the City of Sterling Heights’s, in its sole discretion (each a “Renewal Term”). Nothing in this Contract requires the City of Sterling Heights to exercise its option for a Renewal Term and Contractor has no expectation of a contract beyond the Initial Term, or a Renewal Term if any are exercised. One Hundred and Twenty (120) days prior to the end of the Initial Term, or any Renewal Term, Contractor shall provide the City of Sterling Heights in writing with a detailed fee schedule for the next three (3) year term and the City of Sterling Heights shall notify the Contractor within sixty (60) days of its receipt of Contractor’s detailed fee schedule for the next three (3) year term as to whether the City of Sterling Heights will exercise any option for a Renewal Term. This Contract may be terminated in accordance with the provisions of the RFP.

3. **INVOICING AND PAYMENT TERMS**

(a) **Invoices**

Contractor shall invoice the City of Sterling Heights in equal installments on a once-per-month basis for all Managed Janitorial Services rendered under the Contract Documents. Invoices shall state charges for Managed
Janitorial Services for each Facility. Monthly invoices shall be submitted via email to the designated City of Sterling Heights persons(s).

(b) **Additional Charges**

Any services outside the scope of the Managed Janitorial Services ("Additional Services") must receive prior written approval from the City Representative or Facility Representative before rendering or invoicing for such Additional Services. Invoices for approved Additional Services shall include the date and times the Additional Services were completed, the name of the Facility, the type of Additional Services performed and the number of hours worked. Invoices for Additional Services shall be separate from the regular monthly invoice but shall be sent to the City of Sterling Heights together with the regular monthly invoice and shall be in accordance with the Cost Proposal Sheet (Exhibit B).

(c) **Payments**

Payment of undisputed amounts in each invoice shall be made within 30 days of receipt of the invoice. The City of Sterling Heights will issue one payment per month. Disputes regarding amounts contained in any invoice will be communicated to Contractor by the City of Sterling Heights, in writing, within ten (10) business days of the receipt of the disputed invoice. Payments of disputed amounts will be delayed unless Contractor is able to resolve the matter to the City of Sterling Heights’s satisfaction within ten (10) business days prior to payment due date. The City of Sterling Heights will not be assessed any late payment penalties, fines or charges for disputed amounts not timely paid due to Contractor’s failure to timely resolve the matter as set forth above.

4. **SUPPLIES AND EQUIPMENT**

(a) **Supplies**

The City of Sterling Heights will supply all necessary paper towels, toilet tissue, sanitary napkins and hand foam/soap used in the washrooms. Water and coffee supplies will also be provided by the City for conference rooms and event setups. The Contractor will assume responsibility for the procurement of any necessary cleaning supplies and materials to maintain a one month supply deemed appropriate by the Contractor to perform the Managed Janitorial Services and agreed to by the City of Sterling Heights in writing. The Contractor shall submit to the City of Sterling Heights a monthly report detailing all consumption of City provided supplies (including type, quantity and cost) for each City of Sterling Heights Facility.
5. FINGERPRINTING AND CRIMINAL BACKGROUND CHECKS

The Contractor acknowledges and agrees that the Contractor will have it, and any and all of its agents, employees or representatives who will be on any City of Sterling Heights premises to carry out the Managed Janitorial Services, fingerprinted and subjected to criminal history and background checks through the Michigan State Police and Federal Bureau of Investigation prior to commencing any work under this Contract by presenting themselves, or any of its agents, employees or representatives, for proper fingerprinting and criminal backgrounds checks, as directed by the City of Sterling Heights.

6. INDEMNIFICATION

(a) General Indemnification.

To the fullest extent permitted by law, the Contractor expressly agrees to indemnify and hold the City, its elected and appointed officials, employees and volunteer and others working on behalf of the City, harmless from and against all loss, cost, expense, damage, liability or claims, whether groundless or not, arising out of the bodily injury, sickness or disease (including death resulting at any time there from) which may be sustained or claimed by any person or persons, or the damage or destruction of any property, including the loss of use thereof, based on any act or omission, negligent or otherwise, of Contractor or anyone acting in its behalf in connection with or incident to this contract or the work to be performed hereunder, except that the Contractor shall not be responsible to the City on indemnity for damages caused by or resulting from the City's sole negligence; and the Contractor shall, at its own cost and expense, defend any such claim and any suit, action, or proceeding which may be commenced hereunder, and the Contractor shall pay any and all judgments which may be recovered in any such suit, action or proceeding, and any and all expense, including, but not limited to, costs, attorneys' fees and settlement expenses which may be incurred therein.

(b) Environmental Indemnification.

Throughout the Initial Term, or any Renewal Term of this Contract, Contractor shall not permit itself or any third party to use, generate, handle, store or dispose of any Hazardous Substances in, on, under, upon or affecting any City of Sterling Heights property in violation of any applicable law or regulation. Without limiting any other provisions of the Contract Documents, Contractor shall indemnify, defend and hold harmless the City of Sterling Heights, its City, in their official and individual capacities, administrators, employees, agents, contractors, successors and assignees, from and against all liabilities, claims, losses, costs and expenses (specifically including, without limitation, attorneys’, engineers’, consultants’ and experts’ fees, costs and expenses) arising from (i) any breach of any representation or warranty made in this paragraph and/or (ii) environmental
conditions or noncompliance with any applicable law or regulation that result, in the case of Contractor, from operations or Janitorial Services in or about any City of Sterling Heights property by Contractor or its agents or employees. As used herein, the term “Hazardous Substances” shall mean (i) any hazardous or regulated substance as defined by all Federal, state and local environmental laws, including, but not limited to, Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.) (“Clean Water Act”), the Resource Conservation & Recovery Act (42 U.S.C. §§ 6901 et seq.) (“RCRA”), Safe Drinking Water Act (42 U.S.C. §§ 300f-j-26), Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §§ 9601 et seq.) (“CERCLA”), the Emergency Planning and Community Right to Know Act, 42 U.S.C. §§ 11001 et seq. (“EPCRA”), the Michigan Natural Resources and Environmental Protection Act (MCL § 324.101 et seq.) the administrative rules and regulations promulgated under such statutes, or any other similar Federal, state or local law or administrative rule or regulation of similar effect, each as amended and as in effect and as adopted as of the date of execution of this Lease, (ii) any other pollutant, contaminant, hazardous substance, solid waste, hazardous material, radioactive substance, toxic substance, noxious substance, hazardous waste, particulate matter, airborne or otherwise, chemical waste, medical waste, crude oil or any fraction thereof, radioactive waste, petroleum or petroleum-derived substance or waste, asbestos, PCBs, radon gas, all forms of natural gas, or any hazardous or toxic constituent of any of the foregoing, whether such substance is in liquid, solid or gaseous form, or (iii) any such substance the release, discharge or spill of which requires activity to achieve compliance with applicable law. This paragraph shall survive the expiration or earlier termination of this Contract.

7. MEETINGS

The Contractor Liaison for the Managed Janitorial Services, as designated by the Contractor pursuant to the Contract Documents, shall schedule monthly meetings with the City Representative. The Contractor Liaison shall also perform schedule weekly Facility Inspections with each Facility Representative.

IN WITNESS WHEREOF: the Parties hereto on this day execute this Contract as of the Effective Date.

CITY OF STERLING HEIGHTS

By: ________________________________  By: ________________________________

Its: ________________________________  Its: ________________________________

Date: ________________________________  Date: ________________________________
APPENDIX B – SCOPES OF WORK
RFP-SH19-003 Managed Janitorial Services

CITY OF STERLING HEIGHTS
Location #1

CITY HALL - 40555 UTICA ROAD

Total Area Cleaned: 44,000 sq. ft.
Building Hours: Monday through Friday, 8:30am – 5:00pm
Building Closed: Saturday, Sundays, and 11 Holidays per year
Evening Meetings: 8-10 Evening Meetings per month, 6pm-11pm
Employees: approximately 115
Entrances: Heavy Traffic at North and South entrances.

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SPECIAL REQUIREMENTS
One person: Monday-Friday, 8:00am-5:00pm, to maintain first impression areas, entrances, restrooms, and provide additional cleaning as necessary to maintain a superior level of cleaning throughout the day.
One person: to set-up, open, and lock up for City Hall for evening meetings. Employee may not leave building until all public has left and building is secured (may be evening janitorial staff member).

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
All public areas, office areas, and restroom areas, stairways/stairwells, City Council chambers, elevators, receiving halls and/or entries are to be cleaned daily. The following list of general duties shall be completed for all locations within City Hall unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Empty office recycling containers into recycling carts. Take carts to designated location on designated pick up day.
4. Pick up loose paper in all interior areas.
5. Dust mop all tile floors, stair treads, and risers.
6. Wet mop all tile floors, stair treads and risers.
7. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
8. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops.
9. Clean and disinfect all drinking fountains.
10. Remove any graffiti in restrooms and/or other public areas.
11. Clean all entrance glass – both sides.
12. Dust desktops, file cabinets, furniture, and flat surfaces within 7’ of the floor.
13. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
14. Spot clean upholstered furniture as needed.
15. Clean all interior glass and mirrors, as needed.
16. Sweep leaves, salt, and debris from entrances.
17. Remove trash from all receptacles at entrances, replace liner, and empty into designated dumpster.
18. Arrange meeting rooms as instructed.
19. Maintain custodial closets and office in compliance with building and fire codes.
20. Lock-up and secure facility nightly Monday – Friday per schedule provided.
APPENDIX B – SCOPES OF WORK
City of Sterling Heights
RFP-SH19-003 Managed Janitorial Services
Location #1

DAILY – RESTROOM CLEANING SERVICE - 8 TOTAL (four full size, three single stall, single stall and shower)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Wipe down and disinfect baby changing station and benches.
9. Clean shower in employee workout room.
10. Spot clean all smudges from walls, doors, woodwork, and partitions.

DAILY – EMPLOYEE LOUNGE & KITCHENETTES
1. Damp wipe and disinfect all table tops, chairs, counters, sinks, microwaves (inside and out), and appliances
2. Wet mop floors with disinfectant solution.
3. Clean vending machine glass.
4. Spot clean all smudges from walls, doors, woodwork, and glass.
5. Restock soap and hand towels.

DAILY – CAREHERE FACILITY
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Damp wipe and disinfect all table tops, chairs, and counters.
3. Wet mop floors with disinfectant solution.
4. Spot clean all smudges from walls, doors, woodwork, and glass.
5. Restock soap and hand towels.

WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass.
3. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, shelves, etc., below 7’ in height.
4. Damp wipe and disinfect fitness equipment.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors and stairwells.
6. Wash all doors.
7. Wash all lockers in fitness center
8. Clean and vacuum all council chambers chairs.

QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub all restroom floors.
2. Carpet Clean all areas. (Coordinated with Facility Representative)
3. Wash all interior windows and walls.
4. Vacuum all interior blinds.
5. Wash all exterior windows

ANNUAL – CLEANING SERVICE BUILDING WIDE:
1. Strip and refinish all floors.
APPENDIX B – SCOPES OF WORK
City of Sterling Heights
RFP-SH19-003 Managed Janitorial Services
Location #2

POLICE STATION - 40333 DODGE PARK ROAD LOCATION #2

Total Area Cleaned: 58,000 sq. ft.
Building Hours: 24 hours per day, 7 days per week, 365 days per year
Employees: approximately 210
Entrances: Heavy Traffic at North and West entrances.

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SPECIAL REQUIREMENTS
All janitorial staff working in the Police Station must submit to a state and national fingerprint search and background check and must meet LEIN security standards and applicable training.
Scheduling of monthly, quarterly, and annual cleaning tasks will be coordinated with the Facility Representative.
One person: Monday-Saturday, 8:00am-4:00pm, to maintain first impression areas, entrances, restrooms, lock-up, and provide additional cleaning as necessary to maintain a superior level of cleaning throughout the day.
One person: Monday-Friday, 4:00pm-10:00pm to maintain first impression areas, entrances, restrooms, lock-up, and provide additional cleaning as necessary to maintain a superior level of cleaning throughout the day.

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
All public areas, office areas, and restroom areas, stairways/stairwells, lock-up, elevators, receiving halls and/or entries are to be cleaned daily. The following list of general duties shall be completed for all locations within the Police Station unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Empty office recycling containers into recycling carts. Take carts to designated location on designated pick up day.
4. Pick up loose paper in all interior areas.
5. Dust mop all tile floors, stair treads, and risers.
6. Wet mop all tile floors, stair treads and risers.
7. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
8. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops.
9. Clean and disinfect all drinking fountains.
10. Remove any graffiti in restrooms and/or other public areas.
11. Clean all entrance glass – both sides.
12. Dust desktops, file cabinets, furniture, and flat surfaces within 7’ of the floor.
13. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
14. Spot clean upholstered furniture as needed.
15. Clean all interior glass and mirrors, as needed.
16. Sweep leaves, salt, and debris from entrances.
17. Remove trash from all receptacles at entrances, replace liner, and empty into designated dumpster.
18. Maintain custodial closets and office in compliance with building and fire codes.
APPENDIX B – SCOPES OF WORK

City of Sterling Heights
RFP-SH19-003 Managed Janitorial Services
Location #2

DAILY – RESTROOM CLEANING SERVICE - 10 TOTAL (four full size, four single stall, two locker rooms)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Wipe down and disinfect lockers and benches.
9. Clean and disinfect shower stalls.
10. Spot clean all smudges from walls, doors, woodwork, and partitions.

DAILY – EMPLOYEE LOUNGE & KITCHENETTES
1. Damp wipe and disinfect all table tops, chairs, counters, sinks, microwaves (inside and out), and appliances.
2. Wet mop floors with disinfectant solution.
3. Clean vending machine glass.
4. Spot clean all smudges from walls, doors, woodwork, and glass.
5. Restock soap and hand towels.

DAILY – FITNESS ROOM
1. Wet mop rubber mats with disinfectant solution.
2. Damp wipe and disinfect fitness equipment.
3. Clean all mirrors.
4. Spot clean all smudges from walls, doors, woodwork, and glass.

DAILY – LOCK-UP & JAIL CELLS (24 single cells, 2 holding cells, 4 shower stalls, 2 single stall toilets)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners. Remove biohazard trash.
2. Clean and disinfect all sinks, toilets, glass, and doors in jail cells. Residue must be removed from surfaces.
3. Clean and disinfect all sinks, countertops, and toilets. Residue must be removed from surfaces.
4. Clean and disinfect shower stalls.
5. Damp wipe and disinfect all partitions, glass, and spot clean all walls and doors.
6. Clean all mirrors, shelves, chrome fixtures, and dispensers.
7. Dust mop all floors.
8. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets.
9. Restock toilet tissue, soap, hand towels, and neat seats.
10. Maintain floor traps free of odor.
11. Wipe down and disinfect lockers and benches.
12. Cleanup biohazard spills, as needed.

WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass.
3. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, shelves, etc., below 7’ in height.
4. Remove all scuff marks, smudges, and dirt from walls.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors and stairwells.
6. Wash all doors.
7. Wash all lockers in locker rooms.
QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub all restroom & locker room floors.
2. Carpet Clean all areas. (Coordinated with Facility Representative)
3. Wash all interior windows and walls.
4. Vacuum all interior blinds.
5. Wash all exterior windows.

ANNUAL – CLEANING SERVICE BUILDING WIDE:
1. Strip and refinish all floors.
APPENDIX B – SCOPES OF WORK

PUBLIC LIBRARY - 40255 DODGE PARK ROAD  LOCATION #3

Total Area Cleaned: 38,000 sq. ft.
Building Hours: Mon - Thurs 9:00am-9:00pm; Fri 1:00pm-5:00pm; Sat 9:00am-5:00pm; Sun 1:00pm-5:00pm
Building Closed: Sundays (June-August), and 11 Holidays per year
Evening Meetings: 8-10 Evening Meetings per month, 6pm-11pm
Employees: approximately 40
Entrances: Heavy Traffic at East entrance.

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SPECIAL REQUIREMENTS
One person: Monday-Saturday, 9:00am-5:00pm, to maintain first impression areas, entrances, restrooms, perform set-ups, and provide additional cleaning as necessary to maintain a superior level of cleaning throughout the day.

The Public Library hosts hundreds of programs every year and has a regimented set-up schedule that is followed daily.

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
All public areas, office areas, and restroom areas, stairways/stairwells, programming center, elevators, receiving halls and/or entries are to be cleaned daily. The following list of general duties shall be completed for all locations within the Public Library unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Empty office recycling containers into recycling carts. Take carts to designated location on designated pick up day.
4. Pick up loose paper in all interior areas.
5. Dust mop all tile floors, stair treads, and risers.
6. Wet mop all tile floors, stair treads and risers.
7. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
8. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops and desks.
9. Clean and disinfect all drinking fountains.
10. Remove any graffiti in restrooms and/or other public areas.
11. Clean all entrance glass – both sides.
12. Dust desktops, file cabinets, furniture, and flat surfaces within 7’ of the floor.
13. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
14. Spot clean upholstered furniture as needed.
15. Clean all interior glass and mirrors, as needed.
16. Sweep leaves, salt, and debris from entrances.
17. Remove trash from all receptacles at entrances, replace liner, and empty into designated dumpster.
18. Retrieve items from exterior book drop as instructed.
19. Maintain custodial closets and office in compliance with building and fire codes.
20. Lock-up and secure facility nightly Monday – Saturday per schedule provided.
DAILY – RESTROOM CLEANING SERVICE - 9 TOTAL (six full size, three single stall)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Wipe down and disinfect baby changing station and benches.
9. Spot clean all smudges from walls, doors, woodwork, and partitions.

DAILY – EMPLOYEE LOUNGE & KITCHENETTES
1. Damp wipe and disinfect all table tops, chairs, counters, sinks, microwaves (inside and out), and appliances
2. Wet mop floors with disinfectant solution.
3. Clean vending machine glass.
4. Spot clean all smudges from walls, doors, woodwork, and glass.
5. Restock soap and hand towels.

DAILY – PROGRAMMING CENTER
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Damp wipe and disinfect all table tops, chairs, and counters.
3. Spot clean all smudges from walls, doors, woodwork, and glass.
4. Arrange programming center as instructed.

WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass.
3. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, book shelves, etc., below 7’ in height.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors and stairwells.
6. Wash all doors.
7. Clean and vacuum all library chairs.

QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub all restroom floors.
2. Carpet Clean all areas. (Coordinated with Facility Representative)
3. Wash all interior windows and walls.
4. Vacuum all interior blinds.
5. Wash all exterior windows.

ANNUAL – CLEANING SERVICE BUILDING WIDE:
1. Strip and refinish all floors.
APPENDIX B – SCOPES OF WORK
RFP-SH19-003 Managed Janitorial Services
City of Sterling Heights
Location #4

41A DISTRICT COURT – 40111 DODGE PARK ROAD LOCATION #4

Total Area Cleaned: 30,000 sq. ft.
Building Hours: Monday through Friday, 8:30am – 4:30pm
Building Closed: Saturday, Sundays, and 11 Holidays per year
Employees: approximately 42
Entrances: Heavy Traffic at East entrance.

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SPECIAL REQUIREMENTS
All janitorial staff working in the 41A District Court must submit to a state and national fingerprint search and background check and must meet LEIN security standards and applicable training.
Scheduling of monthly, quarterly, and annual cleaning tasks will be coordinated with the Facility Representative.
One person: Monday-Friday, 12:00pm-1:00pm, to maintain first impression areas, entrances, restrooms, and provide additional cleaning as necessary to maintain a superior level of cleaning while the court is closed for lunch.

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
All public areas, office areas, and restroom areas, stairways/stairwells, judge chambers, elevators, receiving halls and/or entries are to be cleaned daily. The following list of general duties shall be completed for all locations within the 41A District Court unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Empty office recycling containers into recycling carts. Take carts to designated location on designated pick up day.
4. Pick up loose paper in all interior areas.
5. Dust mop all tile floors, stair treads, and risers.
6. Wet mop all tile floors, stair treads and risers.
7. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
8. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops.
9. Clean and disinfect all drinking fountains.
10. Remove any graffiti in restrooms and/or other public areas.
11. Clean all entrance glass – both sides.
12. Dust desktops, file cabinets, furniture, and flat surfaces within 7’ of the floor.
13. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
14. Spot clean upholstered furniture as needed.
15. Clean all interior glass and mirrors, as needed.
16. Sweep leaves, salt, and debris from entrances.
17. Remove trash from all receptacles at entrances, replace liner, and empty into designated dumpster.
18. Maintain custodial closets and office in compliance with building and fire codes.
19. Lock-up and secure facility nightly Monday – Friday per schedule provided.
DAILY – RESTROOM CLEANING SERVICE - 11 TOTAL (eight full size, three single stall)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Wipe down and disinfect baby changing station and benches.
9. Spot clean all smudges from walls, doors, woodwork, and partitions.

DAILY – EMPLOYEE LOUNGE & KITCHENETTES
1. Damp wipe and disinfect all table tops, chairs, counters, sinks, microwaves (inside and out), and appliances
2. Wet mop floors with disinfectant solution.
3. Clean vending machine glass.
4. Spot clean all smudges from walls, doors, woodwork, and glass.
5. Restock soap and hand towels.

DAILY – JAIL CELLS (2 single cells)
1. Clean and disinfect all sinks, toilets, glass, and doors in jail cells. Residue must be removed from surfaces.
2. Damp wipe and disinfect all partitions, glass, and spot clean all walls and doors.
3. Dust mop all floors.
4. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets.
5. Restock toilet tissue, soap, hand towels.
6. Maintain floor traps free of odor.
7. Cleanup biohazard spills, as needed.

WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass.
3. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, shelves, etc., below 7’ in height.
4. Damp wipe and disinfect fitness equipment.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors and stairwells.
6. Wash all doors.

QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub all restroom floors.
2. Carpet Clean all areas. (Coordinated with Facility Representative)
3. Wash all interior windows and walls.
4. Vacuum all interior blinds.
5. Wash all exterior windows

ANNUAL – CLEANING SERVICE BUILDING WIDE:
1. Strip and refinish all floors.
DEPARTMENT OF PUBLIC WORKS – 7200 18 Mile Road LOCATION #5

Total Area Cleaned: 8,000 sq. ft.
Building Hours: Monday through Friday, 7:00am – 4:30pm
Building Closed: Saturday, Sundays, and 11 Holidays per year
Employees: approximately 70
Entrances: Heavy Traffic in Front Office

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SPECIAL REQUIREMENTS
One person: Monday-Friday, 9:00am-10:30am, to maintain first impression areas, entrances, restrooms, and provide additional cleaning as necessary to maintain a superior level of cleaning throughout the day.

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
The front office area, supervisor offices, restrooms, locker rooms, multipurpose room, workout room, and/or entries are to be cleaned daily. The following list of general duties shall be completed for all locations within the Department of Public Works unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Empty office recycling containers into recycling carts. Take carts to designated location on designated pick up day.
4. Pick up loose paper in all interior areas.
5. Dust mop all tile floors.
6. Wet mop all tile floors.
7. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
8. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops.
9. Clean and disinfect all drinking fountains.
10. Remove any graffiti in restrooms and/or other public areas.
11. Clean all entrance glass – both sides.
12. Dust desktops, file cabinets, furniture, and flat surfaces within 7’ of the floor.
13. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
14. Spot clean upholstered furniture as needed.
15. Clean all interior glass and mirrors, as needed.
16. Sweep leaves, salt, and debris from entrances.
17. Remove trash from all receptacles at entrances, replace liner, and empty into designated dumpster.
18. Arrange meeting rooms as instructed.
19. Maintain custodial closets and office in compliance with building and fire codes.
20. Lock-up and secure facility nightly Monday – Friday per schedule provided.
APPENDIX B – SCOPES OF WORK
RFP-SH19-003 Managed Janitorial Services
City of Sterling Heights
Location #5

DAILY – RESTROOM CLEANING SERVICE - 4 TOTAL (two full size, two locker rooms)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Wipe down and disinfect benches.
9. Clean and disinfect shower stalls. (Rubber mats must be moved)
10. Spot clean all smudges from walls, doors, woodwork, and partitions.

DAILY – MULTIPURPOSE ROOM
1. Damp wipe and disinfect all table tops, chairs, counters, sinks, microwaves (inside and out), and appliances
2. Wet mop floors with disinfectant solution. (Tables and chairs must be moved to comply)
3. Clean vending machine glass.
4. Spot clean all smudges from walls, doors, woodwork, and glass.

DAILY – FITNESS ROOM
1. Wet mop rubber mats with disinfectant solution.
2. Damp wipe and disinfect fitness equipment.
3. Clean all mirrors.
4. Spot clean all smudges from walls, doors, woodwork, and glass.

WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass in offices. (Does not include perimeter windows)
2. Clean all exterior door glass.
4. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, shelves, etc., below 7’ in height.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors and stairwells.
6. Wash all doors.
7. Wash all lockers in locker rooms
8. Clean and vacuum office chairs.

QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub all restroom floors.
2. Carpet Clean all areas. (Coordinated with Facility Representative)
3. Wash all interior windows around building perimeter.
4. Vacuum all interior blinds.
5. Wash all exterior windows

ANNUAL – CLEANING SERVICE BUILDING WIDE:
1. Strip and refinish all floors.
APPENDIX B – SCOPES OF WORK

RFP-SH19-003 Managed Janitorial Services

City of Sterling Heights
Location #6

FIRE STATION #5 - 41625 RYAN ROAD
LOCATION #6

Total Area Cleaned: 12,000 sq. ft.
Building Hours: Monday through Friday, 7:00am – 4:30pm
Employees: approximately 30
Entrances: Heavy Traffic at South entrance.

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SPECIAL REQUIREMENTS
Scheduling of monthly, quarterly, and annual cleaning tasks will be coordinated with the Facility Representative.

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
Administration Office Areas Only: This includes all public areas, office areas, restroom areas, receiving halls, training rooms, and/or entries are to be cleaned daily. The following list of general duties shall be completed for all locations within Fire Station #5 unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Empty office recycling containers into recycling carts. Take carts to designated location on designated pick up day.
4. Pick up loose paper in all interior areas.
5. Dust mop all tile floors.
6. Wet mop all tile floors.
7. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
8. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops.
9. Clean and disinfect all drinking fountains.
10. Remove any graffiti in restrooms and/or other public areas.
11. Clean all entrance glass – both sides.
12. Dust desktops, file cabinets, furniture, and flat surfaces within 7’ of the floor.
13. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
14. Spot clean upholstered furniture as needed.
15. Clean all interior glass and mirrors, as needed.
16. Sweep leaves, salt, and debris from entrances.
17. Remove trash from all receptacles at entrances, replace liner, and empty into designated dumpster.
18. Maintain custodial closets and office in compliance with building and fire codes.
DAILY – RESTROOM CLEANING SERVICE - 2 TOTAL (two full size)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Wipe down and disinfect lockers and benches.
9. Clean and disinfect shower stalls.
10. Spot clean all smudges from walls, doors, woodwork, and partitions.

DAILY – EMPLOYEE LOUNGE & KITCHENETTES
1. Damp wipe and disinfect all table tops, chairs, counters, sinks, microwaves (inside and out), and appliances
2. Wet mop floors with disinfectant solution.
3. Spot clean all smudges from walls, doors, woodwork, and glass.
4. Restock soap and hand towels.

WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass.
3. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, shelves, etc., below 7’ in height.
4. Remove all scuff marks, smudges, and dirt from walls.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors and stairwells.
6. Wash all doors.
7. Wash all lockers in restrooms.

QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub restroom floors.
2. Carpet Clean all areas. (Coordinated with Facility Representative)
3. Wash all interior windows and walls.
4. Vacuum all interior blinds.
5. Wash all exterior windows.

ANNUAL – CLEANING SERVICE BUILDING WIDE:
1. Strip and refinish all floors.
APPENDIX B – SCOPES OF WORK
RFP-SH19-003 Managed Janitorial Services

SENIOR CENTER - 40600 UTICA ROAD

Total Area Cleaned: 33,000 sq. ft.
Building Hours: Monday- Thursday 9:00am - 9pm; Friday 9:00am - 4:30pm; Saturday 9:00am - 1:00pm
Building Closed: Sundays and 11 Holidays per year
Employees: approximately 30
Entrances: Heavy Traffic at Southeast and Southwest entrances.

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SPECIAL REQUIREMENTS
One person: Monday-Friday, 9:00am-4:30pm, to maintain first impression areas, entrances, restrooms, perform set-ups, and provide additional cleaning as necessary to maintain a superior level of cleaning throughout the day. The Senior Center hosts dozens of programs every year and has a regimented set-up schedule that is followed daily.

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
All public areas, office areas, restroom areas, stairways/stairwells, gymnasium, fitness rooms, elevators, receiving halls and/or entries are to be cleaned daily. The following list of general duties shall be completed for all locations within the Senior Center unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Empty office recycling containers into recycling carts. Take carts to designated location on designated pick up day.
4. Pick up loose paper in all interior areas.
5. Dust mop all tile floors, stair treads, and risers.
6. Wet mop all tile floors, stair treads and risers.
7. Remove scuff marks from wood and vinyl floors.
8. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
9. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops and desks.
10. Clean and disinfect all drinking fountains.
11. Remove any graffiti in restrooms and/or other public areas.
12. Clean all entrance glass – both sides.
13. Dust desktops, file cabinets, furniture, and flat surfaces within 7’ of the floor.
14. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
15. Spot clean upholstered furniture as needed.
16. Clean all interior glass and mirrors, as needed.
17. Sweep leaves, salt, and debris from entrances.
18. Remove trash from all receptacles at entrances, replace liner, and empty into designated dumpster.
19. Maintain custodial closets and office in compliance with building and fire codes.
20. Lock-up and secure facility nightly Monday – Saturday per schedule provided.
APPENDIX B – SCOPES OF WORK
City of Sterling Heights
RFP-SH19-003 Managed Janitorial Services
Location #7

DAILY – RESTROOM CLEANING SERVICE - 6 TOTAL (two full size, two single stall, two locker rooms)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Wipe down and disinfect lockers and benches.
9. Clean and disinfect shower stalls.
10. Spot clean all smudges from walls, doors, woodwork, and partitions.

DAILY – EMPLOYEE LOUNGE & KITCHEN
1. Damp wipe and disinfect all table tops, chairs, counters, sinks, microwaves (inside and out), and appliances
2. Wet mop floors with disinfectant solution.
3. Clean vending machine glass.
4. Spot clean all smudges from walls, doors, woodwork, and glass.
5. Restock soap and hand towels.

DAILY – FITNESS ROOMS
1. Wet mop rubber mats with disinfectant solution.
2. Damp wipe and disinfect fitness equipment.
3. Clean all mirrors.
4. Spot clean all smudges from walls, doors, woodwork, and glass

WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass.
3. Rinse off rubber mats located outside front offices.
4. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, book shelves, etc., below 7’ in height.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors and stairwells.
6. Wash all doors.
7. Clean and vacuum all lobby chairs.

QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub all restroom floors.
2. Carpet Clean all areas. (Coordinated with Facility Representative)
3. Wash all interior windows and walls.
4. Vacuum all interior blinds.
5. Clean glass basketball backboards.
6. Wash all exterior windows.
7. Strip and refinish all floors.
COMMUNITY CENTER - 40250 DODGE PARK ROAD  LOCATION #8

Total Area Cleaned: 98,000 sq. ft.
Building Hours: Monday - Saturday 9:00am - 10pm; Sunday 9:00am - 5:00pm
Building Closed: 11 Holidays per year
Employees: approximately 30
Entrances: Heavy Traffic at Main entrance.

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SPECIAL REQUIREMENTS
The Community Center is set for its Grand Opening in January 2020.
One person: Monday-Saturday, 10:00am-6:00pm, to maintain first impression areas, entrances, restrooms, perform set-ups, and provide additional cleaning as necessary to maintain a superior level of cleaning throughout the day. The Community Center will host hundreds of programs every year and will have a regimented set-up schedule that is followed daily one opened.

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
All public areas, office areas, restroom areas, stairways/stairwells, gymnasium, fitness rooms, elevators, receiving halls and/or entries are to be cleaned daily. The following list of general duties shall be completed for all locations within the Community Center unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Empty office recycling containers into recycling carts. Take carts to designated location on designated pick up day.
4. Pick up loose paper in all interior areas.
5. Dust mop all tile floors, stair treads, and risers.
6. Wet mop all tile floors, stair treads and risers.
7. Remove scuff marks from wood and vinyl floors.
8. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
9. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops and desks.
10. Clean and disinfect all drinking fountains.
11. Remove any graffiti in restrooms and/or other public areas.
12. Clean all entrance glass – both sides.
13. Dust desktops, file cabinets, furniture, and flat surfaces within 7’ of the floor.
14. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
15. Spot clean upholstered furniture as needed.
16. Clean all interior glass and mirrors, as needed.
17. Sweep leaves, salt, and debris from entrances.
18. Remove trash from all receptacles at entrances, replace liner, and empty into designated dumpster.
19. Maintain custodial closets and office in compliance with building and fire codes.
APPENDIX B – SCOPES OF WORK
City of Sterling Heights
RFP-SH19-003 Managed Janitorial Services
Location #8

DAILY – RESTROOM CLEANING SERVICE - 15 TOTAL (four full size, eight single stall, two locker rooms)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Wipe down and disinfect lockers and benches.
9. Clean and disinfect shower stalls.
10. Spot clean all smudges from walls, doors, woodwork, and partitions.

DAILY – EMPLOYEE LOUNGE & KITCHEN
1. Damp wipe and disinfect all table tops, chairs, counters, sinks, microwaves (inside and out), and appliances
2. Wet mop floors with disinfectant solution.
3. Clean vending machine glass.
4. Spot clean all smudges from walls, doors, woodwork, and glass.
5. Restock soap and hand towels.

DAILY – FITNESS ROOMS
1. Wet mop rubber mats with disinfectant solution.
2. Damp wipe and disinfect fitness equipment.
3. Clean all mirrors.
4. Spot clean all smudges from walls, doors, woodwork, and glass

WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass.
3. Rinse off rubber mats located outside front offices.
4. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, book shelves, etc., below 7’ in height.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors and stairwells.
6. Wash all doors.
7. Clean and vacuum all lobby chairs.

QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub all restroom floors.
2. Carpet Clean all areas. (Coordinated with Facility Representative)
3. Wash all interior windows and walls.
4. Vacuum all interior blinds.
5. Clean glass basketball backboards.
6. Clean all bleachers with disinfectant.
7. Wash all exterior windows.
8. Strip and refinish all floors.
Total Area Cleaned: 4,000 sq. ft.
Building Hours: Tuesday through Friday 1:00pm – 5:00pm; Saturday 10am - 5:00pm
Building Closed: Sundays, Mondays, and 11 Holidays per year
Employees: 3

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
All public areas, office areas, and restroom areas, and entries are to be cleaned Monday-Friday. The following list of general duties shall be completed for all locations within Nature Center unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Empty office recycling containers into recycling carts. Take carts to designated location on designated pick up day.
4. Dust mop all tile floors.
5. Wet mop all tile floors.
6. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
7. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops.
8. Clean and disinfect all drinking fountains.
9. Remove any graffiti in restrooms and/or other public areas.
10. Clean all entrance glass – both sides.
11. Dust desktops, file cabinets, furniture, and flat surfaces within 7’ of the floor.
12. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
13. Spot clean upholstered furniture as needed.
14. Clean all interior glass and mirrors, as needed.
15. Sweep leaves, salt, and debris from entrances.
16. Remove trash from all receptacles at entrances, replace liner, and empty into designated dumpster.
17. Maintain custodial closets and office in compliance with building and fire codes.
18. Lock-up and secure facility nightly Monday – Friday per schedule provided.

DAILY – RESTROOM CLEANING SERVICE - 2 TOTAL (two full size)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Spot clean all smudges from walls, doors, woodwork, and partitions.
WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass.
3. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, shelves, etc., below 7’ in height.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors.
6. Wash all doors.

QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub all restroom floors.
2. Carpet Clean all areas. (Coordinated with Facility Representative)
3. Wash all interior windows and walls.
4. Vacuum all interior blinds.
5. Wash all exterior windows

ANNUAL – CLEANING SERVICE BUILDING WIDE:
1. Strip and refinish all floors.
DODGE PARK AMPHITHEATER - 40300 UTICA ROAD  LOCATION #10

Total Area Cleaned: 2,000 sq. ft.
Building Hours: Two-Three days per week May-October
Building Closed: When no active events are planned.

SCOPE OF WORK
The Contractor shall provide Managed Janitorial Services in accordance with the tasks listed in this section. Contractors are free to propose a cleaning strategy for the City’s consideration that differs from what is listed below as long as the work plan addresses all of the needs and areas referenced below. A janitorial task list and schedule will be agreed upon between the City and the successful Contractor prior to contract award. The City reserves the right to make adjustments as needed to meet the needs of the City. Such changes, if required, will be made in writing and communicated to the designated Contractor Liaison.

SUPPLIES
Contractor shall provide all trash and wastebasket liners, all cleaning supplies, materials and equipment necessary to complete tasks as outlined.

AREAS TO BE CLEANED
All public areas, office areas, and restroom areas, and entries are to be cleaned on an as needed basis. Typically this building is used two-three days per week May-October. Cleaning schedule will be three days per week during these months, and a weekly cleaning during the winter months. The following list of general duties shall be completed for all locations within Dodge Park Amphitheater unless a job or frequency is specifically called out differently for a particular location in the previous descriptions. If this occurs, the more specific job duty and frequency applies.

DAILY – CLEANING SERVICE BUILDING WIDE:
1. Empty all wastebaskets, damp wipe, and replace plastic liners.
2. Deposit trash in plastic bags and place in designated dumpster. Ensure trash does not spill or leak onto floors.
3. Dust mop all tile floors.
4. Wet mop all tile floors.
5. Vacuum and spot clean all carpets, mats, and damp mop all chair guards.
6. Clean and disinfect all handrails, doorknobs, doorjambs, light switches, and public countertops.
7. Remove any graffiti in restrooms and/or other public areas.
8. Dust furniture and flat surfaces within 7’ of the floor.
9. Damp wipe tables, counters, windowsills, and arms/legs of chairs.
10. Spot clean upholstered furniture as needed.
11. Clean all interior glass and mirrors, as needed.
12. Sweep leaves, salt, and debris from entrances.
13. Maintain custodial closets and office in compliance with building and fire codes.
14. Lock-up and secure facility after cleaning.

DAILY – RESTROOM CLEANING SERVICE – 3 TOTAL (three single stalls)
1. Empty all wastebaskets, sanitize containers, and replace plastic liners.
2. Clean and disinfect all sinks, countertops, toilets, and urinals. Residue must be removed from surfaces.
3. Damp wipe and disinfect all partitions, and spot clean all walls and doors.
4. Clean all mirrors, shelves, chrome fixtures, and dispensers.
5. Wet mop floors with disinfectant solution. Special attention to be given to floors around toilets and urinals.
6. Restock toilet tissue, soap, hand towels, and neat seats.
7. Maintain floor traps free of odor.
8. Spot clean all smudges from walls, doors, woodwork, and partitions.
WEEKLY – CLEANING SERVICE BUILDING WIDE:
1. Clean all interior glass.
3. Thoroughly dust all horizontal surfaces, windowsills, ledges, counters, shelves, etc., below 7’ in height.

MONTHLY – CLEANING SERVICE BUILDING WIDE:
1. Dust horizontal surfaces, tops and book shelving, etc., above 7’ in height.
2. Brush down and damp wipe all heating and air-conditioning vents, radiation heaters.
3. Dust and spot clean all blinds (floor to ceiling).
4. Where applicable, scrub and thoroughly wash composition type desk tops, tables, and countertops.
5. Clean, apply floor finish, and buff all resilient interior floors.
6. Wash all doors.

QUARTERLY – CLEANING SERVICE BUILDING WIDE:
1. Deep scrub all restroom floors.
2. Wash all interior windows and walls.
3. Vacuum all interior blinds.
4. Wash all exterior windows

ANNUAL – CLEANING SERVICE BUILDING WIDE:
1. Carpet Clean all areas. (Coordinated with Facility Representative)
2. Strip and refinish all floors.

No Floorplan for Amphitheater.

Building comprises of:
- 3 single stall bathrooms
- 3 common rooms
- 1 office
- 1 hallway
### City Center Facilities

<table>
<thead>
<tr>
<th>Facility</th>
<th>Cleaning Square Footage</th>
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<tbody>
<tr>
<td>City Hall</td>
<td>44,000</td>
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<tr>
<td>40555 Utica Road</td>
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<tr>
<td>Sterling Heights, MI 48313</td>
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<tr>
<td>Police Department</td>
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<td>40333 Dodge Park Road</td>
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<td>Sterling Heights, MI 48313</td>
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<td>Public Library</td>
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<td>41-A District Court</td>
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<td>40111 Dodge Park Road</td>
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<td>Sterling Heights, MI 48313</td>
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<tr>
<td>Department of Public Works</td>
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<tr>
<td>7200 Eighteen Mile Road</td>
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<td>Sterling Heights, MI 48314</td>
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<tr>
<td>Fire Station #5</td>
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<tr>
<td>41625 Ryan Road</td>
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<tr>
<td>Sterling Heights, MI 48314</td>
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<tr>
<td>Senior Center</td>
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<tr>
<td>40600 Utica Road</td>
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<td>Sterling Heights, MI 48313</td>
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<tr>
<td>Community Center</td>
<td>98,000</td>
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<tr>
<td>(Grand Opening - January 2020)</td>
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<td>40250 Dodge Park</td>
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<td>Sterling Heights, MI 48313</td>
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<tr>
<td>Nature Center</td>
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<td>Sterling Heights, MI 48314</td>
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<tr>
<td>Dodge Park Amphitheater</td>
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<tr>
<td>40300 Utica Road</td>
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<td>Sterling Heights, MI 48313</td>
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</table>

**Total Square Footage:** 327,000
SCHEDULE 1

BACKGROUND AND QUALIFICATIONS
## SCHEDULE 2
### PROPOSAL CHECK LIST

**Point by point response to RFP Requirements/Contract Specifications/Signatures**

<table>
<thead>
<tr>
<th>Description</th>
<th>Complete</th>
<th>Incomplete</th>
<th>Reason for Incompleteness</th>
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</thead>
<tbody>
<tr>
<td>Proposer's Introduction on Business Letterhead</td>
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<tr>
<td>Schedule 1 Proposer's background and qualifications</td>
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<tr>
<td>Schedule 2 Point by point response to RFP Requirements/Contract Specifications/Signatures</td>
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<td>Schedule 3 Exceptions, Including Explanations, to RFP Requirements/Contract Specifications/Signatures</td>
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<tr>
<td>Schedule 4 Detailed Evidence of Providing Janitorial Management Services</td>
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<td>Schedule 5 Transition Plan of Action</td>
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<tr>
<td>Schedule 6 Continuity Plan Showing Expected Turnover Rates</td>
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<tr>
<td>Schedule 7 Evidence of Currently Cleaning at Least 275,000 Sq. Ft. Daily for the Same Customer.</td>
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<tr>
<td>Schedule 8 Demonstrate Ability to Secure Cleaning Materials and Equipment</td>
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<tr>
<td>Schedule 9 Evidence of Janitorial Management and Technical Capabilities</td>
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<tr>
<td>Schedule 10 Evidence of Ability to Provide Adequate Insurance Coverage, Performance, and Janitorial Bonds</td>
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<tr>
<td>Schedule 11 Describe Any Other Resources to be Provided by Your Firm</td>
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<tr>
<td>Schedule 12 Provide Minimum of Five (5) References Including: Name, Address, Phone Number and Email Address</td>
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<tr>
<td>Schedule 13 Letter Agreeing to be Bound by the Terms and Conditions in the RFP, Proposal Submitted and the Contract</td>
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<tr>
<td>Schedule 14 Listing of All Litigation or Regulatory Proceedings Within the United States Within the Past Five (5) Years</td>
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<tr>
<td>Schedule 15 Executed Required Forms: Signature Page, Hold Harmless and Indemnity, and Non-Iran-Linked Business</td>
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<tr>
<td>Schedule 16 Summary Explanation of Proposer's Pricing</td>
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</table>
SCHEDULE 3

EXCEPTIONS TO RFP

(INCLUDING EXPLANATIONS)
SCHEDULE 4

DETAILED EVIDENCE OF PROVIDING JANITORIAL MANAGEMENT SERVICES
SCHEDULE 6
CONTINUITY PLAN SHOWING EXPECTED TURNOVER RATES
SCHEDULE 7

EVIDENCE OF CURRENTLY CLEANING AT LEAST 275,000 SQ. FT. DAILY FOR THE SAME CUSTOMER
SCHEDULE 8

DEMONSTRATE ABILITY TO SECURE CLEANING MATERIALS AND EQUIPMENT
SCHEDULE 9

EVIDENCE OF JANITORIAL MANAGEMENT AND TECHNICAL CAPABILITIES
SCHEDULE 10

EVIDENCE OF ABILITY TO PROVIDE ADEQUATE INSURANCE COVERAGE, PERFORMANCE, AND JANITORIAL BONDS
SCHEDULE 11

DESCRIBE ANY OTHER RESOURCES TO BE PROVIDED BY YOUR FIRM
SCHEDULE 12

PROVIDE MINIMUM OF FIVE (5) REFERENCES

INCLUDING NAME, ADDRESS, PHONE NUMBER AND EMAIL ADDRESS
SCHEDULE 13

LETTER AGREEING TO BE BOUND BY THE TERMS AND CONDITIONS IN THE
RFP, PROPOSAL SUBMITTED AND THE CONTRACT
SCHEDULE 14

LISTING OF ALL LITIGATION OR REGULATORY PROCEEDINGS WITHIN THE U.S.
WITHIN THE PAST FIVE (5) YEARS
SCHEDULE 15
REQUIRED FORMS

Executed Required Forms

Signature Page, Hold Harmless and Indemnity, Non-Iran-Linked Business
SIGNATURE PAGE

PRICES: Prices shall remain firm for 60 days or proposal acceptance, whichever comes first, except for the successful Proposer, whose prices shall remain firm through the term of the contract.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: ____________________________

NOTE: The undersigned has checked carefully the bid figures and understands that he/she shall be responsible for any error or omission in this bid offer and is in receipt of all addenda as issued.

COMPANY: __________________________________________________________________________

ADDRESS: ________________________________ CITY: ______________ STATE: _____ZIP: _________

PHONE: (___)______________________________ FAX NUMBER: (___)___________________________

REPRESENTATIVE NAME: _________________________________TITLE__________________________

EMAIL: ____________________________________________________________________________

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: ____________________________

PROPOSAL DEPOSIT CHECK #: __________________________

EXCEPTIONS: Any exceptions, substitutions, deviations, etc. from the City of Sterling Heights specifications and this proposal in Schedule 3. The reason for the exception(s), deviation(s), substitution(s) along with detailed explanations, are an integral part of this proposal offer.

☐ I have read the bid in its entirety and take no exception to any provisions or requirements.

☐ Exceptions taken have been detailed as required in Schedule 3 of the Proposal Response.

ACKNOWLEDGEMENT:

I, __________________________, certify that I have read RFP-SH19-003 and that the proposal documents contained herein were obtained directly from the City’s Purchasing Department or the MITN website, www.mitn.info and is an official copy of the Authorized Version.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: ____________________________

DO NOT make any reference to proposal costs anywhere in your proposal except on the Confidential Cost Proposal Form (Schedule 16).

US FUNDS: All prices are to be quoted in U. S. Currency.
VENDOR CERTIFICATION

HOLD HARMLESS AND INDEMNITY

To the fullest extent permitted by law, the Contractor expressly agrees to indemnify and hold the City, its elected and appointed officials, employees and volunteer and others working on behalf of the City, harmless from and against all loss, cost, expense, damage, liability or claims, whether groundless or not, arising out of the bodily injury, sickness or disease (including death resulting at any time there from) which may be sustained or claimed by any person or persons, or the damage or destruction of any property, including the loss of use thereof, based on any act or omission, negligent or otherwise, of Contractor or anyone acting in its behalf in connection with or incident to this contract or the work to be performed hereunder, except that the Contractor shall not be responsible to the City on indemnity for damages caused by or resulting from the City's sole negligence; and the Contractor shall, at its own cost and expense, defend any such claim and any suit, action, or proceeding which may be commenced hereunder, and the Contractor shall pay any and all judgments which may be recovered in any such suit, action or proceeding, and any and all expense, including, but not limited to, costs, attorneys' fees and settlement expenses which may be incurred therein.

PLEASE PRINT:

Vendor Name__________________________________________________________

Authorized Representative______________________________________________

Signature______________________________________________________________

Vendor Address________________________________________________________

City/State/Zip________________________________________________________________________

Phone __________________________________ Fax______________________________

Witness __________________________________ Date__________________________
Pursuant to Michigan law before accepting any bid or proposal or entering into any contract for goods and services with any prospective Vendor, the Vendor must certify that it is not an "Iran Linked Business".

By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an "Iran Linked Business," as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard."

PLEASE PRINT:

Vendor Name ____________________________________________________________

Authorized Representative ________________________________________________

Signature ______________________________________________________________

Vendor Address _________________________________________________________

City/State/Zip __________________________________________________________
SCHEDULE 16

DETAILED SUMMARY AND EXPLANATION OF PRICING
<table>
<thead>
<tr>
<th>#</th>
<th>CITY FACILITY Location</th>
<th>Square ft cleaned</th>
<th>Estimated daily minimum hours</th>
<th>Monthly Cost Year 1 of 3</th>
<th>Monthly Cost Year 2 of 3</th>
<th>Monthly Cost Year 3 of 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>CITY HALL 40555 Utica Road</td>
<td>44,000</td>
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<tr>
<td>2.</td>
<td>POLICE DEPARTMENT 40333 Dodge Park Road</td>
<td>58,000</td>
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<td>3.</td>
<td>LIBRARY 40255 Dodge Park Road</td>
<td>38,000</td>
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<td>4.</td>
<td>41A DISTRICT COURT 40111 Dodge Park Road</td>
<td>30,000</td>
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<td>5.</td>
<td>DEPARTMENT of PUBLIC WORKS 7200 18 Mile Road</td>
<td>8,000</td>
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<td>6.</td>
<td>FIRE STATION #5 41625 Ryan Road</td>
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<td>7.</td>
<td>SENIOR CENTER 40600 Utica Road</td>
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<tr>
<td>8.</td>
<td>COMMUNITY CENTER 40250 Dodge Park Road</td>
<td>98,000</td>
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<tr>
<td>9.</td>
<td>NATURE CENTER 42700 Utica Road</td>
<td>4,000</td>
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<tr>
<td>10.</td>
<td>DODGE PARK AMPHITHEATER 40300 Utica Road</td>
<td>2,000</td>
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</tbody>
</table>

MONTHLY COST FOR JANITORIAL SERVICES LOCATIONS 1-10

ANNUAL COST FOR JANITORIAL SERVICES LOCATIONS 1-10

This contract is a performance based contract, the “ESTIMATED DAILY MINIMUM HOURS” category shall be defined as the minimum number of hours necessary to complete the tasks listed on the Scope of Work for each Facility. If more hours are necessary to complete the specifications, the awarded bidder shall absorb additional costs to complete all work including the weekly, monthly, quarterly, etc. cleaning duties. Initially, the Facility Representative will be responsible to ensure that their Facility is receiving at least the minimum hours indicated, if not more.
## PRICE PROPOSAL B – BASELINE DEEP CLEANING

In order to establish an acceptable level of cleanliness throughout the City of Sterling Heights Facilities, a baseline cleaning may be required. If deemed necessary, bidders shall submit a separate price to perform a one-time baseline cleaning of each location after which the facilities are to be maintained as per the requirements specified.

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<thead>
<tr>
<th>#</th>
<th>CITY FACILITY</th>
<th>Cost to Perform One-Time Baseline Cleaning</th>
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<tbody>
<tr>
<td>1.</td>
<td>CITY HALL</td>
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<tr>
<td></td>
<td>40555 Utica Road</td>
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<td>2.</td>
<td>POLICE DEPARTMENT</td>
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<td></td>
<td>40333 Dodge Park Road</td>
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<td>3.</td>
<td>LIBRARY</td>
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<td></td>
<td>40255 Dodge Park Road</td>
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<td>4.</td>
<td>41A DISTRICT COURT</td>
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<td>40111 Dodge Park Road</td>
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<td>5.</td>
<td>DEPARTMENT of PUBLIC WORKS</td>
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<td>7200 18 Mile Road</td>
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<td>6.</td>
<td>FIRE STATION #5</td>
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<td>7.</td>
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<td>8.</td>
<td>COMMUNITY CENTER</td>
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<td>9.</td>
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</tr>
<tr>
<td></td>
<td>42700 Utica Road</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>DODGE PARK AMPHITHEATER</td>
<td></td>
</tr>
<tr>
<td></td>
<td>40300 Utica Road</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL COST FOR ONE-TIME BASELINE CLEANING FOR LOCATIONS 1-10**
PRICE PROPOSAL C - SUPPLEMENTARY SERVICES PRICING FOR ALL LOCATIONS

1) CASUAL LABOR – Any time of day or night, including Weekends and Holidays

Casual Labor shall be defined as the labor required at specific locations to do tasks of a porter/custodial activity type including, but not limited to: set up/take down of tables, chairs, etc., unloading of office supplies and other minor materials, brewing of coffee, and custodial work over and above the requirements of the specifications for locations not specified as requiring daily casual labor in Section 3.8.8 and on an as needed basis.

Under most circumstances, notice of 24 hours or more will be given. However, situations may develop that require immediate attention of one of more casual labor personnel.

The City of Sterling Heights will not pay overtime charges for any casual labor.

<table>
<thead>
<tr>
<th>Casual Labor Hourly Rate</th>
<th>Casual Labor Hourly Rate</th>
<th>Casual Labor Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1 of 3</td>
<td>Year 2 of 3</td>
<td>Year 3 of 3</td>
</tr>
<tr>
<td>$___________ per hour</td>
<td>$___________ per hour</td>
<td>$___________ per hour</td>
</tr>
</tbody>
</table>

2) PRICE per SQUARE FOOT – Future Locations

For any location added to the contract where a price has not been established, a price per square foot will be used to calculate the monthly charge for Managed Janitorial Services. The City of Sterling Heights reserves the right to negotiate the final pricing of the location with the successful bidder.

If the successful bidder and City cannot come to an agreement as to the amount to be charged, the City reserves the right to establish a contract with another provider.

<table>
<thead>
<tr>
<th>Price per Square Foot</th>
<th>Price per Square Foot</th>
<th>Price per Square Foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Future Locations</td>
<td>Future Locations</td>
<td>Future Locations</td>
</tr>
<tr>
<td>Year 1 of 3</td>
<td>Year 2 of 3</td>
<td>Year 3 of 3</td>
</tr>
<tr>
<td>$___________ per sq ft</td>
<td>$___________ per sq ft</td>
<td>$___________ per sq ft</td>
</tr>
</tbody>
</table>
GENERAL INFORMATION:
The current contract for managed janitorial services is expiring. The Office of Purchasing and Facilities Maintenance undertook the initiative to develop a Request for Proposals (RFP) from qualified vendors to perform janitorial services at ten designated City buildings comprising a cumulative 327,000 square feet.

A committee comprised of key administrators was formed to have input into the RFP that was advertised on SHTV, posted to the MITN website, Twitter, and published in the Sentry Newspaper. The City requested monthly pricing per City facility based on estimated daily minimum hours of service for a three-year agreement term, with an option to renew for an additional two (2) three (3) years terms upon mutual agreement. Under the RFP, the vendor is required to provide all labor, cleaning equipment, cleaning supplies, and trash bags required in the cleaning of the designated buildings. The City will continue to supply all paper products for restroom use.

Funds are budgeted for managed janitorial services in 11717265 (Building & Facilities Maintenance) 826000 (Other Contracted Services) and 26775753 (Recreating Recreation) 826000 (Other Contracted Services).

STAFF ANALYSIS AND FINDINGS:
On April 9, 2019, seven proposals were received from vendors interested in providing managed janitorial services at the following ten City buildings:

- City Hall 44,000 sq. ft.
- Police Department 58,000 sq. ft.
- Public Library 38,000 sq. ft.
- 41-A District Court 30,000 sq. ft.
- DPW Building 8,000 sq. ft.
- Fire Station No.5 12,000 sq. ft.
- Senior Center 33,000 sq. ft.
- Community Center 98,000 sq. ft. (Grand Opening - January 2020)
- Nature Center 4,000 sq. ft.
- Amphitheater 2,000 sq. ft.

Total Cleaning Area: 327,000 sq. ft.

An evaluation committee comprised of the Building Maintenance Coordinator, Management Services Specialist, Police Administration Captain, Library Services Specialist, & Parks & Recreation Director thoroughly reviewed all proposals. Each administrator represented the janitorial services needs that are unique to their facilities. The evaluation committee selected four proposals for interviews to be conducted on April 22nd. Following the interviews, the Evaluation Committee rated the proposals based on the following criteria:
• Qualifications/Experience,
• Capacity to complete work/Availability,
• Understanding of Scope,
• Methodology,
• Availability of required personnel and equipment,
• Responsiveness of RFP,
• References/Past Performance,
• Cost.

On a scale of 0 – 100, the four firms were ranked as follows by the committee.

• DM Burr Group – 81.7%
• GDI Integrated Facility Services – 64.6%
• LGC Global Energy FM – 85.8%
• Tedesco Building Services – 71.3%

Representatives from LGC Global Energy FM, whose proposal was ranked the highest, were interviewed again by the Purchasing and Facilities Maintenance Manager on April 26, 2019. During the second interview, LGC Global demonstrated a comprehensive understanding of the specifications and expectations of the City. LGC Global’s proposal and presentation further demonstrated an attention to details and was very responsive to the expressed need for strong contract management, quality control, and performance measurement systems. Overall, LGC Global’s proposal exceeded all others on these key points.

The City’s committee was thoroughly impressed with the LGC Global proposal for a full-time, on-site manager dedicated exclusively to management of the vendor’s personnel and the City’s expectations. Each individual member of the evaluation committee concluded that the proposal from LGC Global was the best-fit for the janitorial needs of their individual facilities. References were thoroughly checked and proved favorable.

During negotiations, the committee was able to increase the minimum daily service hours across all facilities by 26 hours, without an increase in cost. Based on the RFP process, recommendation is being made to contract with LGC Global Energy FM, for Managed Janitorial Services. Listed below are the proposed fees:

<table>
<thead>
<tr>
<th>Custodial Services</th>
<th>Square Footage</th>
<th>Minimum Hours/Day</th>
<th>Annual Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Hall</td>
<td>44,000</td>
<td>18</td>
<td>$80,224</td>
</tr>
<tr>
<td>Police Department</td>
<td>58,000</td>
<td>26</td>
<td>128,090</td>
</tr>
<tr>
<td>Library</td>
<td>38,000</td>
<td>18</td>
<td>73,753</td>
</tr>
<tr>
<td>41-A District Court</td>
<td>30,000</td>
<td>10</td>
<td>40,550</td>
</tr>
<tr>
<td>DPW Facility</td>
<td>8,000</td>
<td>8</td>
<td>16,820</td>
</tr>
<tr>
<td>Fire Station No. 5</td>
<td>12,000</td>
<td>4</td>
<td>12,943</td>
</tr>
<tr>
<td>Senior Activity Center</td>
<td>33,000</td>
<td>16</td>
<td>68,360</td>
</tr>
<tr>
<td>Community Center</td>
<td>98,000</td>
<td>30</td>
<td>138,470</td>
</tr>
<tr>
<td>Nature Center</td>
<td>4,000</td>
<td>2</td>
<td>4,314</td>
</tr>
<tr>
<td>Dodge Park Amphitheater</td>
<td>2,000</td>
<td>1</td>
<td>2,157</td>
</tr>
</tbody>
</table>

**Total Custodial Services/Annual Cost**  
133  
$565,681
LGC Global Energy FM is based in Detroit, Michigan, with approximately 500 full-time employees deployed throughout the Metro Detroit Area, cleaning over 20 million square feet daily. References have been thoroughly checked and proved satisfactory. LGC Global has been in business in the Detroit market since 1994, is ISO 9001:2008 Certified, and brings a high degree of proficient management skills and best practices to Managed Janitorial Services.

All of LGC Global’s personnel assigned to work at City facilities will undergo a thorough background check by the Sterling Heights Police Department before assignment.

**STAFF RECOMMENDATION:**
Please see the Suggested Action set forth on the Agenda Statement.
AGENDA STATEMENT

Item Title: To consider a First Amendment to Amended and Restated Conditional Rezoning Agreement for property situated on the north side of 15 Mile Road, west of Ryan Road, in Section 30; Case No. PZ18-0002 - The Chaldean Community Foundation (Presentation - Chris McLeod, City Planner).

Submitted By: Planning

Contact Person/Telephone: Chris McLeod, City Planner - 586.446.2384

Administration Approvals:

          MR City Clerk   JV Finance & Budget Director   MK City Attorney   MV City Manager

Executive Summary

Introduction - At the April 16th, 2019 regular meeting, the City Council considered the request by the Chaldean Community Foundation (Petitioner) to approve a First Amendment to the Amended and Restated Conditional Rezoning Agreement with the City relating to development of property situated on the north side of 15 Mile Road, west of Ryan, in Section 30. The First Amendment eliminates the requirement for a district boundary wall along the west and north property lines under the Amended and Restated Conditional Rezoning Agreement approved by the City Council on July 19, 2018. This original approval rezoned two parcels (3485 and 3505 15 Mile Road) from R-60 (One Family Residential District) to O-1 (Business and Professional Office District) to facilitate the development of a 15,605 square foot addition, along with a 1,883 square foot lobby addition, to the existing Chaldean Community Foundation Building constructed on two adjacent parcels (3561 and 3601 15 Mile Road) to the east.

The City Council had extensive deliberations and raised a number of questions and concerns relative to the effectiveness of the proposed screening which would replace the required masonry wall, how the existing fence would be maintained over time, and the dumpster location relative to the abutting residences. After much debate, a motion on the floor to deny approval was withdrawn and a motion to postpone to a date certain (May 7th) was approved. Petitioner’s representative was given clear direction to consult with the Office of Planning on the concerns discussed during City Council deliberations. In the interim, Petitioner’s representative and the City Planner have discussed various options; however, Petitioner is not prepared to present modifications to its plans for the elimination of the district separation wall on both the west and north boundary lines. Petitioner has submitted a request for postponement of City Council consideration of the First Amendment to the June 4th regular meeting to allow time to develop revised drawings for the wall/fence proposal along with a revised dumpster location to address all the concerns raised by City Council.

Background
Petitioner's building addition adds floor space for offices, learning areas, medical suites, and a multi-purpose gymnasium area. The expanded building will be occupied during normal business hours, Monday through Friday, with the exception of occasional special events held at night or on the weekends. Applicant indicates that the multi-purpose gymnasium will not be utilized for hosting receptions or other similar banquet type events, but would be used for outreach activities. The development of the two new parcels greatly increases the number of available parking spaces to approximately 185, includes an outdoor seating/courtyard area, and significantly increases the overall landscaping on-site to bring the entire site into compliance with current City requirements. Petitioner as a part of the original request was granted one variance to allow parking to encroach into the required front yard setback on a portion of the site.

The development plans incorporated into the Amended and Restated Conditional Rezoning Agreement require that Petitioner erect a six foot high masonry zoning district separation wall along both the northerly and westerly boundary lines of the two parcels added to the development in July, 2018. There is an existing masonry separation wall in place along the northerly boundary line of the two original parcels developed with the existing Chaldean Community Foundation Building. The proposed masonry zoning district separation walls run approximately two hundred (200) feet along the northerly boundary and two hundred (200) feet along the westerly boundary.

Petitioner has deemed it impractical to construct four hundred (400) additional feet of masonry zoning district separation wall. Petitioner is seeking a variance from the requirement for such a separation wall and is proposing to plant a series of arborvitae and deciduous trees along both property lines. The proposed arborvitae plantings will be four (4) foot in height and planted five (5) feet apart on centers, while the deciduous trees will be three (3) inch caliper and spaced out along the property lines.

The westerly boundary is shared with Davidoff Drive, which provides access to Palmer Woods Estates to the north. The elimination of the masonry zoning district separation wall on this boundary will have minimal impact because there are no housing units along Davidoff Drive and an existing privacy fence does exist along the shared property line. On the northerly property boundary, there is a total of three (3) duplex units (6 total residences) impacted by Petitioner's variance request. The elimination of the masonry zoning district separation wall is somewhat mitigated by the existence of an existing privacy fence along the shared property line. The parking lot abutting the northerly property line is setback approximately 10-15 feet from the shared property line. The elimination of the masonry zoning district separation wall will allow the existing privacy fence and landscaping along Davidoff Drive to the west and at the rear of the duplexes to the north to remain undisturbed. The existing fence will have essentially the same screening effect as the required masonry zoning district separation wall.

**Suggested Action:**

Suggested Action (To Postpone to a Date Certain):

Resolved, to postpone consideration of the First Amendment to Amended and Restated Conditional Rezoning Agreement for property situated on the north side of 15 Mile Road, west of Ryan Road, in Section 30; Case No. PZ18-0002 to the June 4, 2019 regular meeting.

Alternate Suggested Action (To Deny Approval):
Resolved, to deny approval of the First Amendment to Amended and Restated Conditional Rezoning Agreement for property situated on the north side of 15 Mile Road, west of Ryan Road, in Section 30; Case No. PZ18-0002.
April 29, 2019

Chris McLeod
City of Sterling Heights
40555 Utica Road
Sterling Heights, MI 48313
Email: cmcleod@sterling-heights.net

Dear Mr. McLeod:

We deeply appreciate your assistance in reviewing the variances proposed by the Chaldean Community Foundation pertaining to the masonry walls and the dumpster area at our expansion project. We are requesting additional time to review your comments with our counsel and additional options with our construction team. Accordingly, please advise if we can be added to the June 4, 2019 agenda.

Please feel free to contact me directly with any questions.

Best regards,

Martin Manna
President
FIRST AMENDMENT TO AMENDED AND
RESTATED CONDITIONAL REZONING AGREEMENT

This First Amendment to Amended and Restated Conditional Rezoning Agreement ("First Amendment") is made on _____________, 2019 between The Chaldean Community Foundation, a Michigan non-profit corporation, whose address is 3601, 15 Mile Road, Sterling Heights, MI 48310 ("Chaldean Foundation"), and the City of Sterling Heights, a Michigan municipal corporation, whose address is 40555 Utica Road, P.O. Box 8009, Sterling Heights, Michigan 48311-8009 ("City").

RECITALS

A. Chaldean Foundation is the owner of two (2) contiguous parcels of land located in Section 30 of the City of Sterling Heights, commonly known as 3561 and 3601 Fifteen Mile Road, which are described on attached Exhibit A and depicted on Exhibit B as the “Property” (and subsequently collectively referred to in this Amended Agreement as the “Property”), which parcels were the subject of a certain Conditional Rezoning Agreement dated May 6, 2014 between Chaldean Foundation and the City (the “Parties”), which conditional rezoning agreement is referred to in this First Amendment as the “Agreement”.

B. The Agreement conditionally rezoned the Property from R-60 (One Family Residential District) to O-1 (Business and Professional Office District), to allow construction of an office building (referred to as the “Proposed Development” or the “Office Building”) for the Chaldean Foundation.

C. Pursuant to the Agreement, Chaldean Foundation constructed the Proposed Development on the Property during 2015.

D. In 2018, Chaldean Foundation acquired two (2) additional parcels of land commonly known as 3485 and 3505 Fifteen Mile Road ("Additional Property") in order to be able to expand the Proposed Development to include an addition to the Office Building on the Property, additional parking, a connecting passageway between the original Office Building and the addition, and a proposed multi-purpose room and gymnasium ("Proposed Expanded Development").
E. In order to have the proper zoning of the Additional Property to lawfully construct the Proposed Expanded Development, Chaldean Foundation had to request a rezoning of the Additional Property from R-60 (One Family Residential District) to O-1 (Business and Professional Office District).

F. The City Council approved a conditional rezoning of the Additional Property from R-60 (One Family Residential District) to O-1 (Business and Professional Office District), and the Chaldean Foundation and the City entered into an Amended and Restated Conditional Rezoning Agreement dated June 19, 2018, to set forth the terms and conditions of the conditional rezoning, which Amended and Restated Conditional Rezoning Agreement is referred to in this First Amendment as the “Amended Agreement”.

G. Under the terms of the Amended Agreement, Chaldean Foundation was authorized to develop the Additional Property with the Expanded Proposed Development in accordance with the terms and conditions of the Amended Agreement and the revised Development Plans for the Proposed Expanded Development attached as Exhibit C to the Amended Agreement.

H. The Amended Agreement requires Chaldean Foundation to develop the Proposed Expanded Development without any additional variances to the City of Sterling Heights Zoning Ordinance (“Zoning Ordinance”).

I. Chaldean Foundation has determined that it is impractical to construct the required separation of district walls along the westerly and northerly property lines of the Additional Property.

J. Chaldean Foundation has requested that the City amend the Amended Agreement to allow a variance to eliminate the installation of the separation district walls along the westerly and northerly property lines of the Additional Property and will plant evergreen trees along both property lines in lieu of the walls, and to substitute amended Development Plans for the Proposed Expanded Development.

K. City is willing to amend the Amended Agreement to (i) grant a variance to the separation of district wall requirements along the westerly and northerly property lines of the additional Property, and (ii) substitute revised Development Plans for the Proposed Development consistent with this First Amendment.

Now therefore, Chaldean Foundation and the City agree to amend the Amended Agreement as follows:

1. Section 4. b. of the Amended Agreement shall be amended to read as follows:

   b. Chaldean Foundation may not deviate substantially from or add to the approved use(s) of the Additional Property without approval from the City Council. The Proposed Expanded Development shall be constructed without any variances, except the following which are granted by the City Council under this Amended Agreement:
i. A variance to eliminate the separation of district wall along the northerly property line of the Additional Property (but not along the northerly property line of the Property upon which the original Office Building was constructed; and

ii. A variance to eliminate the separation of district wall along the westerly property line of the Additional Property.

2. Section 3. a. of the Amended Agreement shall be amended to read as follows:

   a. Chaldean Foundation shall develop and operate the Additional Property with an addition to the one (1) story Office Building substantially conforming to the Amended Development Plans applicable to the Additional Property dated ____________, 2019, attached as Amended Exhibit C (which includes a preliminary site plan, landscape plan, photometric plans and elevation plan that incorporates the variances authorized under Section 2.b. above), the standards of the Zoning Ordinance, all applicable provisions of the City Code, and the terms and conditions of the Amended Agreement, as amended by this First Amendment.

   b. All references in the Amended Agreement as amended by this First Amendment to “Amended Development Plans” shall mean the Amended Development Plans applicable to the Additional Property dated ____________, 2019, attached as Amended Exhibit C.

   c. Amended Exhibit C shall be substituted in place of the Amended Development Plans dated ____________, 2019 attached to the Amended Agreement.

3. All other terms and conditions of the Amended Agreement which are not amended by this First Amendment shall remain in full force and effect.

CHALDEAN FOUNDATION:

THE CHALDEAN COMMUNITY FOUNDATION,

a Michigan non-profit corporation

By: ________________________________

                        Martin Manna
                      Its: President and Authorized Agent

[Acknowledgment of Chaldean Foundation official follows on next page]
STATE OF MICHIGAN       )
COUNTY OF               ) ss

The foregoing instrument was acknowledged before me on ________________, 2019, by Martin Manna, President and Authorized Agent of The Chaldean Community Foundation, a Michigan non-profit corporation, on behalf of the corporation.

_________________________________
____________________, Notary Public
___________________County, Michigan
Acting in ______________ County
My Commission expires: ______________

[Signatures and acknowledgments of City officials follow on next page]
CITY:

CITY OF STERLING HEIGHTS,
a Michigan municipal corporation

By: ____________________________
   Michael C. Taylor
   Its:    Mayor

And

By: ____________________________
   Melanie D. Ryska
   Its:    City Clerk

STATE OF MICHIGAN  )
      ) ss
COUNTY OF MACOMB  )

The foregoing instrument was acknowledged before me in Macomb County, on ________ , 2019, by Michael C. Taylor and Melanie D. Ryska, Mayor and City Clerk, respectively, of the City of Sterling Heights, a Michigan municipal corporation, on behalf of the corporation.

___________________________, Notary Public
___________________________ County, Michigan
Acting in Macomb County
My Commission expires: _____________

Drafted by:  

Clark A. Andrews, Esq.
O’Reilly Rancilio P.C.
12900 Hall Road, Suite 350
Sterling Heights, Michigan 48313

When recorded return to:

City Clerk
City of Sterling Heights
40555 Utica Road
P.O. Box 8009
Sterling Heights, Michigan 48311-8009
EXHIBIT A
(Legal Description of the Property and the Additional Property)

Property:

The following described property situated in the City of Sterling Heights, Macomb County, and State of Michigan:

Parcel 1

T2N, R12E, SEC 30: COMM AT NE COR OF W 1/2 OF SE 1/4 OF SE 1/4 SEC 30; TH S89°29'30"W 217.50 FT; TH S02°33'00"E 600.0 FT TO POB; TH CONT S02°33'00"E 278.55 FT; TH S02°38'17"E 90.80 FT; TH WLY ALG N LINE OF 15 MILE, 108.65 FT ALG CURVE TO LEFT (RAD = 1918.24 FT & CHD BRS S82°01'37"W 108.63 FT); TH N02°38'17"W 88.52 FT; TH N02°33'00"W 292.35 FT; TH N88°29'30"E 108.50 FT TO POB. 0.934 AC.

And

Parcel 2

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 30, T2N, R12E, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS: COMM AT NE COR OF W 1/2 OF SE 1/4 OF SE 1/4 SEC 30; TH S89°29'30"W 217.50 FT; TH S02°33'00"E 600.0 FT TO POB; TH CONT S02°33'00"E 278.95 FT; TH S02°38'17"E 90.80 FT; TH WLY ALG N LINE OF 15 MILE, 108.75 FT ALG CURVE TO LEFT (RAD = 1918.24 FT & CHD BRS S85°16'26"W 108.74 FT), TH N02°38'17"W 90.80 FT; TH N02°33'00"W 278.55 FT TH N88°29'30"E 109.0 FT TO POB. 0.91 AC.

Commonly known as: 3561 and 3601 Fifteen Mile Road

Parcel ID Nos.: 10-30-476-046-000 and 10-30-476-047-000

Additional Property:

The following described property situated in the City of Sterling Heights, Macomb County, and State of Michigan:

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 30, T2N, R12E, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS: COMM AT NE COR OF W 1/2 OF SE 1/4 OF SE 1/4 SEC 30; TH S89°29'30"W 431.0 FT; TH S02°33'00"E 600.0 FT TO POB; TH CONT S02°33'00"E 321.45 FT; TH S02°38'17"E 76.99 FT; TH ALG N LINE OF 15 MILE RD, 101.79 FT ALG CURVE TO LEFT (R = 1918.24 FT & CHD BRS S75°43'20"W
And

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 30, T2N, R12E, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS: COMM AT NE COR OF W 1/2 OF SE 1/4 OF SE 1/4 SEC 30; TH S89°29'30"W 326.0 FT; TH S02°33'00"W 600.0 FT TO POB; TH CONT S02°33'00"E 292.35 FT; TH S02°38'17"E 88.52 FT; TH WLY AL N LINE OF 15 MILE RD 105.86 FT ALG CURVE TO LEFT (RAD = 1918.24 FT & CHD BRS S78°49'24"W 105.85 FT); TH N02°38'17"W 76.99 FT; TH N02°33'00"W 321.45 FT; TH N88°29'30"E 105.0 FT TO POB 0.941 AC.

Commonly known as: 3485 and 3505 Fifteen Mile Road

Parcel ID Nos.: 10-30-476-044-000 and 10-30-476-045-000

**Expanded Property:**

The following described property situated in the City of Sterling Heights, Macomb County, and State of Michigan:

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST 1/4 OF SECTION 30, TOWN 2 NORTH, RANGE 12 EAST, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF “PALMER WOODS NORTH”, ACCORDING TO THE MASTER DEED THEROF RECORDED IN LIBER 13591, PAGE 799, MACOMB COUNTY RECORDS AND DESIGNATED AS MACOMB COUNTY CONDOMINIUM SUBDIVISION PLAN No. 800; THENCE SOUTH 02 DEGREES 33 MINUTES 00 SECONDS EAST, 360.51 FEET TO THE NORTH LINE OF RELOCATED 15 MILE ROAD (120 FEET WIDE); THENCE ALONG SAID NORTH LINE OF RELOCATED 15 MILE ROAD 425.31 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS OF 1918.24 FEET, CENTRAL ANGLE OF 12 DEGREES 42 MINUTES 13 SECONDS, CHORD BEARING SOUTH 80 DEGREES 45 MINUTES 08 SECONDS WEST, 424.44 FEET TO THE SOUTHEAST CORNER OF SAID “PALMER WOODS NORTH”; THENCE NORTH 02 DEGREES 26 MINUTES 40 SECONDS WEST ALONG THE EAST LINE OF SAID “PALMER WOODS NORTH”, 416.91 FEET; THENCE NORTH 88 DEGREES 23 MINUTES 20 SECONDS EAST ALONG THE SOUTH LINE OF SAID “PALMER WOODS NORTH”, 204.22 FEET TO THE POINT OF BEGINNING.

CONTAINING 160,365 SQUARE FEET OR 3.68 ACRES OF LAND.

Parcel ID No.: Not yet assigned
EXHIBIT A

(Legal Description of the Property and the Additional Property)

**Property:**

The following described property situated in the City of Sterling Heights, Macomb County, and State of Michigan:

**Parcel 1**

T2N, R12E, SEC 30: COMM AT NE COR OF W 1/2 OF SE 1/4 OF SE 1/4 SEC 30; TH S89°29'30"W 217.50 FT; TH S02°33'00"E 600.0 FT TO POB; TH CONT S02°33'00"E 278.55 FT; TH S02°38'17"E 90.80 FT; TH WLY ALG N LINE OF 15 MILE, 108.65 FT ALG CURVE TO LEFT (RAD = 1918.24 FT & CHD BRS S82°01'37"W 108.63 FT); TH N02°38'17"W 88.52 FT; TH N02°33'00"W 292.35 FT; TH N88°29'30"E 108.50 FT TO POB. 0.934 AC.

And

**Parcel 2**

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 30, T2N, R12E, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS: COMM AT NE COR OF W 1/2 OF SE 1/4 OF SE 1/4 SEC 30; TH S89°29'30"W 108.50 FT; TH S02°33'00"E 600.0 FT TO POB; TH CONT S02°33'00"E 278.95 FT; TH S02°38'17"E 84.17 FT; TH WLY ALG N LINE OF 15 MILE, 108.75 FT ALG CURVE TO LEFT (RAD = 1918.24 FT & CHD BRS S85°16'26"W 108.74 FT), TH N02°38'17"W 90.80 FT; TH N02°33'00"W 278.55 FT TH N88°29'30"E 109.0 FT TO POB. 0.91 AC.

Commonly known as: 3561 and 3601 Fifteen Mile Road

Parcel ID Nos.: 10-30-476-046-000 and 10-30-476-047-000

**Additional Property:**

The following described property situated in the City of Sterling Heights, Macomb County, and State of Michigan:

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 30, T2N, R12E, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS: COMM AT NE COR OF W 1/2 OF SE 1/4 OF SE 1/4 SEC 30; TH S89°29'30"W 431.0 FT; TH S02°33'00"E 600.0 FT TO POB; TH CONT S02°33'00"E 321.45 FT; TH S02°38'17"E 76.99 FT; TH ALG N LINE OF 15 MILE RD, 101.79 FT ALG CURVE TO LEFT (R = 1918.24 FT & CHD BRS S75°43'20"W 101.79 FT); TH N02°38'17"W 56.09 FT; TH N02°33'00"W 365.55 FT; TH N88°29'30"E 100.0 FT TO POB 0.944 AC.
And

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 30, T2N, R12E, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS: COMM AT NE COR OF W 1/2 OF SE 1/4 OF SE 1/4 SEC 30; TH S89°29'30"W 326.0 FT; TH S02°33'00"W 600.0 FT TO POB; TH CONT S02°33'00"E 292.35 FT; TH S02°38'17"E 88.52 FT; TH WLY AL N LINE OF 15 MILE RD 105.86 FT ALG CURVE TO LEFT (RAD = 1918.24 FT & CHD BRS S78°49'24"W 105.85 FT); TH N02°38'17"W 76.99 FT; TH N02°33'00"W 321.45 FT; TH N88°29'30"E 105.0 FT TO POB 0.941 AC.

Commonly known as: 3485 and 3505 Fifteen Mile Road

Parcel ID Nos.: 10-30-476-044-000 and 10-30-476-045-000

Expanded Property:

The following described property situated in the City of Sterling Heights, Macomb County, and State of Michigan:

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST 1/4 OF SECTION 30, TOWN 2 NORTH, RANGE 12 EAST, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF “PALMER WOODS NORTH”, ACCORDING TO THE MASTER DEED THEROF RECORDED IN LIBER 13591, PAGE 799, MACOMB COUNTY RECORDS AND DESIGNATED AS MACOMB COUNTY CONDOMINIUMN SUBDIVISION PLAN No. 800; THENCE SOUTH 02 DEGREES 33 MINUTES 00 SECONDS EAST, 360.51 FEET TO THE NORTH LINE OF RELOCATED 15 MILE ROAD (120 FEET WIDE); THENCE ALONG SAID NORTH LINE OF RELOCATED 15 MILE ROAD 425.31 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS OF 1918.24 FEET, CENTRAL ANGLE OF 12 DEGREES 42 MINUTES 13 SECONDS, CHORD BEARING SOUTH 80 DEGREES 45 MINUTES 45 SECONDS WEST 424.44 FEET TO THE SOUTHEAST CORNER OF SAID “PALMER WOODS NORTH”; THENCE NORTH 02 DEGREES 26 MINUTES 40 SECONDS WEST ALONG THE EAST LINE OF SAID “PALMER WOODS NORTH”, 416.91 FEET; THENCE NORTH 88 DEGREES 23 MINUTES 20 SECONDS EAST ALONG THE SOUTH LINE OF SAID “PALMER WOODS NORTH”, 204.22 FEET TO THE POINT OF BEGINNING.

CONTAINING 160,365 SQUARE FEET OR 3.68 ACRES OF LAND.

Parcel ID No.: Not yet assigned