

1. August 3, 2016 Council Agenda

Documents:

[COUNCIL AGENDA - 08-03-16.PDF](#)

2. August 3, 2016 Council Packet

Documents:

[COUNCIL PACKET - 08-03-16.PDF](#)

**MAYOR
Michael C. Taylor**

COUNCIL MEMBERS

**Joseph V. Romano, Mayor Pro Tem
Deanna Koski
Maria G. Schmidt**

**Nate Shannon
Doug Skrzyniarz
Barbara A. Ziarko**

CITY OF STERLING HEIGHTS

AGENDA FOR REGULAR CITY COUNCIL MEETING

WEDNESDAY, AUGUST 3, 2016

7:30 P.M.

**LOCATION: CITY COUNCIL CHAMBERS, CITY HALL, 40555 UTICA ROAD, PHONE (586) 446-CITY
(MINUTES OF COUNCIL MEETINGS ARE FILED IN THE CITY CLERK'S OFFICE)**

MEETING CALLED TO ORDER

PLEDGE OF ALLEGIANCE TO THE FLAG AND INVOCATION

ROLL CALL

APPROVAL OF AGENDA

REPORT FROM CITY MANAGER

PRESENTATION

Swearing-in ceremony for new Sterling Heights Police Officers (Presentation – Police Chief John Berg.)

To receive the 2016 Award of Excellence from the Michigan Concrete Association for the 19 ½ Mile Road Reconstruction, City Project #14-255 (Presentation - Denice Gerstenberg, City Development Director).

PUBLIC HEARING

- 1. To consider the application by Chardam Gear Company, Inc. to establish an Industrial Development District (IDD) at 40810 Brentwood Drive, 40765 Mound Road, 40805 Mound Road, and 40821 Mound Road. (Presentation – Dwayne G. McLachlan, City Assessor).**

2. **To consider the application by Ric-Man Construction, Inc. for an Industrial Facilities Tax Exemption Certificate at 42600 R Mancini Drive (Presentation – Dwayne McLachlan, Assessor).**
3. **To consider a request to change the name of “Ford Country Lane,” a private street, to “Suburban Drive” (Presentation: Jason Castor, City Development Manager)**

ORDINANCE INTRODUCTION

4. **To consider introduction of an ordinance amending Sections 8-28 and 8-28A of Chapter 8 of the City Code, to update the City’s requirements relating to dangerous and potentially dangerous dogs (Presentation: Donald P. DeNault, Jr., Assistant City Attorney).**

ORDINANCE ADOPTION

5. **To consider adoption of an ordinance amending Chapter 37 of the Sterling Heights City Code to increase the setback distances from public sidewalks and public roadways by 7 feet for enclosed utility trailers in single family residential areas and to require an approved surface for storage in side and rear yard areas.**

6. CONSENT AGENDA

- A. **Approval of Minutes
Regular Meeting of July 19, 2016**
- B. **Approval of Bills**
- C. **To award a bid for the official city newspaper for the publication of legal notices and advertisements (Estimated annual expenditure of \$12,280).**
- D. **To purchase a Caterpillar model 299D2 skid steer loader and accessories for the Department of Public Works (Total expenditure of \$164,159).**
- E. **To purchase auto, truck, and specialty equipment parts at unit pricing available through a Michigan Intergovernmental Trade Network cooperative Request for Proposals (Estimated annual expenditure of \$70,000).**
- F. **To purchase computer equipment and Microsoft licensing at pricing available through a Midwestern Higher Education Commission master price agreement (Total expenditure of \$65,856).**
- G. **To set a public hearing to consider the request by FCA US LLC to establish a Plant Rehabilitation District (PRD) at 38111 Van Dyke.**

- H. To set a public hearing to consider the request by Chalk Spade Investments (USA), Inc. to establish an Industrial Development District (IDD) at 7191 Seventeen Mile Road.**
- I. To approve a Cost Sharing Agreement between the city of Sterling Heights and the Macomb County Department of Roads for Schoenherr Road Concrete Pavement Repairs from 14 Mile Road to 15 Mile Road (Estimated City Share of Project Cost - \$509,240).**
- J. To receive the lawsuit, *Ezra George v. Sterling Heights Police Department*, 41A District Court Case No. S-16-2452-GZ.**

CONSIDERATION

- 7. To consider appointments to City of Sterling Heights Boards and Commissions.**
- 8. To consider nominations to City of Sterling Heights Boards and Commissions.**

COMMUNICATIONS FROM CITIZENS

(a) This item shall be taken up at 10:00 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.

REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

UNFINISHED BUSINESS

NEW BUSINESS

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

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 and click on City Council e-Packets.**

**MAYOR
Michael C. Taylor**

COUNCIL MEMBERS

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Deanna Koski
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- 1. To consider the application by Chardam Gear Company, Inc. to establish an Industrial Development District (IDD) at 40810 Brentwood Drive, 40765 Mound Road, 40805 Mound Road, and 40821 Mound Road. (Presentation – Dwayne G. McLachlan, City Assessor).**

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CITY MANAGER'S REPORT

August 3, 2016

A. 2016 Sterlingfest Art & Music Fair Recap

The 15th annual *Sterlingfest Art & Music Fair* successfully concluded on Saturday, July 30th. As a community event, Sterlingfest is unsurpassed in bringing the Sterling Heights community together to have fun in the heart of the City. It truly is impossible to list everyone who contributed to the success of Sterlingfest without omitting someone. From Council members to employees and volunteers, there is a tremendous sense of collective pride in making every Sterlingfest as a can't miss summer event. Again, a huge thank you to all who gave time and effort to this year's Sterlingfest.

B. \$1.5 Billion Dollar Investment at Sterling Heights Assembly Plant

The incredible comeback story that is SHAP added another chapter with the July 26th announcement of a \$1.5 billion investment at SHAP. This investment coincides with FCA US LLC's decision to move production of the next generation RAM 1500 pick-up truck to SHAP. In addition to capital investment, there will be a workforce of over 4,000 producing the RAM 1500 in Sterling Heights. The City worked closely with strategic partners at the Michigan Economic Development Corporation and County of Macomb to prevail in a very competitive environment for this project. Also, the continual support of the City Council for economic development makes results like this possible.

C. A Hero in Blue

Acts of heroism are performed daily by the members of Sterling Heights Police and Fire Departments. Ninety-nine percent of the time, these acts go unnoticed. So it is really outstanding when these officers and firefighters are singled out for the differences they make in people's lives. Police Officer Kevin McLellan was recently profiled as a hero in a WXYZ Channel 7 news story. Officer McLellan was dispatched to a residence on Driftwood to assist a resident whose 68-year-old husband was found unresponsive. Officer McLellan quickly responded to the scene and located the man who had stopped breathing and no discernable pulse. Despite not being in an ideal position, Officer McLellan commenced CPR and continued until paramedics arrived. The 68-year-old man is alive as result of Officer McLellan's decisive lifesaving actions. Not surprisingly, Officer McLellan gives credit to his fellow officers and firefighters for this positive result.

D. Recreating Recreation

Since a January introduction, *Recreating Recreation* has been garnering more and more interest from residents wanting to know more about this parks and recreation initiative which will on the ballot on November 8, 2016. In an effort to inform, the Community Relations Department has developed a number of options that will help our resident become more informed as to why *Recreating Recreation* is vitally important to the City's future and what impact it will have on this community. Tonight, Community Relations Director Bridget Doyle will highlight how anyone interested in learning more can easily do so.

E. MISCELLANEOUS

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark D. Vanderpool", written over a horizontal line.

Mark D. Vanderpool, City Manager



**Business of the City Council
Sterling Heights, Michigan**

DELIVERED JUL 28 2016

City Clerk's Use
Item No: *Presentation #1*
Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: Swearing-in ceremony for new Sterling Heights Police Officers (Presentation – Police Chief John Berg.)

Submitted By: Office of the City Clerk

Contact Person/Telephone: Mark Carufel, City Clerk / Risk Manager 446-2421

Administration (initial as applicable)

Attachments

<i>MC</i>	City Clerk	—	Resolution	—	Minutes
<i>AS</i>	Finance & Budget Director	—	Ordinance	—	Plan/Map
<i>NK</i>	City Attorney (as to legal form)	—	Contract	—	Other
<i>MM</i>	City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

Police Chief John Berg will be introducing and swearing-in the following 3 individuals who have been recently hired to serve the City, its businesses, and residents as police officers in the Sterling Heights Police Department:

- Julian Arche
- Brian Browning
- Phillip Descamps

Suggested Action:

MOVED BY:

SECONDED BY:



Business of the City Council
Sterling Heights, Michigan

DELIVERED JUL 28 2016

City Clerk's Use
Item No: Presentation #2
Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 2015

Item Title: To receive the 2016 Award of Excellence from the Michigan Concrete Association for the 19 1/2 Mile Road Reconstruction, City Project #14-255 (Presentation - Denice Gerstenberg, City Development Director).

Submitted By: City Development Department

Denice A. Gerstenberg

Contact /Phone: Denice A. Gerstenberg, City Development Director, 446.2386

Administration (initial as applicable)

Attachments

<i>ML</i> City Clerk	___	Resolution	___	Minutes
<i>AD</i> Finance & Budget Director	___	Ordinance	___	Plan/Map
<i>AK</i> City Attorney (as to legal form)	___	Contract	<u>X</u>	Other
<i>MM</i> City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

Background – Established in 1952, the Michigan Concrete Association (MCA) has served as an advocacy and industry forum for Michigan’s ready-mix contractors. In 2009, MCA merged with the Michigan Concrete Paving Association (MCPA) and now carries on MCPA’s mission of promoting the use of concrete pavement and high quality workmanship.

Today, MCA includes approximately 220 members and promotes a healthy concrete industry, strong consumer relationships, member success, public policy based on fact, and the use and application of best-practice technical expertise. Annually, the MCA conducts an Awards Program entitled "Excellence in Concrete" that honors outstanding concrete projects that were constructed in the previous year. Each category winner receives an "Award of Excellence" plaque at MCA’s annual workshop and conference.

Award of Excellence to the City of Sterling Heights for City Project #14-255 – The MCA awarded the city of Sterling Heights an Award of Excellence in the industrial road category for the complete reconstruction of the 19 1/2 Mile Road concrete roadway. This challenging reconstruction project required the complete removal of badly deteriorated concrete, installation of new 6" aggregate base, edge drain, and 9 inches of new, reinforced concrete. The project was completed in two key phases to best maintain access to area businesses. It is important to note that the Office of Engineering planned, designed, engineered, and inspected all aspects of this project.

City Engineer Brent Bashaw, Civil Engineer II Scott Charron, Lead Engineering Inspector Adam LaClair and Engineering Aide Joe Myny worked closely with the contractor, concrete supplier and the testing firm to assure a quality product and timely completion of the project.

Presentation–Tonight, representatives from the MCA will be presenting the 2016 Award of Excellence to the City.



Business of the City Council
Sterling Heights, Michigan

DELIVERED JUL 28 2016

City Clerk's Use

Item No:
Meeting: 8/3/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider the application by Chardam Gear Company, Inc. to establish an Industrial Development District (IDD) at 40810 Brentwood Drive, 40765 Mound Road, 40805 Mound Road, and 40821 Mound Road (Presentation - Dwayne McLachlan, Assessor).

Submitted By: Office of Assessing

Contact Person/Telephone: Dwayne McLachlan, City Assessor (586) 446-2341

Administration (initial as applicable)

Attachments

Table with 4 columns: Initials, Title, Attachment type, and Description. Rows include City Clerk (Resolution, Minutes), Finance & Budget Director (Ordinance, Plan/Map), City Attorney (as to legal form) (Contract, Other), and City Manager.

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary

Introduction - Chardam Gear Company, Inc. (Applicant) has filed a written request to have consideration of its application to establish an IDD postponed indefinitely. Unfortunately, this request came after the City Clerk had published notice of the public hearing scheduled for the August 3, 2016 regular meeting. Because interested persons may be in attendance and prepared to comment during the public hearing, recommendation is being made to have the City Assessor proceed with a brief presentation at the conclusion of which the Mayor can conduct the public hearing. Following the public hearing, a motion to postpone consideration of the IDD application may be made.

Background - On August 25, 2015, Chardam Gear Company, Inc. (Applicant) filed an application to establish an Industrial Development District (IDD) on contiguous industrial real property commonly identified as 40810 Brentwood Drive, 40765 Mound Road, 40805 Mound Road, and 40821 Mound Road. Applicant plans on making a cumulative real property investment of approximately \$2,450,000 that will generate thirty new jobs in the City. In order for any new real property investment to be eligible for tax abatement under an Industrial Facilities Tax Exemption Certificate (IFEC), the subject property must be located within an existing IDD as established by the local unit of government.

Under state law, being MCL 207.554, a local governmental unit, by resolution of its legislative body, may establish an IDD that consists of one or more parcels or tracts of land or a portion of a parcel or tract of land. The legislative body of a local governmental unit may establish an IDD on its own initiative or upon the written request of a property owner filed with the clerk of the local unit of government. Before adopting a

resolution establishing an IDD, the legislative body shall give written notice to the owners of all real property within the proposed IDD and shall hold a public hearing at which the owner(s) and other taxpayers shall have a right to appear and be heard.

The establishment of an IDD does not convey a benefit in the form of an abatement of taxes. Due to the request to postpone indefinitely, it is not clear when Applicant will proceed with an application for IFECs in connection with its real property investment.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to postpone indefinitely consideration of the application by Chardam Gear Company, Inc. to establish an Industrial Development District at 40810 Brentwood Drive, 40765 Mound Road, 40805 Mound Road, and 40821 Mound Road.

Office of Assessing
Staff Report

Subject: Industrial Development District Application
Date: 8/3/2016
Applicant: Chardam Gear Company, Inc.
Address: 40810 Brentwood Drive, 40765 Mound Road, 40805 Mound Road, and 40821 Mound Road
Sidwell Number: 50-10-17-226-006-000, 50-10-17-226-047-000, 50-10-17-226-042-000, and 50-10-17-226-046-000
Submitted By: Dwayne McLachlan, City Assessor
Direct Dial: (586) 446-2341
Email Address: dmclachlan@sterling-heights.net

GENERAL INFORMATION

Section 207.554 of Michigan Compiled Laws provides that the legislative body of a governmental unit may establish an Industrial Development District (IDD) on one or more parcels upon a written request filed by the property owner if the request for the IDD is filed *before* the commencement of the construction of real property improvements or before personal property is installed. In order for a property owner or lessee to apply for an Industrial Facilities Tax Exemption Certificate (IFEC), an industrial property must be located within an *existing* IDD established by the local unit of government.

APPLICANT INFORMATION

Applicant is a CNC machining company that has been in business since 1955, with operations in Sterling Heights since 1981. Applicant provides turning and milling services to the aerospace and defense industries, including prestigious programs such as NASA's space shuttle and the Hubble Telescope repair. Applicant specializes in highly processed parts requiring multiple machining and processing operations which involve exotic to conventional materials, castings, forgings, and numerous outside services such as plating and specialized heat treatments.

PROJECT INFORMATION

Applicant has acquired new contracts to manufacture additional components. To fulfill these contracts, Applicant will undertake new real property investment projects to renovate and expand existing facilities at 40810 Brentwood Drive and 40805 Mound Road, respectively. Cumulatively, these new projects will produce new real property investment of \$2,450,000, personal property investment of \$8,400,000, and generate thirty (30) new jobs in the City.

STAFF RECOMMENDATION

City Administration does not oppose the request to postpone consideration of Applicant's application to establish an IDD at this time.

IDD Information Sheet

Date: August 3, 2016
 Applicant: CHARDAM GEAR COMPANY, INC.
 Address: 40805, 40765 & 40821 Mound Road
 and 40810 Brentwood
 Sidwell Number: 50-10-17-226-042-000, 50-10-17-226-006-000
 50-10-17-226-047-000, and 50-10-17-226-046-000

PROPERTY LOCATION MAP

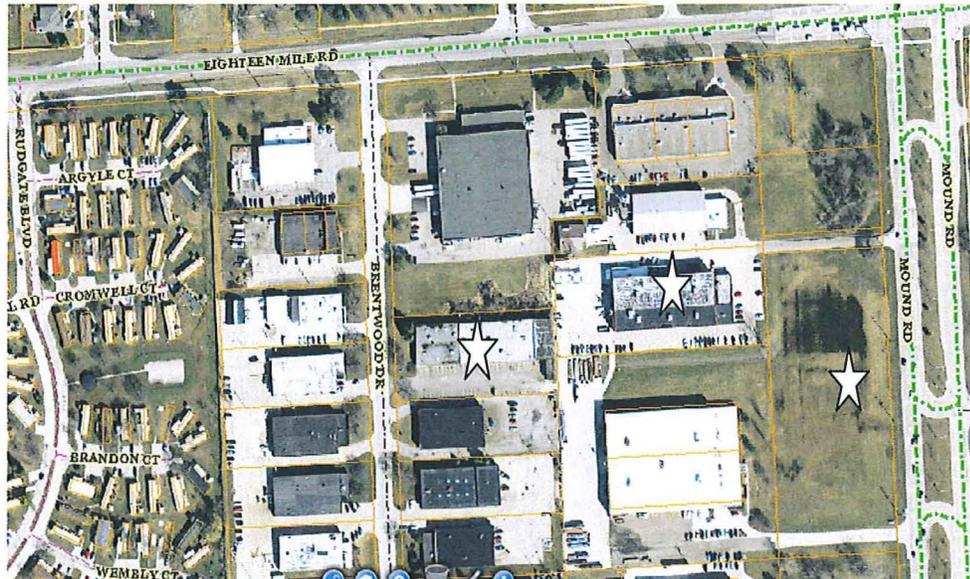


Office of Assessing

IDD Information Sheet

Date: August 3, 2016
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Address: CHARDAM GEAR COMPANY, INC.
Address: 40805, 40765 & 40821 Mound Road
and 40810 Brentwood
Sidwell Number: 50-10-17-226-042-000, 50-10-17-226-006-000
50-10-17-226-047-000, and 50-10-17-226-046-000

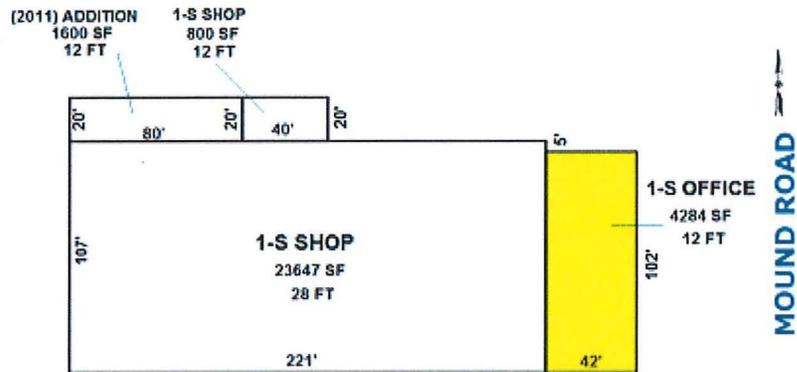
PROPERTY LOCATION MAP



IDD Information Sheet

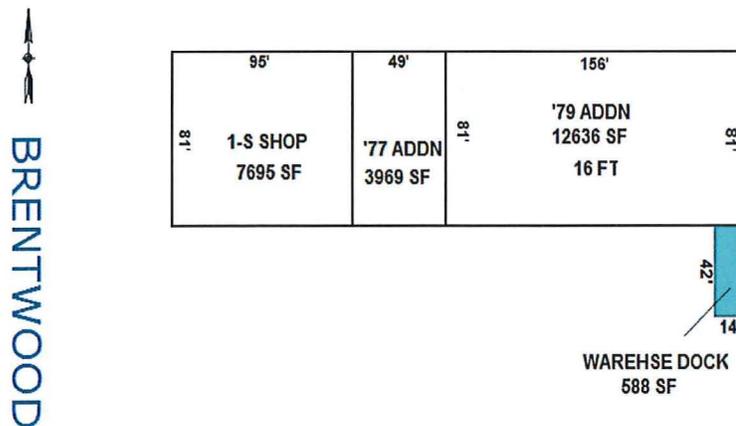
Date: August 3, 2016
 Applicant: CHARDAM GEAR COMPANY, INC.
 Address: 40805 MOUND ROAD
 Sidwell Number: 50-10-17-226-042-000

BUILDING SKETCH



Address: 40810 BRENTWOOD
 Sidwell Number: 50-10-17-226-006-000

BUILDING SKETCH



Applicant Name
CHARDAM GEAR COMPANY

Fiscal Statement (to be completed by local unit)

	<u>YES</u>	<u>NO</u>
Is this project:		
Real Property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Personal Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Both Real and Personal Property - New Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Both Real and Personal Property - Rehabilitation Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Both New and Replacement Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estimated Project Investment (not assessed value):

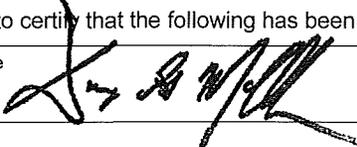
Real Property \$970,000.00	Personal Property	Total \$970,000.00
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	<u>YES</u>	<u>NO</u>	<u>REMARKS</u>
1. A. Has the proper local authority reviewed the plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
B. Is the project located in a certified industrial park?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
C. Is this a renovation or expansion of an existing building?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
2. Will this project require improvement of your road service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
3. Will this project require improvement of your sanitary sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
4. Will this project require improvement of your storm sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
5. Will this project require improvement of your water services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
6. Will this project require additional police personnel, police equipment or a need for new police building expansion?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
7. Will this project require the need for additional fire personnel, additional or specialized fire equipment or the need for a new fire building?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
8. Will this project require other costs?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
9. Are costs of infrastructure elements to be provided through Local Development Finance Authority or Tax Increment Finance Authority Bonds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____

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 	Name and Title of Local Governmental Unit Official Dwayne McLachlan, City Assessor
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AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider the application by Ric-Man Construction, Inc. for an Industrial Facilities Tax Exemption Certificate at 42600 R Mancini Drive (Presentation – Dwayne McLachlan, Assessor).

Submitted By: Office of Assessing

Contact Person/Telephone: Dwayne McLachlan, City Assessor / 586.446-2341

Administration (initial as applicable)

Attachments

 City Clerk	___	Resolution	___	Minutes
 Finance & Budget Director	___	Ordinance	<u> x </u>	Plan/Map
 City Attorney (as to legal form)	___	Contract	___	Other
 City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

Ric-Man Construction, Inc., a Michigan corporation (Applicant), specializes in heavy underground and tunnel construction on a variety of public and private projects in both Michigan and Florida. Applicant has been headquartered in Sterling Heights, Michigan for many years.

Applicant is seeking a fifty percent tax abatement for a new real property investment of \$3,330,208 at 42600 R Mancini Drive, located off 19 Mile Road between Van Dyke and Mound Road. Applicant is constructing a new facility and intends to build products for utility, mining fields, and maintenance of construction equipment. Approximately \$680,000 of new personal property will be located at the new facility. The real property is located within an Industrial Development District (IDD) established by the City Council on July 5, 2016.

This new real property investment will generate an estimated *increase* of \$12,644 annually in new City tax revenue over the recommended eight-year abatement term. This new tax revenue is in addition to the current City taxes, which over the same eight-year term will equate to approximately \$168,263 annually from all Mancini affiliated entities. This new real and personal property investment is expected to create ten new jobs in the City, which will generate an overall positive economic impact for the regional economy of \$1,600,000, annually (Multiplier Factor of 4 x Wages of \$40,000/job created x 10 jobs).

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, that the application for an Industrial Facilities Tax Exemption Certificate by Ric-Man Construction, Inc. at 42600 R Mancini Drive is hereby approved for a period of eight 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 Tax Exemption Certificate Application
Date: August 3, 2016
Applicant: Ric-Man Construction, Inc.
Address: 42600 R Mancini Drive
Sidwell Number: 50-10-09-251-008-000
Submitted By: Dwayne McLachlan, City Assessor
Direct Dial: (586) 446-2341
Email Address: dmclachlan@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

Applicant is a Michigan corporation organized in 1965 with over 50 years of heavy underground construction experience. Over the course of this extensive corporate history, Applicant has constructed large diameter sewer systems and water mains throughout the state of Michigan. In 1981, Applicant started underground operations in the state of Florida. Applicant's customers include both private and public entities in need of specialized open cut and tunneling of soft grounds and hard rock soils.

PROJECT INFORMATION

This proposed project will construct a new 42,200 square foot facility containing 12,200 square feet of office space and 30,000 square feet of production space. This building will facilitate assemblage of construction products and maintenance of construction equipment at an estimated cost of \$3,330,207, or \$79.00 per square foot.

STAFF RECOMMENDATION

Applicant is making a substantial financial investment in order to maintain its corporate operations in Sterling Heights. Applicant's investment will result in ten new jobs, in addition to keeping its current staff here.

Listed below is a summary of Applicant's total real property investment directly relating to this proposed project. Based on these factors, and the fact that this Applicant is currently in compliance with all local codes and ordinances, the City's established Industrial Facilities Tax Abatement Program Guidelines dictate that Applicant qualifies for a *recommended* 50% tax abatement term of eight years.

IDD Establishment Date: 7/5/2016

Total Real Property Investment: \$3,330,207 = 7 years

Full Time Employees at Start of Project (St. Hts.): 5

Full Time Jobs Created as a Result of Project: 10 = 1 Year

IFEC Term per City Guidelines: 8 Years

Recommended IFEC Term: 8 Years

Full Time Jobs Created in Southeast Michigan:	10
Employment Multiplier for Manufacturing Jobs:	4
Related New Jobs Created in Southeast Michigan:	40
Average Wage of Jobs Created in Southeast Michigan:	\$40,000
Positive Area Impact of Jobs Created:	\$1,600,000

PROPERTY TAXES ABATED (50%) &
ADDITIONAL REVENUE GENERATED

	<u>City Tax</u>	<u>School Tax</u>	<u>Total Tax</u>
Property Taxes Abated over 8-Year Term:	\$101,150	\$183,450	\$357,900

TAX ANALYSIS

Company's annual pre-project tax liability (CITY):	\$15,157
Additional annual (CITY) taxes generated by investment:	\$12,644

Office of Assessing

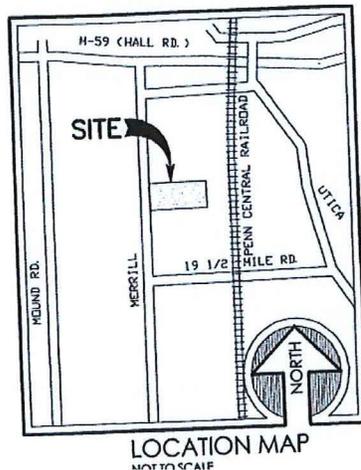
IFEC Information Sheet

Date: 8/3/16
 Applicant: J.G. KERN ENTERPRISES INC
 Address: 44044 MERRILL ROAD
 Sidwell Number: 50-10-04-176-020-000

PROPERTY LEGAL DESCRIPTION

T2N, R12E SEC 4; COMM AT W 1/4 COR SEC 4; TH S88*45'40"E 1355.74 FT; TH N00*59'50"E 343.00 FT TO POB; TH N00*59'50"E 612.13 FT; TH S88*29'30"E 664.65 FT; TH S01*30'30"W 250.00 FT; TH S00*26'28"E 60.05 FT; TH S01*17'56"W 296.97 FT; TH N88*56'05"W 662.34 FT; TO POB. 9.28 AC. COMB FROM -009 & -010 FOR 1999.

PROPERTY LOCATION MAP





Office of Assessing

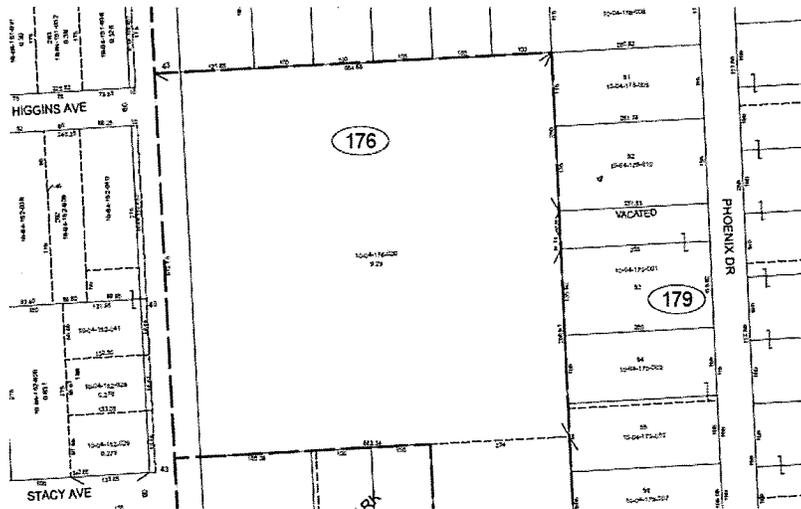
IFEC Information Sheet

Date: 8/3/16
Applicant: J.G. KERN ENTERPRISES INC
Address: 44044 MERRILL ROAD
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PROPERTY LOCATION MAP



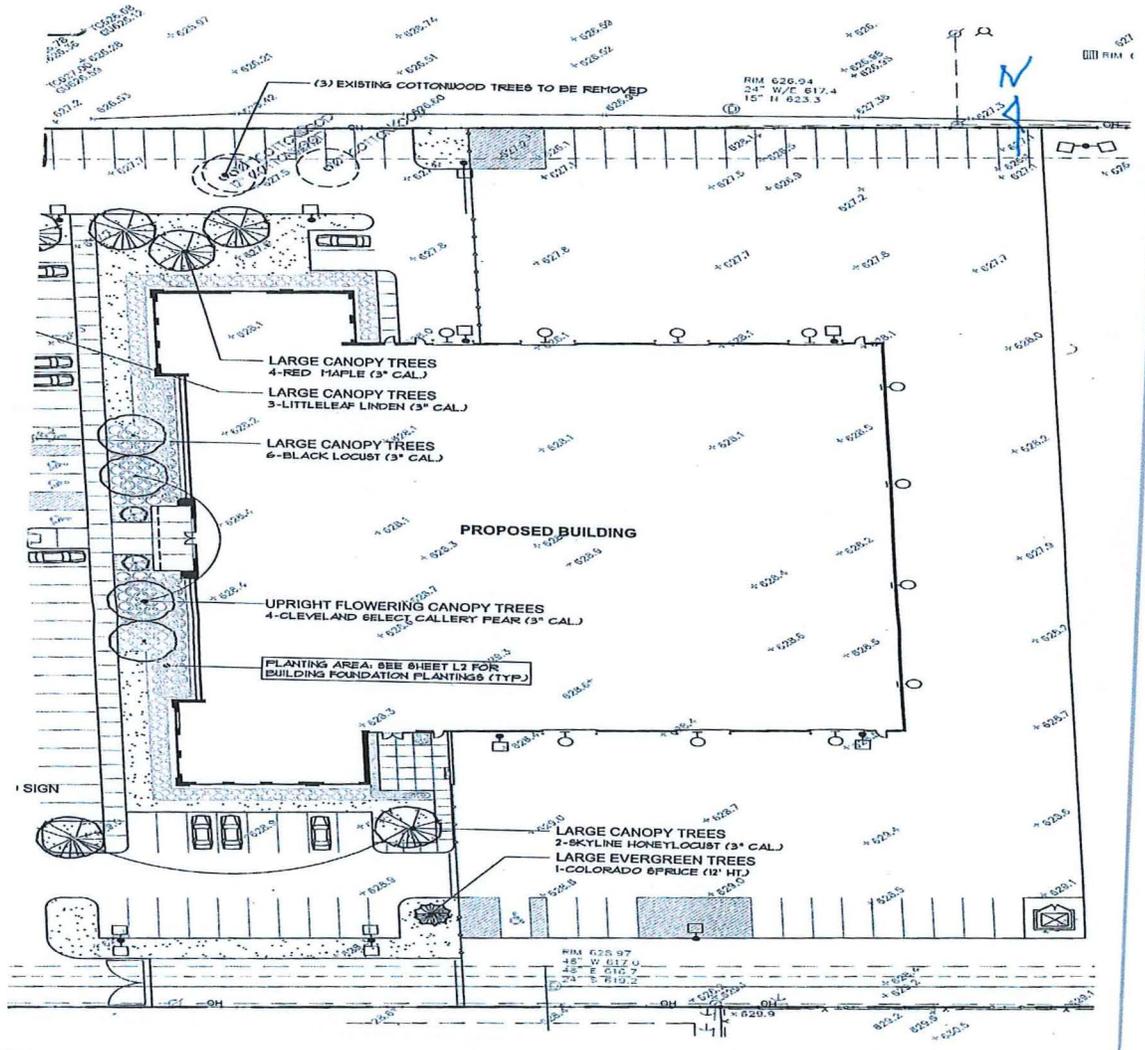
Office of Assessing

IFEC Building Sheet

Date: 8/3/16
 Applicant: RIC MAN CONSTRUCTION
 Address: 42600 R MANCINI DRIVE
 Sidwell Number: 50-10-09-251-008-000

PROPOSED BUILDING SKETCH

42600 R MANCINI DRIVE



Applicant Name
RIC-MAN CONSTRUCTION

Fiscal Statement (to be completed by local unit)

	<u>YES</u>	<u>NO</u>
Is this project:		
Real Property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Personal Property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Both Real and Personal Property - New Facility?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Both Real and Personal Property - Rehabilitation Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Both New and Replacement Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estimated Project Investment (not assessed value):

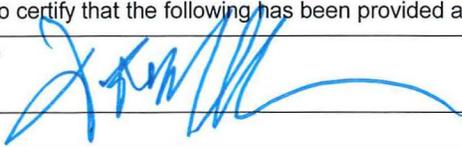
Real Property \$3,330,207.39	Personal Property \$680,000.00	Total \$4,010,207.39
---------------------------------	-----------------------------------	-------------------------

	<u>YES</u>	<u>NO</u>	<u>REMARKS</u>
1. A. Has the proper local authority reviewed the plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
B. Is the project located in a certified industrial park?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
C. Is this a renovation or expansion of an existing building?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
2. Will this project require improvement of your road service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
3. Will this project require improvement of your sanitary sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
4. Will this project require improvement of your storm sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
5. Will this project require improvement of your water services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
6. Will this project require additional police personnel, police equipment or a need for new police building expansion?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
7. Will this project require the need for additional fire personnel, additional or specialized fire equipment or the need for a new fire building?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
8. Will this project require other costs?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
9. Are costs of infrastructure elements to be provided through Local Development Finance Authority or Tax Increment Finance Authority Bonds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____

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 	Name and Title of Local Governmental Unit Official Dwayne McLachlan, City Assessor
--	---

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 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.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	▶ Date Received by Local Unit
STC Use Only	
▶ Application Number	▶ Date Received by STC

APPLICANT INFORMATION
All boxes must be completed.

▶ 1a. Company Name (Applicant must be the occupant/operator of the facility) Ric-Man Construction, Inc.		▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 1711	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 42600 R Mancini Dr., Sterling Heights, MI 48314		▶ 1d. City/Township/Village (indicate which) City	▶ 1e. County Macomb
▶ 2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Transfer <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Research and Development (Sec. 2(10)) <input type="checkbox"/> Increase/Amendment		▶ 3a. School District where facility is located Utica	▶ 3b. School Code 50210
		▶ 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.

Build construction products for utility and mining field. Maintenance of construction equipment.

6a. Cost of land and building improvements (excluding cost of land)	▶ \$3,330,207.39
* Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures	▶ \$ 680,000.00
* Attach itemized listing with month, day and year of beginning of installation, plus total	Personal Property Costs
6c. Total Project Costs	▶ \$4,010,207.39
* 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.

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements ▶	9/17/2015	9/30/2016	▶ <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements ▶	9/17/2015	9/30/2016	▶ <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased

▶ 8. 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

▶ 9. No. of existing jobs at this facility that will be retained as a result of this project. **5** ▶ 10. No. of new jobs at this facility expected to create within 2 years of completion. **10**

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.

a. TV of Real Property (excluding land)

b. TV of Personal Property (excluding inventory)

c. Total TV

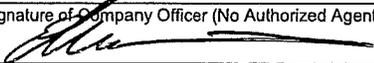
▶ 12a. Check the type of District the facility is located in:
 Industrial Development District Plant Rehabilitation District

▶ 12b. Date district was established by local government unit (contact local unit) ▶ 12c. Is this application for a speculative building (Sec. 3(8))?
 Yes No

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.

13a. Preparer Name Edward A Mancini	13b. Telephone Number 586 685-1000	13c. Fax Number 586 685-1001	13d. E-mail Address emancini@ric-man.com
14a. Name of Contact Person Edward A Mancini	14b. Telephone Number 586 685-1000	14c. Fax Number 586 685-1001	14d. E-mail Address emancini@ric-man.com
▶ 15a. Name of Company Officer (No Authorized Agents) Edward A Mancini			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number 586 685-1001	15d. Date November 19, 2015
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 6850 Nineteen Mile Rd, Sterling Heights, MI 48314		15f. Telephone Number 586 685-1000	15g. E-mail Address emancini@ric-man.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.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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 <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
16c. LUCI Code	16d. School Code
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 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.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

STERLING HEIGHTS CITY DEVELOPMENT

40555 Utica Road, P.O. Box 8009
Sterling Heights, Michigan 48311-8009
Phone (586) 446-2360 Fax (586) 276-4061

BUILDING COMMERCIAL PERMIT

APPLICANT
S D E LEGACY HOMES LLC 6850 NINETEEN MILE STERLING HEIGHTS MI 48314 Contact: MICHAEL DICICCO Phone: (810) 459-0531

Job Site
42600 R Mancini Dr Parcel: 10-09-251-008-000 Plat/Sub: Ledds Enterprise Indu Lot: Zoning:

OWNER
MANCINI ENTERPRISES, LL 6850 NINETEEN MI STERLING HEIGHTS Phone: (586) 685-1000 Fax:

BUSINESS NAME

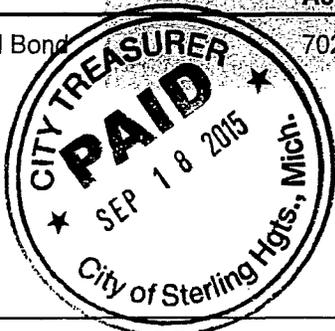
Work Description: NEW BUILDING FOR "RIC-MAN CONSTRUCTION"

Stipulations:

Permit Fee Item	Account	Work Type	Fee Basis	Item Total
01 Application Fee	11450040-470000	Application	1.00	35.00
04 Plan Review - New Comm/Ind	11601040-636001	Plan Review Deposits	1.00	1,075.00
07 Plan Review -Valuation \$500.0	11601040-636001	Plan Review	6,327,916.00	11,811.87
14 Bldg - Valuation \$500.001 and	11450040-470000	Building Permit	6,327,916.00	38,918.00
Com Sanitary - Capital Charge	59698040-619000	Commercial/Indust	46,834.00	20,138.62
Com Sanitary - Inspection Fee	59601040-633004	Commercial/Indust	1.00	108.00
Com Water - Meter 1" Remote	59601040-633003	Commercial/Indust	1.00	440.00
Com Auto Fixed Network Meter R	59601040-633003	License Registration Fee	1.00	171.00
Com Domestic Tap Size - 1"	59601040-633001	Water/Sewer Commercia	1.00	1,070.00
Com Water - Capital Charge	59698040-618000	Commercial/Indust	46,834.00	16,391.90

Fee Total: \$90,159.39
Amount Paid: \$1,110.00
Fee Balance Due: \$89,049.39

Bond Type	Account	Bond Number	Amount
Commercial Bond	70210000-283004	BC150007	1,378.00
Total Bond Amount:			\$1378.00



Michael Viazanko
Building Official

Ric-Man Construction, Inc.
42600 R Mancini Drive

Begin Date: 9/17/2015
End Date: 9/30/2016

Office 12,200 sf. ft.
Warehouse 30,000 sq. ft.
Total 42,200 sq. ft.

Line Item	Category	Estimated Cost	Change Order	Total Costs
1-001	Engineering	\$ 38,293.34		\$38,293.34
1-002	Architectural	\$ 21,702.13		\$21,702.13
1-003	Interior Design	\$ 6,350.00		\$6,350.00
1-009	Soil Erosion			\$0.00
1-011	Off Site Rentals	\$ 10,347.29		\$10,347.29
2-001	Permits	\$ 93,064.47		\$93,064.47
2-002	Bonds, Letter of Credit	\$ 52,300.32		\$52,300.32
2-003	Review Fees	\$ 34,409.51		\$34,409.51
3-001	Sewer & Water Mains	\$ 159,617.00		\$159,617.00
3-002	Utilities	\$ 3,906.17		\$3,906.17
3-003	Backfill/Grading/Pea Stone	\$ 2,438.39		\$2,438.39
3-005	Landscaping	\$ 2,750.00		\$2,750.00
3-006	Parking Lot	\$ 103,940.96		\$103,940.96
3-008	Land Prep	\$ 11,876.70		\$11,876.70
4-001	Footings	\$ 98,500.00		\$98,500.00
4-002	Flooring	\$ 94,441.90		\$94,441.90
4-003	Mason Labor	\$ 75,012.81		\$75,012.81
4-005	Brick (Supplies)/Limestone	\$ 1,554.89		\$1,554.89
4-006	Steel	\$ 653,000.00		\$653,000.00
4-007	Roof	\$ 227,521.00		\$227,521.00
4-008	Insulation			\$0.00
4-009	Doors	\$ 38,026.31		\$38,026.31
4-010	Windows	\$ 20,048.95		\$20,048.95
4-011	Painting	\$ 26,334.34		\$26,334.34
4-012	Siding	\$ 175,944.00		\$175,944.00
4-013	Rough Lumber			\$0.00
4-014	Rough Carpentry			\$0.00
4-016	Concrete Flatwork			\$0.00
4-017	Gutters			\$0.00
5-001	Electrical	\$ 394,000.00		\$394,000.00
5-002	Heating and Cooling	\$ 135,400.00		\$135,400.00
5-003	Plumbing	\$ 255,000.00		\$255,000.00
5-004	Alarm, Fire & Sprinklers	\$ 71,675.00		\$71,675.00
5-005	Crane	\$ 194,707.00		\$194,707.00
6-001	Drywall			\$0.00
6-002	Interior walls & ceilings	\$ 196,795.00		\$196,795.00
6-003	Finished Lumber			\$0.00
6-004	Finished Carpentry			\$0.00
6-006	Countertops			\$0.00
6-007	Cabinets			\$0.00
6-008	Tile	\$2,909.11		\$2,909.11
6-009	Carpet	\$ 7,508.64		\$7,508.64
6-010	Hardware	\$ 2,369.76		\$2,369.76
6-011	Miscellaneous	\$ 8,290.06		\$8,290.06
6-012	Window Treatments			\$0.00
6-013	Final Cleaning			\$0.00
6-015	Flooring			\$0.00
6-017	Mirrors & Shower Doors			\$0.00
7-100	Maintenance	\$ 104,502.90		\$104,502.90
7-101	Equipment Rental	\$ 5,669.44		\$5,669.44
	TOTALS	\$ 3,330,207.39	\$	\$3,330,207.39

Ric-Man Construction
42600 R Mancini Drive

Begin Date: 9/17/2015

End Date: 9/30/2016

Category	Quote	Cost to Compete	Change Order	Total Costs
Furniture	\$ 325,000.00			\$325,000.00
Audiovisual	\$ 125,000.00			\$125,000.00
Computers	\$ 100,000.00			\$100,000.00
Appliances	\$ 50,000.00			\$50,000.00
Telephone System	\$ 30,000.00			\$30,000.00
Machinery	\$ 50,000.00			\$50,000.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
	\$ 680,000.00			\$680,000.00

IFEC LETTER OF AGREEMENT

DATE: NOVEMBER 18, 2015
COMPANY NAME: RIC-MAN CONSTRUCTION, INC
FACILITY ADDRESS: 42660 R MANCINI DR

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:
RIC-MAN CONSTRUCTION, INC. and the City of Sterling Heights

Dear Members of Council:

RIC-MAN CONSTRUCTION, 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 42660 R MANCINI DR, 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.

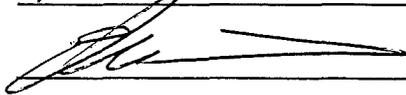
2. **Compliance with Laws.** The Company agrees that it will operate the Facility in accordance with all applicable Federal, State, and local laws or regulations, including but not limited to zoning, outside storage, industrial waste disposal, air and water quality, noise control, and other environmental 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: EDWARD A. MANZINI

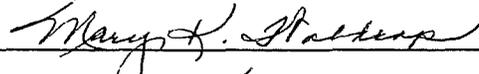
TITLE: VICE PRESIDENT

SIGNATURE: 

STATE OF MICHIGAN
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this 18th day of NOVEMBER, 2015
by EDWARD A. MANZINI, VICE PRESIDENT on behalf of PIC-MAN CONSTRUCTION, INC
(Name) (Title) (Company Name)

MARY K. WALDROP
NOTARY PUBLIC, STATE OF MI
COUNTY OF LAPEER
MY COMMISSION EXPIRES Jun 11 2018
ACTING IN COUNTY OF MACOMB


Notary Public, LAPEER County, MI
My Commission expires: 6/11/2018

**ACCEPTED BY: CITY OF STERLING HEIGHTS
A MUNICIPAL CORPORATION**

NAME: Michael C. Taylor
TITLE: Mayor
SIGNATURE: _____

NAME: Mark Carufel
TITLE: City Clerk
SIGNATURE: _____

STATE OF MICHIGAN
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this _____ day of _____
by Michael C. Taylor and Mark Carufel, Mayor 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



IFEC Application Affidavit of Fees

APPLICANT NAME: RIC-MAN CONSTRUCTION INC
PROPERTY ADDRESS: 42600 R. MANCINI DR

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: EDWARD A MANCINI
TITLE: VICE PRESIDENT
SIGNATURE: [Signature]
DATE: 11/12/2015

The forgoing certification was acknowledged this 18th day of NOVEMBER, 2015
By EDWARD A MANCINI, VICE PRESIDENT on behalf of RIC-MAN CONSTRUCTION, INC
(Name) (Title) (Company Name)

MARY K. WALDROP
NOTARY PUBLIC, STATE OF MI
COUNTY OF LAPEER
MY COMMISSION EXPIRES Jun 11 2018
ACTING IN COUNTY OF MACOMB

[Signature]
Notary Public, LAPEER County, MI

CITY OF STERLING HEIGHTS

PRINT NAME: Mark Carufel
TITLE: City Clerk
SIGNATURE: _____
DATE: _____

The forgoing certification was acknowledged this _____ day of _____
By _____, _____ on behalf of _____
(Name) (Title) (Company Name)

Notary Public, _____ County, MI

AGENDA STATEMENT

OMB A503 Rev. 11/04

Item Title: To consider a request to change the name of "Ford Country Lane," a private street, to "Suburban Drive" (Presentation: Jason Castor, City Development Manager)

Submitted By: City Development Department

Contact Person/Telephone: Jason Castor, City Development Manager/(586) 446-2731

Administration (initial as applicable)

Attachments

<i>NC</i> City Clerk	___	Resolution	___	Minutes
<i>BP</i> Finance & Budget Director	___	Ordinance	<u>x</u>	Plan/Map
<i>MK</i> City Attorney (as to legal form)	___	Contract	<u>x</u>	Other
<i>MM</i> City Manager				Request letter, Location Map

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

Introduction - Suburban Country Lane, LLC, owner of 40333 Van Dyke located on the west side of Van Dyke Avenue (M-53), between 17 Mile Road and 18 Mile Road, has filed a written request to change the name of the private street "Ford Country Lane," to "Suburban Drive."

City Charter § 16.05 provides:

The council shall have power to change the name of any street, but before doing so shall set a date for hearing any objections thereto and shall give notice thereof by publication in the official newspaper of the city at least once not less than ten (10) days prior to such hearing, and by posting such notice at least ten (10) days prior to such hearing in three (3) public places on the street.

In accordance with the foregoing charter section, on July 5, 2016, City Council set a public hearing for August 3, 2016 for the purpose of hearing any objections to changing the street name of Ford Country Lane to Suburban Drive. The publication and posting requirements of City Charter §16.05 have been satisfied.

Background - Ford Country Lane is a private access drive located on the west side of Van Dyke Avenue (M-53), between 17 Mile Road and 18 Mile Road. Ford Country Lane is approximately ¼ mile long and provides access to 5 (five) buildings all owned by Suburban Country Lane, LLC. The previous owner, Jerome Duncan Ford, named the access road Ford Country Lane and this name is recognized by the United States Postal Service as the mailing address for the aforementioned buildings.

Recommendation - The request by Suburban Country Lane, LLC has been circulated to and reviewed by the Sterling Heights Police, Fire and Public Works Departments. All departments have indicated no objections to the requested private street name change. In addition, the car dealership Suburban Ford of Sterling Heights is directly adjacent to this street. For all these reasons, the City Development Department is recommending approval of this request.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to approve the request to change the name of "Ford Country Lane" to "Suburban Drive" and authorize the Mayor and City Clerk to sign all documentation required in conjunction with this approval.

Cc: Mike Moore, Public Works Director
Denice Gerstenberg, City Development Director
Brent Bashaw, City Engineer

**CITY OF STERLING HEIGHTS
STAFF REPORT
August 3, 2016**

RE: To consider a request to change the name of "Ford Country Lane," a private street, to "Suburban Drive"

Prepared By: Jason Castor, City Development Manager

(586) 446-2731

GENERAL INFORMATION: Suburban Country Lane, LLC has filed a written request to change the name of "Ford County Lane," a private access drive located on the west side of Van Dyke Avenue (M-53), between 17 Mile Road and 18 Mile Road, to "Suburban Drive". The copy of the written request is attached.

At the July 5, 2016 regular meeting, City Council set a public hearing date of August 3, 2016 for the purpose of hearing any objections to the name change request. In the interim, the City has published a notice in the Sentry newspaper, and posted notice in three conspicuous locations on Ford Country Lane.

TECHNICAL INFORMATION: Section 16.05 of the City Charter addresses street name changes including related hearings and notices and indicates the following: "The council shall have power to change the name of any street, but before doing so, shall set a date for hearing any objections thereto and shall give notice thereof by publication in the official newspaper of the city at least once but not less than ten (10) days prior to such hearing, and by posting such notice at least ten (10) days prior to such hearing in three (3) public places on such street."

STAFF ANALYSIS AND FINDINGS: Attached is a street map which shows the location of Ford County Lane. The request has been reviewed by the Sterling Heights Police, Fire and Public Works Departments, which have indicated no objection to this request.

STAFF RECOMMENDATION: The City Development Department recommends the approval of the request to change the name of "Ford Country Lane" to "Suburban Drive" and authorize the Mayor and City Clerk to sign all documentation required in conjunction with this approval.

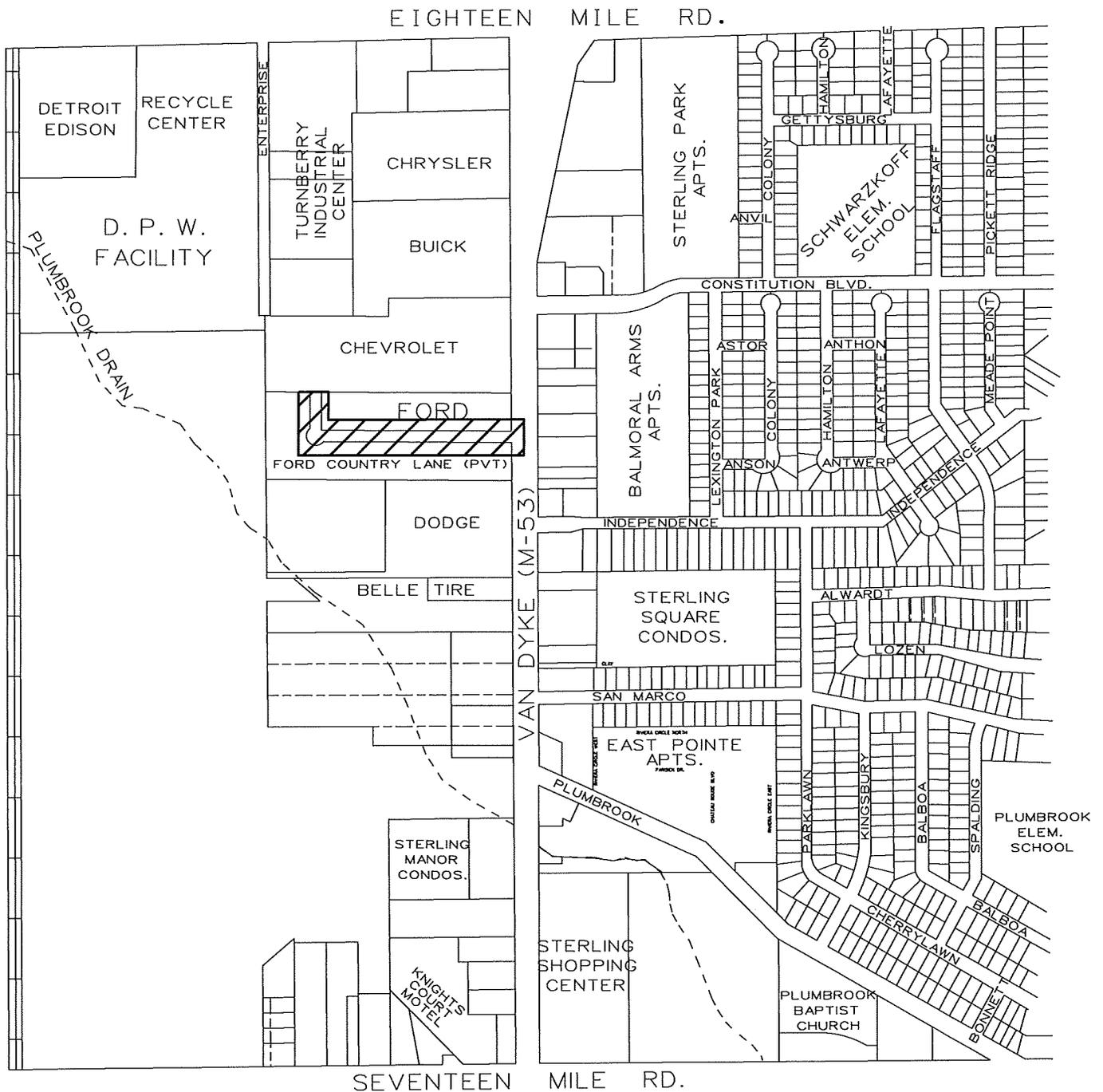
Cc: Mike Moore, Public Works Director
Denice Gerstenberg, City Development Director
Brent Bashaw, City Engineer

NOTIFICATION LIST

David T. Fischer, Jr.
The Suburban Collection
P.O. Box 909
Troy, MI 48099

LOCATION MAP

PROPOSED NAME CHANGE: FORD COUNTRY LANE TO SUBURBAN DRIVE



FORD COUNTRY LANE (PVT)



David T. Fischer, Jr.
General Manager
dfischer@suburbancollection.com

P.O. Box 909
Troy, MI 48099

P 248 731 3333 F 248 731 3334
www.SuburbanCollection.com

June 28, 2016

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The Suburban Collection**

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Accessories of Florida

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Suburban Alfa Romeo / FIAT
Suburban Chevrolet Cadillac
Suburban Chrysler Dodge Jeep Ram

Clinton
Suburban Chevrolet

Farmington Hills/Novi
Audi
Porsche
Suburban Acura
Suburban Chrysler Dodge Jeep Ram
Suburban Collision
Suburban Honda
Suburban Infiniti
Suburban Mazda
Suburban Nissan
Suburban Volkswagen

Ferndale
Suburban Buick GMC
Suburban Collision
Suburban Ford

Garden City
Suburban Chrysler Dodge Jeep Ram

Lansing
Suburban Cadillac
Suburban Hyundai

Plymouth
Suburban Cadillac

Sterling Heights
Suburban Ford

Troy
Accessories of Michigan
Aston Martin
Bentley
Bugatti
Karma
Lamborghini
Maserati
Rolls-Royce Motor Cars Michigan
Spyker
Suburban Cadillac Buick
Suburban Chrysler Dodge Jeep Ram
Suburban Collision
Suburban Hyundai
Suburban Infiniti
Suburban KIA
Suburban Mazda
Suburban Nissan
Suburban Subaru
Suburban Toyota Scion
Suburban Volkswagen
Suburban Volvo

Waterford
Suburban Ford

Make the Choice

Dean Martindale
GIS Coordinator, Civil Engineer II
City of Sterling Heights
Office of Engineering
40555 Utica Blvd
PO Box 8009
Sterling Heights, MI 48311-8009

ATTN: Dean Martindale

Suburban Country Lane, LLC would like to formally request the changing of the name of our private road located between our Ford Store 40333 Van Dyke and our Quick lane store 40331 Van Dyke from Ford Country Lane to Suburban Drive.

Please contact us with confirmation or with any questions you may have.

Thank you

David T. Fischer, Jr.
Suburban Country Lane, LLC



David T. Fischer, Jr.
General Manager
dfischer@suburbancollection.com

P.O. Box 909
Troy, MI 48099

P 248 731 3333 F 248 731 3334
www.SuburbanCollection.com

July 21, 2016

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The Suburban Collection**

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Suburban Chevrolet Cadillac
Suburban Chrysler Dodge Jeep Ram

Clinton
Suburban Chevrolet

Farmington Hills/Novi
Audi
Porsche
Suburban Acura
Suburban Chrysler Dodge Jeep Ram
Suburban Collision
Suburban Honda
Suburban Infiniti
Suburban Mazda
Suburban Nissan
Suburban Volkswagen

Ferndale
Suburban Buick GMC
Suburban Collision
Suburban Ford

Garden City
Suburban Chrysler Dodge Jeep Ram

Lansing
Suburban Cadillac
Suburban Hyundai

Plymouth
Suburban Cadillac

Sterling Heights
Suburban Ford

Troy
Accessories of Michigan
Aston Martin
Bentley
Bugatti
Karma
Lamborghini
Maserati
Rolls-Royce Motor Cars Michigan
Spyker
Suburban Cadillac Buick
Suburban Chrysler Dodge Jeep Ram
Suburban Collision
Suburban Hyundai
Suburban Infiniti
Suburban KIA
Suburban Mazda
Suburban Nissan
Suburban Subaru
Suburban Toyota Scion
Suburban Volkswagen
Suburban Volvo

Waterford
Suburban Ford

Make the Choice

Sterling Heights City Council
40555 Utica Blvd
PO Box 8009
Sterling Heights, MI 48311-8009

ATTN: Mayor and City Council

I am very sorry I cannot make the meeting on August 3, 2016. It conflicts with an all company management meeting that is a once a year event.

The reason we are changing the street name of Ford Country Lane to Suburban Drive is to reflect our company name. The former name Ford Country Lane was done by the previous owner and we would like a name that aligns with our business, which is Suburban Drive.

Please contact me via email at david@suburban.us or telephone at (248) 830-1111 with any questions you may have.

Thank you

David T. Fischer, Jr.
Suburban Country Lane, LLC



Business of the City Council
Sterling Heights, Michigan

DELIVERED JUL 28 2016

City Clerk's Use

Item No: 4

Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider introduction of an ordinance amending Sections 8-28 and 8-28A of Chapter 8 of the City Code, to update the City's requirements relating to dangerous and potentially dangerous dogs (Presentation: Donald P. DeNault, Jr., Assistant City Attorney).

Submitted By: Sterling Heights Police Department

Contact Person/Telephone: John Berg, Police Chief / 586.446.2811

Administration (initial as applicable)

Attachments

Table with 4 columns: Initials, Name, Attachment type, and Status. Rows include City Clerk, Finance & Budget Director, City Attorney, and City Manager. Attachment types include Resolution, Ordinance, Contract, Minutes, Plan/Map, and Other.

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

Introduction

In 2011, the City adopted comprehensive regulations in Chapter 8 of the City Code to create a unique model for addressing community concerns about dangerous and potentially dangerous dogs. These regulations followed many months of deliberations over how to properly address dogs that prove to be a threat to the community on a non-breed specific basis.

As with any program, experience has identified a number of practices that would benefit by revisions to the City's regulations. The revisions being proposed are designed to streamline parts of the appeal process for more efficiency, to further clarify a dog owner's responsibilities, and to more clearly identify the roles of Animal Control and the City Clerk in the dog registration process.

Proposed Ordinance

The City Code currently authorizes Animal Control to categorize a dog involved in an aggressive behavior incident as either dangerous or potentially dangerous, depending on factors relating to the severity of the incident.

The proposed amendments to the process for determining a dog to be dangerous are limited to the following:

1. Clarification of the information to be included in the notice provided to the owner of a dog determined to be dangerous.
2. A new requirement for the City to provide notice of any appeal hearings to any victims involved in the incident.
3. A new requirement that the involved dog will be microchipped if another community authorizes the dog to be relocated to that community, so that the City can ensure that the dog not only leaves with the permission of that community, but also never returns.

The proposed amendments to the process for determining a dog to be ***potentially dangerous*** are limited to the following:

1. In addition to the aggressive behaviors already included in the ordinance for determining a dog to be potentially dangerous, the proposed ordinance would add that the City may classify a dog as potentially dangerous if any of those behaviors are discovered to have occurred in, and were documented by, any other community.
2. The process for appealing a classification of "potentially dangerous" to the Board of Ordinance Appeals will be streamlined to minimize holding times for the dogs involved. After the owner requests an appeal, the hearing will be scheduled for the next meeting of the Board that is set for more than 3 days after the appeal is received (or sooner if an earlier meeting is already scheduled and the owner waives the 3-day requirement).
3. The ordinance will clarify that ownership of the dog is forfeited to the City if the owner does not appeal, does not relocate the dog out of the City, and does not fulfill all of the conditions set forth in the ordinance for being able to possess a potentially dangerous dog. This would then allow the City to relocate the dog to a new owner or to authorize the County to do so.
4. The ordinance will clarify that Animal Control and the Board can extend any deadlines if the owner is making good faith progress toward relocation or fulfillment of the ordinance conditions.
5. The ordinance will establish that the owner has 14 days to comply with a decision of the Board to uphold the dog's classification as potentially dangerous, after which time ownership of the dog will be forfeited to the City.
6. The process for removing the potentially dangerous classification will be updated to clarify that the dog must reside and be licensed in the City for 3 full years, without any new incidents that would qualify the dog as potentially dangerous, following the date the dog is registered with the City as a potentially dangerous dog.
7. The revisions will clarify that any dog determined to be potentially dangerous must be impounded at that time. However, rather than require that the dog be housed at the County Shelter, Animal Control may authorize the dog (first it must be microchipped) to be kept at a residence outside of the City or with a rescue organization or dog lodging establishment until conclusion of the appeal process, compliance with the ordinance conditions for the dog to return home, or until permanent relocation out of the City. All costs are the owner's responsibility.

8. The requirements for keeping a potentially dangerous dog in the City will be revised as follows:
- a. The fencing requirement will be updated to clarify that chain link and/or privacy fencing is acceptable, and that all required permits and inspections must be issued and completed prior to the dog's return to the property.
 - b. The temperament and training requirements can be approved by Animal Control, rather than requiring updates to an Administrative Policy & Procedure Order to list all approved programs.
 - c. The dog must be spayed or neutered prior to returning to the City. This was previously only required if the owner of the dog was a felon, but all involved administrators agree that it is an appropriate requirement for every dog that is classified as potentially dangerous.
 - d. Before returning to the City, the owner must register the dog as potentially dangerous with the City Clerk and provide proof of the fencing, gate, leash, microchipping, insurance, and training, and provide Animal Control and the City Clerk with 2 color photographs of the dog.
 - e. Dogs that are only visiting the City when an incident occurs will not be subject to the same requirements if they were licensed in another community at the time of the incident, except that they must be microchipped before release from impoundment and may not return to the City unless the conditions for possessing a potentially dangerous dog are fully implemented.

Recommendation

The City's regulations have, by any measure, proven to be very successful and are functioning as intended. Over the course of the past five years, the regulations have allowed the City to effectively manage some very difficult cases, including those involving legal challenges. While the City could continue to rely on existing regulations, those involved in the process have identified specific measures that will enhance the efficiency of the overall program. For all these reasons, recommendation is being made to introduce and adopt the attached ordinance to update the City's requirements relating to dangerous and potentially dangerous dogs

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to introduce the ordinance amending Chapter 8, Sections 8-28 and 8-28A of the City Code, to update the City's requirements relating to dangerous and potentially dangerous dogs.

CITY OF STERLING HEIGHTS

MACOMB COUNTY, MICHIGAN

ORDINANCE NO. _____

**AN ORDINANCE TO UPDATE CHAPTER 8 OF THE CITY CODE
GOVERNING DANGEROUS DOGS**

THE CITY OF STERLING HEIGHTS ORDAINS:

SECTION 1. Section 8-28 of Chapter 8 of the City Code shall be amended to read as follows:

8-28. POTENTIALLY DANGEROUS DOGS.

The purpose of this section is to establish a procedure for identifying dogs that pose a potential or significant threat to the safety of people, animals, or property, ~~and~~ to impose precautionary restrictions on such dogs in an effort to prevent a serious injury from occurring, and to promote responsible ownership of all dogs within the city.

(A) Determination of a potentially dangerous dog. The determination that a dog is potentially dangerous shall be based on the following specific behaviors exhibited by the dog:

(1) Menaces, chases, displays threatening or aggressive behavior toward, or otherwise threatens or endangers the safety of a person or domestic animal.

(2) Causes injury to a person or domestic animal that is less than a severe injury. For purposes of this section, the term "severe" injury means permanent, serious disfigurement, serious impairment of health, or serious impairment of a bodily function.

(3) Aggressively bites a person or domestic animal. For purposes of this section, the term "aggressively bites" means the dog physically bit the person or animal in a manner not normally associated with playfulness or accidental behavior while exhibiting objective signs of aggression, attack behavior, or intent to harm. The damage inflicted by a bite, or lack thereof, may also be used by animal control officials as a factor in determining whether a bite was aggressive.

(4) ~~Commits three violations of this chapter within a 24-month period~~Any of the behaviors listed above exhibited in another community and documented in an official report of any law enforcement or animal control agency.

(B) Notice of determination and right of appeal. An animal control officer shall have the authority to make a determination that a dog is potentially dangerous if the animal control officer concludes the dog has exhibited the behaviors specified in this section. The owner or keeper of a dog determined to be potentially dangerous shall be provided with a notice containing the following information:

(1) A summary of the findings that form the basis for the determination that the dog is potentially dangerous.

(2) Notice of requirements necessary to possess a potentially dangerous dog in the city.

(3) Notice of the right to submit a written appeal of the determination that the dog is potentially dangerous to the Board of Ordinance Appeals within ~~ten~~10 calendar days from the date of the notice. The notice shall:

(a) Provide instructions for taking an appeal;

(b) Indicate that the appeal will be considered at the next regular meeting of the Board of Ordinance Appeals to be held at least 3 calendar days from the date of the notice, unless an earlier meeting is scheduled and the owner requests in writing for the appeal to be heard at that meeting; and

(c) Indicate that the determination that the dog is potentially dangerous is final and conclusive if an appeal is not taken; and

(d) Indicate that ownership of the dog will be deemed forfeited to the city if any of the following occur:

a. An appeal is not taken and the owner has not secured permanent relocation of the dog or satisfied all of the requirements set forth below for possession of a potentially dangerous dog within 14 calendar days from the date of the notice.

b. The Board of Ordinance Appeals upholds the determination that the dog is potentially dangerous and the owner or keeper has not secured permanent relocation of the dog or satisfied all of the conditions set forth in this section, and any other conditions established by the Board, for possessing the potentially dangerous dog within 14 days of the appeal hearing.

c. Animal control and the Board of Ordinance Appeals shall have the authority, but no obligation, to extend any of the deadlines set forth in this subsection for demonstrable good faith progress toward relocation of the dog or toward satisfaction of the possession requirements.

(4) Notice of the right to request removal of the potentially dangerous classification after the dog has resided and been licensed within the city for a ~~period~~minimum of ~~three~~3 full years following the date the dog is licensed with the City as a potentially dangerous dog without any violations of the conditions required for keeping the potentially dangerous dog and without any new incidents involving behavior by the dog that would qualify for a potentially dangerous determination pursuant to this ~~chapter~~ section. The removal request shall be sent in writing to animal control. The decision to remove the potentially dangerous classification shall be made in the first instance by animal control upon a review of the history of the dog and its residence for

the 3 years preceding the date of the removal request, including a premises inspection and an inspection of the dog to ensure that the conditions set forth in this section have been followed. If the request is denied, the owner may appeal the denial to the Board of Ordinance Appeals within ~~ten~~ 10 calendar days. Owners shall only be permitted one request and one appeal during any 12-month period.

(C) Mitigating circumstances. An animal control officer shall have discretion to refrain from making a potentially dangerous determination if the animal control officer determines that the behavior was the result of the victim abusing or tormenting the dog, was directed toward a trespasser or person committing or attempting to commit a crime, involved accidental or instinctive behavior while playing, did not involve a significant injury, or other similar mitigating or extenuating circumstances.

(D) Impoundment. A dog that is determined to be potentially dangerous shall be removed from the City and placed with the Macomb County Animal Shelter or, in the discretion of Animal Control, the owner may authorize placement of the dog at a residential home outside of the City, or with a qualified rescue organization or qualified dog lodging business, during any quarantine period and until the owner has either confirmed a new place of residence for the dog outside of the City or has exhausted any appeals permitted by this section. If the dog is not being housed at the Shelter, it must first be microchipped with all information required by Animal Control. All impoundment, lodging, and microchipping costs are the sole responsibility of the dog's owner.

~~(D)~~ Requirements for possession of a potentially dangerous dog. If the owner of the dog requests that the dog be permitted to return to the City, its return shall not be permitted until ~~No person shall own, possess, keep, harbor, or have custody of a potentially dangerous dog except in compliance with~~ the following requirements have been satisfied:

(1) —(1)—Animal control shall confirm the following:

- a. A potentially dangerous dog shall be restrained while on the property of ~~t~~The owner or keeper by shall install secure fencing at the property where the dog will reside when outside and not on a leash. The fencing shall be which is maintained in good repair and with any gates providing self-locking ingress or egress gates shall be self-locking. The fencing may be any combination of chain link fencing and/or privacy fencing, shall only be installed upon obtaining all required fence permits from the City, and shall pass all required inspections prior to the dog's return to the property,
- b. When removed from the property of the owner or keeper, a potentially dangerous dog shall always be restrained by a secure leash of no more than four feet in length and under the control of a capable person.
- c. A potentially dangerous dog shall have a microchip implanted by a licensed veterinarian. The microchip shall contain the name and approximate age of the dog, its classification as potentially dangerous, and the name, address, and

telephone number of the registered owner. ~~Proof of the microchipping shall be provided to the animal control officer and, upon submission of an application for a dog license or license renewal after the dog has been determined to be potentially dangerous, the city clerk. The owner shall ensure that the microchip information provided to the city is kept up to date.~~

d. The owner shall obtain and maintain public liability insurance with policy coverage in the minimum amount of \$250,000.

e. Two recent color photographs of the dog, which clearly show the color and approximate size of the animal, shall be provided to animal control.

f. The potentially dangerous dog shall meet the requirements of the AKC's Canine Good Citizen Program, ~~the breed specific testing performed by the American Temperament Test Society, or a program deemed their~~ its equivalent, to the satisfaction of ~~by the city manager in an administrative order~~ animal control. Dogs that are under one year of age are ineligible for the AKC Canine Good Citizen Program, so such dogs must be enrolled in or have completed the AKC START Program or an equivalent ~~listed in the city manager's administrative order~~ approved by animal control. ~~The dog may not return to its City residence until these requirements have been met, but it may be kept at a qualified rescue or dog housing business until~~ Proof of successful completion of the program shall be is submitted to, and acknowledged by, the ~~animal control officer and, upon submission of an application for a dog license or license renewal after the dog has been determined to be potentially dangerous, and~~ the city clerk. For every future violation of this chapter ~~for which a dog may be determined to be potentially dangerous which occurs~~ after the dog has completed the requirements of this subsection and been properly registered under this section, additional training or testing, including but not limited to renewing the dog's compliance with this subsection, may be imposed by animal control as a condition of continuing to keep the dog within the city unless the dog's status is ~~classified as a changed to dangerous dog due to the nature or frequency of the new violation(s) by virtue of the nature of the violation or due to multiple violations within 24 months.~~

g. The potentially dangerous dog, if over 12 weeks old, has been spayed or neutered.

a-h. All impoundment and lodging costs have been paid by the owner.

~~(4) The owner shall provide two recent color photographs of the dog, which clearly show the color and approximate size of the animal, to the animal control officer and, upon submission of an application for a dog license or license renewal after the dog has been determined to be potentially dangerous, the city clerk.~~

~~(5) The owner shall obtain and maintain public liability insurance with policy coverage in the minimum amount of \$250,000. Proof of compliance shall be provided to the animal control~~

~~—(6) The potentially dangerous dog shall meet the requirements of the AKC's Canine Good Citizen Program, the breed-specific testing performed by the American Temperament Test Society, or a program deemed their equivalent by the city manager in an administrative order. Dogs that are under one year of age are ineligible for the AKC Canine Good Citizen Program, so such dogs must be enrolled in or have completed the AKC START Program or an equivalent listed in the city manager's administrative order. Proof of successful completion of the program shall be submitted to the animal control officer and, upon submission of an application for a dog license or license renewal after the dog has been determined to be potentially dangerous, the city clerk. For every future violation of this chapter after the dog has completed the requirements of this subsection and been properly registered under this section, additional training or testing, including but not limited to renewing the dog's compliance with this subsection, may be imposed by animal control as a condition of continuing to keep the dog within the city unless the dog is classified as a dangerous dog by virtue of the nature of the violation or due to multiple violations within 24 months.~~

(2) Before the dog returns to the city, the owner of a potentially dangerous dog shall ensure that the dog's license is current and shall register the dog with the city clerk as a potentially dangerous dog with all information required by the city clerk's potentially dangerous dog registration form, as well as the following:

- a. Proof of animal control's certification that the required fence, self-locking gate, and leash have all been procured for the dog.
- b. Proof of microchipping and the information contained on the microchip. The owner shall ensure that the microchip information provided to the city is kept up to date.
- c. Proof of the required insurance policy.
- d. Proof of the successful completion of the required training and temperament testing.
- ~~b.e. The owner shall provide t~~Two recent color photographs of the dog, which clearly show the color and approximate size of the animal, to the animal control officer and, upon submission of an application for a dog license or license renewal after the dog has been determined to be potentially dangerous, the city clerk.

(3) The owner or keeper of a potentially dangerous dog must, within ~~ten~~ 10 business days, report to the city clerk if the dog has been permanently removed from the city, has died, or has relocated within the city. The new address of a relocated potentially dangerous dog shall be provided as part of the report to the city clerk.

(84) After its initial registration, A potentially dangerous dog shall be registered with the city clerk annually and its owner or keeper shall pay a registration fee established by the city's annual appropriations ordinance. This registration and fee shall be in addition to any other requirements ~~imposed by this chapter~~ for annual licensing of an animal.

~~—(9) A potentially dangerous dog older than 12 weeks of age that is owned, kept, or harbored by a person who has been convicted of a violent felony against persons or animals, as defined by federal or state law, or a felony violation of any state or federal controlled substance law, shall be spayed or neutered.~~

(E) Visiting Dogs. Any dog that does not reside within the city and is licensed by another community but which is determined to be a potentially dangerous dog pursuant to this section shall not be subject to the conditions for possessing a potentially dangerous dog within the city, except that the dog shall be microchipped before its release, all impound and microchipping costs shall be paid by the owner, and its owner and keeper shall be advised by animal control that the dog is not to return unless all of the conditions for possessing a potentially dangerous dog are first satisfied. In the event the dog is subsequently in the city without full compliance with the requirements for possessing a potentially dangerous dog, the person harboring or possessing the dog shall be subject to the penalties set forth in subsection (F).

(F) Penalties.

(1) Except as provided in division (F)(2), any person who owns, harbors, keeps, or possesses a potentially dangerous dog in violation of any of the provisions-requirements of this section for possessing a potentially dangerous dog, or who in any way aids or abets such ownership, harboring, keeping, or possession, shall be responsible for a municipal civil infraction. The fine for a first violation shall be \$500; for a second violation, \$750; and for all subsequent violations, \$1,000 per violation. The court may only waive or reduce these fines in cases of financial hardship, upon good cause shown, if the offender forfeits all ownership and possessory rights to the offending dog and forfeits future dog ownership and possessory rights until the offender has successfully completed animal ownership educational training satisfactory to the city's animal control officers and for a period of time determined appropriate by the court.

(2) In addition to the civil penalties set forth in division (F)(1), a potentially dangerous dog shall be subject to immediate impoundment by an animal control officer if it is determined that the dog is owned, possessed, harbored or maintained in violation of this section. The animal control officer shall issue a notice to the owner or keeper of the potentially dangerous dog which indicates the hearing date at which the city's Board of Ordinance Appeals will address the violations. The city shall provide notice of the hearing to any victim and/or any owner of an animal victimized by the potentially dangerous dog.

(3) Any hearing scheduled for consideration by the Board of Ordinance Appeals shall be administratively canceled if the owner or keeper withdraws the requested appeal, corrects all correctable violations to the satisfaction of an animal control officer, satisfies the conditions for possessing a potentially dangerous dog, permanently relocates the dog to the satisfaction of animal control, or forfeits ownership rights to the potentially dangerous dog prior to the scheduled Board hearing, the matter shall be administratively withdrawn from the agenda, unless uncorrectable violations remain to be addressed by the Board. The owner or keeper shall be responsible for all impound fees and costs, regardless of whether the hearing is held or

~~canceled violations are corrected, the animal is forfeited, or a hearing is held.~~ If a hearing is held, the Board shall:

~~(a) Determine whether the violations have been corrected and whether the status of the dog as potentially dangerous shall be upheld and, if so, and under what the conditions applicable for return of;~~ the potentially dangerous dog ~~may be returned~~ to the owner or keeper, including but not limited to deadlines for correcting any uncorrected violations and -

~~(b) Determine whether any violations of this section remain uncorrected and, if so, whether any additional time shall be afforded for correcting the violations.~~

~~(c) If no additional time is to be afforded, or upon expiration of the additional time without correction of the violations, or if the violations are incapable of being corrected by their nature, determine whether the potentially dangerous dog shall be subject to forfeiture, euthanization, removal from the city, or return to the owner or keeper subject to any conditions imposed by the Board, including but not limited to~~ random inspections of the premises and the potentially dangerous dog by an animal control officer, with the owner or keeper responsible for payment of inspection fees established by the city's annual appropriations ordinance. In the event of noncompliance, the Board may impose any conditions on removal from the city that are rationally related to the public interest in protecting others from any potential future harm that could be caused by the potentially dangerous dog. Failure to comply or remove the dog in accordance with the decision of the Board within the timeframe established by the Board shall result in forfeiture of ownership rights to the dog in favor of the city, in which event animal control shall determine the final placement or disposition of the dog.

Statutory reference:

Dangerous animals, see M.C.L. § 287.321 et seq.

SECTION 2. Section 8-28A of Chapter 8 of the City Code shall be amended to read as follows:

8-28A. DANGEROUS DOG.

(A) Determination of a dangerous dog. The determination that a dog is dangerous shall be based on the following specific behaviors exhibited by the dog:

(1) Exhibits aggressive behaviors that result in further incidents or complaints after having been determined to be a potentially dangerous dog.

(2) Causes severe injury to a person or domestic animal. For purposes of this section, the term “severe” injury means permanent, serious disfigurement, serious impairment of health, or serious impairment of a bodily function.

(3) Kills a person or domestic animal.

(4) Its use in the commission of a crime, including but not limited to dog fighting and guarding of illegal operations.

(B) Notice of determination. The definition of “dangerous animal” in § [8-3](#) shall continue for purposes of issuing violations for harboring a dangerous or vicious animal pursuant to § [8-8](#). An animal control officer shall have the additional authority to make a determination that a dog is to be classified as dangerous under this article if the animal control officer concludes the dog has exhibited the behaviors specified in this section. The owner or keeper of a dog determined to be dangerous shall be provided with a notice containing the following information:

(1) A summary of the findings that form the basis for the determination that the dog is dangerous.

(2) Notice of the prohibition of dangerous dogs within the city.

[\(3\) Notice of the right to appeal, as set forth below.](#)

(C) Mitigating circumstances. An animal control officer shall have discretion to refrain from making a determination of a dangerous dog if the animal control officer determines that the behavior was the result of the victim abusing or tormenting the dog, was directed toward a trespasser or person committing or attempting to commit a crime, or other similar mitigating or extenuating circumstances. The animal control officer retains discretion, however, to classify the dog as potentially dangerous if the mitigating circumstances do not completely dispel concern about the dog's future behaviors.

(D) Impoundment and euthanization. A dangerous dog is not permitted within the city, shall be immediately impounded, and shall be euthanized not less than ~~ten~~ [10 calendar](#) days after a determination is made by an animal control officer.

(E) Right of appeal. The animal control officer shall issue a notice to the owner or keeper of the right to appeal the determination that a dog is dangerous to the Board of Ordinance Appeals within ~~ten~~ [10](#) calendar days from the date of the notice. The notice shall provide instructions for taking an appeal and indicate that the determination is final and conclusive if an appeal is not taken. [The city shall provide notice of the hearing to any victim and/or any owner of an animal victimized by the dangerous dog.](#) If the owner forfeits ownership rights to the dangerous dog or obtains written permission to relocate the dog to another municipality from that municipality's chief administrative officer [or chief animal control official](#) prior to the scheduled Board hearing, the matter shall be administratively withdrawn from the agenda. [If relocation permission is obtained, the dog shall first be microchipped at the owner's expense with all information required by animal control, including the dog's designation as dangerous in Sterling Heights and information referencing the city's incident report\(s\).](#) The owner or keeper shall be responsible for all impound fees and costs, regardless of whether the dog is forfeited, removed from the city, or a hearing is held. If a hearing is held, the Board shall determine whether the dog is dangerous and subject to forfeiture and euthanization.

SECTION 3. All other provisions of the Code of Ordinances not specifically amended shall remain in full force and effect.

SECTION 4. This ordinance shall become effective immediately upon publication of a notice of adoption.

This ordinance was introduced at a _____ meeting of the City Council of the City of Sterling Heights on the _____ day of _____, 2016, and was duly adopted at a _____ meeting of the City Council of the City of Sterling Heights on the _____ day of _____, 2016.

MICHAEL C. TAYLOR, Mayor

MARK CARUFEL, City Clerk

INTRODUCED: _____
ADOPTED: _____
PUBLISHED: _____
EFFECTIVE: _____

CITY OF STERLING HEIGHTS

Ordinance No: _____

NOTICE OF ADOPTION OF ORDINANCE

The City of Sterling Heights has adopted an ordinance that updates Chapter 8 of the City Code governing dangerous dogs. The ordinance shall be effective upon publication of this Notice of Adoption. A copy of the ordinance can be inspected or obtained from the City Clerk's office in City Hall, 40555 Utica Road, Sterling Heights, Michigan 48311-8009, during normal business hours.



Business of the City Council
Sterling Heights, Michigan

DELIVERED JUL 28 2016

City Clerk's Use

Item No: 5
Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider adoption of an ordinance amending Chapter 37 of the Sterling Heights City Code to increase the setback distances from public sidewalks and public roadways by 7 feet for enclosed utility trailers in single family residential areas and to require an approved surface for storage in side and rear yard areas.

Submitted By: City Development Department

Denise A. Gerstenberg

Contact Person/Telephone: Denise Gerstenberg, City Development Director/446-2386

Administration (initial as applicable)

Attachments

<i>MC</i>	City Clerk	___	Resolution	___	Minutes
<i>AB</i>	Finance & Budget Director	<u>x</u>	Ordinance	___	Plan/Map
<i>AK</i>	City Attorney (as to legal form)	___	Contract	___	Other
<i>[Signature]</i>	City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

Introduction - At the July 19, 2016 regular meeting, the City Council unanimously introduced the ordinance amending Chapter 37 to increase the setback distances from public sidewalks and public roadways for enclosed utility trailers in single family residential areas.

Background - City Administration has recently reviewed resident concerns relating to extremely large utility trailers on residential driveways. Under the current ordinance, when a driveway is utilized, a utility trailer cannot be within 8 feet from any public sidewalk or 7 feet from the front lot line if no public sidewalk exists. Although these distance restrictions are helpful for sight lines and safety, the advent of increasingly larger trailers that are completely enclosed creates sight obstructions and aesthetic incongruity in residential areas that was not foreseen when the ordinance was originally adopted.

City Administration has also been reviewing options for surface requirements when utility trailers and other recreational vehicles are stored in a side yard or rear yard. Certain surfaces are difficult to maintain and the use of such surfaces by large vehicles can create property maintenance concerns.

Proposed Amendments to the Current Ordinance

The proposed amendments would define an "enclosed" utility trailer and would impose a new setback requirement solely for those types of trailers. City Administration is proposing the addition of 7 feet to the current setbacks, which would require enclosed utility trailers to be kept at least 15 feet from a public sidewalk or 14 feet from a public roadway where no sidewalks exist.

The proposed ordinance will also clarify that all distance and length measurements include the "tongue" of the unit, not just the actual body. This is already the City's current practice but the existing ordinance does not contain any measuring protocols.

Finally, the proposed ordinance will clarify that all recreational vehicles and utility trailers that are kept in a side yard or rear yard must be on a surface approved by the Building Official. This requirement will ensure against lawn ruts, weed growth, and other property maintenance issues.

Recommendation - The City Development Department is recommending adoption of the ordinance amending Chapter 37 to increase the setback distances from public sidewalks and public roadways for enclosed utility trailers in single family residential areas. The ordinance would be effective January 1, 2017.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to adopt the ordinance amending Chapter 37 of the Sterling Heights City Code to increase the setback distances from public sidewalks and public roadways by 7 feet for enclosed utility trailers in single family residential areas and to require an approved surface for storage in side and rear yard areas.

CITY OF STERLING HEIGHTS
MACOMB COUNTY, MICHIGAN

ORDINANCE NO. _____

AN ORDINANCE TO UPDATE CHAPTER 37 OF THE CITY CODE BY INCREASING THE SETBACK DISTANCE FROM SIDEWALKS AND PUBLIC ROADWAYS BY 7 FEET FOR ENCLOSED UTILITY TRAILERS IN SINGLE FAMILY RESIDENTIAL AREAS

THE CITY OF STERLING HEIGHTS ORDAINS:

SECTION 1. Section 37-23 of Chapter 37 of the City Code shall be amended to add the following definition in alphabetical order:

UTILITY TRAILER, ENCLOSED. Any utility trailer with an interior that is fully or partially enclosed.

SECTION 2. Section 37-24(A)(2)(b) of Chapter 37 of the City Code shall be amended to add a new subsection (i) to read as follows:

37-24. REGULATION OF PARKING AND STORAGE.

b. The unit shall be parked or stored no closer than 8 feet from any public sidewalk or no closer than 7 feet from the front lot line where no public sidewalk exists.

- (i) Exception: Effective January 1, 2017, an enclosed utility trailer shall not be parked or stored any closer than 15 feet from any public sidewalk and no closer than 14 feet from the front lot line where no public sidewalk exists.

SECTION 3. Section 37-24(B)(1) of Chapter 37 of the City Code shall be amended to add a new subsection a. to read as follows:

(1) The unit shall be parked or stored no closer than 8 feet from any public sidewalk or no closer than 7 feet from the front lot line, where no public sidewalk exists;

- a. Exception: Effective January 1, 2017, an enclosed utility trailer shall not be parked or stored any closer than 15 feet from any public sidewalk and no closer than 14 feet from the front lot line where no public sidewalk exists.

SECTION 4. Section 37-24 of Chapter 37 of the City Code shall be amended to add a new subsection (J) to read as follows:

(J) Effective January 1, 2017, units shall at all times be parked or stored on a surface consisting of asphalt, concrete, pavers, or an alternative material approved by the Building

Official as suitable for ensuring proper maintenance of the area where the specific unit is being parked or stored. The surface must be maintained in accordance with all applicable provisions of the City Code, including any applicable provisions of the International Property Maintenance Code, as may be adopted and locally amended from time to time.

SECTION 5. Section 37-24 of Chapter 37 of the City Code shall be amended to add a new subsection (K) to read as follows:

(K) For purposes of this section, distance limitations shall be measured from any part of the unit closest from a direct line to the location from which it must be set back, including the body of the unit, the tongue of the unit, and any other protrusion of or from the unit, and length limitations shall include the body of the unit, the tongue of the unit, fender, wheel, and any other protrusion of or from the unit.

SECTION 6. All other provisions of the Code of Ordinances not specifically amended shall remain in full force and effect.

SECTION 7. This ordinance shall become effective immediately upon publication of a notice of adoption.

This ordinance was introduced at a _____ meeting of the City Council of the City of Sterling Heights on the _____ day of _____, 2016, and was duly adopted at a _____ meeting of the City Council of the City of Sterling Heights on the _____ day of _____, 2016.

MICHAEL C. TAYLOR, Mayor

MARK CARUFEL, City Clerk

INTRODUCED: _____
ADOPTED: _____
PUBLISHED: _____
EFFECTIVE: _____

CITY OF STERLING HEIGHTS

Ordinance No: _____

NOTICE OF ADOPTION OF ORDINANCE

The City of Sterling Heights has adopted an ordinance that updates Chapter 37 of the City Code by increasing the setback distance from sidewalks and public roadways by 7 feet for enclosed utility trailers in single family residential areas and to require an approved surface for storage in side and rear yard areas. The ordinance shall be effective upon publication of this Notice of Adoption. A copy of the ordinance can be inspected or obtained from the City Clerk's office in City Hall, 40555 Utica Road, Sterling Heights, Michigan 48311-8009, during normal business hours.



**Business of the City Council
Sterling Heights, Michigan**

Delivered JUL 28, 2016

City Clerk's Use
Item No: 6 A-J
Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: Consent Agenda

Submitted By: Office of the City Clerk

Contact Person/Telephone: Mark Carufel, 446-2421

Administration (initial as applicable)

Attachments

- | | | |
|---|-------------------------------------|-----------------------------------|
| <input type="checkbox"/> City Clerk | <input type="checkbox"/> Resolution | <input type="checkbox"/> Minutes |
| <input type="checkbox"/> Finance & Budget Director | <input type="checkbox"/> Ordinance | <input type="checkbox"/> Plan/Map |
| <input type="checkbox"/> City Attorney (as to legal form) | <input type="checkbox"/> Contract | <input type="checkbox"/> Other |
| <input type="checkbox"/> City Manager | | |

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Suggested Action:

MOVED BY:

SECONDED BY:

- 6. A. Approval of Minutes
Regular Meeting of July 19, 2016**
- B. Approval of Bills**
- C. To award a bid for the official city newspaper for the publication of legal notices and advertisements (Estimated annual expenditure of \$12,280).**
- D. To purchase a Caterpillar model 299D2 skid steer loader and accessories for the Department of Public Works (Total expenditure of \$164,159).**
- E. To purchase auto, truck, and specialty equipment parts at unit pricing available through a Michigan Intergovernmental Trade Network cooperative Request for Proposals (Estimated annual expenditure of \$70,000).**
- F. To purchase computer equipment and Microsoft licensing at pricing available through a Midwestern Higher Education Commission master price agreement (Total expenditure of \$65,856).**
- G. To set a public hearing to consider the request by FCA US LLC to establish a Plant Rehabilitation District (PRD) at 38111 Van Dyke.**

Consent Agenda

August 3, 2016

Page 2

- H. To set a public hearing to consider the request by Chalk Spade Investments (USA), Inc. to establish an Industrial Development District (IDD) at 7191 Seventeen Mile Road.**
- I. To approve a Cost Sharing Agreement between the city of Sterling Heights and the Macomb County Department of Roads for Schoenherr Road Concrete Pavement Repairs from 14 Mile Road to 15 Mile Road (Estimated City Share of Project Cost - \$509,240).**
- J. To receive the lawsuit, *Ezra George v. Sterling Heights Police Department*, 41A District Court Case No. S-16-2452-GZ.**

*Delivered July 28, 2016
Agenda Item 6-A
Meeting: 08/03/16*

UNOFFICIAL MINUTES

CITY OF STERLING HEIGHTS

MINUTES OF REGULAR MEETING OF CITY COUNCIL

TUESDAY, JULY 19, 2016

IN CITY HALL

Mayor Michael C. Taylor called the meeting to order at 7:30 p.m.

Mayor Taylor led the Pledge of Allegiance to the Flag and Mark Carufel, City Clerk, gave the Invocation.

Council Members present at roll call: Deanna Koski, Joseph V. Romano, Maria G. Schmidt, Nate Shannon, Doug Skrzyniarz, Michael C. Taylor, Barbara A. Ziarko.

Also Present: Mark Vanderpool, City Manager; Marc D. Kaszubski, City Attorney; Mark Carufel, City Clerk; Madeline L. Ranella, Recording Secretary.

APPROVAL OF AGENDA

Moved by Koski, seconded by Romano, to approve the Agenda as presented.

Yes: All. The motion carried.

REPORT FROM CITY MANAGER

Mr. Vanderpool reported on the Clinton River Trail system project and extended appreciation to Police Lieutenant Aaron Burgess and the Clinton River Area Mountain Bike Association for the recent addition to the Clinton River mountain bike trail of a

ramped wall to a curved bridge at the southern end of the trail, between the Edison Court trail head and Dodge Park. He pointed out volunteers spent over 14 hours clearing the trail and building the ramped wall due to several parents expressing concerns that young riders would ride off the edge of the curved bridge. A video clip was shown at this time. Mr. Vanderpool reported DTE Energy will begin tree trimming throughout the City in the next few weeks. He highlighted some of the areas where they would be working, so residents would be aware of the project.

Mr. Vanderpool reported on roadway projects. He stated Dobry Drive construction, service drive at M-59 and Mound, is going very well. The City is working with the County for funding for 14 Mile east of Van Dyke, where the work has been completed. Once that is done, resurfacing of 14 Mile Road between Ryan and Mound will occur. Schoenherr Road is under construction with major concrete repair work from 15 Mile to 14 Mile and that will continue for another month or so. The next area being done is Ryan Road from 15 Mile to Metropolitan Parkway. 15 Mile Road will be resurfaced from Morningdale just east of Moravian over to Schoenherr. That project will start once the north/south work on Schoenherr is completed. After that, 15 Mile Road will be resurfaced from Mound Road to Ryan Road next Spring. The Van Dyke improvements are going along nicely and there will be no more road closures. A dedication ceremony is scheduled for next August or early September. Mr. Vanderpool reported the first half of Dodge Park will be completely finished up and he is 95% confident that residents will see two way traffic for Sterlingfest. The second half of Dodge Park improvements will start after Sterlingfest and finish up by next November. He pointed out important projects for

next year include the resurfacing of Schoenherr from 15 Mile to Metropolitan Parkway in both directions. A big project will be M-59, as it will be completely reconstructed from Delco to Hayes Road and the State might extend that to Romeo Plank if they get the funding. In addition to all the major roads, the local road project is going on in the neighborhoods as well. Mr. Vanderpool pointed out there are three parts to the neighborhood roads: reconstruction, sectional repairs and temporary semi permanent repairs. A slide was shown of improvements to be done in the neighborhoods.

Mr. Vanderpool reported on a recent house fire as a result of an oven left in the self-cleaning mode and the small dog inside the home. Firefighters were able to rescue the dog and extinguish the fire. He commended the fire department and showed a picture of the two firefighters and the dog they rescued.

Mr. Vanderpool reported on the Treasure Hunters Market held every year at Dodge Park and pointed out this year it will be held on Saturday, August 6th from 8 a.m. to 3 p.m.

Mr. Vanderpool asked IT Director Steve Deon to discuss the new technology plan at this time.

Mr. Steve Deon, along with Scott Smith and Shawn Tyburski, explained the Information Technology Plan, which is critical for the scope of our organization. They highlighted the major projects, which include communication technology and stated there would be a new City wide phone system and a wireless network. An RF survey will be performed.

Mr. Vanderpool reminded residents July is Parks and Recreation month. A video showcased the importance of parks to the quality of life in Sterling Heights.

A promotional video about Sterlingfest was shown at this time.

Mr. Vanderpool announced our Library Director Tammy Turgeon was named the Librarian of the Year by the Michigan Library Association.

PRESENTATION

Community Relations Director Bridget Doyle introduced a resolution congratulating the Parkway Christian High School Eagles for winning the 2016 Michigan High School Athletic Association State Championship in Division 4 Baseball.

Mayor Taylor gave a background from his standpoint, stating there were three Macomb County baseball teams that won the state championships this year. He is happy to see that most all the players from Parkway Christian High School Eagles are in the audience. Mayor Taylor read parts of the resolution and introduced Coach Rich Koch.

Coach Koch thanked the Mayor and City Council for recognizing them and thanked everyone who had a part in this win.

Moved by Schmidt, seconded by Romano, **RESOLVED**, to adopt the resolution acknowledging and congratulating the Parkway Christian High School Eagles for winning the 2016 Michigan High School Athletic Association State Championship in Division 4 Baseball.

Councilwoman Schmidt congratulated all the players for their hard work and the parents for their dedication.

Mayor Taylor wished good luck to all the college-bound players and those continuing on in the program.

**~ Resolution ~
Sterling Heights City Council**

A resolution of the Sterling Heights City Council acknowledging and congratulating the Parkway Christian High School Eagles for winning the 2016 Michigan High School Athletic Association State Championship in Division 4 Baseball.

On June 18, 2016, the Parkway Christian High School baseball team won the 2016 Michigan High School Athletic Association State Championship in Division 4 Baseball. This was the first state championship captured in the history of the baseball program at Parkway Christian High School.

With a team motto of “All In,” the Parkway Christian Eagles took on the Portland, Michigan-based St. Patrick High School Shamrocks in the state championship game played at Michigan State University in East Lansing, Michigan. The Eagles won championship by a final score of 10-3. The team finished its championship season with a record of 23-11-1.

Head Coach Rich Koch cites a loss to De La Salle Collegiate High School as the turning point in his team’s championship season. Following the loss, the senior players on the team called a players-only meeting and asked for more focus on “team” rather than the individual. Coach Koch saw a dynamic shift from that that point on as his players became one unit — a team.

In recognition of this athletic triumph, it is fitting and proper to acknowledge Head Coach Rich Koch, Assistant Coach Scott Gross, Assistant Coach Bill Stewart, Assistant Coach Ryan Stewart and the following Parkway Christian Eagles:

Jacob Bambrick	Dylan Hunter	Connor Mead
Pierce Banks	Caleb Joye	Adam Price
Montana Essian	Alex Julio	Adela Papiez
Austin Fuller	Andrew Manier	Conner Schlaf
Dominic Gallagher	Riley McManus	Salvatore Sieracki

Special recognition should be paid to Pierce Banks, Montana Essian and Andrew Manier, who were named to the All-State team.

NOW, THEREFORE,

BE IT RESOLVED, that the Sterling Heights City Council hereby acknowledges and congratulates the Parkway Christian High School baseball team for winning the 2016 Michigan High School Athletic Association State Championship in Division 4 Baseball.

Adopted at the July 19, 2016 City Council Meeting by the Sterling Heights City Council.

IN WITNESS WHEREOF, I have set my official signature, this 19th day of July 2016.

MARK CARUFEL
City Clerk

Yes: All. The motion carried.

Mayor Taylor called a three (3) minute recess at 8:06 p.m.

Mayor Taylor reconvened the meeting at 8:09 p.m.

There was a second presentation to acknowledge a donation by the American-Polish Century Club to the Sterling Heights Area Community Foundation.

Representatives from the American-Polish Century Club were in attendance to present the check to the Sterling Heights Community Foundation Executive Director Karl Oskoian and Mayor Taylor.

Community Relations Director Bridget Doyle asked the Foundation to accept the check as a thank you for all they do to make the festival a success.

Mr. Ken Reszczyk, past president of the American-Polish Century Club, congratulated Mayor Taylor for eating 17 pierogies, which allowed the City of Sterling Heights to beat the City of Warren.

Mr. Karl Oskoian thanked the American-Polish Century Club for making this donation. He pointed out the \$500 is going into the Mayor Richard J. Notte endowment fund.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to acknowledge the donation by the American-Polish Century Club to the Sterling Heights Community Foundation in the

amount of \$500 in recognition of Sterling Heights winning the 2016 Pierogi Eating Championship at the 36th Annual Polish Summer Festival and congratulate members of the Sterling Heights 2016 Team.

Councilwoman Ziarko pointed out just because she doesn't eat the pierogies, it doesn't mean she is not a contributor, she nagged Mayor Taylor to eat more so the City could win.

Mayor Taylor thanked Councilman Shannon for his contributions in putting the City over the top this year.

Yes: All. The motion carried.

ORDINANCE INTRODUCTION

1. Ms. Denice Gerstenberg, City Development Director, explained the ordinance amending Chapter 37 of the Sterling Heights City Code to increase the setback distances from public sidewalks and public roadways by 7 feet for enclosed utility trailers in single family residential areas. She pointed out this only affects enclosed or partially enclosed non-motorized utility trailers. The new ordinance amendment will take effect January 1, 2017. This proposed ordinance amendment would define enclosed utility trailers and propose a new setback requirement, adding 7 feet to the current setback requirement. The trailer would have to be 15 feet from the sidewalk or 14 feet from the front lot line if there is no sidewalk. The amendment would clarify that all distances and lengths would include the tongue of the unit, not just the body. It would also add a related surface requirement for storage in the rear or side yards, consisting of asphalt, concrete, pavers, or an alternative material approved by the Building Official.

Moved by Romano, seconded by Taylor, **RESOLVED**, to introduce the ordinance amending Chapter 37 of the Sterling Heights City Code to increase the setback distances from public sidewalks and public roadways by 7 feet for enclosed utility trailers in single family residential areas and to require an approved surface for storage in side and rear yard areas.

Councilman Romano pointed out this is a long time coming, as each council member has received complaints about people parking these big trailers in their driveways and obstructing their view. Putting an additional 7 foot requirement would eliminate a lot of these enclosed trailers. He inquired of Ms. Gerstenberg, with the restrictions we have if someone is going away for the weekend and wants to bring the trailer home for 24 hours, if that would be acceptable.

Ms. Gerstenberg responded those are typically recreational trailers and this ordinance is not changing that at all.

Councilman Skrzyaniarz asked Ms. Gerstenberg to again display the picture showing the large trailer in the driveway of a home. He stated under the existing ordinance, that trailer is in compliance. With the new amendment requiring the 7 foot setback, that trailer would not be able to be parked on the driveway. He stated his only concern is a lot of the people that have these trailers are small business owners. He believes this would burden those people by them having to purchase private property or have their trailer no longer in their driveway. He inquired Ms. Gerstenberg's opinion on this.

Ms. Gerstenberg responded people are not allowed to have commercial vehicles with writing on the sides in their driveways right now.

Mayor Taylor pointed out the location of that large trailer shown in the picture would be permitted if the driveway was 8 feet longer and Ms. Gerstenberg agreed. There are residential areas where houses are set further back on the property. He thanked the Administration for working through this issue.

Yes: All. The motion carried.

ORDINANCE ADOPTION

Mr. Don DeNault, Assistant City Attorney, explained the ordinance amending Section 28.13 of Chapter 28 of the Sterling Heights Zoning Ordinance to update the City's sign regulations. He responded to each of the concerns expressed at the previous City Council meeting. As it relates to retrieval fees charged, he stated those fees are included in the City's Appropriations Ordinance, so he is proposing an amendment to the language of the proposed ordinance as introduced to strike the \$10.00 fee and replace it with reference to the City's Appropriations Ordinance.

Mr. DeNault stated the second issue raised was in regard to flags on residential property. They came up with new definitions and people will now be permitted to have up to 4 full flags, one US flag, one state flag and two additional flags on a permitted flag pole or on a staff affixed to the house without being counted against sign limitations or the total square footage allowed under the proposed ordinance.

There were also concerns about the current registration process for placement of temporary signs on vacant and occupied commercial properties. Because the City is no longer able to regulate signage based on content, the sign registration process allows code enforcement to determine whether a temporary sign on vacant and commercial properties

is permitted to remain in place when a property exceeds the City's square footage limits for temporary noncommercial signage. The registration process also provides information to assist code enforcement with contacting responsible individuals regarding any removal or maintenance issues that may arise. They are proposing a new streamlined approach that will still enable the City to enforce its signage requirements while providing a registrant with a simple and minimally intrusive means to register non-commercial temporary signs for placement on commercial and vacant properties. The proposed process would allow a registrant to use an online form on the City's website or a paper form provided by the City Clerk. He asked Ms. Gerstenberg to discuss the new online form.

Ms. Gerstenberg displayed the application and explained how the registrant would fill it out and submit it through an online portal on the City's website or by using a form provided by the City Clerk.

Mr. Jeffrey Norgrove thanked Administration for all their hard work, but was still concerned with the flag requirements, as it relates to US military flags and display by VFW or American Legion halls. He also discussed temporary signs at those establishments advertising rummage sales or steak outs. Mr. Norgrove discussed the signs at his house, a US flag and an Army flag and stated during campaign season if he wanted a sign for the parks millage and two other campaign signs, that would put him in compliance. He hoped the City Council could at least discuss the military flags. Mr. Norgrove discussed signage inside of a store window and lighting. He stated some residents are concerned with the LED lights

around the windows. He understands this would be a separate ordinance and asked if the City could take up this issue and stipulate that the lights would only be allowed to remain on during the operation of the business.

Mr. Charles Jefferson recommended residents contact code enforcement before they go out and purchase any flags to make sure they would be in compliance with the political sign ordinance. He believes this is making double work for the candidates, since they have to go out and obtain permission already and now they have to fill out an application on the City's website.

Mr. John Spica asked for clarification on the size of the signs, stating that right now they are allowed 24 square feet and we are going from 24 square feet to 40 square feet. He inquired when the ordinance takes effect and stated people have already purchased their signs for this year.

Ms. Jazmine Early asked for clarification on the number of signs that would be allowed.

Dr. Steve Naumovski asked for clarification on the number and size of flags that would be allowed.

Moved by Romano, seconded by Taylor, to place the main motion on the floor:

RESOLVED, to adopt the ordinance amending Chapter 28, Section 28.13 of the Sterling Heights Zoning Ordinance to update the City's sign regulations.

Motion to amend No. 1, Amendment to remove the \$10.00 sign retrieval fee:

Moved by Romano, seconded by Ziarko, **RESOLVED**, to amend the ordinance amending Chapter 28, Section 28.13 of the Sterling Heights Zoning Ordinance to amend

Section 28.13 (XI)(L)(16) to remove the proposed \$10 sign retrieval fee and include a cross-reference to any fees established by the City's Annual Appropriations Ordinance.

Yes: All. The motion carried.

Motion to amend No. 2, Amendment to regulations governing residential flags:

Moved by Romano, seconded by Taylor, **RESOLVED**, to amend the ordinance amending Chapter 28, Section 28.13 of the Sterling Heights Zoning Ordinance to amend Section 28.13 (IV) and (VI)(6) to define and regulate the use of flags on residential property.

Councilman Romano stated the ordinance says that any flag that has been adopted by the Federal government, State of Michigan or the City may be displayed and shall not count against sign limitations or the total square footage allowed under the proposed ordinance. Councilwoman Schmidt questioned whether a military flag is considered a government issued flag.

Mr. DeNault responded no, not as it stands right now.

Councilwoman Schmidt disagreed and stated she would consider a military flag to be a government issued flag.

Councilman Romano inquired whether he could add an amendment to the amendment to state that all US military flags are exempt.

Mr. DeNault cautioned the City Council the courts may not see it that way; they might see it as discrimination, but it's hard to predict.

Moved by Romano, seconded by Schmidt, **RESOLVED**, to amend the motion to amend the ordinance amending Chapter 28, Section 28.13 of the Sterling Heights Zoning Ordinance to amend Section 28.13 (IV) and (VI)(6) to exempt US military flags.

Mayor Taylor inquired whether this was only for residential property and Mr. DeNault responded it is only for single family residential property. He questioned the requirement for commercial property and Mr. DeNault responded we do not currently have any for commercial property. That would probably be a part of the overall site development process.

Mayor Taylor inquired about the question raised by Mr. Norgrove as it relates to multiple flags on commercial property and if that would be permitted with approval from planning.

Mr. DeNault responded from a legal side, they don't have any prohibitions on that.

Councilwoman Ziarko stated numerous military signs are not usually found on residential property and people doing this would be grand-fathered in. She stated the City Council has to look at the potential of what this could create in the future. She would like to see this amendment for commercial property only.

Councilwoman Koski questioned the existing ordinance as it relates to flags.

Mr. DeNault responded there is no stand right now for flags on residential property.

Councilwoman Koski inquired whether there have been any issues and stated she is not convinced that we need this new sign ordinance. She would rather wait and see if it becomes an issue.

Mr. DeNault responded they have to look at every type of message people want to display. They cannot discriminate anymore. They are trying to address the issue the best they can.

Councilman Skrzyniarz stated he understands the concerns of Councilwoman Ziarko and stated nine flags on an average piece of property in Sterling Heights might be intrusive to the neighborhood.

Ms. Gerstenberg responded the City doesn't have a problem with flags right now, but if someone was flying nine flags, we might get complaints from neighbors.

Councilman Shannon spoke against the sub amendment to the amendment. He stated if you say someone can do it, someone will do it.

Mayor Taylor agreed the sub amendment is not necessary.

Roll call vote on sub amendment to exempt US military flags:

Yes: Romano, Schmidt, Koski.

No: Shannon, Skrzyniarz, Taylor, Ziarko.

The motion FAILED.

Roll call vote on motion to amend No. 2 (Amendment to regulations governing residential flags):

Yes: Romano, Taylor, Shannon, Skrzyniarz, Ziarko, Koski.

No: Schmidt.

The motion carried.

Third suggested motion to amend No. 3, Amendment to implement streamlined registration for vacant properties and commercial properties:

Moved by Shannon, seconded by Taylor, **RESOLVED**, to amend the ordinance amending Chapter 28, Section 28.13 of the Sterling Heights Zoning Ordinance to amend Section 28.13(XI)(L)(13) to modify the process for registering temporary signs on vacant and occupied commercial properties.

Councilman Shannon stated he was impressed with the registration process and the online form. He stated the only change he would like to see on the registration form is the requirement for either the email address or the telephone number of the property owner, not both.

Councilman Shannon inquired of Ms. Gerstenberg, once a person has registered that sign through the website, if that is asking the City Clerk to approve it.

Mr. Carufel responded the person is just registering the sign and the City Clerk's office is only accepting the registration. If the number and square footage of the signs are more than allowed, the City Clerk's office will reject the registration.

Councilwoman Schmidt inquired whether there was some way the property owner could respond if they didn't know about this sign going on their property.

Mr. Carufel responded they would be notified and then could contact the City. He pointed out there is no limit on the number of signs, only the square footage.

Councilwoman Schmidt questioned the timing of the request for placement of a sign on an owner's property and if a sign could be put up for the time in between.

Councilman Skrzyniarz agreed with Councilman Shannon in terms of an email address or a phone number and not a requirement for both.

Councilwoman Ziarko thanked the Administration for giving the City Council as close to a compromise as it could have. She is not against signs, but her concerns are with the elections. She also agrees with either an email address or a telephone number.

Mayor Taylor pointed out the email address is not required or approval. It is only for ease of governing the sign.

Moved by Shannon, seconded by Taylor, **RESOLVED**, to amend the motion to amend the ordinance amending Chapter 28, Section 28.13 of the Sterling Heights Zoning Ordinance to amend section 28.13(XI)(L)(13) to modify the process for registering temporary signs on vacant and occupied commercial properties by requiring the registration to include either the email address or the phone number of the property owner or person with authority to allow the temporary sign, and not require both the email address or phone number of the property owner or person with authority to allow the temporary sign.

Roll call vote:

Yes: Shannon, Taylor, Romano, Schmidt, Skrzyniarz, Ziarko, Koski.

The motion carried.

Vote on motion to amend No. 3, as amended:

Yes: All. The motion carried.

The main motion is back on the floor, with the amendments just approved.

Mayor Taylor stated Mr. Spica asked how many signs are allowed with the 40 square foot requirement.

Mr. DeNault responded there is no limit.

Mayor Taylor inquired about ratification and whether a property owner could revoke their previous permission form.

Mr. Carufel responded the property owner could call the City and they would look into that registration and discuss the property owner's desires.

CITY OF STERLING HEIGHTS
COUNTY OF MACOMB, MICHIGAN
ORDINANCE NO. 278-XX

AN ORDINANCE TO AMEND ZONING ORDINANCE NO. 278 OF THE CITY OF STERLING HEIGHTS, SPECIFICALLY ARTICLE 28, SECTION 28.13, TO IMPLEMENT NEW AND REVISED SIGNAGE REGULATIONS

Section 1. Article 28, Section 28.13 of Zoning Ordinance No. 278 shall be replaced to read as follows:

SECTION 28.13. SIGNS.

I. *Findings.* The City Council finds:

1. Signs are a separate and distinct use of the property upon which they are located and affect the uses and users of adjacent streets, sidewalks, and other areas open to the public.
2. Signs are also an important means of communication for businesses, organizations, individuals, and government.
3. Depending on their size, numbers, and character, signs may attract or repel visitors, affect the visual quality enjoyed daily by residents, affect the safety of vehicular travel and pedestrians, and define the character of the community.
4. Aesthetic considerations impact economic values as well as public health, safety, and welfare.
5. Signs also take up space and may obstruct views, distract motorists, displace alternative uses for land, and pose other problems that legitimately call for regulation.
6. The unregulated installation and display of signs constitutes a public nuisance detrimental to the public health, safety, convenience, and general welfare.

7. Therefore, the purpose of this section is to establish reasonable regulations pertaining to the time, place, and manner in which outdoor signs and window signs may be installed and maintained in order to achieve the following purposes:
 - i. Promotion of the general health, safety, and welfare, including the creation of an attractive and harmonious environment;
 - ii. Maintenance and enhancement of the visual quality (aesthetics) of the community;
 - iii. Improvement of pedestrian and motorist safety by avoiding saturation and confusion in the field of vision, by directing and controlling pedestrian and vehicular traffic, and by minimizing distractions and obstacles to clear views of the road and of directional or warning signs;
 - iv. Protection and enhancement of economic viability by assuring that the City of Sterling Heights will be a visually pleasant place to visit or live;
 - v. Protection of property values and private/public investments in property;
 - vi. Protection of views of the natural landscape and sky;
 - vii. Protection of the public investment in the creation, maintenance, safety, and appearance of the City's streets, highways, and other areas open to the public;
 - viii. Protection and enhancement of the City's attractiveness as a place for economic development and growth;
 - ix. Avoidance of personal injury and property damage from structurally unsafe signs;
 - x. Provision of effective and efficient opportunities for business identification by reducing competing demands for visual attention;
 - xi. Allow for expression by signage subject to reasonable regulation.

II. *Intent.* The intent of this section is to regulate signage within the City of Sterling Heights in order to preserve the City's tradition and reputation as a community with a rich mix of land uses that blend into a landscape of high aesthetic quality. The regulation of signage is further intended to enhance the physical appearance of the City so that it remains an appealing and desirable place to live, work, and visit. The provisions of this section are the minimum amount of regulation necessary to achieve the purposes set forth herein and to preserve the scenic and natural beauty of designated areas, make the City a more enjoyable and pleasing community, and create a more attractive economic and business climate, while at the same time reducing signage distractions, eliminating hazards caused by signs, and minimizing confusion caused by conflicting adjacent and/or clustered signs.

III. *Scope.* The City Council further finds that many of the signs allowed in this section are situational, and the likelihood of multiple simultaneous situations arising on a lot at any particular time is remote. Therefore, the number of signs allowed on a lot is reasonable and allows alternative channels of communication as situations arise without adversely impacting the purposes of this section.

IV. *Definitions.* In addition to the general definitions set forth in this Zoning Ordinance, the following definitions shall apply to the regulations set forth in this section.

ADMINISTRATIVE REVIEW BOARD. A board comprised of the Building Official, City Engineer, and City Development Director to hear requests for administrative modification or administrative appeals permitted by this section.

AGRICULTURAL SALES SIGN. An accessory sign relating to the land use function of selling agricultural, dairy, livestock, or poultry products raised or produced at the location where the sign is installed.

DIRECTIONAL SIGN. A sign directing vehicular or pedestrian traffic to parking areas, loading areas, or to portions of a building or site.

ELECTRONIC MESSAGE BOARD. A freestanding sign that uses light emitting diodes (LED) to electronically change the image or message displayed on the message board.

FESTOON SIGN. Light bulbs, ribbons, streamers, or pinwheels, or light strips, banners, pennants, balloons, search lights, or similar objects and features, which are not an integral physical part of the building or structure they are intended to serve and which are hung or strung for the purpose of drawing attention.

FLASHING, ANIMATED, OR MOVING SIGN. A sign that intermittently reflects lights from either an artificial source or from the sun; a sign which has movement of any illumination such as intermittent, flashing, or varying intensity or a sign that has any visible portions in motion, either constantly or at intervals, which motion may be caused either by artificial or natural sources. An electronic message board that otherwise meets the requirements of this section is not a flashing, animated, or moving sign.

FREESTANDING SIGN. A sign located in or upon the ground or attached to something requiring location on the ground, such as a freestanding frame, mast, or pole, which is not attached to any principal or accessory structure.

IDENTIFICATION SIGN OR NAMEPLATE. A wall sign stating the name of a person or firm, or stating the name or description of the permitted use of the premises.

MAXIMUM SIZE (OF A SIGN). The total area of a sign included within the rectangle, triangle, or circle caused by encompassing the outermost portions of the sign or around the outermost edges of a sign formed of letters or symbols only. On signs with more than one side, this measurement shall be determined with reference to the area contained on one side of the sign, including all openings.

MONUMENT SIGN. A freestanding sign attached to a permanent foundation with decorative base located on the ground with no exposed poles or other supporting devices.

OFF-PREMISES SIGN. A sign that communicates messages relating to any activity or use not related to the permitted use of the premises upon which the sign is installed.

PORTABLE SIGN. A sign without a permanent foundation and not permanently attached to a fixed location which can be carried, towed, hauled, or driven and is primarily designed or installed to be mobile rather than be limited to a fixed location regardless of modifications that limit its mobility, such as, but not limited to, vehicles, trailers, "A" frame, "T"-shaped, or inverted "T"-shaped sign structures.

PROJECTING SIGN. A sign which is affixed to or supported by any building or structure, or part thereof, which extends beyond the plane of the building wall, or part thereof, or structure, by more than 12 inches.

PUBLIC SIGN. A sign installed or required by any governmental entity to provide information to the public.

REAL ESTATE DEVELOPMENT SIGN. A temporary sign permitted for real estate development projects that have received site plan approval and are placed on the premises of a real estate development to indicate a proposed start date or to provide information regarding available properties or tenant spaces within the development.

RESIDENTIAL SUBDIVISION IDENTIFICATION SIGN. A permanent sign installed to exhibit the name of the residential development within which it is installed.

ROOF SIGN. A sign located on or above the roof of any building and which projects above or beyond the eave, roof, or parapet, or which is attached to a mansard type roof.

SIGN. The use of any words, numerals, figures, devices, inflatable moving advertising products, designs, logos, or trademarks which direct attention to a product, place, activity, person, institution, message, or business, or by which anything is made known to the general public, and which is visible and discernible off the lot or from any public right-of-way.

SIGN AREA. Unless otherwise noted, the total area within any circle, triangle, rectangle, or other geometric shape or envelope enclosing the extreme limits of writing, representation, emblem, or any similar figure or element of the sign. The area of a double-faced sign shall be computed using only one face of the sign, provided that the outline and dimensions of both faces are identical and that the faces are back-to-back so that only one face is visible at any location. The sign area shall not include any supporting framework, bracing, or decorative fence or wall when such feature otherwise complies with the requirements of this section and is clearly

incidental to the sign itself. References in this section to the square footage of signs are references to the measurement of the sign area unless otherwise specified.



SIGN HEIGHT. Measured as the vertical distance from the normal grade directly below the sign to the highest point of the sign or sign structure, whichever is higher, and shall include the sign base. References to maximum height and height limitations in this section are references to this definition unless otherwise specified.

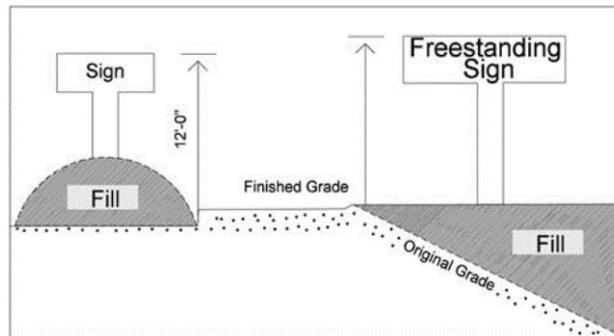
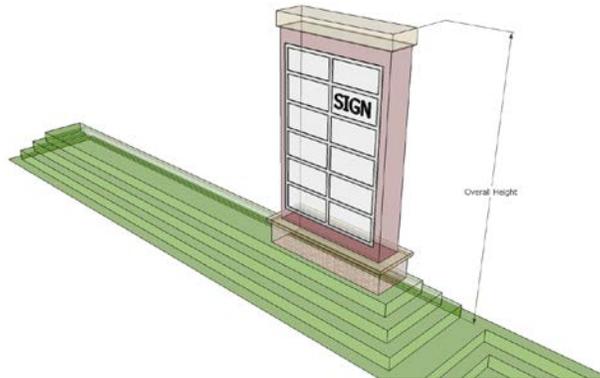


Figure III: Measuring Sign Height



SUPER REGIONAL MALL. A shopping mall with over 800,000 square feet of gross leasable area which serves as the dominant shopping venue for the region in which it is located.

SUPER REGIONAL MALL BOULEVARD ENTRANCE SIGN. A sign identifying a Super Regional Mall that is located upon the median of each boulevard leading directly into a Super Regional Mall development.

SUPER REGIONAL MALL DIRECTIONAL SIGN. A sign directing vehicular and pedestrian traffic to particular businesses within a Super Regional Mall that is located upon a private easement of a lot or parcel adjacent to the ring road of the Super Regional Mall or the boulevard leading directly into the Super Regional Mall development from a major thoroughfare as identified on the Master Road Plan.

SUPER REGIONAL MALL FESTOON SIGN. A banner style sign attached to a parking lot light pole located upon a lot or parcel abutting a ring road of a Super Regional Mall development. Such signs must be double-sided pole pocket style.

SUPER REGIONAL MALL PRIMARY ENTRANCE SIGN. A sign identifying a Super Regional Mall and its major tenants, and promoting events and activities taking place at the Super Regional Mall that is located upon a private easement of a lot or parcel adjoining a major thoroughfare as set forth on the Master Road Plan.

TEMPORARY SIGN. A sign not permanently attached to the ground, a structure, or a building and not supported by a permanent frame.

- a. A long-term temporary sign is a temporary sign constructed of durable, weather-resistant, wind-resistant materials equivalent or substantially as durable as vinyl, fabric, wind mesh, acrylic, polycarbonate, treated wood, aluminum, and aluminum composite, and affixed to a durable, weather-resistant, wind-resistant frame.
- b. A short-term temporary sign is a temporary sign constructed of less durable non-rigid or semi-rigid materials, such as paper, cardboard, polystyrene, foam PVC, foam board, and untreated wood, and affixed to a frame not designed for long-term outdoor sustainability, such as thin wire frames, hollow or lightweight plastic frames, and frames consisting of non-rigid or semi-rigid materials.
- c. A flag is a short-term temporary sign made of cloth, fabric, bunting, nylon, or similar flexible material.

WALL SIGN. A sign attached to, placed flat against, or otherwise inscribed on an exterior wall or surface of any building, confined within the limits thereof, and no portion of which projects more than 12 inches beyond the wall, but which may or may not project above the roof or parapet.

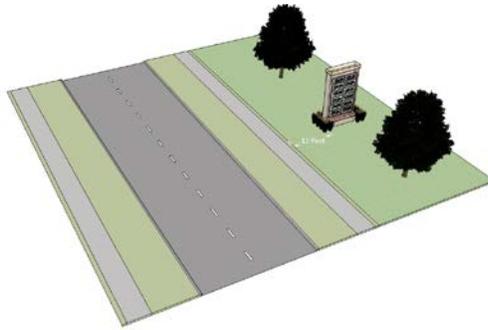
WARNING SIGN. A sign that provides a warning or a notice to persons on, or entering upon, the premises on which the sign is located including, but not limited to, signs that guide vehicular or pedestrian traffic within, but not at the entrance of, a development, identify hazards and possibly dangerous conditions, ensure public safety, or are required by law to be installed.

WINDOW SIGN. A sign consisting of words, numerals, or trademarks displayed in, attached to, or painted on a window.

V. *General conditions.* Except as otherwise provided herein, the following regulations shall apply to all signs installed or located in any use district:

1. All signs shall conform to all ordinances and regulations of the City of Sterling Heights, including, but not limited to, other sections of this Zoning Ordinance, the City's Code of Ordinances, and any other codes or regulations governing signage.
2. Signs shall not be placed in, project into, or overhang any public right-of-way or dedicated public easement, existing or proposed, unless placed or approved for placement by the City or applicable governmental entity or agency.
3. Signs shall not be placed on City property unless placed or approved for placement by the City.
4. Signs shall not be placed on utility poles, utility boxes, traffic control devices, telecommunications towers, sidewalks, lamp posts, hydrants, bridges, public property, public ways, easements, or trees unless placed or approved for placement by a governmental entity as public signs or warning signs.
5. Permanent signs shall not be placed in a required side yard setback or within 12 feet of a public right-of-way.
6. Signs shall not be placed in a manner that obstructs or diminishes sight lines for vehicular travel, obstructs driver vision, or creates potential hazards to pedestrian safety. All signs shall comply with the corner clearance requirements set forth in section 28.03.
7. Signs must have a minimum clearance of 8 feet 6 inches above a non-public sidewalk and provide appropriate emergency vehicle clearance above driveways and maneuvering lanes.
8. Applications for approval of a sign permit will not be processed or placed on an agenda for any public hearing, nor will a sign permit be issued, on properties with outstanding and unresolved code violations, including but not limited to violations of the International Property Maintenance Code as adopted and locally amended by the City, unless the property owners and occupants have executed a code compliance agreement with the City setting forth a written commitment by, and contractual obligation of, the applicant and property owner to bring the site and/or building into full compliance with all provisions of the applicable code within a specific time period acceptable to the City Development Director.

9. Signs shall not have more than 2 sides.
10. No sign shall be painted directly onto the wall of a building.
11. Signs shall not be equipped with audio capabilities and sound shall not be projected from any sign, except that menu boards approved as part of a drive through facility or signage designed for purposes of complying with laws enacted for the protection of persons with disabilities shall not be restricted by this provision.
12. Signs may not project images beyond the face of the sign and may not emit any odors or visible matter such as smoke or steam.
13. No person, entity, owner, business, or tenant shall allow an obsolete sign to be maintained on property for more than 30 days after same has become obsolete because of discontinuance of the business, service, or activity which the sign advertises, relocation to another site, or for any other reason. The fact that the obsolete sign is nonconforming shall not be construed as modifying any of the requirements of this section.
14. Every sign, including the sign structure, shall be maintained in a safe structural condition and in a neat, clean, secure, and attractive condition, with upright, secure supports. All sign materials shall be kept free of defective or missing parts, peeling, corrosion, or other surface or support deterioration, and in compliance with the current provisions of the International Property Maintenance Code, with local amendments as adopted by the City. All sign copy shall be maintained intact, free of defacement, and free of missing characters. If the sign is illuminated, all lighting fixtures and sources of illumination shall be maintained in a manner that renders them safe and in proper working order.
 - a. Violation of these provisions shall subject the responsible party to the remedial and enforcement provisions set forth elsewhere in this section and in Section [11-141](#) of the City Code.
15. For all signs other than a sign within a public right-of-way, the sign setback shall be measured from the property line or, in the case of an access easement, from the edge of the easement, to the closest point of the sign.



VI. Signs authorized in every zoning district:

1. Public signs.
2. Traffic control devices on private or public property, installed and maintained to comply with the Michigan Manual on Uniform Traffic Control Devices and, if not covered, with the Manual on Uniform Traffic Control Devices adopted by the Federal Highway Administration.
3. Numerals that identify the address of the property in accordance with applicable laws, codes, and regulations, so that public safety responders can easily identify the address from the public street.
 1. Unless an alternative requirement is adopted in the City Code or as part of a technical code adopted by the City, address numbers for all commercial buildings shall be displayed on the facade of the building adjacent to a public entrance to the building and each tenant space with its own address, and on a freestanding sign at the front of the site. For multiple tenant buildings, the freestanding sign shall include the address range of all addresses contained within the building. Further, numerals shall also be displayed at the rear entrance of the building/tenant space if there is access to a hard-surfaced area upon which vehicular traffic may maneuver. All address numbers shall be at least 4 inches in height. The color of the required numbers shall starkly contrast the background to which they are affixed. Because the required numbers are for emergency responders, they shall be excluded from any calculations of the property's total permitted signage.
4. Required government signs that warn of a danger or prohibit access to the property either generally or specifically.
5. Signs installed by MISS DIG, utility companies, lawn treatment companies, and similar signs intended to warn of a danger or alert the reader to a potentially dangerous condition or the existence of utility pipes or lines on the property.

6. In addition to 1 United States flag and 1 official flag of the state of Michigan displayed on a permitted flag pole or on a flag staff affixed to the house on a single-family residential property, up to 2 additional flags may be displayed on a permitted flag pole or on a staff affixed to the house without being counted against the individual sign limitations or the total square footage allowed under this section for temporary signage.

VII. Prohibited signs:

1. Signs that violate any federal, state, or local law, code, or regulation.
2. Signs that violate zoning regulations governing home occupations as an accessory use.
3. Festoon signs.
4. Projecting signs.
5. Signs whose construction, design, location, or other physical characteristics are determined by any code official or law enforcement official to create a safety hazard or to be anathema to the general welfare, including but not limited to:
 - a. Signs of a size, location, movement, coloring, or manner of illumination which may be confused with or construed as, or which may conflict with, a traffic control device, or which hide from view any traffic or street sign or signal.
 - b. Signs consisting of moored balloons or other type of tethered floating signs unless approved by the City Planner in conjunction with an approved temporary use and if tethered to the ground.
 - c. Banners, posters, pennants, ribbons, streamers, LED lights, strings of light bulbs, spinners, or other similarly moving devices or signs which may move or swing as a result of wind pressure or other power source, unless approved by the City Planner in conjunction with approval of a temporary use for a special event of limited duration, permitted as holiday decorations, or otherwise permitted elsewhere in this section.
 - d. Signs which have blinking, flashing, or fluttering lights or other illuminating devices which exhibit movement.
 - e. Roof signs.
 - f. Signs that consist of or include a searchlight, beacon, strobe light, or similar form of illumination.

- g. Signs that contain or consist of strings of light bulbs.
- h. Portable signs kept in a stationary location and visible from a public way.
 - (i) Exception: Operable vehicles that are properly licensed and plated and which are adorned or embedded with permanent graphics, information, and/or messages that are visible to passersby shall only be parked on a property owned or operated by the vehicle owner or pertaining to an activity underway on the property where it is parked and shall be kept in a lawful vehicular parking or storage location a minimum of 30 feet from any public right-of-way.

VIII. Illumination.

1. No sign shall include or use flashing or intermittent illumination.
2. Flashing, animated, and/or moving signs are prohibited.
3. Illumination of signs shall be directed or shaded so as not to interfere with the vision of persons on the adjacent roadway or with adjacent property owners.
4. No illuminated sign shall be installed if it creates a distracting or hazardous condition to a motorist, pedestrian, or the general public, or which adversely impacts neighboring or nearby properties or uses.
5. No exposed reflective type bulb, par spot, or incandescent lamp which exceeds twenty-five (25) Watts shall be exposed to direct view from a public street or highway, but may be used for indirect light illumination of the display surface of a sign.
6. Electronic message boards:
 - a. Studies show that there is a correlation between electronic changeable copy signage and the distraction of drivers, who may be distracted not only by a changing message, but also by knowing that the sign has a changing message and waiting for the next change to occur. Despite these public safety concerns, however, there is also merit in allowing new technologies to easily update signage messages, to minimize the proliferation of signage by allowing multiple messages on a single sign, and to facilitate expression with messages that are easily discernible, so long as restrictions are in place to minimize the potential for driver distraction and to minimize negative impact to residential districts where signs can adversely impact the residential character of the area. Therefore, the following regulations shall apply to electronic message board signage:

- (i) Display only static messages and/or images that remain constant in illumination intensity and do not have movement or the appearance or optical illusion of movement;
 - (ii) The image or message of the sign does not flash or scroll (vertically or horizontally);
 - (iii) Not operate at an intensity level of more than 0.3 foot-candles over ambient light as measured at a distance of one hundred and fifty (150) feet;
 - (iv) Be equipped with a fully operational light sensor that automatically adjusts the intensity of the electronic message board according to the amount of ambient light;
 - (v) Change from one message to another message no more frequently than once every 10 seconds and the actual change process is accomplished instantly with no effects;
 - (vi) Electronic message boards may operate only when the nonresidential use to which they belong is open or between the hours of 6:00 a.m. and 10:00 p.m., whichever time period is shorter, if installed on a property located adjacent to a residential property use, except that noncommercial uses may also operate an approved electronic message board until and during an event that is open to the public and held after 10:00 p.m.;
 - (vii) Be designed to either display a full black screen or turn off in the event of a malfunction;
 - (viii) Not be authorized until the Building Official is provided evidence that best industry practices for eliminating or reducing uplight and light trespass were considered and built into the electronic message board; and
 - (ix) The area of an electronic message board may not exceed $\frac{1}{3}$ of the entire area of the freestanding sign.
- b. The owner of an electronic message board shall allow the City to use the electronic message board to communicate emergency public service information approved by the City Community Relations Director. The operational restrictions on electronic message boards set forth in this subsection shall not apply during

any time that the electronic message board is used to communicate authorized emergency public service information for the city.

- c. The owner agrees to (i) update with an approved emergency public service information communication, or (ii) discontinue the emergency public service message as soon as possible after receiving a request from the City Community Relations Director. The owner shall file and keep current at all times with the Office of Community Relations the name, email address, phone number, cell phone number, pager and other available emergency contact information of the employee(s) or representative(s) of the owner who has been authorized and designated by the owner to communicate the approved emergency public service message using the electronic message board.
7. Internally illuminated signs are not permitted on properties utilized for residential purposes, with the exception of internal illumination for the address of the property if the address is affixed to a home, garage, or mailbox on the property.

IX. Enforcement:

1. The City may remove any nontemporary sign which violates any provisions of this section if the owner upon whose property the sign is located fails to make the sign conform to the provisions of this ordinance within 48 hours of issuance of written notice of the violation.
2. With respect to temporary or portable signs, in the absence of prior permission having been granted by the property owner for the immediate removal of signs in violation, the City may remove any such sign which violates any provisions of this section if the owner upon whose property the sign is located fails to make the sign conform to the provisions of this ordinance within four hours of personal notice as defined below, or within 48 hours of issuance of notice as defined below. City officials may mark offending signs in a manner reasonably required for future identification. In the event that a marked sign is moved to another location, and such move does not cure the violation, the City shall not be required to give any additional notice before impounding the sign as a nuisance pursuant to the terms of this article.
3. In the case of any sign which is located in, projects into, or overhangs a public right-of-way or public easement in violation of this ordinance, the City may remove said sign without notice.
4. Signs impounded under this subsection will be logged and stored by the City for retrieval by its owner. Before any removed sign is returned to its owner, a fee as determined by the City shall be paid for the removal, storage, and reclamation. Any sign which is removed in accordance with this section shall be deemed abandoned if its owner or the

person responsible for the sign does not reclaim it within 10 days of the date of its removal, after which the City may dispose of the sign without any further notice.

5. For purposes of this subsection, “issuance of notice” is defined to include any of the following:
 - a. Facsimile, electronic mail, or first class mail transmission of notice of a violation to either a person or committee mentioned on the sign or to the person responsible for placing the sign or to the property owner;
 - b. Posting of notice of a violation on or reasonably near the sign which is in violation, so long as the posting is conspicuous from the distance at which the sign is generally readable;
 - c. Posting of notice of a violation on or reasonably near one or more entrances of a habitable building on the same property as the sign, so long as the posting is conspicuous;
 - d. Transmission of a telephonic message which indicates that a violation exists, and which offers a brief explanation of the nature of the violation, recorded on an answering system of either a person or committee mentioned on the sign or to the person responsible for placing the sign or to the property owner.
6. For purposes of this subsection, “personal notice” means personal contact by a Code Enforcement Officer, or other duly authorized agent of the City, with either a person mentioned on the sign, the person responsible for placing the sign, the property owner, or the property owner’s authorized representative or resident agent. “Personal contact” means that the officer or agent initiated a person-to-person conversation, or some other real-time communication via electronic means, whereby the officer or agent communicated the existence of the violation and a brief explanation of its nature.
7. For purposes of this subsection, the phrase “person responsible” for a temporary sign is the person who places the sign, unless the person first notifies the City Clerk’s office in writing of another person who is responsible. Persons responsible for political campaign signs also include the candidate for the political office advertised on the sign, unless the candidate first notifies the City Clerk’s office in writing of another person who is responsible and the property owner. In a campaign regarding a ballot measure, the president or chair of the committee supporting or opposing the ballot measure, as well as the property owner, shall be deemed the responsible person, unless the City Clerk’s office is notified in writing of another person who is responsible. The person who places the sign, the candidate or the president as applicable must provide the name, address, telephone number and signed consent of the other responsible person. Persons residing or located outside of Michigan may not be designated as responsible persons. The person

placing the sign, or in the case of political campaign signs, the candidate, or in the case of a ballot measure, the committee president or chair, or in each of these cases the other responsible person if so designated, shall be liable to pay any fees or costs incurred for the removal and storage of illegal signs upon retrieval. This subsection shall not be construed to place responsibility upon responsible persons for civil infraction or misdemeanor violations of the City Code.

8. Any company or individual which files a false affidavit or application for any reason relating to signage under this section shall be guilty of a misdemeanor punishable in accordance with the penalties applicable to misdemeanors set forth in Section [1-9](#) of the City Code.
9. Owners, lessors, and lessees may all be held equally responsible for violations of this section.

X. Nonconformity and modification:

1. Notwithstanding the provisions of Article 27, signs lawfully in existence on the date the provisions of the ordinance enacting this section were first advertised, which do not conform to the provisions of this section, but which were in compliance with the applicable regulations at the time they were constructed, erected, installed, affixed, or maintained, shall be regarded as nonconforming. However, a sign installed during the period of time following the day on which the United States Supreme Court released its opinion in *Reed v Town of Gilbert* (June 18, 2015) and the date the provisions of this section were first advertised for adoption shall not be considered a nonconforming sign unless it conformed to the regulations in effect on the day immediately preceding the release of the decision in *Reed v Town of Gilbert*.
2. A nonconforming sign shall not be enlarged or extended.
3. A nonconforming sign shall not be moved to another location on the same lot or to any other lot.
4. A nonconforming sign that is destroyed or damaged as a result of factors beyond the control of the owner of the sign and the owner of the premises on which the sign is located, to an extent the destruction or damage exceeds 50 percent of its appraised value, shall not be replaced or restored unless it complies with this section.
5. A nonconforming sign that is destroyed or damaged as a result of factors beyond the control of the owner of the sign and the owner of the premises on which the sign is located, to an extent the destruction or damage is 50 percent or less of the appraised value, may be replaced or restored provided that the replacement or restoration is completed within 6 months after the date of the destruction or damage, and the sign is not

enlarged or extended. The time for replacement or restoration may be extended for one additional 6 month period if the Building Department verifies that the replacement and/or restoration process is underway, is being pursued in good faith, and delays in the process are reasonably related to insurance or other financing delays beyond the control of the owner of the sign.

6. A nonconforming sign declared to be unsafe by a code official because of the physical condition of the sign, including an unsafe physical condition arising from the failure of the sign to be maintained, shall be removed.
7. The owner of any premises on which there is installed a nonconforming sign shall, upon notice from the City Planner, submit verification within 60 days that the sign was lawfully in existence at the time of adoption of these sign regulations. The City Planner shall maintain a registry of such nonconforming signs.

XI. Additional requirements. In addition to the provisions set forth above, the following requirements shall apply to various types of signs, based on construction, design, or function, located in various use districts as set forth in the following Sign Regulation Table. However, the Table is only intended as an easy reference chart, and the regulations set forth following the Table are controlling if applicable to any particular sign or situation, regardless of whether the Table omits a reference to the regulation in any cell, row, or column.

SIGN REGULATION TABLE						
Type of Sign	Use Districts					
	One and Two Family Residential	Multiple Family & Mobile Home	Commercial	Office Including Office Research	Industrial	Parking District
Agricultural Sales Sign	A, D, L	A, D, L	A, D	A, D	A, D	None
Billboard	B	B	B	B	B	None
Directional Sign	C	C	C	C	C	C

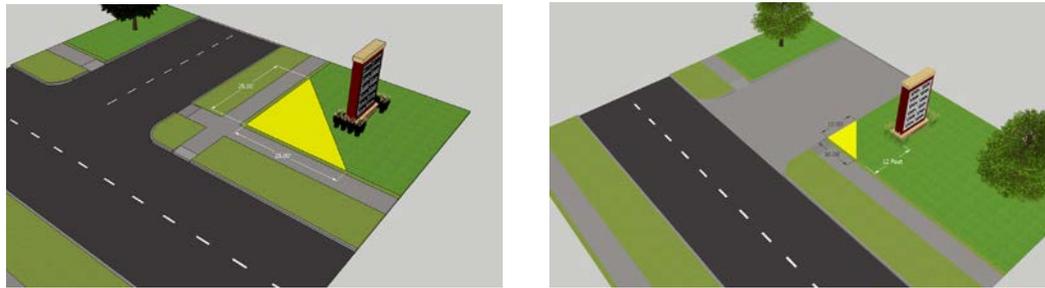
<i>Freestanding Signs</i>	D, L	D, L	D	D	D	D
<i>Identification and Name Plate Signage</i>	None	None	E	E	E	None
<i>Real Estate Development Identification</i>	F	F	F	F	F	None
<i>Residential Subdivision Identification</i>	G	None	None	None	None	None
<i>Super Regional Mall Signs</i>	None	None	H, I, J, K	None	None	None
<i>Temporary Signs</i>	L	L	L	L	L	L
<i>Wall Signs</i>	M, N	M, N	N	N	N	None
<i>Window Signs</i>	None	None	O	O	O	None

Sign Table References:

- A. Temporary agricultural sales signs shall be permitted only on parcels at which the City Planner has verified the existence of lawful agricultural sales activity. Permanent agricultural signs are only permitted in nonresidential zones, except that permanent agricultural signs will be permitted in nonresidential zones for properties that do not have a residential use as their principal use if the City Planner has verified the principal use of the property as agricultural.

- B. Billboards:
 1. Billboards are freestanding off-premises signs.
 2. The City Council has determined that signs and billboards located on premises to which they do not specifically relate, and which are designed to capture the attention of motorists and others utilizing public ways, create a danger to public safety by distracting the attention of drivers from the roadway, who in some instances may focus on the message being conveyed, the anticipated message to follow, and/or other function of a billboard visible while operating a motor vehicle. A number of national and international studies during the period 2013 to 2016 have observed that “driving irrelevant” material may make it difficult to extract information that is necessary for safe driving; advertising signs affect driver attention to the extent that road safety is compromised; clear evidence of impaired driving performance became evident as drivers passed billboards at higher speeds; and drivers glance more at the time of a switch to a new message display than when a billboard is simply visible and stable.
 3. Further, the United States Supreme Court has recognized that it is not speculative to recognize that billboards, by their very nature, wherever located and however constructed, can be perceived as an aesthetic harm. An unmarred landscape promotes tourism and levels the playing field between local businesses and national chains.
 4. Several states have completely banned billboards, and at least 2 other states have banned the construction of any new billboards.
 5. Therefore, because billboards are only one form of expression for messages that can be communicated in many other reasonable and alternative ways, billboards are not permitted in the City of Sterling Heights, except as may be permitted by any governmental entity not subject to City regulation or control, in which instances all City regulations not otherwise preempted shall still apply, and if not preempted such billboards shall not exceed 25 feet in height or 150 square feet in area and shall be subject to the City’s sign permitting process.

6. Nonconforming billboards in existence on the date this subsection was adopted may be maintained and repaired so as to continue the useful life of the sign. However, no features or characteristics of nonconforming billboards may be expanded, enlarged, or extended, and all of the regulations in this section and in other sections of the City Code and applicable technical codes shall apply to nonconforming and exempt billboards in order to minimize their negative secondary effects, preserve the character and repose of adjacent areas, protect property values, and reduce traffic and similar hazards caused by undue distractions.
- C. Directional sign regulations and distinctions were recognized by *Reed v Gilbert* (2015) as protecting vehicular and pedestrian safety, and therefore they serve a compelling governmental interest.
1. Directional signs shall be considered incidental, shall be limited to 1 sign at each entrance, and shall not exceed 4 square feet and 4 feet in height. Directional signs set at an entrance point may be located within a required yard subject to the sight line and clearance distance restrictions set forth in this section.
 2. Directional, informational, and traffic control signs placed by government entities are permitted in all zoning districts and shall be installed, to the extent applicable, in accordance with the Manual on Uniform Traffic Control Devices.
- D. Freestanding signs:
1. In all developments that require site plan approval pursuant to Article 26, 1 permanent freestanding sign shall be permitted, except as otherwise provided herein.
 2. Permanent freestanding signs shall not exceed 15 feet in height as measured from the approved grade.
 3. No sign shall be installed within the required corner clearance area established in Section 28.03 nor within the corner clearance area created by the 2 lines of the existing or proposed (whichever is greater) right-of-way lines of exterior streets and the curb line of a nonresidential entranceway, and the straight line connecting them at points 10 feet distant from where the right-of-way lines intersect.



- i. Exception: The sight distance triangle may be extended by the City to conform to minimum Michigan Department of Transportation sight distance standards or in situations when the City Planner determines that an extension is required for public safety due to topography, road alignment, or other physical conditions of the area.
4. Freestanding signs shall be designed to be compatible with the architecture and approved masonry materials used on the principal building. All permanent freestanding signs shall be monument style with a brick and/or decorative stone base with no exposed poles which is a minimum of 2 feet or 20% of the total height of the sign and base, whichever is greater. The height of the base for permanent freestanding signs shall not exceed $1\frac{1}{2}$ times the width of the sign.
5. Up to $\frac{1}{3}$ of a permitted freestanding sign may consist of an electronic message board or changeable copy area.
6. For developments having more than 1 frontage on a major or secondary thoroughfare having a right-of-way of at least 86 feet or greater, 1 freestanding sign shall be permitted to be located on each frontage, provided the distance between the 2 signs is not less than 500 feet measured along the abutting right-of-way line.
7. Permanent freestanding signs are not permitted on single-family residential properties, with the exception of residential subdivision identification signs as permitted in this section.
8. Off-premises signs are prohibited. Freestanding signs on nonresidential properties must relate to the business, activity, or service conducted on the premises upon which the sign is placed.

Exception:

- i. Freestanding off-premises signs for business tenants, if part of a unified development where separate parcels exist, so long as no other freestanding

sign already exists on the parcel where the freestanding off-premises sign is proposed.

- ii. Public signs, warning signs, and permitted directional signs.
9. The maximum size of a freestanding monument sign may be increased by 20% up to a maximum of 16 square feet provided the owner of the property agrees in a recorded document to irrevocably dedicate that additional dedicated square footage of the monument sign to solely advertise that space is available for rent, lease, occupancy, or sale.
 10. Permanent freestanding signs may be located in the required front yard if they are at least 12 feet from the existing or planned public right-of-way (whichever is greater) as shown in the Master Road Plan or at least 5 feet back from the curb or pavement of any private street. Permanent freestanding signs shall not be located in a required side yard or required rear yard. Temporary freestanding signs may be located in the required front yard if they are at least 5 feet from the public right-of-way as shown on the Master Road Plan or at least 5 feet back from the curb or pavement of any private street.
 11. A permanent freestanding sign shall not be closer than 100 feet from any adjacent single or two family zoning district or 50 feet from any off-site sign.
 12. The maximum size of a freestanding sign in C-1, C-2, C-3, C-4, O-1, O-2, O-3, OR, TRO, PCD, M-1, and M-2 Districts (and on properties used for purposes that are only permitted in those districts) shall not exceed one square foot for each two linear feet of street frontage to which that sign is oriented. In no instance shall the frontage of two or more streets be combined in computing the maximum size permitted. The maximum size of any freestanding sign shall be 150 square feet. A freestanding sign may include an electronic message board provided the requirements set forth in this section for electronic message boards are met.
- E. An identification (nameplate) sign shall be considered incidental, and 1 sign, not exceeding 6 square feet, may be installed by each tenant. In addition to the identification signs for occupants, the rental and/or management office of the development may have 1 identification sign not to exceed 4 square feet in size.
- F. Real estate development signage is permitted as follows:
1. One 2-sided sign or two 1-sided signs shall be permitted to be located at each entrance to the development which is located on a major or secondary thoroughfare as identified upon the Master Road Plan. In addition, one 2-sided

sign shall be permitted to be located upon a boulevard median of a collector, local, or private street leading directly into the development.

2. Signs permitted under this subsection may not exceed a maximum size of 25 square feet.
3. All other provisions of Section 28.13 not in conflict with this subsection shall apply.

G. Residential subdivision identification signs:

1. Shall not exceed a maximum size of 25 square feet per sign.
2. Shall be permitted to be located either upon masonry walls along the perimeter of the development meeting the requirements of section [24.01](#) or upon a masonry entranceway structure meeting the requirements of section [28.12](#).
3. One 2-sided sign or two 1-sided signs shall be permitted to be located at each entrance to the development which is located on a major or secondary thoroughfare as identified upon the Master Road Plan. In addition, one 2-sided sign shall be permitted to be located upon a boulevard median of a collector, local, or private street leading directly into the development.
4. The residential subdivision identification sign structure shall be in scale with any adjoining landscape treatment.
5. No entranceway sign structure permitted under this subsection shall be constructed of exposed concrete block, cinder block, precast concrete panels, or poured concrete.
6. Any permitted residential subdivision identification sign shall be located in either a common area of the development or upon property for which a private easement has been granted to a subdivision association (or similar entity) which shall have the responsibility for maintaining the sign and any appurtenant structures. An agreement providing for the maintenance of the sign(s) or structure(s) in recordable form satisfactory to the City shall be furnished to the City prior to installation of the sign(s) or structure(s).
7. To the extent that any of the provisions of this section are in conflict, mobile home park identification signage shall instead meet the applicable requirements of Section 5.01.

- H. One Super Regional Mall Boulevard Entrance sign shall be permitted to be located upon each boulevard leading from a major thoroughfare to a Super Regional Mall. A Super Regional Mall Boulevard Entrance sign shall not exceed 48 square feet in area and 6 feet in height.
- I. One Super Regional Mall Directional sign shall be permitted to be located adjacent to the intersection of each entrance road and the ring road of a Super Regional Mall development upon either the property of the Super Regional Mall provided a satisfactory easement has been granted, or within the City right of way of the boulevard leading from a major thoroughfare to the Super Regional Mall. A Super Regional Mall Directional sign shall not exceed 32 square feet in area and 8 feet in height.
- J. One banner style Super Regional Mall Festoon sign shall be permitted to be attached to each parking lot pole located on a lot or parcel abutting the interior roadway (or similar access system) of the Super Regional Mall shopping center development. Such signs shall not exceed 54" in height and 30" in width and shall be hung vertically. Such signs shall be made of durable double sewn reinforced fabric of 16 ounce weight or more. Such signs shall contain the approved design logo of the Super Regional Mall district which shall comprise not less than 25% of the area of the signs.
- K. One Super Regional Mall Primary Entrance sign shall be permitted to be located adjacent to a major thoroughfare under the Master Road Plan which abuts a Super Regional Mall. The Super Regional Mall Primary Entrance sign shall not exceed 300 square feet in area and 25 feet in height.
- L. Temporary signs:
 - 1. Shall be maintained free of rust, corrosion, peeling, breakage, graffiti, obfuscation, and all other damage or defacement.
 - 2. All temporary signs shall be aesthetically pleasing and designed and constructed of durable materials installed in conformance with the current provisions of the Michigan Building Code, as amended, and maintained in accordance with the provisions of the International Property Maintenance Code, with local amendments, as adopted by the City.
 - 3. Shall not be installed in such a manner that it interferes with, or might reasonably be expected to interfere with, vehicular or pedestrian traffic.
 - 4. Shall not be installed within any dedicated right-of-way.
 - 5. Shall only be located on property with the approval of the person or entity with authority to approve it.

6. Must be placed a minimum of 5 feet from any side property line.
7. All temporary signs shall be removed within 7 days after they are no longer necessary for, or capable of, fulfilling their intended purpose.
8. For long-term temporary signs, all ground-mounted support posts shall be constructed of 4" x 4" pressure-treated posts with decorative post caps. All support posts and decorative post caps, and other supporting framework, shall be painted a uniform color.
9. A temporary sign that is not permanently affixed to the ground or to a permanent structure, or a sign that is mobile and can be moved to another location, shall be stabilized so as not to pose a danger to public safety. Prior to the sign being installed, the Building Department shall approve the method of stabilization.
10. On properties utilized as single-family residential:
 - a. Short-term temporary signs shall not exceed 3 square feet.
 - b. Long-term temporary signs shall not exceed 6 square feet.
 - c. Total square footage for all temporary signage shall not exceed 9 square feet.
 - d. The length shall not exceed the width of the sign by more than a 3-to-1 ratio.
 - e. The height shall not exceed 5 feet from top to ground.
11. On properties that are not utilized as single-family residential:
 - a. Because non-residential uses are afforded a variety of unique options for expression of commercial and site-usage messages based on the inherent distinctions between residential and non-residential property uses, including but not limited to freestanding signage, wall signage, window signage, and identification signage, the City deems the societal interests in limiting the proliferation of blight and reducing driver distraction and vision obstructions to be paramount over the ability to communicate additional commercial messages through signage. Therefore, temporary signs relating to the commercial use of the property are not permitted unless approved as an integral but incidental part of a temporary use permit, the process for which is set forth elsewhere in the City's Zoning

Ordinance. The term “commercial use of the property” means any activity on the site that is related to, or which promotes, the use(s) for which a certificate of occupancy has been granted by the City, or for which any use variance or special approval land use has been approved.

- b. For all temporary signage not relating to the commercial use of the property:
 - i. Short-term temporary signs shall not exceed 12 square feet.
 - ii. Long-term temporary signs shall not exceed 16 square feet.
 - iii. Total square footage for all temporary signage shall not exceed 40 square feet.
 - iv. The length shall not exceed the width of the sign by more than a 6-to-1 ratio.
 - v. The height shall not exceed 5 feet from top to ground.
 - vi. No temporary signs are permitted until unused space on any building or monument sign is filled, unless an administrative modification is granted by the Administrative Review Board, or a variance is approved by the Zoning Board of Appeals. If a temporary sign is placed and thereafter 16 or more square feet of unused space on the existing monument sign becomes available, the temporary sign shall be removed within 60 days.
 - vii. Standards for an administrative modification from the Administrative Review Board:
 - (a) The property owner has less than 16 square feet of unused space on the existing monument sign available; or
 - (b) The property owner has less than 16 square feet of usable contiguous space on the existing monument sign available, even if there is more than 16 square feet of unused space on the existing monument sign.
 - viii. Standards for a variance requested from the Zoning Board of Appeals:

- (a) The property owner demonstrates an unfair or undue hardship or practical difficulty in complying with one or more of the provisions of this subsection relating to temporary signs.
 - (b) The Zoning Board of Appeals may consider the additional factors set forth elsewhere in the Zoning Ordinance for granting a variance, but may relax or waive those considerations due to the temporary nature of the variance, which shall expire as proscribed by the Zoning Board of Appeals.
 - (c) The Zoning Board of Appeals may impose conditions deemed reasonable under the circumstances underlying the variance request in order to protect the character of the surrounding area, honor the spirit and intent of the Zoning Ordinance and the regulations governing signage, and do substantial justice to the applicant and nearby property owners.
- ix. A property owner aggrieved by a decision of the Administrative Review Board may appeal that decision to the Zoning Board of Appeals, which shall determine whether there is competent, substantial, and material evidence to support the decision of the Administrative Review Board. The Zoning Board of Appeals may affirm, modify, or reverse the decision of the Administrative Review Board. The Zoning Board of Appeals may impose new conditions if it modifies the decision of the Administrative Review Board or grants approval of the property owner's request for relief.
12. A cold air balloon may be permitted in conjunction with a temporary use permit for a period not exceeding 5 days in any calendar year, provided that it is safely secured to the ground as determined by the Building Department.
13. Registration Requirements: Every temporary sign in a non-residential zoning district or installed on any vacant parcel within the City shall be registered prior to installation. A permit is not required.
- a. Any sign still installed after the expiration of its registration shall be subject to removal by the City.
 - b. Registration may be submitted through an online portal on the City's website or by using a form provided by the City Clerk.
 - c. The registration shall include the following information in order for the registration to be deemed effective:

- i. The address of the location for the temporary sign.
 - ii. A description of the sign (or image) with the sign's dimensions;
 - iii. The first and last name of the registrant;
 - iv. Whether the sign is a short-term or long-term temporary sign;
 - v. If the registrant is not the owner or a person with authority over the use of the location, the name, telephone number or e-mail address for the individual who provided permission for installation of the sign;
 - vi. A mailing address, telephone number, and e-mail address for the registrant to which the City Clerk will provide confirmation of the registration or any deficiencies in the registration information; and
 - vii. A certification that the registrant has permission or authority from the property owner or person with authority over the property for installation of the sign.
- d. If the registrant does not specify a start date for the sign to be displayed, registration of the sign shall be effective upon written confirmation by the City that all information required by this subsection has been accurately provided.
- e. No fee shall be charged for registering any temporary signs.
- f. Registration of a short-term temporary sign is valid for 90 days. Registration of any long-term temporary sign is valid for 1 year. One renewal for an additional 90 days for short-term temporary signs and for an additional 1 year for long-term temporary signs shall be granted administratively upon written request so long as the sign remains in compliance with all other requirements of this section. No additional registrations for the same location shall be accepted by the City during any 12-month period, and if the sign pertains to an event, occurrence, or activity, no registration shall be accepted by the City more than 90 calendar days prior to said event, occurrence, or activity.
- g. Any sign still installed after the expiration of its registration shall be subject to removal by the City.
- h. When such signs exceed the quantity or size limitations on any parcel, those with a registration that became effective first in time shall have priority to remain in place.
- i. A property owner may revoke, in writing, any sign registration for the owner's property at any time. Revocation shall be effective immediately

upon verification by the City of the veracity of the written revocation. The City may immediately remove any signs for which revocation of a registration has become effective under this subsection.

- j. These registration requirements do not apply to temporary signs authorized by the City in conjunction with a temporary use permit.
 - k. Registration of a temporary sign that is not otherwise permitted does not validate the installation of the sign and will not be deemed a defense to any removal or enforcement by the City.
14. Temporary signage not exceeding 100 square feet to be used in conjunction with a municipality-sponsored event shall not require review, registration, or permit.
15. All temporary signs shall be subject to removal by the City if the signs are placed within any right-of-way or have become dilapidated, damaged, dangerous, faded, or an attractive nuisance.
16. Signs removed by the City shall be held for 10 days before disposal, and may be retrieved during that time by the owner or individual responsible for the sign upon payment of any administrative processing fee established by the City's annual appropriations ordinance.
- a. Alternatively, the owner or individual responsible for the sign may appeal the City's determination regarding the improper condition of the sign to the Administrative Review Board. In such instance, the City shall retain the sign until the appeal is concluded, but need not retain the sign for any future appeal efforts if the appeal is denied by the Administrative Review Board. If the Administrative Review Board grants the appeal and deems the sign to be satisfactory, the administrative processing fee shall be waived and the sign shall be returned to the applicant within 1 business day, and may not be removed by the City again for a minimum of 14 days or for such other period of time deemed appropriate by the Administrative Review Board.
- M. For uses other than residential in residential zoning districts (i.e. farming, agricultural, schools, churches, cemeteries, nursing homes, private clubs, fraternal organizations), there shall be allowed one wall sign with a maximum area of 32 square feet or one freestanding sign with a maximum area of 32 square feet and not exceeding seven feet in height.
- N. The maximum size of wall signage in C-1, C-2, C-3, C-4, O-1, O-2, O-3, OR, TRO, PCD, M-1, and M-2 Districts (and on properties used for purposes that are only permitted in those districts) for buildings and for individual tenant spaces shall not exceed 10% of the

total area of the structure frontage, including the area of all fenestration, and in no instance shall the sign area of all wall signage exceed 200 square feet. A wall sign may be located on the front, rear, or side facade of the building. Wall signs shall not extend above the top of a parapet wall or an eave line at the wall, whichever is higher.

1. A wall sign shall be installed only on the wall of the tenant space to which the sign pertains and shall be aesthetically and thematically compatible with the building, other wall signs, the overall development of the parcel, and nearby properties.
 2. The structure frontage for calculating the permitted wall signage is the overall horizontal length of the outside structure wall of the establishment that fronts a public or private roadway and is then multiplied by the overall height of the walls of such structure. If the structure has more than 1 wall plane which runs parallel to the frontage road, the sum of all such wall planes may be calculated in determining overall structure frontage.
 3. An identification sign shall be considered incidental, and 1 sign, not exceeding 6 square feet, may be installed by each tenant.
 4. One additional wall sign relating to the commercial use of the property is permitted on those facades of a building that are not visible from a public way, subject to a maximum size limitation of 10% of the tenant space facade for each tenant, or 10% of the building facade, on which the wall sign is located.
- O. Window signage is permitted but the maximum size of a window sign shall not exceed 25% of the total glass area of the facade it is located on, and in no instance shall a window sign exceed 150 square feet in area.

Section 2. Article 31, Section 31.01 of Zoning Ordinance No. 278 shall be revised to delete the following definitions:

SUPER REGIONAL MALL. A shopping mall with over 800,000 square feet of gross leasable area which serves as the dominant shopping venue for the region in which it is located.

SUPER REGIONAL MALL BOULEVARD ENTRANCE SIGN. A business sign identifying a Super Regional Mall that is located upon the median of each boulevard leading directly into a Super Regional Mall development.

SUPER REGIONAL MALL DIRECTIONAL SIGN. A sign directing vehicular and pedestrian traffic to particular businesses within a Super Regional Mall that is located upon a private easement of a lot or parcel adjacent to the ring road of the Super Regional Mall or the

boulevard leading directly into the Super Regional Mall development from a major thoroughfare as identified on the Master Road Plan.

SUPER REGIONAL MALL FESTOON SIGN. A banner style sign attached to a parking lot light pole located upon a lot or parcel abutting a ring road of a Super Regional Mall development. Such signs must be double-sided pole pocket style.

SUPER REGIONAL MALL PRIMARY ENTRANCE SIGN. A business sign identifying a Super Regional Mall and its major tenants, and promoting events and activities taking place at the Super Regional Mall that is located upon a private easement of a lot or parcel adjoining a major thoroughfare as set forth on the Master Road Plan.

Section 3. All other provisions of Zoning Ordinance No. 278 not amended in this amendment shall remain in full force and effect.

Section 4. This amendment shall become effective seven days after publication of this amendment or a notice of adoption.

This Ordinance was introduced at a regular meeting of the City Council of the City of Sterling Heights on the 5th day of July, 2016, and was duly adopted at a regular meeting of the City Council of the City of Sterling Heights on the 19th day of July, 2016.

MARK CARUFEL
CITY CLERK

INTRODUCED: 07-05-16
ADOPTED: 07-19-16
PUBLISHED: 07-27-16
EFFECTIVE: 08-03-16

Roll call vote on main motion, as amended in Amendments No. 1, 2, 3 and sub motions:

Yes: Romano, Taylor, Koski, Schmidt, Shannon, Skrzyniarz, Ziarko.

The motion carried.

CONSENT AGENDA

3. Mr. Carl Schumak of Sterling Heights addressed Consent Agenda Item I, as it relates to the lawsuit regarding fireworks, stating it is a waste of money to proceed.

Moved by Koski, seconded by Romano, **RESOLVED**, to approve the Consent Agenda:

- A. To approve the minutes of the Regular Meeting of July 5, 2016, as presented.
- B. To approve payment of the bills as presented: General Fund - \$692,104.25, Water & Sewer Fund - \$2,711,350.63, Other Funds - \$5,149,546.59, Total Checks - \$8,553,001.47.
- C. **RESOLVED**, to award the bid for asphalt materials to Cadillac Asphalt, LLC, 2575 Haggerty Road, Canton, MI 48188, at the unit prices specified below for six months from date of bid award:

Section A1 - Cold Patch - DPW to pick up	\$ 95.00 per ton
Section A2 - Cold Patch UPM - DPW to pick up	\$110.00 per ton
Section A1 - Cold Patch - Delivered	\$101.00 per ton
Section A2 - Cold Patch UPM - Delivered	\$115.00 per ton
Section B1 - 1100 Leveling (20AA) - DPW to pick up	\$ 50.00 per ton
Section B2 -1100 Topping/Wearing (20AA)- DPW to pick up	\$ 50.00 per ton
Section B3 - Wearing 36A - DPW to pick up	\$ 56.00 per ton

with an option for the City Manager to extend the term of the bid three additional six-month periods on the same terms and conditions, upon mutual consent of the City and Cadillac Asphalt, LLC.

- D. **RESOLVED**, to split the award of the bid for sign materials for the Department of Public Works to the following vendors and at the respective unit prices bid for a one-year period:
1. To Garden State Highway Products, Inc., 1740 E. Oak Road, Vineland, NJ 08361, for bid items A (sign faces), C (3M™ high intensity prismatic reflective sheeting), D (pressure sensitive high intensity reflective sheeting), E (3M™ diamond grade conspicuity tape), F (3M™ electrocure transparent acrylic film), L (sheeting, electronic cutting machine #8), N (aluminum sign blanks), O (u-channel sign brackets), Y (3M™ graphic film), Z (3M™ prismatic reflective sheeting), and AA (diamond grade reflective sheeting);
 2. To Lightle Enterprises of Ohio, LLC, P.O. Box 329, Frankfort, OH 45628, for bid items B (posts) and P (highway marker delineators);
 3. To American Traffic Safety Materials, Inc., P.O. Box 1449, Orange Park, FL 32067, for bid item L (sheeting, electronic cutting machine #1-7), and M (Application tape, standard tack);
- and authorize the City Manager to extend the bid term for a one-year period at unit prices bid.
- E. **RESOLVED**, to approve the purchase of a 2017 Elgin Waterless street sweeper from Bell Equipment Company, 78 Northpointe Drive, Lake Orion, MI 48359, through the State of Michigan cooperative bid, MiDeal contract #071B1300075, in the net amount of \$275,000.

- F. **RESOLVED**, to:
- a. Approve the purchase of a 2017 Freightliner 114SD tandem axle chassis from Wolverine Freightliner - Eastside, Inc., 107 S. Groesbeck, Mt. Clemens, MI 48043 at pricing available through a Michigan Intergovernmental Trade Network (MITN) master agreement, #RFP-RH-13-30, in the amount of \$120,852; and,
 - b. Approve the purchase of a Henderson dump body, plow, underbody blade, and accessories from Knapheide Truck Equipment, 1200 S. Averill Avenue, Flint, MI 48503, at pricing available through a National Joint Powers Alliance cooperative contract, #080114-HPI, in the amount of \$137,175.
- G. **RESOLVED**, to approve the purchase of eight tax foreclosed parcels of real property situated in the City of Sterling Height from Macomb County at a cumulative cost of \$22,323.36, and authorize the City Manager to sign all documents required in conjunction with this approval on behalf of the City.
- H. **RESOLVED**, to approve final payment to Ken Jackson Cleanup, Inc., 2873 Leach Road, Rochester Hills, MI 48309, in the amount of \$21,250.00, plus interest on retainage, for Clinton River Corridor Tree Removal, City Project #15-278.
- I. **RESOLVED**, to receive the lawsuit, *Black Diamond Fireworks, LLC d/b/a Pro Fireworks vs. City of Sterling Heights*; Macomb County Circuit Court Case No. 16-2309-CZ.

Yes: All. The motion carried.

CONSIDERATION

4. Police Chief John Berg made a presentation on the consideration of a resolution authorizing the initiation of Circuit Court proceedings to abate public nuisances resulting from the cultivation of medical marihuana in residences. He explained the law allows persons to grow up to 72 marihuana plants for their qualifying patients in their residences under certain circumstances. They never took into account growing it would have on the neighborhood homes and communities. We are now receiving increased complaints about the strong and noxious odors. The City has identified at least 12 caregiver grow locations that have failed to register with the City Clerk and there may be more locations. The Chief believes court action will be necessary to force compliance. He is recommending the City Council adopt the resolution to abate the public nuisances resulting from the cultivation of medical marijuana in residences.

Mr. Jeffrey Norgrove thanked the Sterling Heights Police Department. He stated he spoke on this issue after it was passed and questioned how broad of a law this actually was. He is surprised that only one caregiver actually registered with the City. Mr. Norgrove is in support of this resolution and hopes the City Council approves it.

Moved by Ziarko, seconded by Skrzyaniarz, **RESOLVED**, to adopt the resolution authorizing the initiation of Circuit Court proceedings to abate public nuisances resulting from the cultivation of medical marihuana in residences.

Councilwoman Ziarko stated as we get complaints we are learning more and more of what cannot be done because of the state law.

Councilman Skrzyniarz questioned whether the Chief would characterize this as an effort to provide them with tools to crackdown on growers that are extreme and beyond the rules in this case.

The Chief responded they are working on multiple cases at this time. There are extreme cases that have already occurred.

Councilman Skrzyniarz stated it is his opinion that something like this would give the Chief the tools to go after those people that are breaking the law. This is an important resource for people who are seriously ill and using it legally.

RESOLUTION

This Resolution was made and adopted at a meeting of the City Council of the City of Sterling Heights, Macomb County, Michigan held at the City Center on the 19th day of July, 2016.

Members Present: Koski, Romano, Schmidt, Shannon, Skrzyniarz, Taylor, Ziarko

Members Absent: None

The following preamble and resolution was offered by Member Ziarko and supported by Member Skrzyniarz.

WHEREAS, the Michigan Medical Marihuana Act (“MMA”) adopted in 2008 allows certain individuals to grow marihuana in enclosed, locked facilities (including residences) for medical use (i) by qualifying patients being treated for a debilitating medical condition, and (ii) by registered caregivers who have agreed to assist one or more qualifying patients; and

WHEREAS, the growth and cultivation of marihuana plants in enclosed, locked residential facilities often cause the emission of strong, persistent, noxious fumes and odors which are offensive to neighboring residents who often complain about the health impacts and nuisance effects of such marihuana cultivation activities in their residential neighborhood, and in

other instances, can create hazardous conditions on the property that violate the City's Code of Ordinances; and

WHEREAS, the City of Sterling Heights has received a dramatic increase in the number of complaints from neighboring property owners and residents about strong, noxious fumes and odors emanating from enclosed, locked residential facilities which are growing and cultivating marihuana plants onto their neighboring properties; and

WHEREAS, the Sterling Heights Code Enforcement Officers believe that such offensive fumes and odors constitute a condition which falls within the definition of "public nuisance" as defined in Section 33-2 (G) of Chapter 33 of the City Code, which includes conditions such as "dust, smoke, odors, and noxious fumes which interfere unreasonably with the use of nearby property or the enjoyment of life and property"; and

WHEREAS, Section 11-144 of the Sterling Heights Code of Ordinances authorizes the City, in accordance with procedures established by the City Manager and City Council, to proceed with the filing of an action in the Macomb County Circuit Court to compel a responsible party to bring a property into compliance with the provisions of the City Code if the Code Enforcement Official has reasonable grounds to believe that a violation of the City Code exists in lieu of proceeding to a hearing before the Board of Ordinance Appeals; and

WHEREAS, the Sterling Heights Code of Ordinance provides that Circuit Court action may be brought in accordance with applicable Michigan law and shall provide the responsible party, after notice as required by law, an opportunity to be heard prior to any corrective action taking place, unless otherwise authorized by the Court; and

WHEREAS, it is currently necessary under Section 11-144 of the City Code for the City Council to adopt a separate resolution authorizing the City Attorney to initiate a Circuit Court Action to bring a particular property into compliance with the provisions of the City Code; and

WHEREAS, City Administration believes that it is necessary to be able to move more quickly to abate any public nuisances where the Code Enforcement Official has determined, or has reasonable grounds to believe, that fumes or odors emanating from an enclosed, locked residential facility growing and cultivating of marihuana are interfering unreasonably with the use of nearby properties, or the enjoyment of life and property of neighboring residents, and/or the growth and cultivation of marijuana in the residence is being conducted in such a way so as to violate the City's Code of Ordinances; and

WHEREAS, City Administration believes that in order to be able to more expeditiously abate any public nuisances caused by the growth and cultivation of marihuana in enclosed, locked residential facilities, it is advisable for the City Council to adopt a standing resolution authorizing the City Attorney to initiate Circuit Court action to bring a property into compliance under Section 11-144 of the City Code in certain circumstances.

NOW, THEREFORE,

BE IT RESOLVED, that the City Attorney shall be authorized to promptly file an action in the Macomb County Circuit Court seeking abatement of a violation of the City Code of Ordinances and such other relief deemed just and equitable where (i) the City Code Official has determined, or has reasonable grounds to believe, that marihuana is being grown or cultivated in such a manner as to violate the City Code of Ordinances constituting a nuisance, and (ii) the City Manager, City Development Director, and City Attorney have reviewed the facts and circumstances of any alleged violation and determined that such enforcement action is warranted.

BE IT FURTHER RESOLVED, that the City Manager shall file a report with the City Council pertaining to the initiation of any Circuit Court proceedings authorized by this Resolution within a reasonable time period following the initiation of such litigation.

THIS RESOLUTION WAS ADOPTED BY THE CITY COUNCIL ON JULY 19, 2016.

CERTIFICATION

I, Mark Carufel, certify that the above resolution is a true copy of the Resolution made and adopted by the City Council of the City of Sterling Heights at its regular meeting held on July 19, 2016.

Mark Carufel, City Clerk

Yes: All. The motion carried.

5. Ms. Denice Gerstenberg, City Development Director, made a presentation on the proposed amendment to the fiscal year 2016/2017 budget to appropriate tax increment finance revenues to support the Local Development Finance Authority District improvements.

Dr. Steve Naumovski stated he has been asking for 15 years for an Ethnic Museum.

Mr. Charles Jefferson inquired whether the City has been in contact with SMART to help them on this project.

Moved by Skrzyniarz, seconded by Ziarko, **RESOLVED**, to approve an amendment to the fiscal year 2016/2017 budget to appropriate \$600,000 of LDFA TIF revenues to account #87700718 988280.

Councilman Skrzyniarz stated it is important to build upon what we have already done and make this area more attractive. He believes this is money well spent and a very good investment for the City.

Councilman Romano questioned whether the money has to be allocated to the corridor and Ms. Gerstenberg responded yes it does.

Councilwoman Koski questioned whether road improvements would be done when additional money comes in.

Ms. Gerstenberg responded yes, they will reevaluate it in the next year or so and prioritize the road improvements to be done.

Mayor Taylor thanked Ms. Gerstenberg and Hubbell, Roth and Clark for working on this.

He stated this will be another step in trying to create an identity in Sterling Heights.

Yes: All. The motion carried.

COMMUNICATIONS FROM CITIZENS

Mr. Jeffrey Norgrove - Urges support from the residents for the Sterling Heights Police Department, Invited everyone to join in Sterlingfest.

Mr. Bob Maynard, Macomb Township - Blessings in a Backpack - Utica.

Dr. Steve Naumovski - In support of Police Department and Ethnic Community Committee keeping City safe, Invited all ethnic communities to participate in festivals at Freedom Hill, Introduction of candidates for the upcoming election, People need to exercise their right to vote and watch the City Council meetings.

Mr. Robert Lulgjuraj - Expressed thanks to the Mayor and City Council for reappointing him to the Ethnic Community Committee.

Mr. Charles Jefferson - Detroit police officer demoted for remarks on Facebook/first amendment rights, Procedure to follow when a police officer approaches your car, Need for psychological evaluations, need for questions to be answered.

Mr. Carl Schumak - Thank you to the Police Department for everything they do for this community, Need for issues to be addressed.

Mr. John Spica - Congratulated Council members for winning the pierogi eating contest, Candidates rights to pass out literature or have a booth at Sterlingfest, Supports the City allowing the candidates to be introduced on the City's website, Reminded residents to vote in the primary election in August, Thank you to the Sterling Heights Police Department for the great job they do in protecting the City and residents.

Ms. Jazmine Early - Condition of neighborhood roads, Park proposals on the ballot/urges residents to vote, Thank you to the Sterling Heights Police Department.

Mr. Dennis White - Sky lanterns.

CONSIDERATIONS (Cont'd)

6. Mr. Vanderpool explained the Memorandum of Understanding between the City of Sterling Heights and the Sterling Heights Police Officers Association/Michigan

Association of Police. He gave a background on the Deferred Retirement Option Plan (DROP) and explained the simple amendment that would allow two DROP participants to receive a pay-out of their earned, but unused vacation time at the time of separation.

Moved by Romano, seconded by Schmidt, **RESOLVED**, to approve the Memorandum of Understanding between the City of Sterling Heights and the Sterling Heights Police Officers Association/Michigan Association of Police and authorize the Mayor and City Clerk to sign it on behalf of the City.

Councilwoman Ziarko inquired whether this would affect anyone else and Mr. Vanderpool responded no, just these two employees.

Yes: All. The motion carried.

- 7 Moved by Schmidt, seconded by Taylor, **RESOLVED**, to appoint John Pitrone to the Ordinance Board of Appeals II as an alternate member for a term ending June 30, 2019, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

Moved by Skrzyniarz, seconded by Taylor, **RESOLVED**, to appoint Michael Stickney to the Ordinance Board of Appeals I as an alternate member for a term ending June 30, 2019, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

Moved by Schmidt, seconded by Taylor, **RESOLVED**, to appoint Louis Ottolini to the Ordinance Board of Appeals II as an alternate member for a term ending June 30, 2019,

subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

Moved by Shannon, seconded by Taylor, **RESOLVED**, to appoint Benjamin McMartin and Paul Zdzieblowski to the Ordinance Board of Appeals I for a term ending June 30, 2019, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

8. Moved by Romano, seconded by Schmidt, **RESOLVED**, to postpone a nomination to the ZBA to the August 3, 2016 regular City Council Meeting.

Yes: All. The motion carried.

Moved by Romano, seconded by Taylor, **RESOLVED**, to postpone a nomination to the OBA II to the August 3, 2016 regular City Council Meeting.

Yes: All. The motion carried.

9. Moved by Schmidt, seconded by Romano, **RESOLVED**, to appoint Stacy Ziarko to the Arts Commission to a term ending June 30, 2020, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

Moved by Romano, seconded by Taylor, **RESOLVED**, to postpone the appointment to the Beautification Commission to the August 3, 2016 regular City Council Meeting.

Yes: All. The motion carried.

REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Mr. Vanderpool stated in regard to sky lanterns, the City has issued citations for violations of that ordinance.

Mr. Vanderpool stated in regard to candidates at Sterlingfest, there is a map and handout where zones are highlighted in green on the map, specifically in the sidewalk areas and along the sidewalks on Utica Road as well.

There was no report from Mr. Kaszubski at this time.

Councilman Skrzyniarz commended Mr. Jefferson for his remarks this evening and stated he has a lot of trust and faith in Chief Berg and the whole police department. The Police Department has a very aggressive plan and it's all about dialog. We have to talk through problems and understand where each side is coming from.

Councilman Skrzyniarz pointed out he would not be able to attend Sterlingfest, but thanked the City Manager and all employees for their hard work on it.

UNFINISHED BUSINESS/NEW BUSINESS

Councilman Romano publicly admitted a mistake on his part when he said that Senator Tory Rocca co-sponsored Bill 4293, Michigan Fireworks Act. He stated that Senator Rocca did vote for it.

Councilman Romano reminded residents to be safe when outside cutting grass and related an incident where a break-in occurred when a resident was in the back yard cutting their grass. He stated it's important to remember to lock the doors and close the garage door when you go into the back yard to cut the grass.

Councilman Shannon discussed the effective date of the amended sign ordinance.

Mayor Taylor spoke in support of the Sterling Heights Police Department and stated that people need to do what they are supposed to do when pulled over by a police officer.

ADJOURN

Moved by Ziarko, seconded by Romano, to adjourn the meeting.

Yes: All. The motion carried.

The meeting was adjourned at 10:57 p.m.

MARK CARUFEL, City Clerk

EXPENDITURES FOR THE MEETING OF
August 3, 2016

	TOTAL PREPAYMENT LISTING	INTERFUND TRANSFERS	PROPERTY TAXES TO OTHER ENTITIES	EXPENSES & EXPENDITURES
GENERAL FUND	\$701,197.28			\$701,197.28
WATER & SEWER FUND	\$52,312.95			\$52,312.95
OTHER FUNDS	\$1,534,966.87		\$10,685.64	\$1,524,281.23
TOTAL CHECKS	\$2,288,477.10	\$0.00	\$10,685.64	\$2,277,791.46

BILL LISTING DETAIL IS AVAILABLE AT THE STERLING HEIGHTS PUBLIC LIBRARY

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To award a bid for the official city newspaper for the publication of legal notices and advertisements (Estimated annual expenditure of \$12,280).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)



Attachments

	City Clerk	—	Resolution	—	Minutes
	Finance & Budget Director	—	Ordinance	—	Plan/Map
	City Attorney (as to legal form)	—	Contract	—	Other
	City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

- Chapter 5, §5.13 of the City Charter states that City Council, after receiving bids, shall designate at least one newspaper of general circulation in the City that is qualified to publish legal notices under the laws of the State of Michigan as the official newspaper for the City for the next 12 months.
- The Office of Purchasing developed and issued an invitation to bid (ITB) for an Official City Newspaper. The ITB included fourteen standard advertisements typically published for the City to ensure that all vendors' bid pricing would be comparable.
- Bids in response to the ITB were due on Tuesday, July 19, 2016. One vendor responded with a bid meeting all specifications, C&G Publishing, Inc., publisher of the Sterling Heights Sentry. The unit pricing bid by C&G Publishing, Inc. for one full page, column inch and classified help wanted remain unchanged from the expiring bid.
- Recommendation is being made to award the bid to the C&G Publishing, Inc., publisher of the Sterling Heights Sentry, the sole bidder and incumbent official city newspaper. C&G Publishing's bid pricing includes the posting of all legal notices to its website for access by all interested parties. The Sterling Heights Sentry is delivered each Wednesday to residents by United States Postal Service. The Sterling Heights Sentry's circulation within the City as of March 31, 2015 is 48,498 newspapers. This is the highest circulation rate of the locally-published newspapers. Attached is an audit report that reflects the circulation throughout the area.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to award the bid for the official city newspaper for the publishing of legal notices and advertisements to C&G Publishing, Inc., 13650 11 Mile Road, Warren, MI 48089 for a one-year period based on the following unit prices:

- One full page at \$350.00
- Column inch at \$7.00
- Classified help wanted per line at \$2.00

CITY OF STERLING HEIGHTS
STAFF REPORT
August 3, 2016

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

GENERAL INFORMATION:

Chapter 5, §5.13 of the City Charter states that City Council, after receiving bids, shall designate at least one newspaper of general circulation in the City that is qualified to publish legal notices under the laws of the State of Michigan as the official newspaper for the City for the next 12 months.

Bids in response to the City's invitation to bid (ITB) for an official City newspaper for publication of legal notices and advertisements were due on Tuesday, July 19, 2016. An Invitation to Bid was advertised on SHTV, posted to the MITN website, Facebook and Twitter and published in the Sentry. One (1) vendor responded as detailed on the attached bid tabulation. The City expended \$14,030 during fiscal year 2015/16 for the publication of its public notices and advertisements. Funds are appropriated within the following 902000 (Publishing) accounts for the specified individual budgets:

- 11717216 - Assessing
- 11717209 - City Clerk
- 11717172 - Human Resources
- 11740403 - Planning Commission
- 11730305 - Police
- 11707233 - Purchasing
- 11717253 - Treasury
- 11740413 - Zoning Board

STAFF ANALYSIS AND FINDINGS:

To ensure that all vendors' bid pricing would be comparable, bidders were required to bid unit prices for 'full page', 'per column inch' and 'classified per line' costs, as well as total cost for mock-up advertisements included in the ITB. Fourteen standard advertisements typically published for the City were included within the ITB for comparison purposes. The attached Bid Tabulation shows pricing for the unit pricing and 14 sample legal notices included as part of the sole bid by C&G Publishing, Inc. Unit pricing submitted by C&G Publishing remains unchanged from the expiring bid.

Specifications also required the submission of the most recent certified audit of circulation for a bidder. The Certified Audit of Circulations (CAC) for the most recent 6-month period ending March 31, 2016 has yet to be completed. Discussions with C&G Publishing indicate the soon-to-be released audit to include the verified circulation metric will be increasing slightly over the prior year. As of March 31, 2015, C&G Publishing, Inc.'s audited state-wide total average

circulation was 606,636, of which 8% or 48,498 are circulated in Sterling Heights. This circulation covers all areas of the City. This 2015 audited circulation was by far the highest among the bids received last year. By comparison, the Oakland Press (The Source) had a Sterling Heights circulation of only 27,368, or 56% of C&G Publishing's circulation.

Recommendation is being made to award the bid to the C&G Publishing, Inc. for one-year based on the pricing bid. The performance of C&G Publishing over the past year has met expectations.

STAFF RECOMMENDATION:

Please see the suggested action on the Agenda Statement.

Notification List:

C & G Newspapers
13650 11 Mile Road
Warren, MI 48089

Elaine Myers, Sales & Marketing Manager
emyers@candgnews.com

**CITY OF STERLING HEIGHTS
 BID TABULATION - JULY 19, 2016
 PUBLISHING
 OF LEGAL NOTICES**

**C & G Publishing
 SENTRY**

Column format	5 column
Day printed	Friday
Day delivered to residents	Wednesday
Method of delivery	U.S.P.S.
Day of week delivered to City Hall	Thursday
Total circulation (Certified Audit)	606,636
Sterling Heights circulation (Certified Audit)	48,498
Deadline for placement	Thursday, 10 am
Online search service	available
Payment terms	net 30 days
Cost for full page	\$350.00*
Cost per column inch	\$7.00
Classified help wanted per line	\$2.00

SAMPLE MOCK - UP PRICING SENTRY

1	Office of Assessing	\$	84.00
2	Office of the City Clerk		119.00
3	Office of the City Clerk		168.00
4	Office of the City Clerk		35.00
5	Office of City Development		133.00
6	Office of City Development		35.00
7	Office of Engineering		63.00
8	Human Resources		10.50
9	Office of Planning		56.00
10	Police Department		73.50
11	Office of Purchasing		16.24
12	Office of Treasury		16.24
13	Office of Treasury		49.00
14	Office of Zoning		52.50
GRAND TOTAL OF MOCK-UPS		\$	910.98

* Full Page Size: 50"



CITY OF Sterling Heights

InnovatingLiving

Richard J. Notte Sterling Heights City Center
City Hall
40555 Utica Road | P.O. Box 8009
Sterling Heights, MI | 48311-8009

City Council	
<i>Mayor</i>	Michael C. Taylor
<i>Mayor Pro Tem</i>	Joseph V. Romano
<i>Councilwoman</i>	Deanna Koski
<i>Councilwoman</i>	Maria G. Schmidt
<i>Councilman</i>	Nate Shannon
<i>Councilman</i>	Doug Skrzyniarz
<i>Councilwoman</i>	Barbara A. Ziarko
City Manager	Mark D. Vanderpool

TEL 586.446.CITY (2489) FAX 586.276.4077
cityhall@sterling-heights.net | www.sterling-heights.net
facebook.com/cityofsterlingheights | twitter.com/sterling_hts

INVITATION TO BID

ITB-SH16-035

The City of Sterling Heights, Michigan is accepting sealed bids for OFFICIAL CITY NEWSPAPER - PUBLISHING OF LEGAL NOTICES until TUESDAY, JULY 19, 2016 AT 2:30 P.M. in the Office of the City Clerk, 40555 Utica Road, Sterling Heights, MI 48313. Specifications are attached.



 James Buhlinger
 Purchasing Manager

**Office of Purchasing
586-446-2740**

IV. SPECIFICATIONS

The City of Sterling Heights is receiving bids for publication of Legal Notices. The contract will be effective for a twelve (12) month period following approval by City Council. Based on an evaluation of the bids received, City Council shall award the bid to at least one newspaper.

Bids will be accepted only from newspapers of general circulation in the City of Sterling Heights who are qualified to publish legal notices under the laws of the State of Michigan.

All bids shall clearly state the newspaper's official circulation in the City of Sterling Heights. ***An original certified copy of the Audit of Circulation shall be submitted with each copy of your bid.***

Bids must include the cost per page, cost per column, and column format.

Indicate the day(s) of the week that paper is printed, the day(s) of the week that it is delivered, the method of delivery, and the date delivered to City Hall. Delivery to City Hall of a minimum of 40 papers must be made on day indicated on the Bid Form.

Specify deadline for placement of legal ads, clearly stating the day(s) and time.

Copy to be published will be e-mailed by the City. In the event that electronic transmission is not possible prior to deadline, the successful vendor, upon notice from the City, will pick up copy after indicated deadline to allow for inclusion in the next edition of newspaper. There shall be no additional charge for this service.

The vendor must add "Published: (name of newspaper and date of publication)" at the bottom of each ad in fine print.

Successful vendor must make every effort to ensure that space is utilized as economically as possible and that every effort will be made to contain costs. The City reserves the right to deduct a reasonable amount from the cost of any legal ad, if in the opinion of the City, the ad could have been typeset more economically. The amount, however, to be deducted shall not exceed 50% of the original cost of the ad.

It shall be the responsibility of the successful vendor to notify the City, in writing, and to obtain the City's approval, for any business changes that affect this bid, i.e. change of delivery day(s), change of deadline for placement of newspaper copy, change in delivery policy, etc. All such notices must be directed to the Purchasing Manager. All prices bid, however, **must** remain firm throughout the twelve (12) month term as stated within these specifications.

The vendor shall provide a proof of every ad prior to publication. This proof shall be e-mailed as a .pdf attachment to the appropriate city employee designated to place ads for each department. The body of the e-mail shall include a telephone number that may be called as well as an email address to request changes to the ad. If a change is made, a

new proof shall be sent to the city employee for final approval. Include deadlines for placement of legal ad AND receipt of final proof.

Holiday notification – Include a schedule of all newspaper holidays along with the deadline changes resulting from those holidays.

Bid shall include the creation of one compact disk (CD) with .pdf images of each weekly newspaper for the term of the award. This CD shall be presented to the City at the end of the award.

BIDDERS MUST INCLUDE A TO-SCALE MOCK-UP OF EACH OF THE ATTACHED ADVERTISEMENTS WITH THEIR BIDS.

These mock-ups must indicate the cost and the point size of the font(s) being used for each ad.

FAILURE TO INCLUDE MOCK-UPS WILL RESULT IN YOUR BID BEING DEEMED UNRESPONSIVE.

Included Sample Mock-ups are as follows:

1. Office of Assessing – Board of Review
2. Office of the City Clerk – Agenda for regular City Council Meeting
3. Office of the City Clerk – Minutes of regular City Council Meeting
4. Office of the City Clerk – Adoption of Ordinance
5. Office of Neighborhood Services – CDBG Program
6. Office of Neighborhood Services – Citizen Advisory Committee Meeting
7. Office of Engineering – Advertisement for bid (City Projects)
8. Human Resources – Classified Help Wanted
9. Office of Planning – Planning Commission Agenda
10. Police Department – Notice of Auction
11. Office of Purchasing – Invitation to Bid or Request for Proposal
12. Office of Treasury – Taxpayers Notice
13. Office of Treasury – Taxpayers Notice for Deferment
14. Office of Planning – Zoning Board of Appeals Agenda

Specifications require online search and archiving capabilities for City and/or public access. Please include as an attachment to your bid a website address and brief instructions/directions detailing how to locate a specific ad using this functionality.

V. BID FORM

The undersigned hereby declares that the instructions and specifications have been carefully examined, and will serve as **OFFICIAL CITY NEWSPAPER** for the price set forth in this bid. It is understood and agreed that all bids are **F.O.B. DESTINATION** and shall remain in effect for at least ninety (90) days from the date of the bid opening to allow for award of the bid, and that if chosen the successful vendor, prices will remain firm for the length of the contract.

Column Format: _____ Day of week that paper is printed: _____

Day of week that paper is delivered to residents: _____

Method of delivery: _____

Day of week a minimum of 40 papers delivered to City Hall: _____

Total circulation in the City of Sterling Heights: _____

Agency who certified circulation: _____ Date of audit: _____

Deadline (to paper) for placement of legal ads (day / time): _____

Deadline (from paper) for receipt of proof (day / time): _____

E-mail address for placing ads: _____

Contact name/number for ad questions: _____

	<u>Unit Price</u>
Cost for one full page	\$ _____
Size of full page _____	
Cost per column inch	\$ _____
Classified help wanted per line	\$ _____

Where did you obtain this bid? _____

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 _____

E-Mail Address/Website _____

Terms _____

Signature/Date _____

V. BID FORM (CONT'D)

<u>Description</u>	<u>Compliance</u>	
	<u>Yes</u>	<u>No</u>
Does your company have the ability to electronically display legal notices on your website that are scheduled to be published in your paper?	_____	_____
Does your company have the ability to archive these published legal notices on your website on a page established exclusively for legal notices for the City of Sterling Heights?	_____	_____
Would you provide permission to the City of Sterling Heights to link to your website to create easy access for users wishing to view legal notices?	_____	_____
How quickly will the legal notice be added to your website archive following the actual publication of the legal notice in the Sunday paper?		
Friday, two-day prior to publishing in paper	_____	_____
Saturday, day prior to publishing in paper	_____	_____
Sunday, day of publishing in paper	_____	_____
Monday, day after publishing	_____	_____
Other	_____	_____
Are there incremental costs associated with the archiving of these legal notices on your website?	_____	_____
If there are any additional costs, please detail those costs.		

Are all areas of the City serviced by your publication?	_____	_____
If no, which areas are not serviced and why?		

Have you included online archiving/search instructions?	_____	_____
Have you included your holiday schedule & associated deadlines?	_____	_____
Have you included the CD with .pdf images of each weekly newspaper?	_____	_____

This form **must** be completed and returned with your bid.



Business of the City Council
Sterling Heights, Michigan

DELIVERED JUL 28 2016

City Clerk's Use
Item No: 6-D
Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To purchase a Caterpillar model 299D2 skid steer loader and accessories for the Department of Public Works (Total expenditure of \$164,159).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)

Handwritten initials JB

Attachments

Table with 4 columns: Initials, Name, Attachment type, and Description. Rows include City Clerk (Resolution, Minutes), Finance & Budget Director (Ordinance, Plan/Map), City Attorney (Contract, Other), and City Manager.

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

- The Department of Public Works (DPW) is requesting approval for the purchase of one skid steer loader and attachments. This highly versatile piece of equipment is utilized by all DPW divisions on a daily basis for a variety of field applications, including the loading of materials, breaking out concrete, sweeping/cleaning milled roadways, working cold asphalt, and mulching.
The fiscal year 2016/17 budget has monies appropriated for the purchase of a new skid steer loader. The Caterpillar model 299D2 skid steer loader and accessories are available at competitively bid pricing through the State of Michigan cooperative bid program MiDeal. The state of Michigan awarded the MiDeal contract for this model to Michigan CAT.
Recommendation is being made to purchase the Caterpillar model 299D2 skid steer loader and accessories from Michigan CAT through the MiDeal contract. The DPW has extensive experience with Michigan CAT found this vendor to be reliable.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to purchase a Caterpillar model 299D2 skid steer loader with accessories from Michigan CAT, 12550 23 Mile Road, Shelby Township, MI 48315, at pricing available through the State of Michigan cooperative bid, MiDeal contract #071B1300092, in the amount of \$164,159.

CITY OF STERLING HEIGHTS
STAFF REPORT
August 3, 2016

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

GENERAL INFORMATION:

The Department of Public Works (DPW) is requesting approval to purchase a Caterpillar model 299D2 skid steer loader and accessories. Funding for the purchase of this piece of equipment and accessories is included within the approved fiscal year 2016/17 budget in 43744444 (Capital Project Fund – Street Services) 982000 (Machinery & Equipment) in the amount of \$160,000. The \$4,159 balance of the purchase price will be funded from a budget surplus in the amount of \$16,973 from the purchase of a street sweeper for the DPW on July 19, 2016.

STAFF ANALYSIS AND FINDINGS:

The Caterpillar skid steer and accessories are available for purchase at competitively-bid pricing through MiDeal cooperative contract #071B1300092, under the State of Michigan's cooperative bid program. The total cost of the skid steer loader and accessories is \$164,159, inclusive of delivery.

The specifications for this new skid steer are specified below:

Cat® 299D2 Compact Track Loader (skid steer):

Engine – Cat C3.8 DIT (turbo)

Operating weight – 11,275 lb

Overall track length – 89.4"

Maximum overall heights – 158.7"

Ground clearance – 9.6"

Transmission – Hydrostatic, two-speed

Suspension – Independent Torsion axles (4)

Accessories:

78" BOCE General purpose bucket

78" BOCE Industrial grappling bucket

PC310B Cold planer

H65ES Breakout hammer

BP118C Angle broom

HM315C HF XPS mulcher

Total Price - \$164,159.00

The DPW has worked with Michigan CAT in the past and has found them to be an extremely reliable vendor.

STAFF RECOMMENDATION:

Please see Suggested Action on the accompanying Agenda Statement.

Notification list:

Michigan Caterpillar

12550 23 Mile Road

Macomb, MI 48315

Greg Schneider, Account Representative

Greg.Schneider@MICHIGANCAT.com

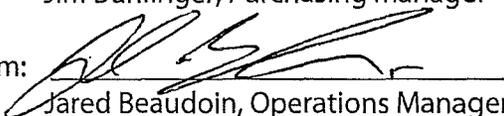


CITY OF
Sterling Heights
DPW

Interoffice Memorandum

Date: July 18, 2016

To: Jim Buhlinger, Purchasing Manager

From: 
Jared Beaudoin, Operations Manager

Subject: Recommendation - One (1) Caterpillar Skid Steer Loader

The Department of Public Works has reviewed the specifications for a new Caterpillar Skid Steer Loader 299D2 AHQ through the 2010 State of Michigan MiDeal Extended Purchasing Program contract # 071B1300092. The DPW will utilize this piece of equipment year-round during day-to-day and road repair operations. After researching and reviewing existing governmental cooperatives DPW staff recommends purchasing this Skid Steer Loader through the Mideal purchasing program from:

Michigan Caterpillar
12550 23 Mile Road
Shelby Township, MI 48315
Attn: Greg Schneider

This dealer offered the lowest price, meeting all the specifications required. The Department of Public Works has previously purchased equipment, parts and services from Michigan Caterpillar with great success and reliability.

With the purchase of this Skid Steer Loader additional attachments will be purchased to increase its capabilities and performance, these include:

- 78" BOCE General Purpose Bucket
- 78" BOCE Industrial Grappling Bucket
- BP118C Angle Broom
- H65ES Breakout Hammer
- HM315C HF XPS Mulcher
- PC310B Cold Planer

The total purchase price of this equipment is \$164,159.00 with the funds budgeted in the DPW Street Services – Machinery and Equipment account #43744444-982000.

C: Michael Moore, Public Works Director
Ken Swartz, Streets Distribution Supervisor



July 5, 2016

City of Sterling Heights
 7200 18 MILE
 Sterling Heights, Michigan 48313

Dear Sir,

Thank you for this opportunity to quote a solution from Michigan CAT for your business needs. We are pleased to submit the following for your purchase consideration.

One (1) New CATERPILLAR Model: 299D2 AHQ Skid Steer Loader with the following factory and dealer options included below:

STOCK NUMBER: TBD **SERIAL NUMBER:** TBD **YEAR:** 2016 **SMU:** 3

MACHINE SPECIFICATIONS

299D2 COMPACT TRACK LOADER
 SEAT BELT, 2"
 HEATER, ENGINE COOLANT, 120V
 QUICK COUPLER, ELECTRIC
 RETURN TO DIG/WRKTL POSITIONER
 RADIO READY
 SEAT,AIR SUSPENSION,CLOTH,HEAT
 TRACK, RUBBER, 17.7 IN (450MM)
 DOOR, CAB, POLYCARBONATE
 CONVERSION ARRANGEMENT
 INSTRUCTIONS, ANSI, USA
 RIDE CONTROL, NONE
 ROPS, ENCLOSED WITH A/C (C3)
 FILM, SELF LEVEL, ANSI
 PRODUCT LINK, CELLULAR PL641
 DISPLAY, ADVANCED, LCD
 KIT, RIDE CONTROL

PACKAGE, PERFORMANCE, (H3)
 RUBBER BELT, 2 SPD, TF IDLERS
 CONTROL, ISO, PROP, WT
 SERIALIZED TECHNICAL MEDIA KIT
 BATTERY, 850 CCA, HEAVY DUTY
 FAN, COOLING, DEMAND
 BUCKET, IND. GRAP, 78" BOCE
 BUCKET-GP, BOCE 78"
 COLD PLANER, PC310B
 H65E S HAMMER, FLAT TOP
 KIT, CAMERA REAR VIEW
 KIT, TURBO DEBRIS GUARD
 BROOM, PICKUP, BP118C
 KIT, DEBRIS PROTECTION
 MULCHER, HM315C, HF XPS

SELL PRICE	\$164,159.00
EXT WARRANTY	Included
TOTAL NET PURCHASE PRICE	\$164,159.00

WARRANTY

Standard Warranty: Michigan CAT 12 Month, Unlimited Hour Standard Full Machine Warranty Service Agreement with 6 Months Mileage
 Extended Warranty: 36 MOS 1,500 HOUR POWERTRAIN & HYDRAULICS

F.O.B./TERMS: Corporate

We believe the equipment as quoted will exceed your expectations. On behalf of Michigan CAT, thank you for the opportunity to supply Caterpillar machinery. This quotation is subject to machine availability and valid for 30 days, after which time we reserve the right to update the quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

Greg Schneider
Account Representative
Greg.Schneider@MICHIGANCAT.com
313-410-3883

1-888-MICH CAT

www.michiganecat.com

Novi . Shelby Twp. . Grand Rapids . Saginaw . Lansing
Kalkaska . Brownstown Twp.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
 PROCUREMENT

525 W. ALLEGAN STREET
 LANSING, MI 48933

P.O. BOX 30026
 LANSING, MI 48909

CHANGE NOTICE NO. 6
 to
 CONTRACT NO. 071B1300092
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Michigan Cat 24800 Novi Road Novi MI, 48375-2414	Terry Erickson	Terry.Erickson@michigancat.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	248-349-4800	*****1325

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	various	various	various	various
CONTRACT ADMINISTRATOR	DTMB	Yvon Dufour	(517) 284-6996	dufouy@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Heavy Equipment Statewide			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
October 1, 2010	September 30, 2013	2 - 1 Year	March 30, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
45 Days		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
F.O.B			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input checked="" type="checkbox"/>	9 Months	12/31/2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$2,550,000.00		\$ 850,000.00	\$3,400,000.00	

DESCRIPTION:
 Effective March 15, 2016, this contract is extended 9 months; and is increased by \$ 850,000.00. The revised contract expiration date is December 31, 2016. All other terms, conditions, specifications, and pricing remain the same. Per DTMB request, DTMB Procurement approval, and State Administrative Board approval on March 15, 2016.



Cat[®] 299D2

COMPACT TRACK LOADER

FEATURES:

The Cat[®] 299D2 Compact Track Loader, with its vertical lift design, delivers extended reach and lift height for quick and easy truck loading. Its standard, suspended undercarriage system provides superior traction, flotation, stability and speed to work in a wide range of applications and underfoot conditions. The 299D2 features the following:

- **Industry leading sealed and pressurized cab option** provides a cleaner and quieter operating environment with excellent Work Tool visibility.
- **Available high-back, heated, air ride seat with seat mounted adjustable joystick controls** makes Cat Compact Track Loaders the industry leader in operator comfort.
- **High performance power train** provides maximum performance and production capability through the Electronic Torque Management system, standard two speed travel and an electronic hand/foot throttle with decel pedal capability.
- **High Flow XPS hydraulic system** is available for applications that demand maximum hydraulic work tool performance.
- **Electronically controlled Cat C3.8 engine** provides high horsepower and torque while meeting U.S. EPA Tier 4 Final/EU Stage IV emission standards.
- **Cat "Intelligent Leveling" system (ILEV)** provides industry leading technology, integration and optional features such as dual direction self level, work tool return to dig and work tool positioner.
- **Standard fully independent torsion axle suspension** combined with the optional Speed Sensitive Ride Control system improves operation on rough terrain, enabling better load retention, increased productivity and greater operator comfort.
- **Maximize machine capability and control** with the standard Advanced Display providing on-screen adjustments for implement response, hystat response, and creep control, multi-language functionality with customizable layouts, security system, and rearview camera.
- **Ground level access** to all daily service and routine maintenance points helps reduce machine downtime for greater productivity.
- **Broad range of performance matched Cat Work Tools** make the Cat Compact Track Loader the most versatile machine on the job site.

Specifications

Engine

Engine Model	Cat C3.8 DIT (turbo)	
Gross Power SAE J1995	73 kW	98 hp
Net Power SAE 1349	71 kW	95 hp
Net Power ISO 9249	71 kW	95 hp
Peak Torque at 1,500 rpm SAE J1995	334 N·m	246 lbf·ft
Displacement	3.8 L	232 in ³
Stroke	120 mm	4.7 in
Bore	100 mm	3.9 in

Weights*

Operating Weight	5114 kg	11,275 lb
------------------	---------	-----------

Power Train

Travel Speed (Forward or Reverse):		
One Speed	8.4 km/h	5.2 mph
Two Speed	13.5 km/h	8.4 mph

*Operating Weight, Operating Specifications and Dimensions all based on 75 kg (165 lb) operator, all fluids, two speed, 1981 mm (78 in) dirt bucket, 400 mm (15.7 in) tracks, dual flange front idler/single flange rear idler, standard flow hydraulics, enclosed cab with glass door, side windows, heater, mechanical suspension seat, advanced display, 880 CCA battery, no optional counterweights and manual quick coupler (unless otherwise noted).

Hydraulic System

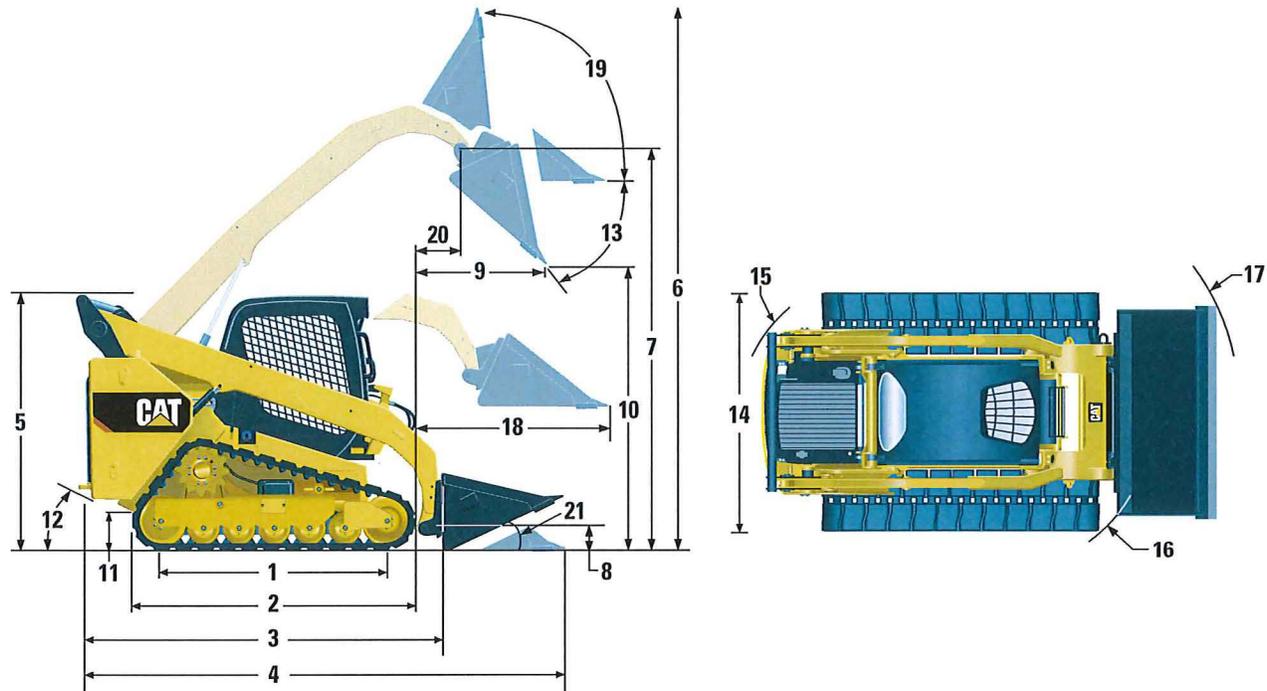
Hydraulic Flow – Standard:			
Loader Hydraulic Pressure	23 000 kPa	3,335 psi	
Loader Hydraulic Flow	86 L/min	23 gal/min	
Hydraulic Power (calculated)	33 kW	44 hp	
Hydraulic Flow – High Flow XPS:			
Maximum Loader Hydraulic Pressure	28 000 kPa	4,061 psi	
Maximum Loader Hydraulic Flow	121 L/min	32 gal/min	
Hydraulic Power (calculated)	57 kW	76 hp	

Operating Specifications*

Rated Operating Capacity:			
35% Tipping Load	1451 kg	3,200 lb	
50% Tipping Load	2087 kg	4,600 lb	
Rated Operating Capacity with Optional Counterweight			
Tipping Load	2204 kg	4,860 lb	
Breakout Force, Tilt Cylinder	4173 kg	9,200 lb	
Breakout Force, Lift Cylinder	3298 kg	7,270 lb	
Breakout Force, Lift Cylinder	2795 kg	6,162 lb	
Ground Contact Area (400 mm/15.7 in track)	1.41 m ²	2,184 in ²	
Ground Contact Area (450 mm/17.7 in track)	1.59 m ²	2,463 in ²	
Ground Pressure (400 mm/15.7 in track)	35.6 kPa	5.2 psi	
Ground Pressure (450 mm/17.7 in track)	31.5 kPa	4.6 psi	



299D2 Compact Track Loader



Dimensions*

1	Length of Track on Ground	1767 mm	69.6 in
2	Overall Length of Track	2270 mm	89.4 in
3	Length without Bucket	3189 mm	125.5 in
4	Length with Bucket on Ground	3931 mm	154.7 in
5	Height to Top of Cab	2125 mm	83.6 in
6	Maximum Overall Height	4032 mm	158.7 in
7	Bucket Pin Height at Maximum Lift	3208 mm	126.3 in
8	Bucket Pin Height at Carry Position	180 mm	7.1 in
9	Reach at Maximum Lift and Dump	852 mm	33.6 in
10	Clearance at Maximum Lift and Dump	2399 mm	94.5 in
11	Ground Clearance	245 mm	9.6 in
12	Departure Angle		33°
13	Maximum Dump Angle		54°
14	Vehicle Width (400 mm/15.7 in tracks)	1931 mm	76.0 in
	Vehicle Width (450 mm/17.7 in tracks)	1981 mm	78.0 in
15	Turning Radius from Center – Machine Rear	1881 mm	74.0 in
16	Turning Radius from Center – Coupler	1476 mm	58.1 in
17	Turning Radius from Center – Bucket (racked)	2314 mm	91.1 in
18	Maximum Reach with Arms Parallel to Ground	1319 mm	51.9 in
19	Rack Back Angle at Maximum Height		81°
20	Bucket Pin Reach at Maximum Lift	493 mm	19.4 in
21	Roll Back Angle		25°

Cab

ROPS	ISO 3471:2008
FOPS	ISO 3449:2005 Level I
FOPS Level II	ISO 3449:2005 Level II

Service Refill Capacities

Cooling System	16 L	4.1 gal
Diesel Exhaust Fluid (DEF) Tank	19 L	5 gal
Engine Crankcase	13 L	3.5 gal
Fuel Tank	122 L	32.2 gal
Hydraulic System	55 L	14.5 gal
Hydraulic Tank	39 L	10.3 gal

299D2 Compact Track Loader

MANDATORY EQUIPMENT

- Hydraulics, Standard or High Flow XPS
- Quick Coupler, Mechanical or Electric
- Seat Belt, 50 mm (2 in) or 75 mm (3 in)
- Steel Imbed Rubber Track – 400 mm (15.7 in) or 450 mm (17.7 in)
- Dual Flange Front Idler/Single Flange Rear Idler or Triple Flange Front/Rear Idlers

PERFORMANCE PACKAGE *(must select one of the following)*

- Performance Package H1: *Standard Flow (No Self Level)*
- Performance Package H2: *Standard Flow, Dual Direction Electronic Self Level (Raise and Lower, Electronic Snubbing (Raise and Lower)*
- Performance Package H3: *High Flow XPS, Dual Direction Electronic Self Level (Raise and Lower), Electronic Snubbing (Raise and Lower)*

STANDARD EQUIPMENT

ELECTRICAL

- 12 volt Electrical System
- 100 ampere Alternator
- Ignition Key Start/Stop Switch
- Lights: *Gauge Backlighting, Two Rear Tail Lights, Two Rear Halogen Working Lights, Two Adjustable Front Halogen Lights, Dome Light*
- Backup Alarm
- Heavy Duty Battery, 880 CCA

OPERATOR ENVIRONMENT

- Gauges: *Fuel Level, DEF Level, Hour Meter*
- Operator Warning System Indicators: *Air Filter Restriction, Alternator Output, Armrest Raised/Operator Out of Seat, Engine Coolant Temperature, Engine Oil Pressure, Air Inlet Heater Activation, Hydraulic Filter Restriction, Hydraulic Oil Temperature, Park Brake Engaged, Engine Emission System*
- Adjustable Vinyl Seat
- Fold In Ergonomic Contoured Armrest
- Control Interlock System, when operator leaves seat or armrest raised: *Hydraulic System Disables, Hydrostatic Transmission Disables, Parking Brake Engages*
- ROPS Cab, Open, Tilt Up
- FOPS, Level I
- Top and Rear Windows
- Floor Mat
- Interior Rearview Mirror
- 12 volt Electric Socket
- Horn
- Hand (Dial) Throttle, Electronic
- Adjustable Joystick Controls
- Advanced Display: *Full Color, 127 mm (5 in) LCD Screen, Advanced Multi-operator Security System, On-screen Adjustments for Implement Response, Hystat Drive Response, and Creep Control*
- Storage Compartment with Netting

COMFORT PACKAGE *(must select one of the following)*

- Open ROPS (C0): *Static Seat (No Foot Throttle, Headliner, Heater or Door)*
- Open ROPS (C1): *Foot Throttle, Headliner, Cup Holder, and choice of Seat (Mechanical Suspension or High Back, Heated, Air Ride Seat) (No Heater or Door)*
- Enclosed ROPS with Heater (C2): *Foot Throttle, Headliner, Heater and Defroster, Side Windows, Cup Holder, Radio Ready, choice of Seat (Mechanical Suspension or High Back, Heated, Air Ride Seat) and Door (Glass or Polycarbonate)*
- Enclosed ROPS with A/C (C3): *C2 + Air Conditioner*

POWER TRAIN

- Cat C3.8, Turbo Diesel Engine, Meeting Tier 4 Final/Stage IV Emission Standards
- Air Cleaner, Dual Element, Radial Seal
- S-O-SSM Sampling Valve, Hydraulic Oil
- Filters, Cartridge-type, Hydraulic
- Filters, Cartridge-type, Fuel and Water Separator
- Radiator/Hydraulic Oil Cooler (side-by-side)
- Spring Applied, Hydraulically Released, Wet Multi Disc Parking Brakes
- Hydrostatic Transmission, Two Speed Travel
- Suspension – Independent Torsion Axles (4)

OTHER

- Engine Enclosure, Lockable
- Extended Life Antifreeze, -37° C (-34° F)
- Machine Tie Down Points (6)
- Support, Lift Arm
- Hydraulic Oil Level Sight Gauge
- Radiator Coolant Level Sight Gauge
- Radiator, Expansion Bottle
- Cat ToughGuard™ Hose
- Auxiliary, Hydraulics, Continuous Flow
- Heavy Duty, Flat Faced Quick Disconnects with Integrated Pressure Release
- Split D-Ring to Route Work Tool Hoses Along Side of Left Lift Arm
- Electrical Outlet, Beacon
- Belly Pan Cleanout
- Variable Speed Demand Fan

299D2 Compact Track Loader

OPTIONAL ATTACHMENTS

- External Counterweights
- Beacon, Rotating
- Engine Block Heater – 120V
- Oil, Hydraulic, Cold Operation
- Paint, Custom
- Heavy Duty Battery, 880 CCA, with Battery Disconnect
- Heavy Duty Battery, 1,000 CCA, with Battery Disconnect
- Product Link™, Cellular
- Variable Speed Demand Fan with Reversing Functionality
- Speed Sensitive Ride Control
- Advanced Display: Rearview Camera Included
- Work Tool Return to Dig and Work Tool Positioner
- Bluetooth Radio with Microphone (AM/FM/Weather Band Receiver with USB and Auxiliary Input Jack)
- Full Steel Track (Sealed and Lubricated – SALT) with Triple Grouser Shoes; One Speed Travel Only

For more complete information on Cat products, dealer services, and industry solutions, visit us on the web at www.cat.com

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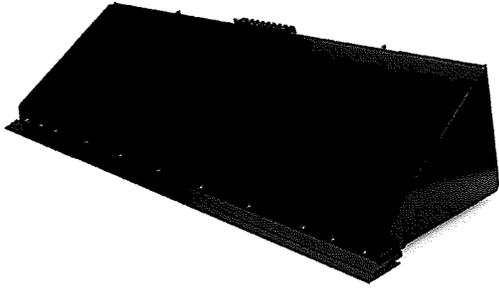
Materials and specifications are subject to change without notice. Featured machines in photos may include additional equipment. See your Cat dealer for available options.

CAT, CATERPILLAR, SAFETY.CAT.COM, their respective logos, "Caterpillar Yellow" and the "Power Edge" trade dress, as well as corporate and product identity used herein, are trademarks of Caterpillar and may not be used without permission.

AEHQ7441 (03-15)
(NACD, EU, ANZ)



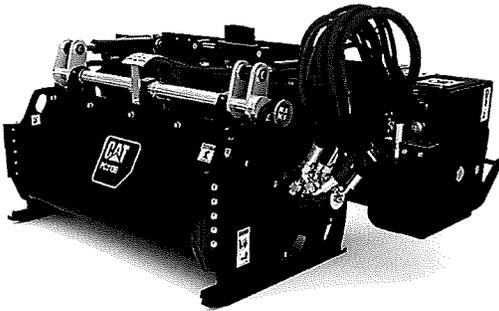
78" BOCE General Purpose Bucket



78" BOCE Industrial Grappling Bucket



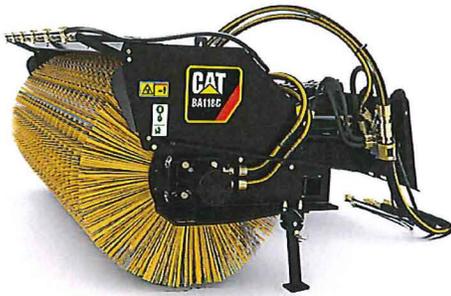
PC310B Cold Planer



H65ES Breakout Hammer



BP118C Angle Broom



HM315C HF XPS Mulcher



AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To purchase auto, truck, and specialty equipment parts at unit pricing available through a Michigan Intergovernmental Trade Network cooperative Request for Proposals (Estimated annual expenditure of \$70,000).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)



Attachments

	City Clerk	—	Resolution	—	Minutes
	Finance & Budget Director	—	Ordinance	—	Plan/Map
	City Attorney (as to legal form)	—	Contract	—	Other
	City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

- In 2013, the City of Farmington Hills served as the host community for purposes of a cooperative Request for Proposals (RFP) issued via the Michigan Intergovernmental Trade Network (MITN) for automotive, truck, and specialty equipment parts. These parts are used in preventative maintenance and repairs to the fleets of autos, trucks and specialty equipment owned by MITN participants, including Farmington Hills, Sterling Heights, Rochester Hills, Warren, and the Suburban Mobility Authority for Regional Transport (SMART).
- In August 2013, City Council approved the purchase of automotive, truck, and specialty equipment parts from Motown Automotive Distributing Co. and Genuine Parts Company (d/b/a NAPA Auto Parts) at pricing available through the MITN cooperative RFP, contract #FH-13-14-1748. The city of Farmington Hills, lead agency representing the MITN cooperative, has exercised the option to extend the terms and conditions of the RFP for three additional years (July 31, 2016 to July 31, 2019). MITN members, including Sterling Heights, may continue to purchase automotive, truck, and specialty equipment parts through the MITN cooperative RFP.
- Rather than incur the time and expense associated with the City issuing its own invitation to bid, recommendation is being made to take advantage of the combined purchasing power of multiple MITN agencies and continue to purchase auto, truck and specialty equipment parts from Motown Automotive and Genuine Parts Company via the MITN cooperative RFP through July 31, 2019.
- The Department of Public Works has purchased automotive, truck, and specialty equipment parts from Motown Automotive Distributing Co. and Genuine Parts Company over the course of the past three years and

found the product and customer service experience from both vendors to be very positive.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to purchase auto, truck and specialty equipment parts from Motown Automotive Distributing Co., 24701 Hallwood Ct., Farmington Hills, MI 48335 and Genuine Parts Company of Michigan, d/b/a NAPA Auto Parts, 30550 Ecorse Road, Romulus, MI 48174 at unit pricing available through the Michigan Intergovernmental Trade Network cooperative proposal, contract #FH-13-14-1748, from July 31, 2016 through July 31, 2019.

CITY OF STERLING HEIGHTS
STAFF REPORT
August 3, 2016

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

GENERAL INFORMATION:

The City of Sterling Heights has purchased auto, truck and specialty parts for City vehicles and equipment from Motown Automotive Distributing Co. and Genuine Parts Company (d/b/a NAPA Auto Parts) for the past 12 and 18 years, respectively. Since 2013, the DPW has purchased from these same two vendors through a Michigan Intergovernmental Trade Network (MITN) cooperative RFP. Due to the purchasing power generated by the number of municipalities participating in these contracts, replacement auto, truck and specialty equipment parts are available at a much lower cost than would be realized by through one municipality's bid.

Parts are ordered on an as needed basis and paid for from funds budgeted in 11744553 (DPW Fleet Maintenance) 759000 (Parts & Sublet Services). It is estimated that the City will expend \$70,000 annually on parts.

STAFF ANALYSIS AND FINDINGS:

The Department of Public Works and Office of Purchasing have reviewed the options available for the purchase of auto, truck and specialty equipment parts and are recommending that the City continue to purchase parts from Motown Automotive and NAPA Auto Parts at pricing available through the MITN contract, #FH-13-14-1748, as extended through July 31, 2019.

The parts purchased from Motown Automotive Distributing and Genuine Parts Company have been good quality and both vendors have delivered an excellent level of service. Product and service are particularly important as repair and replacement parts are often crucial to keeping the City's extensive fleet in service.

The time and expense associated with the City developing and issuing its own invitation to bid and the likelihood of higher unit prices weigh in favor of continuing with purchases through the MITN contract through July 31, 2019.

STAFF RECOMMENDATION:

Please see Suggested Action on the accompanying Agenda Statement.

Notification list:

Motown Automotive Distributing
24701 Hallwood Ct.
Farmington Hills, MI 48335
James O'Dell, Marketing Manager
jodell@motownauto.com

Genuine Parts / NAPA Detroit
30550 Ecorse Road
Romulus, MI 48174
Dan DeBoer, District Manager
dan_deboer@genpt.com



Interoffice Memorandum

Date: July 18, 2016

To: Jim Buhlinger, Purchasing Manager

From: 
Jared Beaudoin, Operations Manager

Subject: Recommendation - Extension of Replacement Automotive Parts Pricing

On April 11, 2013, proposals were received by the City of Farmington Hills for the purchase of parts for the maintenance and repair of vehicles, light trucks, heavy and specialty equipment. The committee involved in the evaluation process recommended splitting the award between two vendors whose proposals best met the specifications for price, product offering, references, and experience.

Motown Automotive Parts was chosen as the majority supplier for preventative maintenance and repair parts. Genuine Part Company (NAPA Auto Parts) was chosen for the auto parts not available from Motown Automotive such a bus and heavy-duty truck parts.

The Department of Public Works recommends the extension of the City of Farmington Hills RFP for the purchase of automotive and equipment parts through July 31, 2019. These parts will be purchased and utilized when necessary to make repairs on city owned vehicles or equipment.

Motown Automotive has supplied the City with replacement auto parts for over twelve years. Their extensive knowledge of the repair industry, as well as their 9 metro-Detroit locations has ensured speedy and accurate delivery of all items ordered. The DPW staff anticipates spending \$50,000 annually through Motown Automotive.

Genuine Parts Company (NAPA) has performed exceptionally in providing the City with replacement auto and truck parts for over eighteen years. The DPW staff anticipates spending \$20,000 annually through Genuine Parts Company (NAPA).

Both companies have performed extremely well through the first three years under this RFP, and the competitive pricing received has saved the City both time and money. The DPW staff expects to receive the same savings and performance over the next three years through this extension.

Funds for the purchase of these replacement parts are budgeted in the Fleet Maintenance – Parts & Sublet Services account #11744553-759000.

C: Michael Moore, Director of Public Works
Don Barron, Fleet Maintenance Supervisor

Jim Buhlinger

From: Kelly Monico [KMonico@fhgov.com]
Sent: Wednesday, June 29, 2016 8:15 AM
To: Craig Treppa; Keri Bright; Lisa Cummins; Debbie Scully; lclark@smartbus.org; Leonard Jones; Steve Giebel; Jim Buhlinger; Keri Marshall
Cc: Jerry Brock; Kevin McCarthy
Subject: Auto Parts Agreement Extension
Attachments: 1748 Genuine Parts-NAPA Agreement Addendum 1.pdf; 1748 Motwon Agreement Addendum 1.pdf

Attached are the signed Contract Addendum's for the auto parts agreement's with Motown Auto Parts & Genuine Parts/NAPA Detroit. The agreement has been extended through July 31, 2019.

Kelly Monico
Senior Buyer
City of Farmington Hills
31555 W. Eleven Mile Road
Farmington Hills, MI 48336
248-871-2435
kmonico@fhgov.com



ADDENDA NOTICE NO. 1

OF

CONTRACT NO. FH-13-14-1748

NAME & ADDRESS OF VENDOR: Motown Automotive Distributing 24701 Hallwood Ct. Farmington Hills, MI 48335 248-471-7222 Fax 248-471-1640 Contact-James O'Dell	CONTRACT TERM: August 1, 2013—July 31, 2016 Renewal Option - August 1, 2016—July 31, 2019
TERMS: Net 30	BUYER: Kelly Monico (248) 871-2435
F.O.B.: Delivered	COOPERATIVE: MITN Purchasing Cooperative

NATURE OF CHANGE(S):

Change #1 -Agreement extension through July 31, 2019.

All other terms, conditions, specifications and pricing provisions remain unchanged.

AUTHORITY/REASON:

Requested by the City of Farmington Hills
CMR 7-13-58, Awarded 7/22/2013

TOTAL ESTIMATED CONTRACT VALUE:

\$300,000 (COOPERATIVE WIDE)

COMPANY AUTHORIZATION

COMPANY NAME Motown Automotive Distributing Co.

AUTHORIZED SIGNATURE James O'Dell

PRINTED James O'Dell

DATE 6/28/2016



ADDENDA NOTICE NO. 1

OF

CONTRACT NO. FH- 13-14-1748

NAME & ADDRESS OF VENDOR: Genuine Parts/ NAPA Detroit 30550 Ecorse Road Romulus, MI 48174 734-729-7500 Contact-Dan DeBoer	CONTRACT TERM: August 1, 2013—July 31, 2016 Renewal Option - August 1, 2016—July 31, 2019
TERMS: Net 30	BUYER: Kelly Monico (248) 871-2435
F.O.B.: Delivered	COOPERATIVE: MITN Purchasing Cooperative

NATURE OF CHANGE(S):

Change #1 -Agreement extension through July 31, 2019.

All other terms, conditions, specifications and pricing provisions remain unchanged.

AUTHORITY/REASON:

Requested by the City of Farmington Hills
CMR 7-13-58, Awarded 7/22/2013

TOTAL ESTIMATED CONTRACT VALUE:

\$100,000 (COOPERATIVE WIDE)

COMPANY AUTHORIZATION

COMPANY NAME Genuine Parts Company - NAPA

AUTHORIZED SIGNATURE Daniel DeBoer

PRINTED Daniel DeBoer

DATE 6/27/16

REPORT FROM THE CITY MANAGER TO CITY COUNCIL
July 22, 2013

SUBJECT: AWARD OF PROPOSAL FOR AUTO PARTS

ADMINISTRATIVE SUMMARY

- The Farmington Hills DPW is responsible for the maintenance and repair of over three hundred (300) units of equipment including vehicles, light trucks, heavy equipment and specialty equipment. The City annually budgets approximately \$150,000 for the purchase of auto and truck parts.
- Request for Proposals were advertised, available on the MITN e-procurement system and opened on Wednesday, April 11, 2013 on behalf of cities Farmington Hills, Rochester Hills, Sterling Heights, Warren and the Suburban Mobility Authority for Regional Transport (SMART); with additional extension offered to the MITN Purchasing Cooperative. Notification was sent to over one-hundred (100) vendors with six (6) responding. The total estimated purchase volume for participating agencies is \$500,000. Due to the low number of OEM parts distributor's responses, it was determined by the group, that OEM parts would be re-bid separately to ensure best value.
- The request for proposals calls for a contracted discount off published catalog pricing for 85 different auto parts manufacturers. This includes preventive maintenance parts (filters, belts, hoses, etc.), auto and truck repair parts, rebuilt components, and heavy duty parts required for the maintenance of the entire City fleet. Additionally, the request required vendors to explain how they would meet our stringent delivery requirements for stock parts and emergency needs as well as provide information on opportunities for entity staff to be trained on current and new parts installation and maintenance.
- A committee made up of city staff and representatives from all entities evaluated responses and checked references for all proposals received. A short list of candidates was developed and those companies were interviewed to discuss information given in their proposals. Given the vast number and varied type of auto parts required by the different cities, the committee is recommending a split award to two (2) vendors whose proposals best met the specifications for price, product offering, references and experience. It is recommended Motown Automotive be awarded as the main supplier for preventative maintenance and repair parts. Motown Automotive was chosen as the main supplier because their product offering was vast, their cooperative wide sample pricing was lowest on the majority of items, their knowledge of auto /truck repair was extensive, they have fourteen (14) locations to service all entities and their commitment to customer service was demonstrated by the many references received from other local municipalities. Genuine Parts Company/NAPA Detroit is recommended for award as a back-up & for other repair parts not available from Motown such as bus & some heavy duty trucks. They too offer a variety of products, they were low on several items on the sample pricing, they offer rebates for purchases made via the internet, they have eleven (11) stores in metropolitan Detroit and their references were good.
- The committee is confident that both Motown Automotive and Genuine Parts Company/NAPA Detroit understand the full scope of the contract and will provide satisfactory service.
- Funding for auto and truck parts is budgeted and available in the DPW supply account.

EVALUATION TABULATION

Vendor	City/State	Confirmation Interview Point Total (10 points possible)
General Parts Distributors DBA CARQUEST	Livonia, MI	N/A – disqualified-did not follow format requested & would not meet terms & conditions requested including Title IV-non-discrimination clause.
Varsity Ford	Ann Arbor, MI	N/A – eliminated due to limited product offering
Dealer Auto Parts	Troy, MI	N/A –eliminated due to limited product offering
Kirk’s Automotive	Detroit, MI	7.5
Genuine Parts Company/NAPA	Detroit, MI	8.0
Motown Automotive	Farmington Hills, MI	9.5

RECOMMENDATION

In view of the above, it is recommended that City Council authorize the City Manager to approve all budgeted purchases for auto parts as follows:

- **Motown Automotive** as primary supplier for a period of three (3) years and to renew for additional three (3) year period under the same terms and conditions upon mutual consent by the City and said vendor.
- **Genuine Parts Company/NAPA** as secondary supplier for a period of three (3) years and to renew for additional three (3) year period under the same terms and conditions upon mutual consent by the City and said vendor.

Prepared by: Michael Lasley, Director of Central Services

Reviewed by: Kevin McCarthy, DPW Superintendent

Reviewed by: Gary Mekjian, Director of Public Services

Approved by: Steve Brock, City Manager

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To purchase computer equipment and Microsoft licensing at pricing available through a Midwestern Higher Education Commission master price agreement (Total expenditure of \$65,856).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)



Attachments

	City Clerk	—	Resolution	—	Minutes
	Finance & Budget Director	—	Ordinance	—	Plan/Map
	City Attorney (as to legal form)	—	Contract	—	Other
	City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

- The City adheres to a long-term technology replacement and upgrade plan to ensure the inventory of computers and related software and equipment remains current and reliable. Due to lean staffing in all offices and departments, the City continues to rely upon efficiencies realized through proper deployment of technology. If approved, this purchase will provide new computers to personnel in the City Development Department and Offices of Building Services, Human Resources, Information Technology, Purchasing, and Treasury.
- The City has standardized its computer equipment purchases through Dell, Inc. including personal computers, laptops, servers, and compatible operating software.
- Rather than incur the time and expense associated with the City preparing and issuing its own invitation to bid, recommendation is being made to take advantage of the combined purchasing power of governmental and educational agencies across the United States and purchase Dell computers and software licenses from Access Interactive, L.L.C., a Dell Authorized Contract Reseller, through a Midwestern Higher Education Commission (MHEC) master price agreement.
- The following computer equipment and licenses will be purchased through the master price agreement:

<u>Quantity</u>	<u>Item</u>	<u>Unit Price</u>	<u>Total Cost</u>
39	Dell OptiPlex 3040 Desktop	\$ 775.00	\$30,225.00
7	Dell Latitude E5470 Laptop	703.00	4,921.00

93	Microsoft Office License	270.00	25,110.00
10	Microsoft Windows License	560.00	<u>5,600.00</u>

Total Contract Purchase: \$65,856.00

- Funding in the amount of \$73,500 is appropriated for this purchase in the fiscal year 2015/16 Capital Projects Fund budget.
- Please see the attached departmental recommendation from the Office of Information Technology and supporting documentation for additional information.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to purchase Dell OptiPlex 3040 Small Form Factor Workstations, Dell Latitude E5470 Laptops, and Microsoft Office/Windows licensing from Access Interactive, L.L.C., 46665 Magellan Drive, Novi, MI 48377 through the Midwestern Higher Education Commission master price agreement, #MHEC-07012015, at a cumulative cost of \$65,856.00.

CITY OF STERLING HEIGHTS
STAFF REPORT
August 3, 2016

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

GENERAL INFORMATION:

Authorization is being requested by the Office of Information Technology to purchase computer equipment and software licensing at pricing available through a Midwestern Higher Education Commission master agreement, being #MHEC-07012015. The total expenditure for this purchase will be \$65,856 and will include (39) Dell Optiplex desktops, (7) Dell Latitude laptops, (93) Microsoft Office licenses and (10) Microsoft Windows Server licenses.

Funding for the purchase of the Dell computer equipment and Microsoft licenses in the amount of \$73,500 is budgeted in 43717258 (Capital Projects Fund – Information Technology), 979080 (Microsoft Office), and 979150 (Financial System – Hardware).

STAFF ANALYSIS AND FINDINGS:

The City has standardized its information technology system using Dell computer equipment for the following reasons:

- Decreased internal support costs and training as compared to multiple platforms.
- Development of a long-term replacement and upgrade policy with a known product and service.
- Improved vendor service, product benefits, and relationship.
- Disk imaging for faster repair and less downtime.
- Superior five-year warranty.

If approved, this purchase will provide new computers to personnel in the City Development Department and Offices of Building Services, Human Resources, Information Technology, Purchasing, and Treasury. The Microsoft Office volume software licenses will be strategically distributed throughout the organization based on IT's priority replacement schedule and the Microsoft Windows server licenses are needed to replace end-of-life licenses on IT servers.

Upon review and analysis of available options, recommendation is being made to purchase the new Dell computer equipment and software licenses at competitive pricing available through a Midwestern Higher Education Commission (MHEC) master price agreement with Dell Marketing, L.P.

MHEC is a non-profit 501(c)(3) interstate compact of twelve Midwestern states, statutorily established (MI PA Act 195 of 1990, Section 390.1531), in part, to negotiate and provide quality and affordable services for the entities within the member States, including Michigan. MHEC issued a Request for Proposals, evaluated all responses, accepted the proposal and entered into a Master Price Agreement with Dell Marketing L.P. through June 30, 2018.

Dell has provided a comprehensive list of authorized resellers under the terms and conditions of the MHEC agreement. Access Interactive, L.L.C. of Novi, Michigan is one of those resellers authorized in the State of Michigan. Dell has confirmed that Access Interactive participates in its PartnerDirect Certified Partner Program and is an Authorized Microsoft Reseller and Partner. The city has purchased Dell computer equipment and Microsoft software and licenses from Access Interactive with positive product and service results.

Please see the attached departmental recommendation for additional information.

STAFF RECOMMENDATION:

Please see Suggested Action on the accompanying Agenda Statement.

Notification list:

Access Interactive

46665 Magellan Drive

Novi, MI 48377

Kathie Patton-Eriksson, Senior Account Consultant

kpe@access-interactive.com



Interoffice Memorandum

Date: July 18, 2016

To: Jim Buhlinger, Purchasing Manager

From: 
 Steven Deon, Information Technology Director

Subject: 2016/2017 Computer Equipment Replacement

The 2016/2017 capital budget provides funding for the PC replacement program and software licensing in the amount of \$73,500. The departments affected by this phase of PC replacement are Building, City Development, City Management, Information Technology, Purchasing, and the Treasury Department. The PC replacement program and software licensing purchase will total \$65,856.00. The Midwestern Higher Education Compact (MHEC), is a nonprofit regional organization assisting Midwestern states in advancing technology through interstate cooperation and resource sharing. The Office of Information Technology will leverage the MHEC pricing provided by Access Interactive for the equipment purchases described below.

Access Interactive
 46665 Magellan Drive
 Novi, MI 48377

PC replacement program and software licensing equipment unit prices and expected units to be purchased are presented below:

Dell OptiPlex 3040 SFF Desktop	\$775.00	39	\$30,225.00
Dell Latitude E5470 Laptop	703.00	7	4,921.00
Microsoft Office volume license	270.00	93	25,110.00
Microsoft Windows Server 2012R2 Ent	560.00	10	5,600.00

The City of Sterling Heights has chosen to standardize all computer hardware purchases with Dell. The relationship with Dell has been very beneficial to the city. Dell equipment has proven to be reliable, supportable, and cost competitive. Dell support offerings and service, in our experience, are unmatched by their competitors. Standardization is key for any efficient support organization. As technical staff becomes familiar with specific hardware, they are able to diagnose and resolve issues more quickly. Business PC's generally consist of more standardized components that will be offered for a longer period of time. These components are tested specifically for use in network environments, and are certified by software developers to work well in those environments.

The City has standardized on Dell equipment for the following reasons:

- Decreased support costs in that the IT department doesn't require continual training on multiple platforms.
- Enables the development of a long-term replacement/upgrading policy.
- Allows IT to receive the best prices given purchase volume.
- Fosters stronger city-vendor relationship, resulting in improved service, receipt of advanced product announcements, and customized benefits.
- Disk imaging allows for faster repair and less downtime.
- Five year warranty on equipment.

Please feel free to contact me should you have any addition questions.



Dell Workstations, Laptops, MS Licensing MHEC Contract

Prepared by:



Kathie Patton Eriksson
Jeremy Friedman
Daniel Heidt

July 18, 2016

Dell Optiplex 3040 SFF with 22-Inch LCD

OptiPlex 3040 Small Form Factor BTX	1
Intel Core i5-6500 Processor (Quad Core, 6MB, 4T, 3.2GHz, 65W)	1
Small Form Factor Processor Heatsink 65 Watt	1
Win 10 Pro 64 English, French, Spanish	1
8GB (1x8GB) 1600MHz DDR3L Memory	1
3.5 inch 500GB 7200rpm Hard Disk Drive	1
Intel Integrated Graphics, Dell OptiPlex	1
DVD+/-RW Bezel, Small Form Factor	1
OptiPlex 3040 SFF with 180W Standard Power Supply (APFC)	1
Dell KB216 Wired Multi-Media Keyboard English Black	1
Dell MS116 Wired Mouse, Black	1
Dell Data Protection System Tools Digital Delivery/DT	1
Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps),OptiPlex	1
Cyberlink Media Suite Essentials for Windows without Media	1
Dell Limited Hardware Warranty Plus Service	1
Onsite Service After Remote Diagnosis 3 Years	1
Dell 22 Monitor - P2217H8.1 DVD OS Recovery(English) (620-AASU)	1
Dell Stereo USB Monitor Soundbar AC511	1

Qty. 39 @ \$775.00 \$ 30,225.00

Dell Latitude E5470

Dell Latitude E5470, BTX	1
6th Generation Intel Core i5-6200U (Dual Core, 2.3GHz, 3MB cache)	1
Intel Core i5-6200U Processor Base, Integrated HD Graphics 520	1
Windows 7 Professional English, French, Spanish 64bit (Includes Windows 10 Pro License)	1
Dell Power Manager	1
Dell Data Protection Security Tools Digital	1
Dell Backup and Recovery Basic	1
Adobe Reader 11	1
Dell Data Protection Protected Workspace	1
Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps)	1
Non Touch WWAN HD/FHD LCD Backcover	1
35.6cm (14.0") HD (1366x768) Non-Touch Anti-Glare LCD with Camera and Mic	1
4GB (1x4GB) 2133MHz DDR4 Memory	1
500GB (7,200 Rpm) Serial ATA Hard Drive	1
Intel Dual Band Wireless 8260 (802.11ac) W/ Bluetooth	1
Internal Single Pointing Keyboard (English)	1
No Fingerprint Reader and No Smart Card Reader Palmrest (Single Pointing)	1
65 Watt AC Adapter	1
Primary 4-cell 62W/HR Battery	1
Windows 10 Pro OS Recovery 64bit – DVD	1
Dell Data Protection Encryption Personal Edition Digital Delivery	1
Dell ProSupport for Software, Dell Data Protection	1
Dell Limited Hardware Warranty	1
Onsite/In-Home Service After Remote Diagnosis, 1 Year	1
Dell Adapter - USB 3.0 to HDMI/VGA/Ethernet/USB 2.0 (Kit)	1

Qty. 7 @ \$703.00 \$ 4,921.00

Microsoft Office 2016 Standard – Open License Government (Downward Compatible with Office 2013)

Qty. 93 @ \$270.00 \$ 25,110.00

Microsoft Windows 2012 R2 Standard – Open License Government (Replaces Enterprise Edition)

Qty. 10 @ \$560.00 \$ 5,600.00

PROJECT COSTS:

EQUIPMENT: \$ 65,856.00
MI SALES TAX: \$ EXEMPT
SUBTOTAL: \$ 65,856.00
SERVICES: \$ 0.00

TOTAL: \$ 65,856.00

Quote Valid for 30-Days. Prices Subject to Change with Notice Depending on Current Market Conditions.
 50% Deposit Required upon Acceptance, Remainder Net 30. 25% Restocking Fee Applied to Project Costs for Returned Merchandise.

Authorized Signature: _____ Date: _____

Printed Name: _____ Purchase Order No: _____

**MASTER PRICE AGREEMENT
BETWEEN
MIDWESTERN HIGHER EDUCATION COMMISSION
AND
DELL MARKETING L.P.
EFFECTIVE JULY 1, 2015 through JUNE 30, 2018**

THIS AGREEMENT, and amendments and supplements thereto, is made between the Midwestern Higher Education Commission (hereinafter MHEC) located at 105 Fifth Avenue South, Suite 450 Minneapolis, MN 55401, on behalf of the Eligible Organizations located in the MHEC member states, and Dell Marketing L.P., (hereinafter Dell) One Dell Way, Round Rock TX, 78682. For purposes of this Master Agreement MHEC and Dell are referred to collectively as the "Parties" or individually as "Party".

Whereas, the Midwestern Higher Education Compact (Compact) is an interstate compact of twelve Midwestern states, such states being Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin (Member States); and MHEC, a nonprofit 501(c) (3), is a statutorily created governing body of the Compact established for the purposes, in part, of determining, negotiating and providing quality and affordable services for the Member States, the entities in those Member States, and the citizens residing in those Member States; and

Whereas, MHEC has established a Technology Initiative for the purpose of which is to determine, negotiate and make available quality and affordable technology products and services to the not-for-profit and public education related entities in the MHEC Member States; and

Whereas, MHEC has entered into separate agreements with the Southern Regional Education Board (SREB) and the Western Interstate Commission for Higher Education (WICHE) respectively to allow entities in the SREB Member States and the WICHE Member States access MHEC's Technology Initiative contracts, including this Master Agreement; and

Whereas, SREB Member States refers to any state that is a member or an affiliate member of SREB. Current SREB Member States are: Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia; and

Whereas, WICHE Member States refers to any state that is a member or an affiliate member of SREB. Current WICHE Member States are: Alaska, Arizona, California, Colorado, Hawai'i, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming and U.S. Pacific Territories and Freely Associated States; and

Whereas, Dell offers certain quality technology related products and services; and

Whereas, MHEC conducted a competitive sourcing event for Network Hardware and Related Services in April 2014 and upon completion of the competitive process awarded Dell: Category 1: Network Equipment; and Category 2: Wireless Equipment; and

Whereas, MHEC conducted a competitive sourcing event for Computing Hardware and Related Services in August 2014 and upon completion of the competitive process awarded to Dell: Category 1: Desktop Hardware; Category 2: Laptop Hardware; Category 3: Tablet Devices; and Category 4: Server and Storage Hardware; and

Therefore, in consideration of mutual covenants, conditions, and promises contained herein, MHEC and Dell agree as follows:

1. Definitions

Authorized Agents: refers to marketing agents, agents or order fulfillers authorized by Dell to provide Products and Services under this Master Agreement. Dell will list Authorized Agents on an internet site accessible to MHEC, its Member States and Eligible Organizations. Dell will provide to MHEC the general criteria used to authorize agents. At any time during the term of this Master Agreement should MHEC protest the inclusion of a firm on this list pursuant to commercially justifiable cause, Dell may require that firm to undergo re-approval.

Dell-branded Products: refers to any information technology products that are marked with the "Dell" brand, including all Standard Configurations thereof, but does not include any of the following items: (i) software, sound cards, speakers, external devices, accessories or parts added to the Dell-branded hardware products after they are shipped from Dell; (ii) accessories or parts added to the Dell-branded hardware products through Dell's Custom Factory Integration Services at Procuring Eligible Organization's request; (iii) accessories or parts that are not installed in the Dell factory; (iv) Third Party Software and Peripheral products; or (v) monitors, keyboards and mice, to the extent that they are not included in Dell's products listed online.

Documentation: refers to the any documentation made available by Dell to Procuring Eligible Organization relating to any Equipment or Software purchased as well as any manuals relating to the Equipment or Software.

Deliverables: refers to the tangible materials, including reports, studies, base cases, drawings, findings, software, manuals, procedures, and recommendations that Dell delivers to Procuring Eligible Organization under a Statement of Work.

Eligible Organizations: This Master Agreement shall be the framework under which Eligible Organizations can acquire Products as defined in section Products and acquire Services as defined in section Services from Dell. Eligible Organizations shall include:

1. All not-for-profit private and public institutions and/or systems of higher education (colleges, universities, community colleges, technical institutions and equivalent institutions) located in a Member State, SREB Member State or WICHE Member State;
2. All K-12 schools and school districts located in a Member State, SREB Member State or a WICHE Member State;
3. All city, county, and other local governments located in a Member State, SREB Member State or WICHE Member State;
4. All state governments and their departments of a Member State, SREB Member State or WICHE Member State;
5. Eligible Organizations located in a Member State, SREB Member State or WICHE Member State that terminates its association with MHEC, SREB or WICHE respectively, will no longer be eligible to acquire Products or Services pursuant to this Master Agreement. Termination by any Member State, SREB Member State or WICHE Member State shall not prohibit or restrict Dell from negotiating or contracting with such Member State, SREB Member State or WICHE Member State or entities within such states outside of MHEC. MHEC shall promptly notify Dell in writing of the termination of any membership in MHEC, SREB or WICHE. If any Member State, SREB Member State or WICHE Member State so terminates its membership, such termination

shall not affect the validity or enforceability of or constitute a default under any Order then in effect with any Eligible Organization. Similarly, MHEC shall promptly notify Dell if other states join MHEC, SREB or WICHE after which such states shall be deemed to be a Member State, SREB Member State or WICHE Member State for purposes of this Master Agreement.

Equipment: refers to Dell's full line of new or refurbished hardware for: a) network and related equipment and components, b) wireless and related equipment and components, c) desktops and related equipment and components, d) laptops and related equipment and components, e) tablet devices and related equipment and components, f) server and storage and related equipment and components; made available for sale by Dell to Eligible Organizations under this Master Agreement.

Large Order Negotiated Prices: refers to the price offered to specific Eligible Organizations under defined additional terms and conditions. Selection and pricing of large order negotiated prices shall be by mutual agreement of the Eligible Organization and Supplier. Large Order Negotiated Prices shall apply only to those items that meet the applicable additional terms and conditions negotiated by Supplier and the Eligible Organization.

Master Agreement Promotional Prices: refers to special prices that are offered nationally or regionally under this Master Agreement to a specific category of customers intended to include Eligible Organizations for defined time periods under defined terms and conditions.

Member State: refers to any state that is a member, or an affiliate member, of the Midwestern Higher Education Compact ("MHEC"). For purposes of this Master Agreement the current MHEC Member States are Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin.

Order: refers to an Eligible Organization's purchase order or other ordering document evidencing its intent to procure Products or Services from Supplier under the terms and conditions of this Master Agreement.

Price Agreement: refers to an indefinite quantity contract, which requires Dell to furnish Products or Services to a Procuring Eligible Organization that issues a valid Order document.

Procuring Eligible Organization: refers to an Eligible Organization which desires to purchase under this Master Agreement and has executed an Order.

Products: refers to the full line of information technology Equipment, Software and Documentation Dell makes available under this Master Agreement.

Promotional Prices: refers to prices that Dell offers nationally or regionally to a specific category of customers intended to include similarly situated public entity and institutional Eligible Organizations for defined time periods in similar quantities and under the promotional price offer's defined terms and conditions.

Retail Price List: refers to the Dell's retail price list and is a complete list of Products and Services with the corresponding retail prices for those Products and Services made available for purchase by Eligible Organizations under this Master Agreement. The Retail Price List contains an item number, item description and the retail price for each Product. Retail Price List is set forth online at <http://ftpbbox.us.dell.com/slg/weekly/dellpricereport.pdf> and may be modified at any time.

Services: refers to the services offered by Dell under this Master Agreement including: pre-implementation de-sign, installation/de-installation, migration, optimization, maintenance, technical support, training, and services accessible over the internet. These services are as follows:

1. **Support Services:** such as warranty services, maintenance, installation, de-installation, factory integration, (software or equipment components), asset management, and recycling/disposal.
2. **Training and certification.**
3. **Professional Services:** such as assessments, disaster recovery planning and support, services desk/help desk, software and application development, and any other directly related technical support and/or IT related service required for the effective operation of a product offered or supplied.
4. **IT as a Service:** refers to the delivery of a variety of hybrid services and applications accessible on demand over the internet including:
 - A. **Software-as-a-service (SaaS):** refers to a software delivery method that provides access to software and its functions remotely as a web-based service.
 - B. **Infrastructure-as-a-service (IaaS):** refers to computer infrastructure, such as virtualization, being delivered as a service.
 - C. **Platform-as-a-service (PaaS):** refers to a computing platform being delivered as a service.
 - D. **Storage-as-a-service:** refers to a storage model where an entity rents or leases storage space.
 - E. **Desktop-as-a-service (DaaS):** refers to virtual desktop infrastructure (VDI).
 - F. **Disaster recovery-as-a-service (DRaaS)** refers to backup and restore data services.

Eligible Organizations purchasing on-site Support, on-site Training, Professional, or IT as a Service shall negotiate the terms and conditions of such purchase with the Vendor, including, as applicable, service level agreements and/or statements of work.

Software: refers to Dell's full offerings of a) network related software, b) wireless related software, c) desktop related software, d) laptop related software, e) tablet devices related software, and f) server and storage related software made available under this Master Agreement. Software shall mean software, library, utility, tool, or other computer or program code, each in object (binary) code form, as well as the related media, printed materials, online and electronic documentation and any copies thereof. Software shall include updates, upgrades, maintenance releases, revisions, and enhancements to the licensed software. Software may include software accessed by Eligible Organization through the Internet or other remote means (such as websites, portals, "hosted" and "cloud-based" solutions).

System Software: means Software that provides basic hardware functionality and provides a platform for applications to run (e.g., firmware and BIOS software), and any Software specifically designated by Dell as System Software the purpose of which is to operate and manage the Products in which it is embedded.

Application Software: means computer programs that are designed to perform specialized data processing tasks for the user and any Software specifically designated by Dell as Application Software.

Supplier: refers to Dell or an Authorized Agent.

Third Party Products: refers to any Equipment ("Third Party Equipment") or Software ("Third Party Software") other than parts that are Dell branded or originally listed as components of Dell-branded Products. Third Party Software is not considered components of Dell-branded Products.

Third Party Services: refers to any Services performed by someone other than Dell or its subcontractors.

2. Scope of Work

Procuring Eligible Organizations shall purchase from Supplier, and Supplier shall distribute to Procuring Eligible Organizations Products and Services in accordance with the terms of this Master Agreement. All Eligible Organizations are qualified to purchase under this Master Agreement, including those Eligible Organizations currently under a separate agreement with Supplier. This Master Agreement is a Price Agreement. Accordingly, Supplier shall provide Products or Services only upon the issuance and acceptance by Supplier of a valid Order. Orders may be issued to purchase any Products or any Services listed on the Retail Price List. A Procuring Eligible Organization may purchase any quantity of Products or Services listed in Dell's Retail Price List at the prices stated herein. For Large Order Negotiated Prices, Supplier and Eligible Organization may negotiate quantity discounts below the Products and Services Pricing for a given purchase order. As it sees fit, Supplier may offer under this Master Agreement Promotional Price discounts that result in prices below those listed in the Product and Services Price List. Dell is solely responsible for fulfillment of the responsibilities under the terms and conditions of this Master Agreement. MHEC shall not be liable for any Eligible Organization that executes an Order under this Master Agreement. An Eligible Organization shall not be responsible for any other Eligible Organization that executes its own Order under this Master Agreement.

3. Purchasing Under Master Agreement

- A. **Products:** Procuring Eligible Organization shall purchase from Supplier the Products listed on the Retail Price List under the terms and conditions of this Master Agreement by delivering to Supplier an Order. The Order should include: (i) Procuring Eligible Organization by name and address; (ii) the quantity, and description of the Product that Procuring Eligible Organization desires to purchase or license; (iii) the price of the Product in accordance with this Master Agreement; (iv) the "bill-to" address; (v) the "ship-to" address; (vi) the requested delivery dates and shipping instructions; (vii) a contact name and telephone number; and (viii) reference to this Master Agreement. Supplier must notify Procuring Eligible Organization if it intends to substitute any item(s) that has been ordered by the Procuring Eligible Organization using this contract; the Procuring Eligible Organization will then have the option to cancel the order if such substitute item is not acceptable. The substitute item must be at an equivalent or better technology level than the original product ordered, and at the same price. Failure to comply may result in return of merchandise at Supplier's expense.
- B. **Services:** Procuring Eligible Organization shall purchase Services from Supplier under the terms and conditions of this Master Agreement by delivering to Supplier an Order. The Order should include: (i) Procuring Eligible Organization by name and address; (ii) the description of the Service (s) that Procuring Eligible Organization desires Supplier to perform; (iii) the price of the Service in accordance with this Master Agreement; (iv) the "bill-to" address; (v) the requested performance dates; (vi) a contact name and telephone number; and (vii) reference to this Master Agreement. Eligible Organizations purchasing on-site Support, on-site Training, Professional, or IT as a Service shall negotiate the terms and conditions of such purchase with the Vendor, including, as applicable, service level agreements and/or statements of work.
- C. Each Order that is accepted by Supplier will become a part of the Agreement as to the Products and/or Services listed on the Order only; no additional terms or conditions will be added to this Agreement as a result of the acceptance of the Order, nor will such terms affect any purchase. An Order from an Eligible Organization accepted by Supplier is binding.
- D. All Products furnished will be subject to acceptance pursuant to the terms and conditions of Section 7.A ("Acceptance") by Procuring Eligible Organization after delivery. No substitutions or

cancellations are permitted without notification to the Procuring Eligible Organization. Nothing in this Section precludes any agreements for the use of electronic purchase orders.

- E. Procuring Eligible Organization may request in writing changes to an Order ("Change Request") that Supplier has previously accepted up until the time Dell begins manufacturing the Products or performing the Services. In response to a Change Request, Supplier will provide written quotations to Procuring Eligible Organization, including any changes to prices, license fees, shipment or completion dates. A Change Request is a separate Order subject to the terms and conditions of this Master Agreement and Dell's change order process.
- F. Supplier will accept a purchasing card for order placement in addition to accepting a purchase order.
- G. When Equipment purchased on this contract requires installation, the Supplier must provide the cost of installation as a separate line item on their quotation. The installation cost must include all packing, freight, insurance, set-up, instruction, and operation manual charges. Equipment must be set in place in an area designated by Procuring Eligible Organization personnel, demonstrated to be in operating condition, and approved by Procuring Eligible Organization personnel. Upon request, Dell will provide a Services quote with a Statement of Work to remove any and all debris from the Procuring Eligible Organization's site. Upon installation, all operating instructions will be provided either physically or electronically to Procuring Eligible Organization's personnel identified on the purchase order.

4. Quantity Guarantee

This Master Agreement is not a purchase order, nor does it guarantee any purchases to be made by any Eligible Organization. This Master Agreement is not an exclusive agreement. MHEC and Eligible Organizations may obtain information technology products and services from other sources during the term of the Master Agreement.

5. Master Agreement Term

This Master Agreement will be formed upon execution by the Parties, and shall remain in effect, unless otherwise terminated pursuant to the terms of the Master Agreement, for a period of three (3) years from the Effective Date. The Master Agreement may be mutually renewed for four (4) additional one-year terms, upon written agreement of the Parties, unless terminated pursuant to the terms of this Agreement.

6. Order of Precedence

Where the terms and conditions of this Master Agreement are in conflict with an Eligible Organization's state and/or institutional laws or regulations, the Eligible Organization and Dell may enter into an addendum to amend the terms and conditions of the Master Agreement to conform to the Eligible Organization's state and/or institutional laws or regulations. Likewise, a Procuring Eligible Organization and Dell may enter into an addendum to supplement or modify this Agreement for specific Products or Services. The terms and conditions of the addendum shall only be applicable between the Eligible Organization that entered into the addendum and Dell.

In the event of any conflict among these documents, the following order of precedence shall apply:

- A. Mutually agreed upon Statement of Work ("SOW") or Service Level Agreement ("SLA")
- B. License terms applicable to the software license or software service purchased hereunder
- C. Executed addendum, not to include Purchase Orders, between Eligible Organization and Dell

- D. The terms and conditions of this Master Agreement or any MHEC-Dell addenda to this Master Agreement and its Exhibits
- E. The list of Products and Services contained in the Order

7. Payment Provisions

- A. **Acceptance.** A Procuring Eligible Organization shall determine whether all Products and Services delivered meet the Dell's published specifications. No payment shall be made for any Products or Services until the Eligible Organization has accepted the Products or Services. Unless otherwise agreed upon between the Eligible Organization and Dell, the Eligible Organization shall within fifteen (15) calendar days from the date of delivery, issue a written notice of partial acceptance or rejection of the Products or Services; otherwise the Products or Services shall be deemed accepted.
- B. **Return Policy.** Procuring Eligible Organization may return Dell branded products in accordance with the terms of Dell's Return Policy as shown in Exhibit C. Restocking fees may apply. Restocking fees will be disclosed to the Procuring Eligible Organization when an RMA is requested.
- C. **Payment of Invoice.** Payments shall be delivered to Dell at the address shown on the invoice. Payments shall be made within thirty (30) days from the date of invoice. In the event that Dell is required to pursue the collection of past due amounts not subject to a good faith dispute between Dell and the Procuring Eligible Organization, Dell will be entitled to recover interest accrued at the lesser of 1.5% per month or in accordance with the applicable state laws of the Procuring Eligible Organization.
- D. **Dispute Notice.** Procuring Eligible Organization shall make a good faith effort to notify Supplier of any billing discrepancies or disputes about an invoice within fifteen (15) business days after receiving it, specifying with particularity the basis of any such dispute ("Dispute Notice") or in accordance with the applicable state laws of the Procuring Eligible Organization. Tender of a Dispute Notice does not relieve Procuring Eligible Organization of its obligations to pay the undisputed portion of any invoice subject to a Dispute Notice. Any amounts that were the subject of a Dispute Notice and are subsequently resolved in favor of Supplier will be subject to interest charges accruing from the original due date.
- E. **Partial Shipment.** In the event an order is shipped incomplete (partial), the Procuring Eligible Organization must pay for each shipment as invoiced by Supplier unless the Procuring Eligible Organization has clearly specified "No Partial Shipment" on each purchase order.
- F. **Payment of Taxes.** The prices listed under this Master Agreement do not include, and Procuring Eligible Organization shall reimburse Supplier for, any and all taxes and/or duties assessed against or payable by Supplier in connection with the sale of Equipment, licensing of Software or Documentation, or performance of Services except for taxes imposed upon Suppliers net income. Unless the Procuring Eligible Organization provides a proof of tax exemption, taxes will be additive to the contracted price.

8. Shipping

Dell shall ship the Products F.O.B. destination. Title to Products shall pass to Procuring Eligible Organization upon delivery to Procuring Eligible Organization's destination point. Risk of loss or damage to the Products shall pass to Procuring Eligible Organization upon delivery to the Procuring Eligible Organization. Dell shall bear the risk of loss with respect to returned Products except for loss or damage directly attributable to the negligence of the Eligible Organization. Standard 3-5 day ground shipping will

be included in the price of the equipment. All equipment must be shipped fully configured with the required memory, components, and selected or specified operating system, unless as otherwise noted.

9. Product Delivery

- A. Unless otherwise agreed to by Procuring Eligible Organization and Supplier, Supplier agrees to deliver Products to Procuring Eligible Organization within thirty (30) days after receipt of a valid Order. If delivery cannot be made within thirty (30) calendar days, Supplier will notify Procuring Eligible Organization within five (5) business days following Order placement, and Procuring Eligible Organization as its exclusive remedy, can cancel the order by written, electronic, or facsimile notification. Failure of the Supplier to adhere to delivery schedules as specified or to promptly replace defective product shall render the Supplier liable for all costs in excess of the contract price when alternate procurement is necessary. Suppliers acknowledge that all locations of any particular Eligible Organization may not be within the MHEC region.
- B. If deliveries prove to be unsatisfactory, or other problems arise, MHEC reserves the right to delete Product or Services from the Master Agreement and/or cancel Master Agreement for cause. Similarly, if deliveries prove to be unsatisfactory or other problems arise under the agreement for a Procuring Eligible Organization, the Procuring Eligible Organization retains all of its remedies for a default. Failure of MHEC or the Procuring Eligible Organization to exercise its rights of termination for cause or other remedies for default due to a Supplier's failure to perform as required in any instance shall not constitute a waiver of termination rights or other default remedies in any other instance.
- C. Suppliers may choose to deliver products electronically where practicable. This option must be under the independent control of each Procuring Eligible Organization.

10. Price Guarantees

The Procuring Eligible Organization shall pay the lower of the prices contained in the Master Agreement, Announced Master Agreement Promotional Price, Dell's publically announced Promotional Price (provided that the Procuring Eligible Organization notifies Dell of the applicability of a specified Promotional Price), or Large Order Negotiated Price at the time of Order (provided that, with respect to the applicability of Large Order Negotiated Prices, such Procuring Eligible Organization is a party to the Large Order Negotiated Price negotiations and the purchase is part of the project for which the Large Order Negotiated Price was negotiated). When Eligible Organizations purchase under this Master Agreement, Dell shall not sell Products or Services to Eligible Organizations at prices higher than those awarded via this Master Agreement and in instances where this Provision is applied, this Master Agreement contract number shall be referenced in the Supplier's quote.

11. Product Pricing

Dell agrees to maintain Product Pricing in accordance with the following provisions:

- A. Retail Price List for all Equipment, Software and Documentation will be set forth at <http://ftpbox.us.dell.com/slg/weekly/dellpricereport.pdf> Changes to retail prices generally take effect immediately, and Dell reserves the right to change retail prices at any time.
- B. Discount Percentage Pricing: The prices for Products are the Retail Price List less applicable discount as specified in Exhibit A. Except as set forth in Section 10 "Price Guarantees" or Section 37 "Administrative Reporting and Fees," the discount percentages set forth in Exhibit A shall remain firm during the term of this Master Agreement. Dell shall add new Product(s) to Retail Price List as

new Product(s) become available for sale. The pricing for all new Products shall be at the price discount levels provided herein, or as agreed to by the Parties.

- C. Dell may revise or discontinue Product offerings at any time without prior notice to MHEC. A change in a Product may occur between the time that Procuring Eligible Organization orders a Product and the time that Dell ships the Product. As a result, Products shipped may display minor differences from the Products Procuring Eligible Organization ordered, but they will meet or exceed all material specifications of the Products Procuring Eligible Organization ordered.
- D. Quarterly Reviews and Product Roadmaps: Dell agrees to meet with MHEC on at least a quarterly basis to discuss Product Roadmaps, which will consist of a six-month forecast of any Products, including the specific configuration bundles for which Eligible Organizations receive special pricing. Dell targets an 18-month lifecycle for its standard platforms and often exceeds this goal. In addition, standard platforms offer a minimum 60-90 day overlap between a system that is due to become end-of-life and its successor. Dell agrees to provide advance notice of introduction, transition, and end-of-life information for Products, system platforms, peripherals, and software. In addition, at such Quarterly Reviews, Dell agrees to work with MHEC to identify configurations, bundles, and/or promotional pricing that would provide the most value under this Master Agreement and/or to specific Procuring Eligible Organization(s). Configurations, bundles, and/or promotional pricing will be offered and continuously available throughout the term of this Master Agreement.
- E. Products purchased shall be new, current models manufactured with 100% new OEM parts. All Products should be offered in current production as of the date of the award. For purpose of this contract, "current production" shall mean that the equipment model is being manufactured as new equipment for the United States market. Dell will delete obsolete and discontinued Products from the Retail Price List on a timely basis.
- F. Prices will be F.O.B. destination (interior/ground floor or inside dock), and freight pre-paid and allowed, to any and all locations of the Procuring Eligible Organization. Prices must include all packing, freight, insurance charges and installation/operation manuals.

12. Services Pricing

Dell agrees to maintain the Service Pricing in accordance with the following provisions:

- A. For any standard Services, in which the Services and corresponding SKU are on Retail Price List, the pricing will be as described in the Products Section for Discount Percentage Pricing, and the applicable discount percentage as noted in Exhibit A will apply. Except as set forth in Section 10, "Price Guarantees" or Section 37 "Administrative Reporting and Fees," the discount percentage set forth in Exhibit A shall remain firm for the term of the Master Agreement.
- B. For any custom Services that are not included on the Retail Price List, the prices for such Services purchased under this Master Agreement will be as mutually agreed upon by both Dell and Procuring Eligible Organization and as set forth in a Dell quote or an applicable SOW or negotiated agreement.
- C. Specific geographic restrictions on the availability of Services must be conveyed to the Procuring Eligible Organization.
- D. Dell may offer a direct or indirect leasing program as a financial Service under a separate leasing agreement.
- E. Any purchase by Procuring Eligible Organizations of IT as a Service is pursuant to the terms of the Dell Services Description accompanying the Services and the Services Acceptable Use Policy, which is

available for review at www.dell.com/termsandconditions or any other negotiated agreement between Eligible Organization and Dell.

13. License and Proprietary Rights

The terms applicable to any software are in its license agreement, included with the Software media packaging, or presented to Procuring Eligible Organization during the installation or use of the Software. For Dell-branded System Software, Procuring Eligible Organization's use of such Software is subject to the Dell-branded System Software End User License Agreement (EULA) as set forth in Exhibit B, attached hereto. If a separate license agreement exists between Procuring Eligible Organization and the manufacturer or the owner of the Software, that license agreement will control and will apply according to its terms and conditions.

14. Proprietary Rights

All right, title, and interest in and to the intellectual property (including all copyrights, patents, trademarks, trade secrets, and trade dress) embodied in the Software, Products, Deliverables and all content and other items included with or as part of the Products, Services, Software, or Deliverables, such as text, graphics, logos, button icons, images, audio clips, information, data, feedback, photographs, graphs, videos, typefaces, music, sounds, and software, as well as the methods by which any Services are performed and the processes that make up the Services, shall belong solely and exclusively to Supplier or its suppliers or licensors, and Procuring Eligible Organization shall have no rights whatsoever in any of the above, except as expressly granted in this this Master Agreement.

15. Warranties

- A. **Equipment:** Dell warrants that any Dell branded products shall be free from defects in material and workmanship under normal use, will conform to the specifications within the product documentation accompanying the product, and that the Equipment shall remain in good working order for the applicable warranty period from the date of Invoice. The applicable warranty period will be determined by such factors as the type of Warranty or Product purchased. If any Equipment is not as warranted in this Section, then Dell shall repair or replace the Equipment in accordance with the applicable warranty. In repairing or replacing any Equipment or part of any Equipment under this warranty, Dell may use new, remanufactured, reconditioned, refurbished, or functionally equivalent Equipment or parts of Equipment. For any Equipment or parts thereof repaired, replaced or corrected under this Section, the warranty period applicable to the Equipment will continue for the remainder of the original warranty period. If, Dell determines that it cannot, in a commercially reasonable manner repair or replace any Equipment, then Dell may, in its sole discretion, refund to Procuring Eligible Organization the price of the Equipment.
- B. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT OR IN THE APPLICABLE PRODUCT OR SERVICE DOCUMENTATION, DELL (INCLUDING ITS AFFILIATES, CONTRACTORS, AND AGENTS, AND EACH OF THEIR RESPECTIVE EMPLOYEES, DIRECTORS, AND OFFICERS), ON BEHALF OF ITSELF AND ITS SUPPLIERS AND LICENSORS (COLLECTIVELY, THE "DELL PARTIES") MAKES NO EXPRESS OR IMPLIED WARRANTY WITH RESPECT TO ANY OF THE PRODUCTS, SOFTWARE, DELIVERABLES OR SERVICES, INCLUDING BUT NOT LIMITED TO ANY WARRANTY (a) OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, PERFORMANCE, SUITABILITY, OR NON-INFRINGEMENT; (b) RELATING TO THIRD-PARTY PRODUCTS; OR (c) RELATING TO THE RESULTS OR PERFORMANCE OF THE SOLUTION, INCLUDING THAT THE SOLUTION WILL BE PROVIDED WITHOUT INTERRUPTION OR ERROR.
- C. WARRANTIES DO NOT COVER DAMAGE DUE TO EXTERNAL CAUSES, SUCH AS ACCIDENT, ABUSE, PROBLEMS WITH ELECTRICAL POWER, SERVICE NOT PERFORMED OR AUTHORIZED BY DELL

(INCLUDING INSTALLATION OR DE-INSTALLATION), USAGE NOT IN ACCORDANCE WITH THE DOCUMENTATION, NORMAL WEAR AND TEAR, OR USE OF PARTS AND COMPONENTS NOT SUPPLIED OR INTENDED FOR USE WITH THE SOLUTION. WARRANTIES DO NOT APPLY TO THIRD-PARTY PRODUCTS. ANY WARRANTY ON A THIRD-PARTY PRODUCT IS PROVIDED BY THE PUBLISHER, PROVIDER, OR ORIGINAL MANUFACTURER.

- D. NOTHING IN THIS SECTION SHALL EXCLUDE OR LIMIT DELL'S WARRANTY OR LIABILITY FOR LOSSES THAT MAY NOT BE LAWFULLY EXCLUDED OR LIMITED BY APPLICABLE LAW. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES OR CONDITIONS OR THE LIMITATION OR EXCLUSION OF LIABILITY FOR LOSS OR DAMAGE CAUSED BY NEGLIGENCE, BREACH OF CONTRACT, BREACH OF IMPLIED TERMS, OR INCIDENTAL OR CONSEQUENTIAL DAMAGES. SOME JURISDICTIONS DO NOT ALWAYS ENFORCE CLASS ACTION OR JURY WAIVERS, AND MAY LIMIT FORUM SELECTION CLAUSES AND STATUTE OF LIMITATIONS PROVISIONS, AS SUCH, ONLY THE LIMITATIONS THAT ARE LAWFULLY APPLIED TO PROCURING ELIGIBLE ORGANIZATION IN PROCURING ELGIBILE ORGANIZATIONS'S JURISDICTION WILL APPLY TO PROCURING ELIGIBLE ORGANIZATION, AND DELL'S LIABILITY WILL BE LIMITED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.
- E. **HIGH-RISK DISCLAIMER:** DELL SHALL NOT BE LIABLE TO THE PROCURING ELIGIBLE ORGANIZATION FOR USE OF THE SOLUTION IN HAZARDOUS OR HIGH-RISK ENVIRONMENTS REQUIRING FAIL-SAFE PERFORMANCE, IN WHICH THE FAILURE OR MALFUNCTION OF THE SOLUTION COULD LEAD DIRECTLY TO DEATH, PERSONAL INJURY, OR SEVERE PHYSICAL OR PROPERTY DAMAGE. SUCH USE IS AT PROCURING ELIGIBLE ORGANIZATION'S OWN RISK, EVEN IF DELL KNOWS OF SUCH USE, AND DELL EXPRESSLY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTY OF FITNESS FOR SUCH HIGH-RISK ACTIVITIES.
- F. **Services:** Dell represents and warrants that the Services provided under this Master Agreement will be performed in a skillful, competent, timely, professional and workmanlike manner, and that the Dell employees, agents and contractors assigned to perform Services under this Master Agreement have the proper skill, training and background so as to be able to perform in a skillful, competent, timely, professional and workmanlike manner. Any additional warranty for Services will be decided on a case by case basis and be mutually agreed upon in a SOW.
- G. **Third-Party Products and Services Warranties:** Dell does not warrant Third-Party Products or Services. Any warranty provided on Third-Party Product(s) or Service(s) is provided by the publisher, original manufacturer, or service provider and may vary from product to product or service to service. Such warranties shall be provided to the Procuring Eligible Organization with the Third Party Products and Services.
- H. Dell warrants that Procuring Eligible Organization shall acquire good and clear title to Dell-branded Products being purchased under this Master Agreement, free and clear of all liens and encumbrances. For any non-Dell branded Products, Dell warrants that it has the right to provide such Products to the Procuring Eligible Organization.
- I. **Environmental Factors:** Many Eligible Participants are committed to promoting environmentally sound procurement, usage and disposal methods which are in compliance with State, County, and Municipal regulations. Dell agrees to maintain for the term of this Master Agreement, and all renewals/extensions thereof, programs as described in the following paragraphs.
 - A. **Takeback/Recycling of Equipment.** Costs are as listed on the Retail Price List subject to applicable discounts.

- B. Environment: Compliance with the following standards applicable to IT providers in the United States: Blue Angel, EcoLogo, Energy Star, EPEAT (by level), Green Guard, and TCO.
- C. Product labeling of compliance with Items B above, as well as identification of such information on the web site.

16. Termination

- A. At any time MHEC may terminate this Master Agreement, in whole or in part, by giving Dell ninety (90) days written notice; provided however, neither MHEC nor Eligible Organization has the right to terminate a specific Order for convenience after the Product has begun production or been shipped for such Products that don't require production. At any time, Dell may terminate this Master Agreement, in whole or in part, by giving MHEC ninety (90) days written notice. Such termination shall not relieve Dell of any warranty or other service obligations incurred under the terms of this Master Agreement.
- B. Either Party may terminate this Master Agreement for cause based upon material breach of the Master Agreement by the other Party, provided that the non-breaching Party shall give the breaching Party written notice specifying the breach and shall afford the breaching Party a reasonable opportunity to correct the breach. If within thirty (30) days after receipt of a written notice the breaching Party has not corrected the breach or, in the case of a breach that cannot be corrected in thirty (30) days, begun and proceeded in good faith to correct the breach, the non-breaching Party may declare the breaching Party in default and terminate the agreement effective immediately. The non-breaching party shall retain any and all remedies available to it under the law.
- C. In the event that either Party be adjudged insolvent or bankrupt by a court of competent jurisdiction, or upon the institution of any proceedings by or against it seeking relief, reorganization or arrangement under any laws relating to insolvency, or upon any assignment for the benefit of creditors, or upon the appointment of a receiver or trustee of any of its property or assets, or upon the liquidation, dissolution or winding up of its business, then and in any such event this Master Agreement may immediately be terminated or cancelled by the other Party hereto.
- D. In the event this Master Agreement expires or is terminated for any reason, a Procuring Eligible Organization shall retain its rights in all Product and Services accepted prior to the effective termination date or ordered before the effective termination date and ultimately accepted.

17. Non-Appropriation

This provision applies only to publicly funded Eligible Organizations. The terms of this Master Agreement and any Order issued for multiple years under this Master Agreement is contingent upon sufficient appropriations being made by the legislature or other appropriate governing entity. Notwithstanding any language to the contrary in this Master Agreement or in any purchase order or other document, Procuring Eligible Organization may terminate its obligations under this Master Agreement if sufficient appropriations are not made by the governing entity to pay amounts due for multiple year agreements. The Procuring Eligible Organization's decision as to whether sufficient appropriations are available shall be accepted by Dell and shall be final and binding. A Procuring Eligible Organization shall provide sixty (60) days' notice, if possible, of its intent to terminate this contract for non-appropriation. The Procuring Eligible Organization shall send to Dell a notice of its Governing Body's decision not to appropriate funds for the installment sale payments for the subsequent fiscal year. Such termination shall relieve the Procuring Eligible Organization, its officers and employees from any responsibility or liability for the payment of any future Orders. However, all outstanding invoices from Dell will be paid by the Procuring Eligible Organization.

18. Records and Audit

Dell agrees to maintain records directly related to the Invoices and Purchase Orders under this Master Agreement for a period of three (3) years or such term as required by applicable law from the date of receipt of final payment after termination of the Master Agreement. These records shall be subject to inspection, which may be initiated no more than twice annually, with reasonable advance notice, by Procuring Eligible Organization and appropriate governmental authorities within Procuring Eligible Organization's state. The Procuring Eligible Organization shall have the right to request copies of invoices either before or after payment. Payment under this Master Agreement shall not foreclose the right of the Procuring Eligible Organization to recover excessive or illegal payments.

19. Independent Contractor

Dell, its agents, and employees are independent contractors and are not employees of MHEC or any Eligible Organization. Dell has no authorization, express or implied to bind MHEC or any Eligible Organization to any agreements, settlements, liability or understanding whatsoever, and agrees not to perform any acts as agent of MHEC or any Eligible Organization, except as expressly set forth herein. Nothing in this Master Agreement is intended, or shall be deemed, or construed to constitute a partnership or a joint venture between the Parties.

20. Patent, Copyright, Trademark and Trade Secret Indemnification

Dell will indemnify, defend and hold MHEC and Eligible Organization harmless from any third party claim that any Dell-branded Product or Service provided to Eligible Organization pursuant to this Master Agreement infringes on another person's or entity's United States patent, copyright, trade secret or any other proprietary right of a third party. Dell will have no obligation under this section with respect to any Claim of infringement resulting from (a) Services performed, or Product provided, pursuant to Eligible Organization's specification or design; (b) an Eligible Organization's unauthorized modification of a Product; or (c) any combination, operation, or use of the Product with systems other than those provided by Dell to the extent that such a Claim is caused by such modification, combination, operation, or use of the Product. Following notice of a Claim or a threat of actual suit, Dell will, at its own expense and option, (1) resolve the claim in a way that permits continued ownership and use of the affected Product or Service; (2) provide a comparable replacement at no cost; or (3) in the case of a Product accept return of the Product, freight collect, and provide a reasonable depreciated refund and in the case of a Service, provide a refund less a reasonable adjustment for beneficial use, but in no event shall refund of Product or Service relieve Dell from its obligations to defend and indemnify MHEC and Eligible Organizations.

With respect to any claim that Non-Dell branded Product(s) or Service(s) infringes upon another person's or entity's patent, copyright, trade secret or other intellectual property rights in the United States, Dell agrees to pass through to the appropriate Eligible Organization any rights to indemnification protection for which Dell currently or subsequently has in place with the manufacturer, licensor and publisher.

21. Indemnification

Dell will indemnify, protect, save and hold harmless MHEC and Eligible Organizations, as well as the representatives, agents and employees of MHEC and Eligible Organizations, from any and all third party claims or causes of action related to a claim of personal injury or damage to tangible property, including all reasonable attorneys' fees incurred by MHEC and/or Eligible Organizations, directly arising from intentionally wrongful actions or omissions or the negligent performance of the Master Agreement by Dell, Dell's agents, employees, or subcontractors. MHEC and/or Eligible Organization shall give Dell

written notice, by registered mail, promptly after it becomes aware of any claim to be indemnified hereunder. For state entities, Dell will coordinate with state's attorney general as required by state law. Dell will control the defense of any such claim or action at Dell's own expense. MHEC and/or Eligible Organization agree that Dell may employ attorneys of its own choice to appear and defend the claim or action and that MHEC and/or Eligible Organization shall do nothing to compromise the defense of such claim or action or any settlement thereof and shall provide Dell with all reasonable assistance that Dell may require.

22. Limitation of Liability

Dell shall not be liable to MHEC or any individual Eligible Organization for any direct damages in excess of \$500,000 or the price of the Product(s) or Service(s) purchased per Order subject to such claim, whichever is greater. The foregoing limitation does not apply to any indemnification obligations under this Master Agreement or to damages resulting from personal injury or tangible property damage caused by Dell's negligence or willful misconduct. NEITHER DELL, MHEC NOR ANY ELIGIBLE ORGANIZATION SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THIS MASTER AGREEMENT, WHETHER THE CLAIM ALLEGES TORTUOUS CONDUCT (INCLUDING NEGLIGENCE) OR ANY OTHER LEGAL THEORY. DELL IS NOT RESPONSIBLE FOR LOSS OF OR RECOVERY OF DATA, PROGRAMS, OR LOSS OF USE OF SYSTEM(S) OR NETWORK OR EXCEPT AS SET FORTH IN THIS AGREEMENT, THE PROCUREMENT OF SUBSTITUTE PRODUCTS, SOFTWARE OR SERVICES.

THESE LIMITATIONS, EXCLUSIONS, AND DISCLAIMERS SHALL APPLY TO ALL CLAIMS FOR DAMAGES, WHETHER BASED IN CONTRACT, WARRANTY, STRICT LIABILITY, NEGLIGENCE, TORT, OR OTHERWISE, TO THE EXTENT PERMITTED BY APPLICABLE LAW. INSOFAR AS APPLICABLE LAW PROHIBITS ANY LIMITATION ON LIABILITY HEREIN, THE PARTIES AGREE THAT SUCH LIMITATION WILL BE AUTOMATICALLY MODIFIED, BUT ONLY TO THE EXTENT SO AS TO MAKE THE LIMITATION COMPLIANT WITH APPLICABLE LAW. THE PARTIES AGREE THAT THESE LIMITATIONS OF LIABILITY ARE AGREED ALLOCATIONS OF RISK CONSTITUTING IN PART THE CONSIDERATION FOR DELL PROVIDING PRODUCTS, SOFTWARE, OR SERVICES TO PROCURING ELIGIBLE ORGANIZATION, AND SUCH LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY AND EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LIABILITIES OR FAILURES.

23. Confidentiality

- A. While Dell is providing Services hereunder, Eligible Organization or Dell may disclose to the other certain business information identified as confidential ("Confidential Information"). All such information shall be marked or otherwise designated as "Confidential" or "Proprietary". In order for such information to be considered Confidential Information pursuant to this Section 23 of the Master Agreement, it must conform to the data practices laws or similar type laws of the State in which the Eligible Organization is located or was founded. Information of a proprietary nature which is disclosed orally to the other party shall not be treated as Confidential Information unless it is stated at the time of such oral disclosure that such information is Confidential Information and such information is reduced to writing and confirmed as Confidential Information to the recipient within ten (10) days after oral disclosure. Both Eligible Organization and Dell agree that, with respect to Confidential Information it receives (as "Recipient") from the other (as a "Discloser") in connection with this Master Agreement or an Order pursuant to this Master Agreement, that it (i) will use such Confidential Information solely for the purposes contemplated by the Master Agreement or an Order placed under this Master Agreement, (ii) shall not use any such Confidential Information for any other purpose and in particular shall not so use such Confidential Information in any manner either to the detriment of the Discloser or for the benefit of the Recipient or any third

party, and (iii) shall receive and hold such Confidential Information in trust and confidence for the benefit of the Discloser.

- B. Each Party will make reasonable efforts not to disclose the other Party's Confidential Information to any third party, except as may be required by law, unless such Confidential Information: (i) was in the public domain prior to, at the time of, or subsequent to the date of disclosure through no fault of the non-disclosing party; (ii) was rightfully in the non-disclosing party's possession or the possession of any third party free of any obligation of confidentiality; or (iii) was developed by the non-disclosing party's employees or agents independently of and without reference to any of the other party's Confidential Information. Confidential Information shall remain the property of and be returned to the Discloser (along with all copies or other embodiments thereof) within fifteen (15) days of (a) the termination or completion of the Order under this Master Agreement, or (b) the earlier receipt by the Recipient from the Discloser of a written demand following a breach by Eligible Organization or Dell of this Master Agreement or an Order under this Master Agreement directing that Confidential Information described generally or specifically in such demand be returned to the Discloser.
- C. In such cases where Confidential Information is required to be disclosed to a third party for purposes of providing Services, all disclosure of Confidential Information will be in accordance with the separate non-disclosure agreement between Dell and the third party.
- D. If a separate, written nondisclosure agreement exists between Eligible Organization and Dell, that agreement will control and will apply according to its terms and conditions to all Confidential Information the parties exchange with each other.
- E. Notwithstanding anything to the contrary in this Agreement or amendment to this Master Agreement, both Eligible Organization and Dell agree to comply with the data practices or similar type laws of the State in which Eligible Participant is located or founded, to the extent applicable to the scope of services performed by Supplier.

24. FERPA (and Other Privacy Laws)

Where applicable to the scope of services Dell is providing, and only to the extent directly applicable to Dell and its Services, Dell agrees to comply with the Family Education Rights and Privacy Act (FERPA), the Health Insurance Portability and Accountability Act (HIPAA), the Gramm-Leach Bliley Act (GLBA) and all other applicable state and federal privacy laws. To the extent an Eligible Organization discloses any information to Dell subject to aforementioned privacy laws, Eligible Organization agrees to advise Dell of the disclosure of such information; and Eligible Organization represents and warrants to Dell that it has obtained any required consents to disclose such information. In addition, to the extent that Dell is or becomes a Business Associate as defined in HIPAA, both Parties acknowledge that a separate mutually agreeable Business Associate Agreement may be required and will govern according to its terms.

With regard to FERPA, for purposes of this Agreement, Dell is a contractor or outside service provider with whom the Procuring Eligible Organization has outsourced institutional services or functions that it would otherwise use employees to perform. For purposes of FERPA, the Procuring Eligible Organization has determined that Supplier, and its employees acting in the course of their employment under this Agreement, is a school official with a legitimate educational interest in obtaining access to education records and will only provide Dell with access to those particular education records in which Dell has a legitimate educational interest. Further, the Procuring Eligible Organization represents and warrants that it has obtained any required consents to disclose such records to Supplier and the Procuring Eligible Organization represents and warrants that it has or will make all required notifications required to disclose such records to Supplier. Supplier shall be under the direct control of the Procuring Eligible

Organization with respect to its maintenance and use of personally identifiable information from education records provided under this Agreement. Supplier shall not further disclose any personally identifiable information from education records to any third party unless that third party likewise has a legitimate educational interest in obtaining access to education records and unless authorized to so further disclose by the Procuring Eligible Organization. For purposes of this Agreement, the Procuring Eligible Organization has determined that those Supplier contractors performing institutional services or functions that the Procuring Eligible Organization would otherwise use employees to perform shall have such legitimate educational interest in instances where contractor requires access to education records in order to fulfill its responsibilities under this Agreement. Such access shall be limited to the specific educational records necessary for the performance of services and in such instances contractor shall have the same obligations pursuant to this section as Supplier and Supplier shall inform said contractors of its obligations. Supplier agrees to hold non-public information that is subject to FERPA requirements, which may include personally identifiable information, in strict confidence and agrees to implement and maintain safe guards to protect the security, confidentiality and integrity of any such non-public personal information it receives from Procuring Eligible Organizations. Suppliers shall not disclose such non-public personal information received from or on behalf of Procuring Eligible Organization except as permitted or required by this Agreement or addendum, as required by law, or otherwise authorized in writing by Procuring Eligible Organization.

25. Amendments

Except as provided for in Section 6 "Order of Preference"; Section 12 "Product Pricing"; and Section 13 "Service Pricing"; this Master Agreement shall only be amended by written instrument executed by the Parties.

26. Scope of Agreement

This Master Agreement incorporates all of the agreements of the Parties concerning the subject matter of this Agreement, and all prior agreements have been merged into this Master Agreement. No prior agreements, verbal or otherwise, of the Parties or their agents shall be valid or enforceable unless embodied in this Master Agreement.

27. Invalid Term or Condition

If any term or condition of this Master Agreement shall be held invalid or unenforceable, the remainder of this Master Agreement shall not be affected and shall be valid and enforceable.

28. Enforcement of Agreement

A Party's failure to require strict performance of any provision of this Master Agreement shall not waive or diminish that Party's right thereafter to demand strict compliance with that or any other provision. No waiver by a Party of any of its rights under this Master Agreement shall be effective unless express and in writing, and no effective waiver by a Party of any of its rights shall be effective to waive any other rights.

29. Web Site Maintenance

Dell agrees to maintain and support Internet website(s) for access to the Retail Price List, Product descriptions, Product specifications, Service descriptions, Service specifications and other aids in accordance with instructions provided by MHEC. In addition, Dell will provide electronic commerce assistance for the electronic submission of purchase orders, purchase order tracking and reporting. Dell shall notify MHEC when there are additions and/or deletions made to the list of Authorized Resellers.

30. Equal Opportunity Compliance

Dell agrees to abide by all applicable Federal and state laws, regulations, and executive orders pertaining to equal employment opportunity. In accordance with such laws, regulations, and executive orders, Dell agrees that it does not discriminate, on the grounds of race, color, religion, national origin, sex, age, veteran status or handicap. If Dell is found to be not in compliance with applicable Federal or state requirements during the life of this Master Agreement, Dell agrees to take appropriate steps to correct these deficiencies.

31. Compliance with Law

Dell shall comply with all applicable laws and governmental regulations, which by their terms, apply to Dell's performance under an Order pursuant to this Master Agreement. Eligible Organization agrees to comply with all applicable laws and governmental regulations in connection with this Master Agreement. MHEC agrees to comply with all applicable laws and governmental regulations in connection with this Master Agreement.

32. Applicable Law

- A. As between Eligible Organization and Dell, this Master Agreement will be construed in accordance with, and its performance governed by the laws of the state in which the Eligible Organization resides. Venue for all legal proceedings arising out of this Master Agreement, or breach thereof, shall be in a state or federal court with competent jurisdiction located in the state in which the Eligible Organization resides.
- B. As between MHEC and Dell this Master Agreement will be construed in accordance and its performance governed by the laws of the state of Minnesota. Venue for all legal proceedings arising out of this Master Agreement, or breach thereof, shall be in a state or federal court with competent jurisdiction located in the State of Minnesota.
- C. As between Eligible Organization, MHEC, and Dell this Master Agreement will be construed in accordance with and its performance governed by the laws of the state in which the Eligible Organization resides. Venue for all legal proceedings arising out of this Master Agreement, or breach thereof, shall be in a state or federal court with competent jurisdiction located in the state in which the Eligible Organization resides.

33. Conflict of Interest

Dell warrants to the best of its knowledge and belief that it presently has no interest direct or indirect, which would give rise to organizational conflicts of interest.

34. Assignment

Neither Party shall sell, transfer, assign or otherwise dispose of the Master Agreement or any portion thereof or of any right, title, or interest herein without the prior written consent of the other Party. This consent requirement includes reassignment of this Master Agreement due to change in ownership, merger, or acquisition of a Party or its subsidiary or affiliated corporations. Nothing in this Section shall preclude Dell from employing a subcontractor in carrying out its obligations under this Master Agreement. Dell's use of such subcontractors will not release Dell from its obligations under this Master Agreement.

35. Survival

Certain paragraphs of this Master Agreement including but not limited to Indemnification; and Limitation of Liability shall survive the expiration of this Master Agreement. Software licenses, warranty

and service agreements, and non-disclosure agreements that were entered into under terms and conditions of this Master Agreement shall survive this Master Agreement.

36. Notification

A. **Between the Parties:** Whenever under the terms of this Master Agreement any notice is required or permitted to be given by one Party to the other, such notice shall be given in writing and shall be deemed to have been sufficiently given for all purposes hereof if given by facsimile or mail, postage prepaid, to the Parties at the addresses set forth below, or at such other address as the Parties may direct in writing from time to time:

To MHEC:	To Dell:
MHEC	Dell Marketing LP
105 Fifth Avenue South	One Dell Way
Suite 450	Mailstop RR 1-33
Minneapolis, Minnesota 55401	Round Rock, Texas 78682
Attn: Nathan Sorensen	Attn: Contract Manager
Facsimile: 612-767-3353	Fax: 512-283-9092

Changes in the above information will be given to the other Party in a timely fashion.

B. **To Eligible Organization:** Notices shall be sent to Eligible Organization’s business address. The term “business address” shall mean the “Bill to” address set forth in an invoice submitted to Eligible Organization.

37. Administrative Reporting and Fees

On a calendar-quarterly basis (where quarter one is January 1 – March 31 and the quarter one report is due by April 30), Dell will, in a timely manner, make available to MHEC utilization reports and information generated by this Master Agreement, reflecting net Product and Service sales to Eligible Organizations. The information and reports shall be accompanied with a check payable to the Midwestern Higher Education Commission for an amount equal to one fourth of one percent (0.25%) of the net Product and Service sales for that quarter period (the “Fee”). MHEC, from time to time may provide a written request to Dell to change the percentage of the Fee it will receive as a result of this Master Agreement. Any change in the Fee may also require a change in the Product or Service pricing.

38. MHEC Not Liable For Eligible Organizations

MHEC is not liable to Dell for the failure of any Eligible Organization to make any payment or to otherwise fully perform pursuant to the terms and conditions of an Order and/or the Master Agreement. Dell, in its sole discretion, may discontinue selling Products or Services to any Eligible Organization who fails to make payments or otherwise fully perform pursuant to the terms and conditions of the Master Agreement.

39. Announcements and Publicity

Any announcements and publicity given to MHEC (or an Eligible Organization) resulting from this Master Agreement must receive the prior approval of MHEC (or Eligible Organization). Such approval shall not be unreasonably withheld. Dell will not make any representations of MHEC's (or an Eligible Organization's) opinion or position as to the quality of effectiveness of the Products, Supplies and/or Services that are the subject of this Master Agreement without the prior written consent of MHEC (or Eligible Organization), which shall not be unreasonably withheld.

40. Marketing

Dell will assist MHEC in developing and implementing appropriate marketing strategies including seminars, printed materials and a full service, on-line MHEC-specific web site to receive information on products, supplies, services and prices and to place Orders.

41. Oversight Committee

An Oversight Committee comprised of representatives of Eligible Organizations shall be appointed by MHEC to assist and support MHEC and Dell in developing and refining the implementation of this Master Agreement. This shall include, but not be limited to, assistance with marketing strategies, representing the interests of Eligible Organizations in assuring quality and timely products and services, web presence; and to advise Dell on the effectiveness of its implementation progression. At the very least there will be an annual meeting between Dell and MHEC (and perhaps members of the Oversight Committee) to perform a contract health check; including items such as those above.

42. Force Majeure.

Neither Dell nor MHEC nor Procuring Eligible Organization shall be liable to each other during any period in which its performance is delayed or prevented, in whole or in part, by a circumstance beyond its reasonable control, which circumstances include, but are not limited to, the following: act of God (e.g., flood, earthquake, wind); fire; war; act of a public enemy or terrorist; act of sabotage; epidemic; strike or other labor dispute; riot; piracy or other misadventure of the sea; embargo; inability to secure materials and / or transportation; or, a restriction imposed by legislation, an order or a rule or regulation of a governmental entity. If such a circumstance occurs, the Party unable to perform shall undertake reasonable action to notify the other Parties of the same.

43. Sovereign Immunity.

Notwithstanding anything to the contrary in this Master Agreement or Order under this Master Agreement, this Master Agreement shall not be construed to deprive a Eligible Organization of its applicable sovereign immunity, or of any legal requirements, prohibitions, protections, exclusions or limitations of liability applying to this Master Agreement or afforded by Eligible Organization's State law applicable to the Eligible Organization. Nothing herein will be construed to prevent any breach of contract claim under this Master Agreement.

44. Compliance with Laws and Export.

A. **Compliance with Laws.** Procuring Eligible Organization and Dell agree to comply with all laws and regulations applicable to such party in the course of performance of its obligations under this Agreement. Procuring Eligible Organization acknowledges that the Products, Software and Services provided under this Agreement, which may include technology, authentication and encryption, are subject to the customs and export control laws and regulations of the United States ("U.S."); may be rendered or performed either in the U.S., in countries outside the U.S., or outside of the borders of the country in which Procuring Eligible Organization or its systems are located; and may also be

subject to the customs and export laws and regulations of the country in which the Products, Software and Services is rendered or received. Each party agrees to abide by those laws and regulations applicable to such party in the course of performance of its obligations under this Agreement. Procuring Eligible Organization also may be subject to import or re-export restrictions in the event Procuring Eligible Organization transfers the Products, Software or Deliverables from the country of delivery and Procuring Eligible Organization is responsible for complying with applicable restrictions. If any software provided by Procuring Eligible Organization and used as part of the Products, Software and/or Services contains encryption, then Procuring Eligible Organization agrees to provide Dell with all of the information needed for Dell to obtain export licenses from the U.S. Government or any other applicable national government and to provide Dell with such additional assistance as may be necessary to obtain such licenses. Notwithstanding the foregoing, Procuring Eligible Organization is solely responsible for obtaining any necessary permissions relating to software that it exports. Dell also may require export certifications from Procuring Eligible Organization for Procuring Eligible Organization-provided software. Dell's acceptance of any order for Products, Software and Services is contingent upon the issuance of any applicable export license required by the U.S. Government or any other applicable national government. Dell is not liable for delays or failure to deliver Products, Software or Services resulting from Procuring Eligible Organization's failure to obtain such license or to provide such certification.

- B. **Regulatory Requirements.** Dell is not responsible for determining whether any Third-Party Product to be used in the Products, Software and Services satisfies the local regulatory requirements of the country to which such Products, Software and Services are to be delivered or performed, and Dell shall not be obligated to provide any Products, Software and Services where the resulting Products, Software and Services is prohibited by law or does not satisfy the local regulatory requirements.
- C. **Excluded Data.** Procuring Eligible Organization acknowledges that no part of the Products, Software and Services is designed with security and access management for the processing and/or storage of the following categories of data: (1) data that is classified and/or used on the U.S. Munitions list, including software and technical data; (2) articles, services and related technical data designated as defense articles and defense services; (3) ITAR (International Traffic in Arms Regulations) related data; and (4) except for personally identifiable information referenced in Section 23, personally identifiable information that is subject to heightened security requirements as a result of Procuring Eligible Organization's internal policies or practices, industry-specific standards or by law (collectively referred to as "Excluded Data"). Procuring Eligible Organization hereby agrees that Procuring Eligible Organization is solely responsible for reviewing data that it will provide to Dell (or to which Dell will have access) to ensure that it does not contain Excluded Data.

45. Miscellaneous.

All Parties to this Master Agreement may retain a reproduction (e.g., electronic image, photocopy, facsimile) of this Master Agreement that shall be considered an original and shall be admissible in any action to enforce this Master Agreement. Dell may accept this Master Agreement either by its authorized signature or a signed Order. Except as provided for in this Master Agreement, all changes to this Master Agreement must be made in writing signed by both Parties; accordingly any additional terms on the Procuring Eligible Organization's ordering documents shall be of no force or effect.

The Parties, by their representatives signing below, agree with the terms of this Master Agreement and further certify that their respective signatories are duly authorized to execute this Agreement.

**Midwestern Higher Education
Commission**

Dell Marketing L.P.

Signature: *Larry Isaak*

Lauren Newberry

Name: Larry Isaak

Lauren D. Newberry

Title: President

Contracts Consultant

Midwest Higher Education Compact

Dell Marketing L.P.

Address: 105 Fifth Avenue South Suite 450

One Dell Way, RR 8-07

Minneapolis, Minnesota, 554401

Round Rock, Texas 78682

Date: 6-17-15

June 17, 2015

Exhibit A – Discount Category Pricing**Dell Pricing Level Discount Matrix (“Matrix”):**

Product Category	Product Category Classifications	MHEC Discount
A	Most PowerEdge Servers, PowerEdge Racks; Most CloudEdge; PowerApp Appliance Servers; PowerVault Storage Products; Precision Workstations; OptiPlex Desktops; Most Customer Kits; Latitude Notebooks; Selected Toner; Selected Dell Cisco Switches; Dell Wyse	14.0%
F	Selected Toner	1.5%
H	Base Ships Fast SKUs (Latitude, Optiplex, and Precision); Non-configurable/stocked Dell-branded Products (e.g., Smart Selection), Future Products to be Determined.	6.0%
M	3rd Party Software & Peripherals - Mainstream Products	6.0%
O	Selected service on PowerEdge departmental servers; Directline Service; 4-Hr On-Site Critical Care Plus; Business Care Plus On-Site Service (all years)	13.25%
R	Selected Services such as On-site – Next Business Day, On-site (extended yrs), Critical Care On-site Service (all yrs); and other svcs	5.0%
S	Selected Inspirons; Dell Compellent; Dell EqualLogic; Dell Kace; Selected Dell Printers; PowerConnect; Dell Projectors; Dell AIM; Selected PowerEdge; Vostro Notebooks; XPS Notebooks; Alienware Notebooks; Most Dell Cisco switches; Mellanox switches; Dell Force10; Dell AppAssure, Dell SonicWALL	3.0%
U	Spare Parts	0.5%
V	Peripherals and Services with discounts that vary based upon the system in which the item is installed	Varies per base sku
X	Selected Dell Printers; Selected Dell Monitors; Selected CloudEdge; Selected PowerEdge; Sonic Data Center Solutions; Selected 3rd Party Software & Peripherals; Non-Discountable Products	0.5%
Z	Selected Inspirons; Vostro Desktops & Notebooks; XPS Desktops; Alienware Desktops; Non-Discountable Service (except where contractually required)	0.5%
Z1 and Z5	Non-discountable Service	0.0%

The product classifications identified above are in place as of the Effective Date of this Agreement. These classifications affect Dell Public Sector customers and Dell may change product availability or classification category for all customers without notice. Reference the Dell Retail Price List to verify the applicable Product Category for each sku on Dell’s Quote. The descriptions herein are general in nature and are not all inclusive. Any product category not listed herein shall be deemed a non-discountable product or service offering and receive zero percent contractual discount.

Revenue Gates

Dell will offer the following discounts associated with single transactions.

Minimum Dollar Volume Associated with Single Transaction	Maximum Dollar Volume Associated with Single Purchase Order	Category A Discount in addition to the Initial Pricing Level Discount
\$50,000	\$99,999	Greater than or equal to 1%
\$100,000	\$199,999	Greater than or equal to 2%
\$200,000	\$499,999	Greater than or equal to 4%
\$500,000	\$999,999	Greater than or equal to 6%
\$1,000,000	No Maximum	Greater than or equal to 8%

Dell will offer the following discounts associated with cumulative purchases under the MHEC contract.

During the course of the Master Agreement Dell shall increase the base Category A discount by ½% within fifteen business days after submission of quarterly reporting period indicating sales threshold of \$2B / \$4B / \$6B has been achieved.

Exhibit B. Dell-branded System Software End User License Agreement (EULA)

This EULA is for System Software. System Software provides basic hardware functionality and platforms for applications to run (like firmware and BIOS), manages products in which it is embedded and includes software specifically designated by Dell.

THIS END USER LICENSE AGREEMENT ("EULA") IS A LEGAL AGREEMENT BETWEEN YOU (EITHER AN INDIVIDUAL OR AN ENTITY) AND DELL PRODUCTS L.P., A TEXAS LIMITED PARTNERSHIP, OR DELL GLOBAL B.V. (SINGAPORE BRANCH), THE SINGAPORE BRANCH OF A COMPANY INCORPORATED IN THE NETHERLANDS WITH LIMITED LIABILITY ON BEHALF OF ITSELF, DELL INC. AND DELL INC.'S DIRECT AND INDIRECT SUBSIDIARIES (COLLECTIVELY, "DELL"). THIS AGREEMENT GOVERNS ALL SOFTWARE ("SOFTWARE") AND ANY UPGRADES, UPDATES, PATCHES, HOTFIXES, MODULES, ROUTINES, FEATURE ENHANCEMENTS AND ADDITIONAL VERSIONS OF THE SOFTWARE THAT REPLACE OR SUPPLEMENT THE ORIGINAL SOFTWARE (COLLECTIVELY "UPDATES") AND THEIR ASSOCIATED MEDIA, PRINTED MATERIALS, ONLINE OR ELECTRONIC DOCUMENTATION, DISTRIBUTED BY OR ON BEHALF OF DELL UNLESS THERE IS A SEPARATE LICENSE AGREEMENT BETWEEN YOU AND THE MANUFACTURER OR OWNER OF THE SOFTWARE OR UPDATE. IF THERE IS NO SEPARATE LICENSE AGREEMENT THEN THIS AGREEMENT GOVERNS YOUR USE OF UPDATES, AND SUCH UPDATES WILL BE CONSIDERED SOFTWARE FOR ALL PURPOSES OF THIS EULA. THE "SOFTWARE" SHALL MEAN COLLECTIVELY THE SOFTWARE PROGRAM AND UPDATES AND ANY COPIES THEREOF. THIS EULA, IN AND OF ITSELF, DOES NOT ENTITLE YOU TO ANY UPDATES AT ANY TIME IN THE FUTURE. BY EXPRESSLY ACCEPTING THESE TERMS OR BY DOWNLOADING, INSTALLING, ACTIVATING AND/OR OTHERWISE USING THE SOFTWARE, YOU ARE AGREEING THAT YOU HAVE READ, AND THAT YOU AGREE TO COMPLY WITH AND ARE BOUND BY THE TERMS AND CONDITIONS OF THIS EULA AND ALL APPLICABLE LAWS AND REGULATIONS. IF YOU DO NOT AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS EULA, THEN YOU MAY NOT DOWNLOAD, INSTALL, ACTIVATE OR OTHERWISE USE ANY OF THE SOFTWARE AND YOU MUST PROMPTLY RETURN THE SOFTWARE; AND WHERE SOFTWARE WAS LOADED BY OR ON BEHALF OF DELL AS INCLUDED IN YOUR PURCHASE OF SPECIFIC HARDWARE (INCLUDING COMPONENTS OR ASSEMBLIES), YOU MUST RETURN THE ENTIRE HARDWARE/SOFTWARE PACKAGE AS DIRECTED BY DELL OR ITS RESELLER (IF APPLICABLE) FOR A FULL REFUND. IF YOU ARE ACCEPTING THESE TERMS AND CONDITIONS ON BEHALF OF AN ENTITY, YOU ACKNOWLEDGE THAT YOU HAVE THE APPROPRIATE AUTHORITY TO ACCEPT THESE TERMS AND CONDITIONS ON BEHALF OF SUCH ENTITY.

1. License. Subject to the terms, conditions and restrictions of this EULA (as a condition to the grant below), Dell hereby grants you a limited, personal, nonexclusive, and except as otherwise set forth in Section 6 below, nontransferable, nonassignable license, without rights to sublicense, to install or have installed, display and use the Software (in object code form only) solely for internal purposes, only on as many computers, devices and/or in such configurations as expressly permitted by Dell (e.g., as set forth in the applicable Dell sales quote or invoice), or on one computer device if no other entitlement is specified, and for such period specified in a term license, or perpetually if no term is specified.

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6. Transferability. You have the limited right to transfer Software on a permanent basis as part of the

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17. Right to Preliminary and Injunctive Relief. You agree that money damages would be an inadequate remedy for Dell in the event of a breach or threatened breach by you of the provisions set forth in this EULA; therefore, you agree that in the event of a breach or threatened breach of any such provisions, Dell may, in addition to any other remedies to which it is entitled, be entitled to such preliminary or injunctive relief (including an order prohibiting you from taking actions in breach of such provisions), without the need for posting bond, and specific performance as may be appropriate to preserve all of

Dell's rights. All rights and remedies afforded Dell by law shall be cumulative and not exclusive.

18. Choice of Law. The parties agree that the provisions of the Uniform Computer Information Transactions Act ("UCITA"), as it may have been or hereafter may be in effect in any jurisdiction, shall not apply to this EULA, and the parties waive any and all rights they may have under any laws(s) adopting UCITA in any form.

19. No Waiver. No waiver of breach or failure to exercise any option, right, or privilege under the terms of this EULA on any occasion by either party shall be construed to be a waiver of a subsequent breach or right to exercise any option, right, or privilege.

20. No Assignment. Except as provided in Section 6, Procuring Eligible Organization may not assign or transfer its interests, rights or obligations under this EULA, in whole or in part, whether voluntarily, by contract, or by merger (whether that party is the surviving or disappearing entity), stock or asset sale, consolidation, dissolution, through government action or order, or otherwise. Any attempt to assign this EULA without prior written consent from an authorized executive officer of Dell shall be null and void.

21. Entire Agreement. Unless you have entered into another written agreement with respect to the Software which has been signed by you and an authorized representative of Dell, including but not limited to the Master Price Agreement MHEC-07012015 or an order under Master Price Agreement MHEC-07012015, and which conflicts with the terms of this EULA, you agree that this EULA supersedes all prior written or oral agreements, warranties or representations with respect to use of the Software. If any term (or part thereof) of this EULA is found to be invalid or unenforceable, the remaining provisions (including other valid parts within the effected term) will remain effective. You acknowledge that you have read this Agreement, that you understand it, that you agree to be bound by its terms, and that this is the complete and exclusive statement of the Agreement between you and Dell regarding the Software.

(S Version - Rev. 01142014)

Exhibit C – Dell Return Policy

U.S. Return Policy

Direct (applies only to purchases directly from Dell — by internet, phone or Dell Direct Store)

Dell values its relationship with you, and offers you the option to return most products you purchase directly from Dell. You may return eligible products for a credit or a refund of the purchase price paid, less shipping and handling, and any applicable restocking fees, as set forth in detail below.

Extended Holiday Returns: Extended returns on purchases made 11/9/14 to 12/25/14, return deadline is 1/15/15 or 30-days from invoice date, whichever is later. Exceptions to Dell's standard return policy still apply, and certain products are not eligible for return at any time. Television returns are subject to restocking fees.

21-Day Return Period for Certain Products and Accessories: Unless you have a separate agreement with Dell, or except as provided below, all hardware, accessories, peripherals, parts may be returned within 21 days from the date on the packing slip or invoice for a credit or a refund of the purchase price paid, less shipping and handling, and any applicable restocking fees (as further described below). Any product returned to Dell **without prior authorization** from Dell will be considered an **unauthorized** return, and the customer will not receive credit for the product and Dell will not ship the product back to you.

Exceptions to Dell's 21-Day Return Period:

- **Software may not be returned at any time**, unless the software being returned is:
 1. Application software or operating systems installed by Dell on a returnable system which is being returned within the applicable return period; or
 2. Media-based software that is unopened and still in its sealed package or, if delivered electronically, software that you have not accepted by clicking "I agree to these Terms and Conditions."
- Except as otherwise set forth herein, new **PowerEdge™**, **PowerConnect™** and **PowerVault™** products purchased directly from Dell may be returned within 30 days from the date on the packing slip or invoice.
- Unless you have a separate agreement with Dell, or except as provided below, all returnable products purchased directly from Dell by large enterprise or public customers may be returned within 30 days from the date on the packing slip or invoice.
- **Dell EqualLogic™** and **EqualLogic**-branded products, **Dell|EMC** and **EMC**-branded products, **Dell Compellent™** and **Compellent**-branded products, **Dell KACE™** and **KACE**-branded products, **Dell Force10™** and **Force10**-branded products, **PowerVault ML6000** tape libraries, **PowerVault DL** and **DR** products, **Dell SonicWALL™** and **SonicWALL**-branded products, **Dell Wyse™** and **Wyse**-branded products, **Dell Quest™**, **Quest™**, **ScriptLogic™** and **VKernel™** branded products, **Dell Software** branded products, **Dell AppAssure™** and **AppAssure™** branded products, **Dell StatSoft** and **StatSoft**-branded products, non-Dell-branded enterprise products, enterprise software, and customized products **may not be returned at any time**.
- Licenses purchased under any type of volume license agreement may be returned only with the express approval of the publisher, which in many circumstances will not be granted.

- Non-Dell branded **mobile phone** offers fulfilled by third-party partners are subject to partner return policies, which may have shorter return periods.

Restocking Fees: Unless the product is defective or the return is a direct result of a Dell error, Dell may charge a restocking fee of up to 15% of the purchase price paid, plus any applicable sales tax.

Promotional Items: If you return a purchased item that qualified you for a discount, promotional item or promotional card (for example, buy a service, get a computer half off; buy a computer, get a free printer; buy a TV, get a promotional gift card) and either (i) do not also return the discounted or promotional item or (ii) have already redeemed the promotional card, Dell may deduct the value of the discount, promotional item or redeemed card from any refund you receive for the return of the purchased item.

How to Return a Product: Before returning a product, you MUST first contact Dell customer service and obtain a Credit Return Authorization (CRA) number before the end of the applicable return period. Dell will not accept returns without a CRA number. To find the appropriate phone number or to send an email to customer service to request a CRA number, go to www.dell.com/contact or see the "Contacting Dell" or "Getting Help" section of your customer documentation. To initiate a return online, please click [here](#). NOTE: You must ship the product to Dell within 5 days of the date that Dell issues the Credit Return Authorization number and MUST follow these steps:

- Ship back all products you are seeking to return to Dell and for which you received a CRA number. For partial returns, your credit may be less than the invoice or individual component price due to bundled or promotional pricing or any unadvertised discounts or concessions.
- Return the products in their original packaging, in as-new condition, along with any media, documentation and any other items that were included in your original shipment.
- Ship the products at your expense, and insure the shipment or accept the risk of loss or damage during shipment.

Upon receipt of your return, Dell will issue a credit or a refund of the purchase price paid, less shipping and handling, and any applicable restocking fees subject to this policy.

Note: Before you return the product to Dell, make sure to back up any data on the hard drive(s) and on any other storage device in the product. Remove any and all confidential, proprietary and personal information as well as removable media such as flash drives, CDs and PC Cards. Dell is not responsible for any confidential, proprietary or personal information; lost or corrupted data; or damaged or lost removable media that may be included with your return.

Rev. 09182014

Technology Contracts



www.mhectech.org/contracts

Vendor	Contract #	Terms	Contract Highlights	Regions*	Eligible Entities
Computers					
Dell	MHEC-07012015 Code Number 99AGZ	July 1, 2015, through June 30, 2018, and may be renewed for four additional one-year terms.	Tiered discount guarantees off of Dell Public Sector pricing for hardware solutions, network, wireless, software, support, and related services.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
HP Enterprise	MHEC-10012015	October 1, 2015, through June 30, 2018, and may be renewed for four additional one-year terms.	Tiered discount guarantees off list price for hardware, network, wireless, and related services.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
HP Inc.	MHEC-06012015	June 1, 2015, through June 30, 2018, and may be renewed for four additional one-year terms.	Tiered discount guarantees off list price for desktops, laptops, tablet devices, and printers.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
Lenovo	MHEC-10272015	October 27, 2015, through December 31, 2018, and may be renewed for four additional one-year terms.	Tiered discount guarantees off Lenovo's Commercial Pricing for desktops, laptops, tablet devices, servers and related services.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
Software					
VMware from Arrow Electronics	MHEC-021213	December 2, 2013, through November 30, 2016, and may be renewed for four additional one-year terms.	Tiered discount guarantees off VMware's Academic and Commercial Pricing including 19% on Training, 17% on Licensing, 5% on Hybrid Cloud Services, and 3% for Support (including renewals) and consulting services.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government

Midwestern Higher Education Compact

Technology Contracts



www.mhectech.org/contracts

Vendor	Contract #	Terms	Contract Highlights	Regions*	Eligible Entities
Software					
Corel Corporation	MHEC-01312014	January 31, 2014, through February 1, 2017, and may be renewed for four additional one-year terms.	Discount guarantee of 12% on perpetual Transactional licenses for design, print, media, and web creative software. MHEC Creative Pack available based on Student FTE's for Education Site Licensing and Maintenance. A School Rebate program is also available to offer students Take Home Rights of the software at discounted prices.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
Novell	Collaborative Member Addendum to Academic License Agreement	June 30, 2014, and mutually renewed annually.	Discount guarantee of 22% for Workstation licenses and 46% for Employee FTE method. Requires signed Addendum to Academic License Agreement, completion of Novell/MHEC Higher Education Collaborative Worksheet, and payment to MHEC annual collaborative fee.	MHEC	Higher Education
Oracle	OLSA_11927940	February 25, 2011, through February 27, 2017, and may be renewed for one additional one-year term.	Minimum 35% discount on products ordered. Discounts of 50% are obtainable for orders over \$2 million. Annual increases on technical support are capped at no more than 4%. Campus License Discount of 90-98.75% are available depending on the size of order. Discounts of 5-25% are available for training.	MHEC WICHE	Higher Education
SAS Institute	MHEC-011014	November 17, 2014, through November 30, 2017, and may be renewed for four additional one-year terms.	Tiered licensing options for Administrative, Teaching, and Research packages; including a ceiling pricing for the first year fee and renewal fee; plus 60% off SAS Academic Training.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools

Midwestern Higher Education Compact

Technology Contracts



www.mhectech.org/contracts

Vendor	Contract #	Terms	Contract Highlights	Contract Regions*	Eligible Entities
Printers and Peripherals					
Xerox	MHEC-080701	July 1, 2008, through June 30, 2016.	Large multi-function (over 30 pages/minimum) device purchases, equipment leasing, maintenance, and managed services solutions.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
Xerox	WV240208	July 1, 2008, through June 30, 2016.	Discount printers, multi-function devices (under 50 pages/minimum), and supplies.	MHEC WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
Data and Networking					
Alcatel-Lucent from Dice Communications, Inc.	MHEC-04152016	February 10, 2016, through June 30, 2018, and may be renewed for three additional one-year terms.	Tiered discount guarantees off of Alcatel-Lucent published pricing for network hardware, maintenance, support, and service.	MHEC	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
Ciena from Walker and Associates, Inc.	MHEC-02262015	February 26, 2015, through March 31, 2018, and may be renewed for four additional one-year terms.	Ceiling pricing for wavelength division multiplexing equipment, software and related services.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
Dell	MHEC-07012015 Code Number 99AGZ	July 1, 2015, through June 30, 2018, and may be renewed for four additional one-year terms.	Tiered discount guarantees off of Dell Public Sector pricing for hardware solutions, network, wireless, software, support, and related services.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
HP Enterprise	MHEC-10012015	October 1, 2015, through June 30, 2018, and may be renewed for four additional one-year terms.	Tiered discount guarantees off list price for hardware, network, wireless, and related services.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government

Midwestern Higher Education Compact

Vendor	Contract #	Terms	Contract Highlights	Contract Regions*	Eligible Entities
Security Event and Information Management					
Novell	Collaborative Member Addendum to Academic License Agreement	June 30, 2014, and mutually renewed annually.	Discount guarantee of 22% for Workstation licenses and 46% for Employee FTE method. Requires signed Addendum to Academic License Agreement, completion of Novell/MHEC Higher Education Collaborative Worksheet, and payment to MHEC annual collaborative fee.	MHEC	Higher Education
Services					
Info-Tech Research Group	MHEC-130214	February 20, 2013, through December 31, 2016, and may be renewed for four additional one-year terms.	Team access ceiling pricing for Bronze, Silver, and Gold annual memberships. Services include online research, analyst inquiries, and consultative services.	MHEC WICHE	Higher Education K-12 Districts and Schools Cities, Counties, and Local Subdivisions State Government
Parchment	MHEC-01272014	January 29, 2014, through January 28, 2017, and may be renewed for four additional one-year terms.	Discount guarantee for basic and premium transcription services including: state participation fee and subscription services; or combination of state fee and entity fee; or per entity fee.	MHEC SREB WICHE	Higher Education K-12 Districts and Schools State Government

* Eligible entities includes public and private not-for-profits within the following regions:

Midwestern Higher Education Compact (MHEC): Member states are Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

Southern Regional Education Board (SREB): Member states are Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

Western Interstate Commission for Higher Education (WICHE): Member states are Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming. (The Dakotas are members of both MHEC and WICHE.)

Midwestern Higher Education Compact

Dell Authorized Contract Resellers for MHEC

The following Resellers are authorized to accept orders and payments for Dell under the terms and conditions of the Midwestern Higher Education Compact (MHEC) Contract:

Reseller	Address	States Authorized	Point of Contact and Email/Phone
Access Interactive	46665 Magellan Drive, Novi, MI 48377	Michigan	Daniel Heidt, daniel.heidt@access-interactive.com 248-567-3000 x 1091
Advanced Systems Group	12405 Grant Street, Denver, CO 80241	Wyoming and Utah	Patrick Smith, 303-301-3019, psmith@virtual.com
Affiliated Resource Group	5700 Perimeter Drive, Suite H, Dublin, OH 43017	Ohio	David Moran Email – David.Moran@aresgrp.com Phone – 614-973-5064
Alliance Technologies, Inc.	420 Watson Powell Jr. Way, Suite 100, Des Moines, IA 50309	Iowa, Nebraska and Kansas	Nicholas E. Heisdorffer, Direct: 515-245-7747 Mobile: 515.577.1439 HeisdorfferN@alliancetechnologies.net
Avalon Technologies, Inc.	39533 Woodward Ave., Suite 125, Bloomfield MI 48304	Arkansas, Illinois, Indiana, Michigan, Ohio, Wisconsin	Brian Flynn, Telephone, 248-566-6434, fax 248-792-6661, brian.flynn@avalontech.net
Capital Data	600 N. Broadway, Suite 100 Milwaukee, WI 53202	Wisconsin	Tom Heinen theinen@capital-data.com 414.223.8010 414.745.3550 (cell)
Carolina Advanced Digital Inc.	133 Triangle Trade Drive, Cary, NC 27513	North Carolina (SREB)	Julie Allen Julie@cadinc.com 919-460-1313 ext. 211
Choice Solutions LLC	7015 College Blvd Ste 300 Overland Park, KS 66211	Kansas	Brian Steinlage bsteinlage@choicesolutions.com 913-647-0204
Cincinnati Bell Telephone	4600 Montgomery Road Suite 400, Cincinnati, OH 45212	Ohio	Phil Hester Phil.hester@cbts.net 513-841-5092

Reseller	Address	States Authorized	Point of Contact and Email/Phone
Clear North Technologies	3650 Annapolis Lane North, Suite 110, Plymouth, MN 55447	Minnesota	Phil Fortmeyer 952-400-6949 pfortmeyer@clearnorthtech.com
Cyber Advisors, Inc.	11324 86 th Ave N., Maple Grove, MN 55369	Minnesota	Shane Vinup, 952.924.9990 svinup@cyberadvisors.com
Davenport Group	4166 Lexington Avenue North, St. Paul, MN 55126	Minnesota, Washington	Ross Smith RSmith@davenportgroup.com 651 765-0279
Electronic Strategies, Inc.	6855 Hillsdale Court, Indianapolis IN 46250	Indiana	Andrew Hall 317-806-6312 Mobile: 317-603-0102 email: ahall@esiindy.com
Government Computer Sales (GCS)	1654 20 th Ave, Seattle, WA 98122	Alaska, Idaho, Oregon, Washington	Josh Julian jjulian@gcsit.com 866-474-2766 ext 2236
Heartland Business Systems, LLC	PO Box 347 1700 Stephen St., Little Chute, WI 54140	Illinois	Carol Henning chenning@hbs.net 920-687-4145
Hipskind Technology Solutions Group	Two Westbrook Corporate Center, Bloomfield, MI 48304	Illinois	Bernard Westwood bwestwood@hipskind.com O 630-920-7803 C 678-641-2021
InfiniTech Consulting, LLC	303 N. Stadium Blvd, Suite 200, Columbia, MO 65203	Missouri	Ken Brownfield 573-234-6540 kbrownfield@trustinfinitech.com
Interworks	1425 S. Sangre Road, Stillwater, OK 74074	Oklahoma	Aaron Confer InterWorks, Inc. Director of Sales 405-767-8705 Aaron.Confer@interworks.com
IntraSystems	35 Braintree Hill Office Park Ste 302 Braintree, MA 02184	Massachusetts	Madeline M. Doherty mdoherty@INTRASYSTEMS.com 781.986.1700 X224
Presidio (formerly Netech)	48325 Alpha Dr. Suite 150, Wixom, MI 48393	Michigan, Ohio,	Jeff Seelenbinder Account Executive 248.679.3221 C: 248.880.8442 jseelenbinder@presidio.com
Now Micro	1645 Energy Park Drive, Suite 200 St. Paul, MN 55108	Iowa, Minnesota, North Dakota, Wisconsin	Marty Linden martyl@nowmicro.com 651-393-2132

Reseller	Address	States Authorized	Point of Contact and Email/Phone
Open Storage Solutions	9465 Counselors Row #200, Indianapolis, IN 46240	Indiana	Michael Daughters, 317-805-7888 Michael.Daughters@openstore.com
Optio Data	390 Spaulding Avenue SE Ada, MI 49301	Ohio, Michigan	Jolene Paauwe, Sales Administrator jpauwe@optiodata.com
Right! Systems	2600 Willamette Dr NE Ste C Lacey, WA 98516	Alaska, Idaho, Oregon, Washington	Sean Padget, EVP, Sales and Marketing; Direct 360.528.8604 Cell 360.402.6587 800.571.1717 x2930 SPadget@rightsys.com
Sanity Solutions	1720 S. Bellaire St., Denver, CO 80222	Colorado	Jason Cherveney 720-307-4476 jcherveney@sanitysolutions.com
SHI International Corporation	290 Davidson Ave Somerset, NJ 08873	Colorado, Michigan, Montana, New Mexico,	Colorado: Amelia Jakubczyk Amelia_Jakubczyk@shi.com 303-723-5256 Michigan: Joe Franzen Joe_Franzen@shi.com 630-297-3348 Montana: Andrea Keno Andrea_Keno@shi.com 425-457-2462 New Mexico: Lynn Farmer Lynn_Farmer@shi.com 602-515-9436
Softchoice Corporation	314 West Superior Street. Suite 301, Chicago, IL 60654	Illinois, Indiana	IL: Kevin Hamilton Kevin.Hamilton@softchoice.com (312) 655-9002 ext. 323282 IN: Jake Plaunt Jake.Plaunt@softchoice.com (312) 655-9002 ext. 323203
Sterling Computers Corporation	1508 Square Turn Blvd. Norfolk, NE 68701	Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota,	Bob McCabe, Field Account Executive Cell 712-223-6087 / Fax 605-242-4001 bob.mccabe@sterlingcomputers.com Alex DeLaO, Account Executive alex.delao@sterlingcomputers.com P:605-242-4008 F: 605-242-4001 877-242-4074
Technology Integration Group	10240 Flanders Ct, San Diego, CA 92121	Indiana	Mike Finnegan mike.finnegan@tig.com (317) 782-8088 x2044

Reseller	Address	States Authorized	Point of Contact and Email/Phone
Tek-Hut	460 Main Ave S, Twin Falls, ID 83301	Idaho	Nate Bondelid 208-421-6261 nate@tek-hut.com
Thornburg Computer Services, LLC	PO Box 11455, Olympia, WA 98508	Washington	Tim Fieldsend Tfieldsend@Thornburgcs.com 360-705-2840
Trivalent	3145 Prairie St. SW Suite 101, Grandville, MI 49418	Michigan	Ken Zimmer, Director of Sales Systems Division p. 616.957.9803 f. 877.502.2301 m. 616.437.7022, z@trivalentgroup.com
Ultralevel Inc.	45 E. Milwaukee St. Detroit, MI 48202	Michigan, Indiana, Ohio	Jason M. Davidson Director of Business Operations j davidson@ultralevel.com Main 313.875.1111 Toll Free 877.875.7300 Ext 320 Fax 313.483.3410
United Systems Inc.	4335 N. Classen Blvd., Oklahoma City, OK 73118	Oklahoma	Alvin Myers 405-523-2162 amyers@unitedsystemsok.com
Zones, Inc.	1102 15 th Street SW #102, Auburn, WA 98001	Illinois, Michigan, Missouri, Wisconsin	Kevin McGowan Phone: 800-381-9663 x53596 govedcontracts@zones.com

Revised April 20, 2016



**Business of the City Council
Sterling Heights, Michigan**

City Clerk's Use
Item No: 6-6
Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To set a public hearing to consider the request by FCA US LLC to establish a Plant Rehabilitation District (PRD) at 38111 Van Dyke.

Submitted By: Office of Assessing

Contact Person/Telephone: Dwayne McLachlan, Assessor / Luke Bonner, Senior Economic Development Advisor 586/446-2341

Administration (initial as applicable) Attachments

	City Clerk	___	Resolution	___	Minutes
	Finance & Budget Director	___	Ordinance	<u>x</u>	Plan/Map
	City Attorney (as to legal form)	___	Contract	___	Other
	City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

On July 1, 2016, FCA US, LLC (Applicant) filed an application to establish a Plant Rehabilitation District (PRD) on real property commonly known as 38111 Van Dyke and the site of the old Sterling Heights Assembly Plant. Applicant plans to make a new real property investment on this parcel totaling \$72,300,000 that will generate increased employment in connection with the production of the RAM 1500 pick-up truck. In order for any new real property investment to be eligible for tax abatement under an Industrial Facilities Tax Exemption Certificate (IFEC), the subject parcel of real property must be located within an existing PRD. A PRD is authorized under Public Act 198 of 1974 and governed by the City's current Industrial Facilities Tax Abatement Program Guidelines.

According to MCL 207.554, the legislative body of a local governmental unit may establish a PRD on one or more parcels upon a written request filed with the Clerk of the governmental unit by the property owner. Before establishing a PRD, the legislative body shall give notice to the property owner and hold a public hearing at which time the owner, other residents, and/or taxpayers shall have a right to appear and be heard.

In preparation for the September 6, 2016 public hearing required under MCL 207.554, the City Council will be provided with a detailed staff report, including a specific recommendation regarding the creation of the PRD.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to set a public hearing on Tuesday, September 6, 2016 at 7:30 p.m. regarding the application by FCA US, LLC to establish a Plant Rehabilitation District (PRD) at 38111 Van Dyke.



CITY OF Sterling Heights

40555 Utica Road | P.O. Box 8009
Sterling Heights, Michigan 48311-8009
FAX 586.276.4077 | TEL 586.446.2780



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

DEPARTMENT City Clerk

ORG / OBJECT 11601040-638000

AMOUNT \$1,000.00

*App. to Establish a Plant Rehabilitation District
FOA US LLC*

(V)



Application to Establish a Plant Rehabilitation District

APPLICATION INFORMATION

APPLICATION FEE: \$1,000.00
APPLICANT NAME: FCA US LLC
APPLICANT ADDRESS: 38111 VAN DYKE AVE., STERLING HEIGHTS,
MI 48312
APPLICANT CONTACT: JASON COOPER
CONTACT PHONE NUMBER: 248-512-3406
CONTACT EMAIL ADDRESS: JASON.COOPER@FCAGROUP.COM

PROPERTY INFORMATION

PROPERTY OWNER(S): FCA US LLC
PROPERTY ADDRESS: 38111 VAN DYKE AVE, STERLING HEIGHTS,
MI 48312
PROPERTY ID NUMBER: PARCEL 50-10-21-400-012-000
LEGAL DESCRIPTION: Attach to Application

PROJECT INFORMATION

PROJECT DESCRIPTION: SEE ATTACHED

REAL PROPERTY COSTS: \$72,300,000
PERSONAL PTY COSTS: \$940,000,000
TOTAL PROPERTY COSTS: \$1,012,300,000
PROJECT STARTING DATE: 09/01/2016
JOBS TO BE CREATED: TBD



Business of the City Council
Sterling Heights, Michigan

DELIVERED JUL 28 2016
City Clerk's Use
Item No: 6-H
Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To set a public hearing to consider the request by Chalk Spade Investments (USA), Inc. to establish an Industrial Development District (IDD) at 7191 Seventeen Mile Road.

Submitted By: Office of Assessing

Contact Person/Telephone: Dwayne McLachlan, Assessor / Luke Bonner, Senior Economic Development Advisor 586/446-2341

Administration (initial as applicable) Attachments

Table with 4 columns: Initials, Title, Attachment type, and checked status. Rows include City Clerk, Finance & Budget Director, City Attorney, and City Manager.

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary

Chalk Spade Investments (USA), Inc. (Applicant) has filed an application to establish an Industrial Development District (IDD) on real property commonly known as 7191 Seventeen Mile Road.

According to MCL 207.554, the legislative body of a local governmental unit may establish an IDD on one or more parcels upon a written request filed with the Clerk of the governmental unit by the property owner.

In preparation for the September 6, 2016 public hearing required under MCL 207.554, the City Council will be provided with a detailed staff report, including a specific recommendation regarding the creation of the IDD.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to set a public hearing on Tuesday, September 6, 2016 at 7:30 p.m. regarding the application by Chalk Spade Investments (USA), Inc. to establish an Industrial Development District (IDD) at 7191 Seventeen Mile Road.



CITY OF Sterling Heights

40555 Utica Road | P.O. Box 8009
Sterling Heights, Michigan 48311-8009
FAX 586.276.4077 | TEL 586.446.2780

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

DEPARTMENT City Clerk
ORG / OBJECT 116010410-638000
AMOUNT \$1,000.00

TOD
7191 17 mile rd.





Application to Establish an Industrial Development District

APPLICATION INFORMATION

APPLICATION FEE: \$1,000.00
 APPLICANT NAME: CHALK SPADE INVESTMENTS (USA), INC
 APPLICANT ADDRESS: 1282 KIRTS, SUITE 200, TROY MI, 48084
 APPLICANT CONTACT: DENNIS HAYES
 CONTACT PHONE NUMBER: 248.321.6757
 CONTACT EMAIL ADDRESS: DENNIS.HAYES@MITCHELLPLASTICS.COM

PROPERTY INFORMATION

PROPERTY OWNER(S): CHALK SPADE INVESTMENTS (USA), INC.
 PROPERTY ADDRESS: 7191 SEVENTEEN MILE ROAD
 PROPERTY ID NUMBER: 10-10-16-401-005 AND 10-10-16-426-021
 LEGAL DESCRIPTION: Attach to Application
 COVENANT DEED

PROJECT INFORMATION

PROJECT DESCRIPTION: new manufacturing plant
 in new industrial development
 REAL PROPERTY COSTS: ~ \$13,500,000 land/building
 PERSONAL PTY COSTS: ~ \$9,000,000 equipment
 TOTAL PROPERTY COSTS: ~ \$22,500,000 projected
 PROJECT STARTING DATE: September 2016
 JOBS TO BE CREATED: 122 est.

CERTIFICATION

I hereby certify, as an owner of the property for which this district is requested, that the foregoing is a true statement of this project, and this request for the establishment of an Industrial Development District is filed only in connection with a facility, the construction, acquisition, alteration, or installation of which has *not* commenced as of the date below, which is submitted as required by MCL 207.554.

PRINT NAME: DENNIS HAYES
 TITLE: Director U.S. Operations
 SIGNATURE:
 DATE: 7/25/2016

Dated: June 29th, 2016

Ultra Properties, Inc., a Delaware corporation

By: [Signature]
Name: Joe D'Angelo
Title: President

[Signature]
Province of Ontario
City of Kitchener Vaughan } SS.

The foregoing instrument was acknowledged before me on this 29th day of June, 2016, by Joe D'Angelo, the President, of Ultra Properties, Inc., a Delaware corporation.

[Signature]

Notary Public: CELESTE IACOBELLI
Notary County: PROVINCE OF ONTARIO
Commission Expires: DOES NOT EXPIRE
Acting In:

Exempt per: MCL 207.505(a) and 207.526(a)

Instrument Drafted by:
Wayne Osoba
Foley & Lardner LLP, Suite 2800
321 North Clark Street Chicago, IL
60654-5313

Send subsequent tax bills and recorded deed to: Chalk Spade Investments (USA), Inc.
1282 Kirts Boulevard, Suite 200
Troy, MI 48084

EXHIBIT A

The land is situated in the City of Sterling Heights, County of Macomb, State of Michigan, as follows:

PARCEL A: 17 Mile Road Parcel

PARCEL 1:

Part of the East 1/2 of Section 16, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, described as: Commencing at a point 1,325.88 feet North 89 degrees 23 minutes 00 seconds West from the Southeast corner of said Section 16; thence extending North 89 degrees 23 minutes 00 seconds West, 1,308.85 feet (record), North 89 degrees 23 minutes 00 seconds West, 1,309.05 feet (measure) along the South line of Section 16, also being the centerline of 17 Mile Road; thence North 00 degrees 05 minutes 00 seconds East, 2,597.90 feet (record), North 00 degrees 06 minutes 37 seconds East, 2,598.68 (measure), along the Easterly line of the Conrail Right-of-Way; thence North 1,317.08 feet (record), North 00 degrees 00 minutes 57 seconds East, 1,317.08 feet (measure), along the Easterly line of the Conrail Right-of-Way; thence South 89 degrees 37 minutes 00 seconds East, 1,329.20 feet (record), South 89 degrees 36 minutes 02 seconds East, 1,329.40 feet (measure); thence South 00 degrees 28 minutes 00 seconds West, 1,314.36 feet (record), South 00 degrees 29 minutes 29 seconds West, 1,314.36 feet (measure), to the East/West 1/4 line of Section 16; thence South 00 degrees 18 minutes 00 seconds West, 825.00 feet (record), South 00 degrees 21 minutes 08 seconds West, 824.62 feet (measure); thence East 600.00 feet (record), South 89 degrees 28 minutes 16 seconds East, 569.50 feet (measure); thence South 00 degrees 10 minutes 00 seconds West, 100.00 feet (record), South 00 degrees 10 minutes 24 seconds West, 99.30 feet (measure); thence South 89 degrees 30 minutes 08 seconds East, 411.84 feet (record) South 89 degrees 11 minutes 13 seconds East, 411.60 feet (measure); thence South 00 degrees 10 minutes 00 seconds West, 65.00 feet (record and measure); thence South 89 degrees 30 minutes 28 seconds East, 222.86 feet (record and measure); thence South 00 degrees 40 minutes 23 seconds West, 327.65 feet (measure), along the West line of Van Dyke Avenue (M-53); thence North 89 degrees 47 minutes 00 seconds West, 555.12 feet (record), North 88 degrees 52 minutes 45 seconds West, 554.92 feet (measure); thence South 00 degrees 01 minutes 00 seconds West, 654.09 feet (record) South 00 degrees 41 minutes 01 seconds West, 645.65 feet (measure); thence North 89 degrees 23 minutes 00 seconds West, 503.00 feet (record and measure); thence North 00 degrees 21 minutes 24 seconds East, 42.98 feet (record and measure); thence South 59 degrees 19 minutes 00 seconds West, 195.74 feet (record and measure) along the centerline of Moore Drain; thence South 00 degrees 14 minutes 00 seconds West, 590.24 feet (record and measure) to the Point of Beginning.

PART 1,0 1,0 1,6 40,1 0,0,5

PARCEL 2:

Part of the Southeast 1/4 of Section 16, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, described as: Commencing at a point 660.13 feet North 89 degrees 23 minutes 00 seconds West and 388.94 feet North 00 degrees 41 minutes 01 seconds East from Southeast corner of said Section 16; thence extending North 89 degrees 23 minutes 00 seconds West, 167.27 feet; thence North 00 degrees 33 minutes 33 seconds East, 260.00 feet; thence South 89 degrees 23 minutes 00 seconds East, 167.84 feet; thence South 00 degrees 41 minutes 01 seconds West, 260.00 feet to the Point of Beginning.

PART 1,0 1,0 1,6 40,1 0,0,5

PARCEL 3:

Part of the East 1/2 of Section 16, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, described as: Commencing at a point 1,325.88 feet North 89 degrees 23 minutes 00 seconds West, from the Southeast corner of said Section 16; thence extending North 89 degrees 23 minutes 00 seconds West, 1,309.05 feet along the South line of Section 16, also being the centerline of 17 Mile Road; thence North 00 degrees 06 minutes 37 seconds East, 2,598.68 feet along the Easterly line

of the Conrail Right-of-Way; thence North 00 degrees 00 minutes 57 seconds East, 1,317.08 feet along the Easterly line of the Conrail Right-of-Way; thence South 89 degrees 36 minutes 02 seconds East, 1,329.40 feet; thence South 00 degrees 29 minutes 29 seconds West, 1,314.36 feet to the East/West 1/4 line of Section 16; thence South 00 degrees 21 minutes 08 seconds West, 33.50 feet to the Point of Beginning; thence South 89 degrees 24 minutes 55 seconds East, 241.85 feet; thence South 38 degrees 57 minutes 44 seconds East, 168.59 feet; thence North 89 degrees 24 minutes 55 seconds West, 348.67 feet; thence North 00 degrees 21 minutes 00 seconds East, 130.00 feet to the Point of Beginning.

PART

10 10 16 40 1 0 0 5

PARCEL B: Van Dyke Parcel

Part of the Southeast 1/4 of Section 16, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, described as: Beginning at a point which is due South, 330.00 feet along the East line of Section 16, from the East 1/4 corner of Section 16, Town 2 North, Range 12 East; thence continuing along said East line of Section 16, due South 595.0 feet; thence South 89 degrees 53 minutes 58 seconds West 355.0 feet to the point of beginning; thence continuing South 89 degrees 53 minutes 56 seconds West 385.16 feet; thence North 00 degrees 24 minutes 42 seconds West, 100.00 feet; thence South 89 degrees 53 minutes 56 seconds West 598.62 feet; thence North 00 degrees 10 minutes 25 seconds West, 495.00 feet; thence North 89 degrees 53 minutes 56 seconds East 986.0 feet; thence due South 595.0 feet to the point of beginning, together with any/all benefits afforded by the following instruments: i) Permanent Access Driveway/Approach Easement Mutual Agreements recorded in Liber 7424, Page 610 and in Liber 8671, Page 780, ii) Reciprocal Easement for Maintenance Agreement recorded in Liber 7306, Page 542, iii) Permanent Sign and Graphic Easement Mutual Agreement recorded in Liber 8671, Page 786, and iv) Permanent Sanitary Sewer Easement Agreement recorded in Liber 8671, Page 792, Macomb County Records.

10 10 16 42 6 0 2 1

Parcels A and B are together described as follows, per Survey performed by PEA, Inc., dated November 19, 2015, being Job No. 2015-088

Part of the Southwest 1/4 of the Northeast 1/4 of Section 16, part of the West 1/2 of the Southeast 1/4 of Section 16 and part of the East 1/2 of the Southeast 1/4 of Section 16, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, described as: Commencing at the Southeast corner of said Section 16; thence North 89 degrees 23 minutes 00 seconds West, 1326.08 feet (recorded as 1,325.88 feet) along the South line of said Section 16; thence North 00 degrees 14 minutes 00 seconds East, 60.00 feet to a point on the North line of Seventeen Mile Road (120' wide) as conveyed to the Macomb County Road Commission in Liber 1177, Page 68, M.C.R., said point being also being the Point of Beginning; thence along said North line, parallel and 60 feet North of the South line of Section 16, North 89 degrees 23 minutes 00 seconds West, 1,309.18 feet to the East line of the Penn Central Railroad Right-of-Way Line; thence along said East railroad right-of-way line North 00 degrees 06 minutes 37 seconds East, 2,538.72 feet to the East-West 1/4 line of Section 16 as monumented; thence continuing along said East railroad right-of-way line North 00 degrees 00 minutes 57 seconds East, 1,317.04 feet (recorded as 1,317.08 feet); thence South 89 degrees 36 minutes 02 seconds East, 1,329.41 feet (recorded as 1,329.40 feet); thence South 00 degrees 29 minutes 29 seconds West, 1,317.23 feet (recorded as 1,314.36 feet) to the aforementioned East-West 1/4 line of Section 16; thence South 00 degrees 21 minutes 08 seconds West, 30.76 feet (recorded as 33.63 feet); thence South 89 degrees 24 minutes 55 seconds East, 241.85 feet; thence South 38 degrees 57 minutes 44 seconds East, 168.59 feet; thence North 89 degrees 24 minutes 55 seconds West, 348.67 feet; thence South 00 degrees 21 minutes 08 seconds West, 165.00 feet; thence South 89 degrees 25 minutes 18 seconds East, 985.35 feet; thence South 00 degrees 40 minutes 21 seconds West, 594.88 feet; thence South 89 degrees 24 minutes 16 seconds East, 26.37 feet; thence South 00 degrees 10 minutes 00 seconds West, 66.57 feet (recorded as 65.00 feet); thence South 89 degrees 30 minutes 28 seconds East, 222.86 feet; thence South 00 degrees 40 minutes 23 seconds West, 327.65 feet; thence North 88 degrees 52 minutes 45 seconds West, 554.92 feet; thence South 00 degrees 41 minutes 01 seconds West, 905.65 feet; thence North 89 degrees 23 minutes 00 seconds West, 167.27 feet; thence North 00 degrees 33 minutes 33 seconds East, 260.00 feet; thence North 89 degrees 23 minutes 00 seconds West, 335.17 feet; thence North 00 degrees 21 minutes 24 seconds East, 42.98 feet; thence South 59 degrees 19 minutes 00 seconds West, 195.74 feet; thence South 00 degrees 14 minutes 00 seconds West, 530.23 feet to the

Point of Beginning.

Together with any/all benefits afforded by the following instruments: i) Permanent Access Driveway/Approach Easement Mutual Agreements recorded in Liber 7424, Page 610 and in Liber 8671, Page 780, ii) Reciprocal Easement for Maintenance Agreement recorded in Liber 7306, Page 542, iii) Permanent Sign and Graphic Easement Mutual Agreement recorded in Liber 8671, Page 786, and iv) Permanent Sanitary Sewer Easement Agreement recorded in Liber 8671, Page 792, Macomb County Records.

10 10 16 40 1 00'S

10 10 16 42 6 02'S

**Permitted Exceptions
Exhibit "B"**

- The lien, if any, of real estate taxes, assessments, and/or water and sewer charges, not yet due and payable or that are not shown as existing liens in the records of any taxing authority that levies taxes or assessments on real property or in the Public Records; including the lien for taxes, assessments, and/or water and sewer charges, which may be added to the tax rolls or tax bill after the effective date.
- Right-of-Way Grant in favor of Southeastern Michigan Gas Company and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 838, Page 391, Macomb County Records, as to Parcel 1.
- Release of Right of Way in favor of the Board of County Road Commissioners, of Macomb County and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 1177, page 88, Macomb County Records, as to Parcel 1.
- Release of Right of Way in favor of County of Macomb and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 1177, page 445, Macomb County Records, as to Parcel 1.
- General Grant of Permanent Easement for Public Work Utilities in favor of County of Macomb and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 4331, page 152, Macomb County Records, as to Parcel 3.
- Grant of Easement in favor of the City of Sterling Heights and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 4386, page 697, Macomb County Records, as to Parcel 3.
- Interest of others in the Oil, Gas and other Minerals in and under and that may be produced from captioned land as disclosed by Quit Claim Deed recorded in Liber 5038, page 498, Macomb County Records, as to Parcel 1.
NOTE: This exception pertains to subsurface rights in Minerals only. Any Oil and Gas rights created by captioned instrument have been extinguished pursuant to the Dormant Minerals Act (MCLA 554.281).
- Detroit Edison Underground Easement (Right of Way) in favor of The Detroit Edison Company and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 9935, page 830, Macomb County Records, as to Parcel 1.
- Covenants, conditions, restrictions and other provisions but omitting restrictions, if any, based on race, color, religion, sex, handicap, familial status or national origin as contained in instrument recorded in Liber 10998, page 600, Macomb County Records, as to Parcel 3.
- Grant of Permanent Easement in favor of Moore Drain Drainage District and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 15761, page 753, Macomb County Records, as to Parcel 2.
- Rights of the United States, State of Michigan and the public for commerce, navigation, recreation and fishery, in any portion of the land comprising the bed of Plum Brook, or land created by fill or artificial accretion, as to Parcels 1 and 3.
- The nature, extent or lack of riparian rights or the riparian rights of riparian owners and the public in and to the use of the waters of Plum Brook, as to Parcels 1 and 3.
- Rights of other riparian owners and to the public trust in and to the waters of the drain crossing subject property.
- Terms, conditions and provisions recited in Permanent Access Driveway/Approach Easement Mutual Agreements recorded in Liber 7424, Page 610 and in Liber 8671, Page 780, Macomb County Records.
- Terms, conditions and provisions recited in Reciprocal Easement for Maintenance Agreement recorded in Liber 7306, Page 542, Macomb County Records.
- Public Utility Easement for Storm Sewer granted to the City of Sterling Heights recorded in Liber 7373, Page 340, Macomb County Records.

- **Terms, conditions and provisions recited in Permanent Sign and Graphic Easement Mutual Agreement recorded in Liber 8671, Page 788, Macomb County Records.**
- **Easement for Water Main recorded in Liber 8671, Page 776, Macomb County Records.**
- **Permanent Storm Water Easement Agreement recorded in Liber 8671, Page 770, Macomb County Records.**
- **Permanent Sanitary Sewer Easement Agreement recorded in Liber 8671, Page 792, Macomb County Records.**
- **Conservation Easement granted to Michigan Department of Natural Resources recorded in Liber 9786, Page 931, Macomb County Records.**
- **Right of Way vested in Plumbrook Drain Drainage District by instrument recorded in Liber 2753, Page 380, Macomb County Records.**
- **General Grant of Permanent Easement for the Plumbrook Drain granted to the Plumbrook Drain Drainage District recorded in Liber 7568, Page 275, Macomb County Records.**
- **Survey performed by Professional Engineering Associates, dated September 25, 2015, being PEA Job No. 2015-088, discloses the following:**
 - a. **Storm sewer that traverses onto the property from the North, without the benefit of a recorded easement.**

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To approve a Cost Sharing Agreement between the city of Sterling Heights and the Macomb County Department of Roads for Schoenherr Road Concrete Pavement Repairs from 14 Mile Road to 15 Mile Road (Estimated City Share of Project Cost - \$509,240).

Submitted By: Office of Engineering



Contact Person/Telephone: Brent Bashaw, P.E., City Engineer/(586) 446-2720

Administration (initial as applicable)

Attachments

	City Clerk	___	Resolution	___	Minutes
	Finance & Budget Director	___	Ordinance	<u>x</u>	Plan/Map
	City Attorney (as to legal form)	<u>x</u>	Contract	___	Other
	City Manager				
<input type="checkbox"/>	Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office				

Executive Summary:

The Macomb County Department of Roads (MCDR) is proposing a Cost Sharing Agreement for the purpose of providing concrete pavement repairs on Schoenherr Road, from 14 Mile Road to 15 Mile Road.

The City's share of the project's estimated construction cost of \$1,018,481 is fifty percent (50%), or \$509,240. MCDR is paying the balance of the construction cost and one hundred percent (100%) of the Construction Engineering and Inspection costs and Administrative fees.

Full payment of the City's fifty percent (50%) share of the project's construction cost is due to the MCDR upon approval of Agreement. Adequate funding has been appropriated within the fiscal year 2016/2017 Budget to cover the City's share.

Suggested Action:

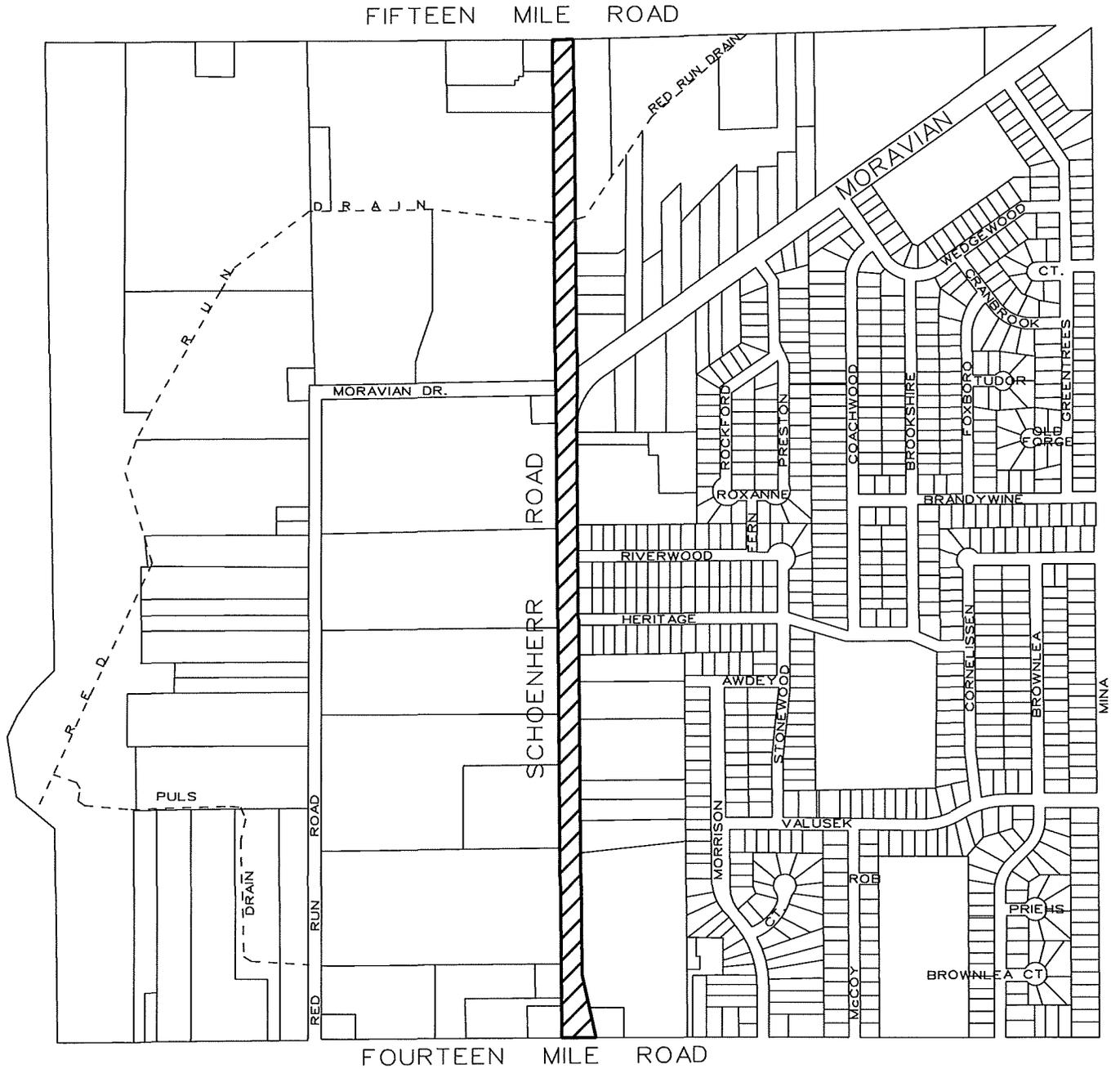
MOVED BY:

SECONDED BY:

RESOLVED, to approve the Cost Sharing Agreement for Schoenherr Road Concrete Pavement Repairs, from 14 Mile Road to 15 Mile Road, subject to approval by the Macomb County Department of Roads, and authorize the Mayor and City Clerk to execute the Agreement on behalf of the city of Sterling Heights.

Cc: Mike Moore, Public Works Director
Denice Gerstenberg, City Development Director

SCHOENHERR ROAD CONCRETE PAVEMENT REPAIRS -14 MILE RD TO 15 MILE RD-



 WORK ZONE

AGREEMENT

This Agreement entered into this _____ day of _____, 2016, by and between the Macomb County Department of Roads, hereinafter referred to as "COUNTY"; and the City of Sterling Heights, hereinafter referred to as "CITY".

WHEREAS, COUNTY initiated a road project to conduct concrete pavement repairs on Schoenherr Road within the CITY, and

WHEREAS, COUNTY has adopted policies relating to CITY's participation in primary road projects, and

WHEREAS, COUNTY has agreed with CITY to have the project engineered, constructed, inspected and placed in service, and

NOW, THEREFORE, in order to save public funds and expedite the project, COUNTY and CITY agree to carry out the project under a single contract according to the following terms and conditions:

1. The project termini are:
 - Schoenherr Road from 14 Mile Road to 15 Mile Road
2. The total project shall be defined as, but not necessarily include:
 - Required material
 - Contract cost
 - Survey, engineering plans, testing and field staking
 - Labor and equipment rental charges
 - Overhead and fringe benefits
 - Right of way acquisition
 - Preliminary and construction engineering
 - Signing and pavement marking
 - Other labor, materials, etc. to provide a complete project
3. The following cost sharing proportions have been agreed to (Exhibit A):
 - CITY share: Fifty percent (50%) of Construction Cost
 - COUNTY share: Fifty percent (50%) of Construction Cost and One Hundred Percent (100%) of Preliminary Engineering, Construction Engineering and Administration Costs
4. Funds provided by CITY shall be paid in full to COUNTY prior to the start of the design engineering work for the project.

5. COUNTY, upon completion of said project, will furnish CITY with a statement of actual costs of the project and will remit all collected monies exceeding the total cost of the project including overhead and fringe benefits or collect any additional monies necessary to meet the total cost of the project.
6. Overhead and fringe benefits applied shall be at a rate as determined on an annual basis. This rate is subject to change annually based upon actual costs incurred from the prior year and shall be applied to those costs incurred for that particular period.
7. CITY, COUNTY, the County of Macomb, their officers, agents, employees and consultants will be listed as additional insureds on the Contractor's insurance policy for general liability, automobile liability, excess coverage and worker's compensation.
8. COUNTY agrees to obtain authorization for additional expenditures beyond the limits of the Construction Contract from CITY prior to committal of same.

IN WITNESS WHEREOF, the parties hereto executed this Agreement on the date set forth above.

WITNESS

MACOMB COUNTY

Mark F. Deldin, Chief Deputy County Executive

WITNESS

CITY OF STERLING HEIGHTS

Michael C. Taylor, Mayor

Mark Carufel, Clerk

**EXHIBIT A
ESTIMATED COST
SCHOENHERR ROAD – WO#1611**

<u>WORK ORDER SUFFIX</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>COST SHARE</u>
A	Preliminary Engineering - Survey & Design	-	
B	Right of Way Costs	-	
C	Construction Engineering & Inspection (10%)	101,848	100% COUNTY
D	Sign & Pavement Markings	-	
E	Construction Estimate	1,018,481	50% CITY 50% COUNTY
E	Administration Fee (3%)	30,554	100% COUNTY
E	Contingencies	-	
F	Design Contract & Testing Costs	-	
G	Right of Way Acquisition Costs	-	
M	Signal Costs	-	
	Total Cost To Be Shared	\$1,150,883	
	City of Sterling Heights	\$509,240	
	Macomb County Department of Roads	\$641,643	

Please note that Macomb County Department of Roads will require full payment of your cost share to be submitted to our Finance Department at the time of approval of this agreement. Again, this is just an estimate and you will be responsible for your share of the actual costs incurred.



Business of the City Council
Sterling Heights, Michigan

DELIVERED JUL 28 2016

City Clerk's Use

Item No: 6-5
Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To receive the lawsuit, Ezra George v. Sterling Heights Police Department, 41A District Court Case No. S-16-2452-GZ.

Submitted By: Office of the City Clerk

MC

Contact Person/Telephone: Mark Carufel, City Clerk / Risk Manager, 586/446-2421

Administration (initial as applicable)

Attachments

Table with 4 columns: Initial, Title, Attachment type, and another title. Rows include City Clerk, Finance & Budget Director, City Attorney, and City Manager.

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

The City Attorney will be reviewing the lawsuit and preparing a response. Please see the attached Privileged and Confidential Attorney-Client Communication prepared by the City Attorney for further details.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to receive the lawsuit, Ezra George v. Sterling Heights Police Department, 41A District Court Case No. S-16-2452-GZ.



Business of the City Council
Sterling Heights, Michigan

DELIVERED JUL 28 2016

City Clerk's Use

Item No: 7

Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider appointments to City of Sterling Heights Boards and Commissions

Submitted By: Office of the City Clerk

Contact Person/Telephone: Mark Carufel, City Clerk / Risk Manager, 586/446-2421

Administration (initial as applicable)

Attachments

Table with columns for initials, position, and attachment types (Resolution, Ordinance, Contract, Minutes, Plan/Map, Other).

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

At the July 19, 2016 regular meeting, City Council postponed to August 3, 2016 appointments to fill vacancies on the Beautification Commission.

Terms for most City of Sterling Heights' Board and Commission members expire on June 30th. The vacancies are not subject to the two-step nomination / appointment process under Governing Body Rule of Procedure 23.

The City Council has the power of appointment to the following Commission:

Beautification Commission (4 vacancies) 3-Year Terms Ending June 30, 2019

Applications of the residents interested in serving on the above-noted commission have been provided to City Council. Spreadsheets indicating the applicants' preferences for appointment as reflected by their ranking of the respective boards and commissions are also included in the attached materials.

Suggested Action (To appoint):

MOVED BY:

SECONDED BY:

RESOLVED, to appoint _____ to the Beautification Commission to a term ending June 30, 2019, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Suggested Action (To Postpone Appointment(s) to a Date Certain):

MOVED BY:

SECONDED BY:

RESOLVED to postpone the appointment(s) to the Beautification Commission to the _____, 2016* regular City Council Meeting.

[*Future Regular Meeting Dates are August 16, 2016, September 6, 2016 and September 20, 2016).

Beautification Commission

(12 Members)

(4 Vacancies)

Name	Request Re-Appt. (Yes/No)	Expiration Date of New Term	Action
1. Unexpired Term		06/30/19	
2. Unexpired Term		06/30/19	
3. Unexpired Term		06/30/19	
4. Unexpired Term		06/30/19	

Applications on File:

- Jazmine M. Early (Arts Commission-exp. 06/30/18)
- Kozeta Elzhenni (Citizens Advisory Committee-Community Development BI Grant-exp. 06/30/17)
- (Ethnic Community Committee-exp. 06/30/18)
- Manny Gonzales
- Jennifer Gubin
- Nancy E. Kijek
- Robert Ljucovic
- Robert Lulgjuraj (Ethnic Community Committee-exp. 06/30/19)
- Kathleen Martin
- Howard Sizemore II
- Matthew Zarna

The Beautification Commission shall consist of 12 members to be appointed by the majority vote of the members of the City Council. Each member shall hold office for a full three year term.



**Business of the City Council
Sterling Heights, Michigan**

DELIVERED JUL 28 2016

City Clerk's Use

Item No: 8

Meeting: 08/03/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider nominations to City of Sterling Heights Boards and Commissions

Submitted By: Office of the City Clerk

Contact Person/Telephone: *MC* Mark Carufel, City Clerk / Risk Manager, 586/446-2421

Administration (initial as applicable)

Attachments

<i>MC</i>	City Clerk				
<i>AB</i>	Finance & Budget Director	___	Resolution	___	Minutes
<i>MC</i>	City Attorney (as to legal form)	___	Ordinance	___	Plan/Map
<i>MC</i>	City Manager	___	Contract	___	Other

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary:

At the July 19, 2016 regular meeting, City Council postponed to August 3, 2016 nominations to fill single vacancies on the seven-member Zoning Board of Appeals and five-member Board of Ordinance Appeals II.

City Council Governing Body Rule of Procedure 23, as amended on August 21, 2012, provides in relevant part as follows:

Prior to an appointment to the Planning Commission, **Zoning Board of Appeals, Board of Ordinance Appeals**, Board of Review, Police and Fire Pension Board, and General Employees Retirement System Board, an appointee shall be nominated, as applicable, by the Mayor or City Council at a prior regular meeting.

The vacancies for which nominations will be considered at the August 3, 2016 regular meeting are listed below:

<u>Board / Commission</u>	<u>Vacancies</u>	<u>Power of Appointment</u>
Zoning Board of Appeals	1	City Council
Board of Ordinance Appeals II	1	City Council

Applications of the residents interested in serving on the above-noted boards are attached. Spreadsheets indicating the applicants' preferences for appointment as reflected by their ranking of the respective boards and commissions, and attendance records of current members, are also attached.

Suggested Action No. 1 (To make a nomination to the ZBA):

MOVED BY:

SECONDED BY:

RESOLVED, to nominate _____ for consideration as an appointee to the Zoning Board of Appeals at the August 16, 2016 regular City Council meeting.

Suggested Action No. 2 (To make a nomination to OBA II – permanent member):

MOVED BY:

SECONDED BY:

RESOLVED, to nominate _____ for consideration as an appointee to the Board of Ordinance Appeals II at the August 16, 2016 regular City Council meeting.

Suggested Action (To postpone a nomination(s) to a Date Certain):

MOVED BY:

SECONDED BY:

RESOLVED to postpone a nomination(s) to the _____ to the _____, 2016* regular City Council Meeting.

[*Future Regular Meeting Dates are August 16, 2016, September 6, 2016 and September 20, 2016].

Zoning Board of Appeals

(7 Members)

(One Vacancy)

Name	Request Re-Appt. (Yes/No)	Expiration Date of New Term	Action
1.		06/30/19	
Unexpired Term			

Applications on File:

Mohammed Alomari (Ethnic Community Committee-exp. 06/30/17)
Brian Cole (Economic Development Corporation/Brownfield Auth.-exp. 06/30/19)
Jazmine M. Early (Arts Commission-exp. 06/30/18)
Kozeta Elzhenni (Citizens Advisory Committee-Community Development BI Grant-exp. 06/30/17)
(Ethnic Community Committee-exp. 06/30/18)
Robert Ervin (Board of Ordinance Appeals-exp. 06/30/18)
Laurel Johnson (Board of Code Appeals-exp. 06/30/17)
(Local Development Finance Authority-exp. 06/30/19)
Robert Lulgjuraj (Ethnic Community Committee-exp. 06/30/19)
Benjamin D. McMartin (Board of Ordinance Appeals-exp. 06/30/19)
Jeffrey I. Norgrove (Planning Commission-exp. 06/30/17)
Louis Ottolini (Board of Ordinance Appeals II-exp. 06/30/19)
Joanne L. Paraventi (Citizens Advisory Committee-Community Development BI Grant-exp. 06/30/17)
Leonard Reinowski (Planning Commission-exp. 06/30/17)
Juli Sala (Board of Ordinance Appeals-exp. 06/30/18)
Michael Sauger (Board of Ordinance Appeals II-exp. 06/30/19)
(Board of Ordinance Appeals-exp. 06/30/19)
Howard Sizemore II
Thomas Szatkowski (Board of Code Appeals-exp. 06/30/20)
(Housing Commission-exp. 12/31/19)
Shawn Taylor (Ethnic Community Committee-exp. 06/30/19)
Joyce Tye (Beautification Commission-exp. 06/30/17)
Matthew Zarna

The Zoning Board of Appeals shall consist of seven regular members, each to be appointed for a term of three years, expiring on June 30 in the year of expiration. All vacancies for unexpired terms shall be filled for the remainder of the term. The Zoning Board of Appeals shall consist of seven regular members, each to be appointed by a majority of the City Council members serving. All members of the Zoning Board of Appeals shall be selected from the electors of the City and shall be representative of the population distribution and of the various interests in the City. One member of the Board may be a member of the Planning Commission, with the remaining members selected from the electors of the City. Appointments shall be for a three year term expiring on June 30 in the year of expiration, except for appointments to fill vacancies or appointments of the member of the Board who is also a member of the Planning Commission. The term of the member of the Board who is also a member of the Planning Commission shall be limited to the time he or she is a member of the Planning Commission.

Board of Ordinance Appeals II

(5 Members)

(0 Vacancies)

Name	Request Re-Appt. (Yes/No)	Expiration Date of New Term	Action

Applications on File:

Brian Cole (Economic Development Corporation/Brownfield Auth.-exp. 06/30/19)
Jazmine M. Early (Arts Commission-exp. 06/30/18)
Nancy E. Kijek
Roman Stojalowsky
Paul Zdzieblowski (Board of Ordinance Appeals-exp. 06/30/19)

The Board of Ordinance Appeals shall consist of five members who shall be appointed by the City Council for staggered three year terms, or until a successor has been appointed. The staggered terms shall continue to be structured so that the term of one member expires each year. The members should have varying backgrounds, and one or more of the members should have experience or training related to construction or property and building maintenance.

The City Council may appoint not more than two alternate members to the Board of Ordinance Appeals who may be called by the chairperson to participate in hearings, appeals, and variance hearings of the Board during the absence or disqualification of a member.

