

PONTIAC CITY COUNCIL

Kermit Williams, District 7
President
Randy Carter, District 4
President Pro Tem



Patrice Waterman, District 1
Megan Shramski, District 2
Mary Pietila, District 3
Gloria Miller, District 5
Dr. Doris Taylor Burks, District 6

It is this Council's mission "To serve the citizens of Pontiac by committing to help provide an enhanced quality of life for its residents, fostering the vision of a family-friendly community that is a great place to live, work and play."

47450 Woodward Pontiac, MI 48342 Phone: (248) 758-3200

Garland S. Doyle, M.P.A.
Interim City Clerk

STUDY SESSION

265th Session of the 10th Council

November 30, 2021 at 6:00 P.M.

Meeting Location: City Council Chambers 47450 Woodward Pontiac, MI 48342

Call to Order

Roll Call

Authorization to Excuse Councilmembers

Amendments to and Approval of the Agenda

Approval of the Minutes

1. November 23, 2021

Public Comment

Special Presentations (Presentations are limited to 10 minutes.)

2. Special Election to Elect Charter Commissioners on May 3, 2022
Presentation Presenters: Garland Doyle, Interim City Clerk and Jo Lynn Williams, Elections Administrator
3. Medical Marijuana Application Review Process Update
Presentation Presenters: Garland Doyle, Interim City Clerk and Jonathan Starks, Regulatory Analyst
4. Snow Removal Consortium
Presentation Presenters: Dwayne Lyons, Interim DPW Director, Al Cooley, Deputy Director, DPW and Dustin McClellan, Pontiac Community Foundation

Agenda Items

Ordinance

5. An Ordinance to Provide for a Limited Increase in Pension Payments for Certain Members of the General Employee Retirement System ("GERS").

Resolutions

City Clerk

6. Resolution to approve the City Council 2022 Meeting Schedule

Department of Public Works (DPW)

7. Resolution to approve an Amended Contract with CleanNet of Greater Michigan to include an Extension of Services for a period of Two Years (December 1, 2021-November 30, 2023) with an Hourly Living Wage Increase

Community and Economic Development

8. Resolution to Schedule Public Hearing for Community Development Block Grant (CDBG) Program Year 2022
9. Resolution to Schedule Public Hearing to Reprogram Senior Housekeeping Services to Safety and Repair Services for Seniors and Disabled Persons for Community Development Block Grant (CDBG) Program Years 2019 and 2020

Finance

10. Resolution to authorize the City Clerk to post notice of a proposed budget amendment for Fiscal Year 2021-22 in the Oakland Press to Allocate a Total of \$ 8,000,000 to the VEBA Retiree Healthcare Opt Out Fund to receive funding from GERS and to allocate funds for the City to make the Opt Out Payments to Retirees
11. Resolution to authorize the City Clerk to post notice of a proposed budget amendment for Fiscal Year 2021-22 in the Oakland Press to move funding of the Grant Writer Position from Finance to Economic and Community Development by re-allocating a total of \$34,800 from GL Account 101-206-702.00 to GL Account 101-690-702.00
12. Resolution to authorize the City Clerk to post notice of a proposed budget amendment for fiscal year 2021/2022 in the Oakland Press to transfer \$180,000 from the general fund balance GL account 101-000-390.000 to the Capital Improvement Fund GL account 445-265-976.001 Building Additions and Improvements **(It is requested that Council select either 12 or 13.)**
13. Resolution to authorize the City Clerk to post notice of a proposed budget amendment for fiscal year 2021/2022 in the Oakland Press to transfer \$80,000 out of General Fund Balance GL account 101-000-390.000 and \$100,000 out of General Fund GL account 101-101-818.013-Professional Services-Animal Control and transfer \$180,000 into the Capital Improvement Fund GL account 445-265-976.001- Building Additions and Improvements **(It is requested that Council select either 12 or 13.)**
14. Resolution to approve a budget amendment for fiscal year 2021-2022 to allocate a total of \$81,213.00 to account 101-266-959.003 settlement payments
15. Resolution to accept a \$90,000 Grant From Nextfifty Initiative to Support Infrastructure Improvements at Pontiac Senior Centers

Law

16. Resolution authorizing entry of State Local Government Intrastate Agreement concerning allocation of Settlement Proceeds in the National Opioids Litigation

Mayor's Office

17. Resolution to adopt the Final Version of the Merger Agreement between the City of Pontiac, Police and Fire VEBA and Super VEBA

Communication from the Mayor

18. ARP Recap (Summary Report of ARP Town Halls and Next Steps)

Adjournment

#1

MINUTES

**Official Proceedings
Pontiac City Council
263rd Session of the Tenth Council**

Call to order

A Formal Meeting of the City Council of Pontiac, Michigan was called to order at the City Hall Council Chambers, 47450 Woodward Ave Pontiac, MI 48342 on Tuesday, November 23, 2021 at 12:00 p.m. by Council President Kermit Williams.

Invocation- Jose Yabra

Pledge of Allegiance

Roll Call

Members Present – Miller, Taylor-Burks, Waterman and Williams

Mayor Waterman was present.
A quorum was announced.

Amendments to and Approval of the Agenda

21-349 **Motion to add discussion on the Pontiac Youth Recreation Enrichment Center. (PYREC)** Moved by Councilperson Miller and second by Councilperson Waterman.

Ayes: Miller, Taylor-Burks, Waterman and Williams

No: None

Motion Carried

Council Pro-Tem Randy Carter arrived at 12:04 p.m.

21-350 **Motion to move item #9 (resolution to request the Enhanced Pension Benefit needed supplemental actuarial reports) after item #2 (approval of meeting minutes 11-18-21) and add a special presentation from Louis Gates, Consulting Actuary, GERS.** Moved by Councilperson Taylor-Burks and second by Councilperson Carter.

Ayes: Taylor-Burks, Waterman, Williams, and Miller

No: Carter

Motion Carried

21-351 **Motion to add on a Resolution for Holbert Bill Maxey.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

Ayes: Taylor-Burks, Waterman, Williams, Carter and Miller

No: None

Motion Carried

21-352 **Motion to approve the agenda as amended.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Taylor-Burks, Waterman, Williams, Carter and Miller

No: None

Motion Carried

Excuse Councilmembers

21-353 **Motion to excuse Councilmembers Mary Pietila and Megan Shramski for personal reasons.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Waterman, Williams, Carter, Miller and Taylor-Burks

No: None

Motion Carried

Approval of Minutes

21-354 **Motion to approve meeting minutes for November 16, 2021.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Williams, Carter, Miller, Taylor-Burks and Waterman

No: None

Motion Carried

21-355 **Motion to approve special meeting minutes for November 18, 2021.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Carter, Miller, Taylor-Burks, Waterman and Williams

No: None

Motion Carried

Special Presentation – Louise Gates, Consulting Actuary, GERS

Recognition of Elected Officials – None

Agenda Address - None

Resolutions

City Council

21-356 **Resolution to approve the Medical Marihuana Commission Rules.** Moved by Councilperson Miller and second by Councilperson Taylor-Burks.

Whereas, The Medical Marihuana Commission approved rules to govern its proceedings on November 16, 2021; and

Whereas, Section 6 (b) of Ordinance 2357 (B) requires the City Council to approve the rules adopted by the Medical Marihuana Commission.

Now, Therefore, Be It Resolved, that the Pontiac City Council approves the Medical Marihuana Commission Rules and Regulations.

Ayes: None

No: Miller, Taylor-Burks, Waterman, Williams and Carter

Resolution Failed

Department of Public Works (DPW)

21-357 **Resolution to approve the SEMCOG Planning Assistance Program Grant Agreement for a Road Diet Study on Auburn Avenue.** Moved by Councilperson Waterman and second by Councilperson Carter.

WHEREAS, The City of Pontiac has received the Planning Assistance Grant agreement from the Southeast Michigan Council of Governments (SEMCOG), and;
WHEREAS, The Department of Public Works, Engineering Division has reviewed the subject agreement, and;
WHEREAS, The City's match of \$6,534 will towards the total grant amount of \$36,000 will be paid through Engineering Services account 202-463-806.000,
NOW, THEREFORE, BE IT RESOLVED, The Pontiac City Council authorizes the Mayor to sign the SEMCOG agreement for Planning Assistance Program Grant for a road diet study on Auburn Avenue.

Ayes: Taylor-Burks
No: Waterman, Williams, Carter and Miller
Resolution Failed

Finance

21-358 **Motion to authorize the City Clerk to post notice of a proposed budget amendment for FY 2021/2022 in the Oakland Press to allocate a total of \$63,000 to the General Fund GL Account 101-206-702-000 to fund the Deputy Finance Director position.** Moved by Councilperson Miller and second by Councilperson Carter.

Whereas, the City of Pontiac timely approved the FY 2021-2022 budget on June 29, 2021; and
Whereas, the adopted FY 2021-2022 General Fund budget includes appropriations in the Finance Department for salaries for personnel using account number 101-206-702.000; and
Whereas, Sekar Bawa has been appointed to the position of Deputy Finance Director with a salary of \$94,000; and
Whereas, the GL account 101-206-702.000 is funded for the current fiscal year in the amount of 402,987; and
Whereas, it is proposed to increase the appropriation for account number 101-206-702.000 by \$63,000 to a total of \$465,987 to fund the position of the Deputy Finance Director;
NOW THEREFORE be resolved that the City Council hereby approves the amendment for the fiscal year 2021-2022 as requested by the Administration for account 101-206-702.000 in the amount of \$63,000.

Ayes: Carter
No: Taylor-Burks, Waterman, Williams and Miller
Resolution Failed

Information Technology

21-359 **Resolution to approve the purchase of Microsoft Office 365 solution and associated costs not to exceed \$66,953.00.** Moved by Councilperson Carter and second by Councilperson Miller.

Whereas, The City of Pontiac currently uses obsolete Microsoft Office products and outdated email system and can no longer be expanded to meet the growing needs of the City; and
Whereas, The City can utilize a cloud-based Microsoft Office licensing and email system results in a cloud solution to the City; and
Whereas, the costs will be a one-time professional services cost of \$37,500, and a monthly operating agreement for 130 licenses at a total cost of \$2454 monthly cost.
Now, therefore, hereby Be, It Resolved that the Pontiac City Council approves the purchase of the Microsoft 365 solution and associated costs including a one-time professional services cost of \$37,500 and annual cost for 130 licenses at a total cost of \$29,453 per year; and authorizes the Mayor to enter into the agreement to complete this transaction.

Ayes: Carter

No: Taylor-Burks, Waterman, Williams and Miller

Resolution Failed

Planning

21-360 **Resolution to approve a Zoning Map Amendment request ZMA 20-08 for PIN 64-14-17-130-005 & 64-14-17-130-006 to amend the current site zoning M-1 Light Manufacturing to M-1 Light Manufacturing with CR [Conditional Rezoning] zoning district.** Moved by Councilperson Carter and second by Councilperson Miller.

Whereas, the City has received an application for a Zoning Map Amendment with Conditions at W Sheffield and Baldwin Avenue identified as PIN 64-14-17-130-005 & 64-14-17-130-006 from Sheffield Holdings LLC for the rezoning of the aforementioned parcel; and

Whereas, The Planning Division has reviewed the applicant's rezoning request in regards to the City's Master Plan and the request conforms to the goals and vision contained within the plan; and

Whereas, The Planning Division has reviewed the applicant's rezoning request and the requirements set forth by Section 6.804 of the Zoning Ordinance. The Planning Division has determined the aforementioned request and proposed intended use of the property complies with the City of Pontiac Zoning Ordinance; and

Whereas, In accordance with the procedures outlined in the Zoning Ordinance, Sections 6.802 as it relates to Zoning Map Amendments, the request has undergone the required: Technical Review, Public Hearing, and Planning Commission recommendation; and

Whereas, On October 6, 2021, a Public Hearing was held, and in consideration of public opinion, the Planning Commission recommends City Council to approve the Zoning Map Amendment with Conditions and approve the change from the current M-1 Light Manufacturing zoning district to M-1 Light Manufacturing with Conditions; and

Now, Therefore, Be It Resolved, that the City Council for the City of Pontiac approve the Planning Commission recommendation for the Zoning Map Amendment (ZMA 20-08) request for Parcel No. 64-14-17-130-005 & 64-14-17-130-006 to amend the zoning from M-1 Light Manufacturing to M-1 Light Manufacturing with Conditions.

Ayes: Williams, Carter, Miller and Taylor-Burks

No: Waterman

Resolution Passed

21-361 **Resolution to approve a Zoning Map Amendment request ZMA 21-09 for PIN 64-14-16-126-007 to amend the current site zoning C-3 Corridor Commercial & R-1 One Family Dwelling to R-1 One Family Dwelling zoning district and 64-14-16-126-008 to amend the current site zoning C-3 Corridor Commercial & R-1 One Family Dwelling to C-3 Corridor Commercial zoning district.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

Whereas, the City Planning Division request a Zoning Map Amendment for PIN 64-14-16-126-007 & 64-14-16-126-008 for the aforementioned parcel; and

Whereas, The request conforms to the goals and vision contained within the City Master Plan; and

Whereas, The Planning Division reviewed the requirements set forth by Section 6.804 of the Zoning Ordinance, the Planning Division has determined the proposed intended use of the property complies with the City of Pontiac Zoning Ordinance; and

Whereas, In accordance with the procedures outlined in the Zoning Ordinance, Sections 6.802 as it relates to Zoning Map Amendments, the request has undergone the required: Technical Review, Public Hearing, and Planning Commission recommendation; and

Whereas, On October 6, 2021, a Public Hearing was held, and in consideration of public opinion, the Planning Commission recommends City Council to approve the Zoning Map Amendment request, approving the change for Parcel Number 64-14-16-126-007 from C-3 Corridor Commercial & r-1 One Family Dwelling to R-1 One Family Dwelling zoning district and rezone Parcel Number 64-14-16-126-008 from C-3 Corridor Commercial & R-1 one Family Dwelling to c-3 Corridor Commercial zoning district; and

Now, Therefore, Be It Resolved, that the City Council for the City of Pontiac approve the Planning Commission recommendation for the Zoning Map Amendment (ZMA 210-09) request for Parcel No. 64-14-16-126-007 from c-3 Corridor Commercial & R-1 One Family Dwelling to R-1 One Family dwelling zoning district and rezone Parcel Number 64-14-16-126-008 from c-3 Corridor Commercial & R-1 One Family Dwelling to C-3 Corridor Commercial zoning district.

Ayes: Williams, Carter, Miller, Taylor-Burks and Waterman

No: None

Resolution Passed

City Council

21-362

Resolution for Holbert Bill Maxey. (Ad-on) Moved by Councilperson Waterman and second by Councilperson Carter.

Whereas, it is the sense of this legislative body to pay proper tribute to individuals of remarkable character whose lives have been dedicated to uplifting, and empowering the community; and,

Whereas, Holbert Bill Maxey is a mentor, role model and community activist who has elevated and inspired many and whose contributions to the community have been profound; and,

Whereas, Holbert Bill Maxey embarked on an amazing and robust career that spanned over 34 years in State, County and Federal Government, beginning in 1962, some of his leadership positions included, Director of Community Relations for Royal Oak Township Community Affairs Drug Rehabilitation Employment Program and Civil Rights Division (1962-1968), Administrator for the City of Detroit, Drug Court Program (1968-1971), Program Supervisor for Oakland County Michigan CETA Program (1974-1977), Management of Planning for the State of Michigan (1977-1981), Supervisor for the Veteran's Administration (1984-1986) and Supervisor Assistant Regional Director for the Department of Mental Health, State of Michigan (1991-1996); and,

Whereas, Holbert Bill Maxey's life is one of extraordinary dedication, serving not only a humble and faithful civil servant, but also an active serviceman engaging in the Army Reserves (1981-1996), while consistently assisting and supporting our Veterans; and,

Whereas, Holbert Bill Maxey has continuously demonstrated his unwavering loyalty and commitment to our Veterans as he was past First Vice-President of the American Legion, State of Michigan, PTSD Education Coordinator, National Treasurer for African American Minority Military Organization Treasurer, is Coordinator/Director of Veterans Affairs Cook-Nelson-American Legion Post #20 in Pontiac, Michigan, Coordinator for ACES/Military Veterans/Annex in Pontiac, Michigan and is Director of Veteran Affairs for District 29-State Representative Brenda Carter; and,

Whereas, Holbert Bill Maxey is a certified and licensed Social Worker who after selflessly devoting his professional career to government service, retired in 1996; and,

Whereas, Holbert Bill Maxey is an elected official who is truly passionate about helping others and keeping the community engaged, as he is a Pontiac Library Board member, sits on the Michigan Senior Advisory Council, State of Michigan, is Executive Secretary for the State of Michigan Promise Zone in Pontiac, Michigan and CEO for Pontiac Urban Institute, League, FDL.,

Now, Therefore, Be It Resolved, that the Pontiac City Council, and members of this great community, honor and salute the exemplary accomplishments and achievements of Holbert Bill Maxey.

Ayes: Carter, Miller, Taylor-Burks, Waterman and Williams

No: None

Resolution Passed

Public Comment

Two (2) individuals addressed the body during public comment

Mayor Waterman excused herself from the meeting

Mayor, Clerk and Council Closing Comments

Interim City Clerk Doyle, Councilwoman Taylor-Burks, Councilwoman Miller, Councilwoman Waterman, Council President Pro-Tem Carter and Council President Williams made closing comments.

Adjournment

Council President Kermit Williams adjourned the meeting at 1:49 p.m.

Garland Doyle
Interim City Clerk

#2

**SPECIAL
PRESENTATION**



VOTE

PONTIAC MATTERS!

Office of the City Clerk
Election Report
November 30, 2021

Garland Doyle, M.P.A., Interim City Clerk
Jo Lynn Williams, Elections Administrator

SPECIAL ELECTION IN PONTIAC TO ELECT CHARTER COMMISSIONERS MAY 3, 2022

The Charter Commission will have nine members.

They will be elected citywide.

If you are interested in running for the Charter Commission, you must submit nominating petitions and affidavit of identity no later than 4:00 p.m. on January 18, 2022.

Website: <http://pontiaccityclerk.com>



Pontiac City Clerk



PontiacClerk



Pontiac City Clerk



Pontiac City Clerk

PRESENTATION
SPECIAL
#3



MEDICAL MARIHUANA IN PONTIAC UPDATE

November 30, 2021

Garland Doyle, M.P.A., CNP
Interim City Clerk

Jonathan Starks
Assistant City Clerk/Regulatory Analyst
Marihuana Regulations Division

Website: <http://pontiaccityclerk.com/medical-marihuana>



Pontiac City Clerk



PontiacClerk



Pontiac City Clerk



Pontiac City Clerk

A Fair and Transparent Process

Application Review Process

Step 1 Applications are submitted to the Office of the City Clerk. There was a one-time 21 Day Application Period for Provisioning Centers Jan 6-27, 2020. Provisioning Center Applications are no longer being accepted. Applications for growers, processors, safety compliance and secure transporters are accepted during normal business hours.

Step 2 Application is reviewed by the Office of the City Clerk.

Step 3 Ordinance 2357(B) approved by Pontiac voters required the Clerk to score and rank provisioning center applications. The Clerk can only license the top 5 ranked applicants from each of the four overlay districts.

◦ Cesar Chavez District	5
◦ Downtown District	5
◦ Non Overlay District	5
◦ Walton Blvd District	5
◦ Total Number of Provisioning Centers that are allowed in Pontiac	<u>5</u> 20.

Step 4 Applications that were not ranked 1-5 are given the opportunity to appeal to the Hearing Officer. The Applicant can further appeal to the Medical Marihuana Commission.

Step 5 After the appeal process is over, the Clerk can issue a conditional approval to the top 5 ranked applicants in each district.

Step 6 Pre-Permit Process
Applicant must complete all steps in the pre-permit process before the Clerk can issue a permit.

A Fair and Transparent Process

Cesar Chavez Overlay District

Types of License Available in this District

1) Grower

Grower has received conditional approval.

● PGSH Holdings 1054 Durant

Class C Grower – up to 1500 plants

Clerk has issued conditional approval

2) Processor

3) Secure Transporter

4) Safety Compliance

5) Provisioning Centers (No more than 5 Provisioning Centers will be selected in this district)

Top 5 Ranked Proposed Locations

- Rize Cannabis – 772 Cesar E Chavez
- West Fort Holdings LLC – 870 Cesar E Chavez
- Greenhouse Farms Pontiac LLC – 985 Cesar E Chavez
- Yellow Tail Ventures Inc – 1025 Cesar E Chavez
- The Cured Leaf TC Inc – 962 Cesar E Chavez



A Fair and Transparent Process

Downtown Overlay District

Types of License Available in this District

- 1) Secure Transporter
- 2) Safety Compliance
- 3) Provisioning Centers (No more than 5 Provisioning Centers will be selected in this district)

Top 5 Ranked Proposed Locations

- Common Citizen – 17 S Saginaw
- 3 Green LLC – 81 N Saginaw
- Zenith Ventures LLC – 22 N Saginaw
- RTMC Enterprises Inc – 123 N Saginaw
- RTMC Enterprises Inc – 10-12 W Pike



A Fair and Transparent Process

Walton Blvd Overlay District



Types of License Available in this District

- 1) Grower
- Botanical Greens Inc 1651 E Highwood
Class C Grower up to 1500 plants

Clerk has issued conditional approval.

- 2) Processor
- 3) Secure Transporter
- 4) Safety Compliance
- 5) Provisioning Centers (No more than 5 Provisioning Centers will be selected in this district)

Top 5 Ranked Proposed Locations

Leafco Ventures – 1461 Baldwin
 444 Commercial Consulting LLC – 592 E Walton
 3967 Euclid LLC – 85 E Walton
 Shine Cannabis – 41 E Walton
 Nature's Remedy of Pontiac LLC – 278/290 W Walton

Top 5 Provisioning Center Applicant Rankings are subject to appeal.

A Fair and Transparent Process

Non Overlay District

Types of Licenses Available in this District:

Provisioning Centers are permitted in C-1, C-3 and C-4 zones properties located outside of the Cesar Chavez, Downtown and Walton Overlay Districts. (No more than 5 provisioning centers will be selected in the Non-Overlay)

Top 5 Ranked Applicants:

- 1. Pleasantrees – 44821 Woodward**
- 2. HKM Group LLC – 50800 Woodward**
- 3. Greenhouse Farms Pontiac LLC – 51616 Woodward**
- 4. Attitude Wellness LLC – 45258 Woodward**
- 5. Nature's Remedy of Pontiac LLC – 939 Orchard Lake**

Prior to being issued a permit, the applicant will need to obtain a special exemption permit from the City of Pontiac Planning Commission

Safety Compliance are permitted in C-1, C-3, C-4, M-1 and M-2 zoning districts outside the Medical Marihuana Overlay Districts.

Secure Transporters are permitted in C-1, C-3, C-4, M-1 and M-2 zoning districts outside the Medical Marihuana Overlay Districts.

Growers and Processors are allowed to operate at the Old Glenwood Plaza site as a result of the conditional rezoning agreement by the City Council with Rubicon in January 2020.

A Fair and Transparent Process

Growers and Processors located at the Old Glenwood Plaza site.

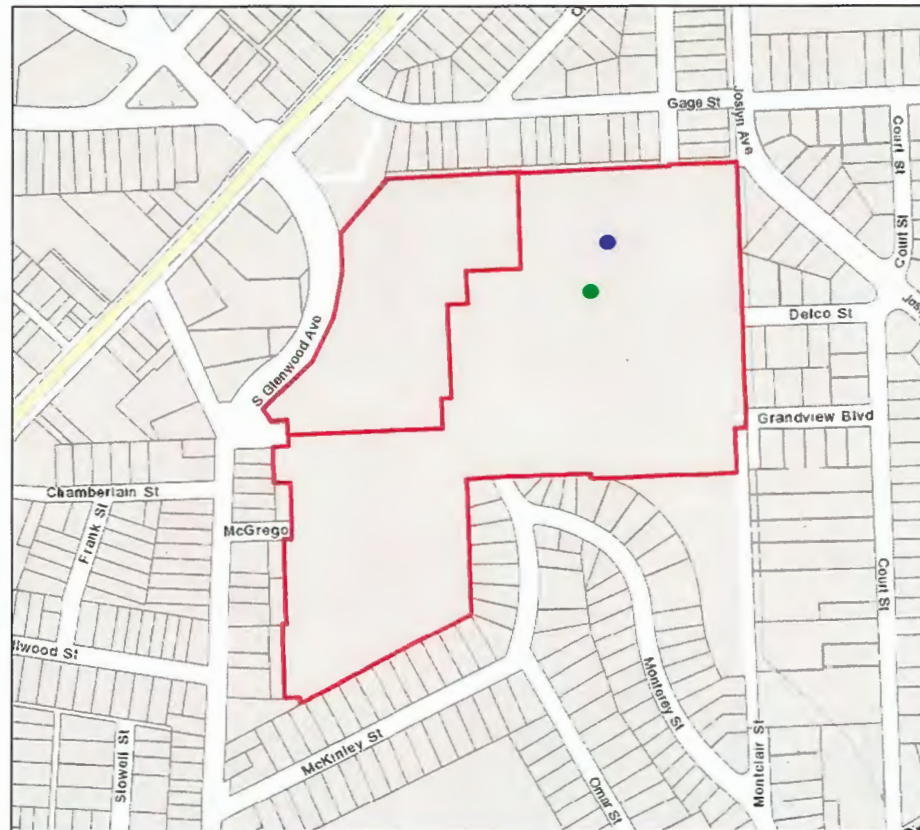
Proposed Locations

1) Grower

- Pharmaco Inc – 13 S Glenwood
Class C Grower up to 1500 plants
Clerk has issued conditional approval.
- Family Rootz LLC – 1-97 S Glenwood
Class A Grower up to 500 plants
Class C Grower up to 1500 plants
Clerk has issued conditional approval.

2) Processor

- Pharmaco Inc – 13 S Glenwood
Clerk has issued conditional approval.
- Family Rootz LLC – 1-97 S Glenwood
Clerk has issued conditional approval.



A Fair and Transparent Process

Medical Marihuana Commission Status

The Mayor appoints the four (4) members of the commission that are residents of the city
(Ordinance 2357(B) Section 4 (a)(b))

**On November 9, 2021, Mayor Waterman announced the appointment of three of the four members. They are Cristi Coles Terrell, Gladys Smith, a city employee and herself (Mayor Deirdre Waterman).*

Since the Medical Marihuana Commission was established by Ordinance 2357(B) in 2018 while Mayor Waterman was in office, **Mayor Waterman is ineligible to serve on the commission** based on Section 6.107(c) of the Pontiac City Charter states *No elective officer shall hold any appointive position, which was created or the compensation for which was fixed or increased during his or her incumbency, until one year after such person's leaving office.*

Commissioners serve at the pleasure of the Mayor for a term of there (3) years.
Ordinance 2357(B) Section 4(b)

Commissioners hold a public meeting.
Ordinance 2357(B) Section 6(c)

Commissioners adopt rules and regulations as it deems necessary to govern its proceedings and deliberations at a public meeting.
Ordinance 2357(B) Section 6(c)

**The Commission held a meeting on November 16, 2021 and adopted rules to govern its proceedings.*

City Council must approve rules and regulations adopted by the commission.
Ordinance 2357(B) Section 6(b)

City Council **did not approve on November 23, 2021 the rules and regulations adopted by the commission. Ordinance 2357(B) Section 6(b)*

The next Medical Marihuana Commission Meeting is scheduled for November 30, 2021 at 4:30p.m.

Until the Commission has at least three legal members and the City Council approves its rules, the Clerk will not forward any appeals to the commission as required by Ordinance 2357(B).

A Fair and Transparent Process

Cesar Chavez Overlay District Medical Marihuana Commission Appeals

***The following applicants have appealed to the Commission as of August 6, 2021.**

1. **Caesars Garden**
2. **The Dixie Depot**
3. **Larren Investments LLC**
4. **PGSH Holdings LLC**

Downtown Overlay District Medical Marihuana Commission Appeals

***The following applicants have appealed to the Commission as of September 10, 2021.**

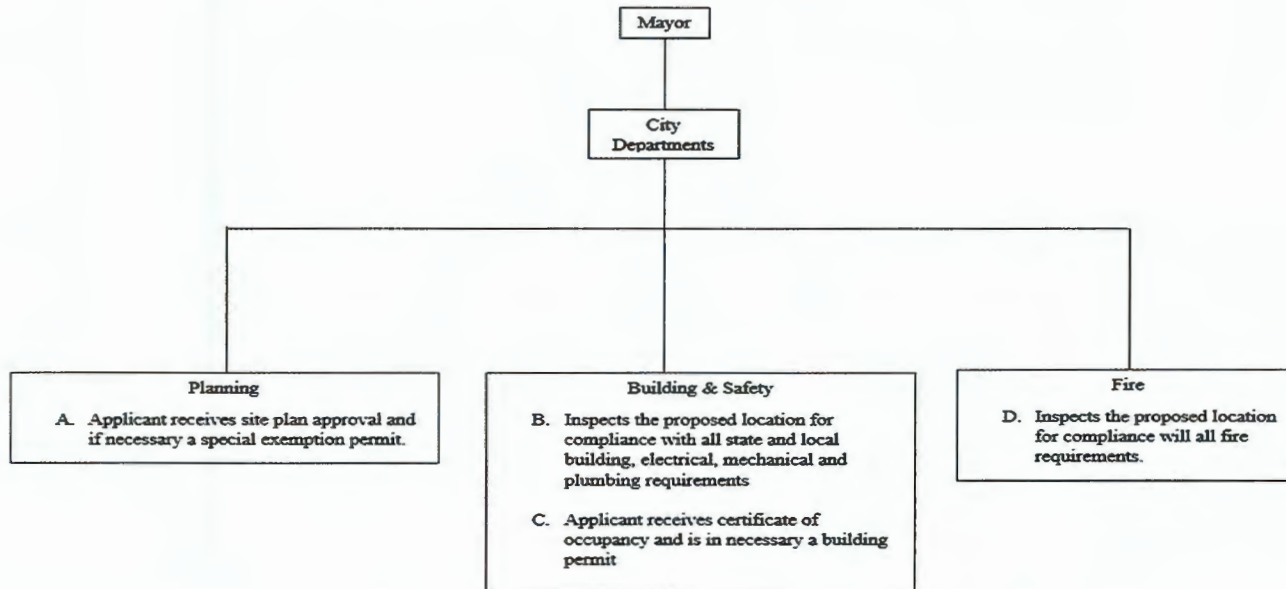
1. **Detroit Medical Concepts LLC**
2. **Green Bronco III LLC**
3. **Green Buddha**
4. **Green Buddha II LLC**
5. **JNN Property LLC**
6. **Nature's Medicine**
7. **Nature's Medicine**
8. **Pontiac Provisioning LLC**
9. **Pure Roots LLC**
10. **VB Chesaning**

A Fair and Transparent Process

Pre-Permit Process

After an applicant receives a conditional approval from the City Clerk, they must comply with the following before the City Clerk can issue the applicant a permit to operate per Ordinance 2357(B).

1. The applicant has obtained their pre-approval from the State of Michigan.
2. Satisfy all Building & Safety, Planning and Fire Department requirements.



3. After the applicant satisfies all the city departments requirements, then the Office of the City Clerk has to verify proof of premises liability and casualty insurance before issuing a permit.

A Fair and Transparent Process

Conditional Approved Growers in the Pre-Permit Process

Applicant Name	Proposed Location	District	License Class	Conditional Approval Issued	Consent to Release Form Received	Building	Fire (Waterford Regional)	Planning Site Plan/Special Exemption (if necessary)	Liability & Casualty Insurance Verified	State Pre-Approval
Pharmaco Inc	13 S Glenwood	Old Glenwood Plaza (Conditional Rezoning)	Class C (up to 1500 plants)	6/3/2021				Yes		Yes
Applicant Name	Proposed Location	District	License Class	Conditional Approval Issued	Consent to Release Form Received	Building	Fire (Waterford Regional)	Planning Site Plan/Special Exemption (if necessary)	Liability & Casualty Insurance Verified	State Pre-Approval
PGSH Holdings LLC	1054 Durant	Cesar Chavez	Class C (up to 1500 plants)	5/21/2021	7/9/2021					
Family Rootz	1-97 S Glenwood	Old Glenwood Plaza (Conditional Rezoning)	Class A (up to 500 plants) C (up to 1500 plants)	5/27/2021	6/19/2021			Yes		Yes
Botanical Greens	1651 E Highwood	Walton	Class C (up to 1500 plants)	7/19/2021	6/22/2021					Yes

Conditional Approved Processors in the Pre-Permit Process

Applicant Name	Proposed Location	District	Conditional Approval Issued	Consent to Release Form Received	Building	Fire (Waterford Regional)	Planning Site Plan/Special Exemption (if necessary)	Liability & Casualty Insurance Verified	State Pre-Approval
Pharmaco Inc	13 S Glenwood	Old Glenwood Plaza (Conditional Rezoning)	6/3/2021						Yes
Family Rootz	1-97 S Glenwood	Old Glenwood Plaza (Conditional Rezoning)	5/27/2021	6/19/2021					Yes

A Fair and Transparent Process

Total Number of Applications Reviewed

Provisioning Centers	103
• Cesar Chavez	17
• Downtown	23
• Non Overlay	48
• Walton Blvd	15
Growers	9
Processors	3
Safety Compliance	0
Secure Transporter	<u>1</u>
Total Number of Applications	116

A Fair and Transparent Process

City Clerk establishes Citizen Monitoring Taskforce to ensure that Medical Marihuana Businesses keep their community benefit commitments to the residents

The City Clerk's Citizen Monitoring Taskforce on Medical Marihuana Implementation is a six (6) member volunteer citizen taskforce will assist the Clerk with monitoring the implementation of medical marihuana in the City of Pontiac. The taskforce has four main objectives. Those objectives are issue policy recommendations, develop a community benefits tracking system, develop complaint process and community outreach efforts. The taskforce will meet several times over the next year. The Clerk and taskforce will work to ensure Medical Marihuana Facilities fulfill the commitments that they made to the City and are good neighbors in our community.

The six (6) member citizen taskforce will consist of one (1) representative from each of the three overlay districts (Cesar Chavez, Downtown and Walton Blvd. The representative must reside in or near the overlay district they are representing) and three (3) citywide representatives (citywide representatives may reside anywhere in the city).

Citizen Monitoring Taskforce Members

1. Kirk Bagg – Citywide Representative
2. Iola Miller – Citywide Representative
3. Sue Sinclair – Citywide Representative
4. Jon Valentine – Cesar Chavez Representative
5. Michael Glass – Downtown Representative
6. Gerald (J.P.) Runions – Walton Blvd Representative

The residents were selected after completing an application process that included an interview.

A Fair and Transparent Process

Clerk announces accelerated review process

Establishes 30-45 day initial review of Medical Marihuana applications

How will reviews be conducted to meet the 30-45 day review goal?

1. The Clerk's Office will manage the entire review process. As oppose to the City's Planning Division reviewing applications, the Clerk will use the Planning Advisor – Giffels Webster for planning section evaluation/scoring reviews. The change was implement for the Walton Blvd Provisioning Center application reviews.
2. The Clerk will be transitioning all other subject matter reviews such as financial and security from external professional experts to the on-staff Regulatory Analyst. We began making this transition with the Walton Blvd Provisioning Center application reviews. The Regulatory Analyst who has a Bachelor of Business Administration in Accounting conducted the Walton Blvd financial reviews.
3. Trained additional Clerk's Office staff in how to conduct reviews.
4. External reviewers with the exception of the Planning Advisor will only be used if the Clerk's Office receives an influx of applications at one time.
5. Default Reviews conducted by City departments will now be a part of the Pre-Permit Process as oppose to being conducted at the start of the review process.

A Fair and Transparent Process

#4

**SPECIAL
PRESENTATION**



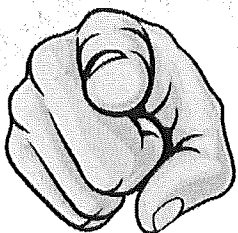
Local Snow Plow Operators Come Join Our Team!

**Pontiac's Department of Public Works (DPW)
is searching for qualified local snow plow operators!**

**IN PARTNERSHIP WITH DUSTIN MCCLELLAN
CEO OF PONTIAC COMMUNITY FOUNDATION**

Come Get A Piece Of The Pie!

Learn More About What You'll Need!



1st We Need You!

Sponsored By: Mayor Deirdre Waterman

#5

ORDINANCE

Ordinance No. XXXX

AN ORDINANCE TO PROVIDE FOR A LIMITED INCREASE IN PENSION PAYMENTS FOR CERTAIN MEMBERS OF THE GENERAL EMPLOYEE RETIREMENT SYSTEM ("GERS").

The City of Pontiac ordains:

Section 1. Amendments.

The General Employee Retirement System ordinance shall be amended to read as follows:

a. Section 17 .6 shall be amended to add the following language: Temporary Pension Increase: *"All persons who are receiving retirement benefits as of December 31, 2021 and who enter pay status through December 31, 2022, shall be entitled to receive an increase in their monthly allowance of four hundred dollars (\$400.00) per month beginning January 1, 2022 through December 31, 2022, or when the New VEBA begins providing the health care benefits to the eligible retirees, whichever comes first."*

Section 2. Severability.

If any section, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause or provision declared to be unconstitutional, void or illegal shall thereby cease to be a part of this Ordinance, but the remainder of the Ordinance shall stand and be in full force and effect.

Section 3. Repealer.

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 4. Publication.

The Clerk shall publish this Ordinance in a newspaper of general circulation.

Section 5. Emergency Declaration and Effective Date.

This Ordinance is declared an emergency of health and safety to allow the pension recipients to collect the increase authorized in this Ordinance on the date identified in this Ordinance and shall be effective immediately upon adoption by the City Council.

I hereby certify this emergency ordinance was adopted by the City Council of the City of Pontiac on the _____ day of December, 2021.

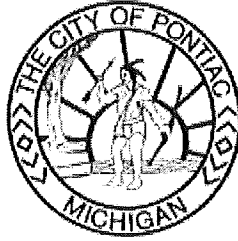
Garland S. Doyle, Interim City Clerk

I further hereby certify that the foregoing is a true copy of this Ordinance as passed by the City Council and was published verbatim in the Oakland Press a publication of general circulation on the _____ day of December, 2021.

Garland S. Doyle, Interim City Clerk

#6

RESOLUTION



The Pontiac City Council

Announces

THE 2022 SCHEDULE OF MEETINGS OF THE PONTIAC CITY COUNCIL

To comply with the Michigan Open Meeting Act (MCL 15.265)

The Pontiac City Council will hold its regular meeting on Tuesday evenings at 6:00 p.m. in the Council Chambers of City Hall 47450 Woodward Ave Pontiac, Michigan 48342 unless otherwise noted.

Internet website where meetings are posted www.pontiac.mi.us

The dates are as follows:

Tuesday, January 4, 2022 Noon Formal Meeting (Organizational Meeting)
Tuesday, January 11, 2022 6:00 p.m. Study Session
Tuesday, January 18, 2022 6:00 p.m. Formal Meeting
Tuesday, January 25, 2022 6:00 p.m. Study Session
Tuesday, February 1, 2022 6:00 p.m. Formal Meeting
Tuesday, February 8, 2022 6:00 p.m. Study Session
Tuesday, February 15, 2022 6:00 p.m. Formal Meeting
Tuesday, February 22, 2022 6:00 p.m. Noon Study Session
Tuesday, March 1, 2022 6:00 p.m. Formal Meeting
Tuesday, March 8, 2022 6:00 p.m. Study Session
Tuesday, March 15, 2022 6:00 p.m. Formal Meeting
Tuesday, March 22, 2022 6:00 p.m. Study Session
Tuesday, March 29, 2022 6:00 p.m. Formal Meeting
Tuesday, April 5, 2022 6:00 p.m. Study Session
Tuesday, April 12, 2022 6:00 p.m. Formal Meeting
Tuesday, April 19, 2022 6:00 p.m. Study Session
Tuesday, April 26, 2022 6:00 p.m. Formal Meeting
Thursday, May 5, 2022 6:00 p.m. Study Session
Tuesday, May 10, 2022 6:00 p.m. Formal Meeting
Tuesday, May 17, 2022 6:00 p.m. Study Session
Tuesday, May 24, 2022 6:00 p.m. Formal Meeting
Tuesday, May 31, 2022 6:00 p.m. Study Session
Tuesday, June 7, 2022 6:00 p.m. Formal Meeting
Tuesday, June 14, 2022 6:00 p.m. Study Session
Tuesday, June 21, 2022 6:00 p.m. Formal Meeting

Tuesday, June 28, 2022 6:00 p.m. Study Session
Tuesday, July 5, 2022 6:00 p.m. Formal Meeting
Tuesday, July 12, 2022 6:00 p.m. Study Session
Tuesday, July 19, 2022 6:00 p.m. Formal Meeting
Tuesday, July 26, 2022 6:00 p.m. Study Session
Thursday, August 4, 2022 6:00 p.m. Formal Meeting
Tuesday, August 9, 2022 6:00 p.m. Study Session
Tuesday, August 16, 2022 6:00 p.m. Formal Meeting
Tuesday, August 23, 2022 6:00 p.m. Study Session
Tuesday, August 30, 2022 6:00 p.m. Formal Meeting
Tuesday, September 6, 2022 6:00 p.m. Study Session
Tuesday, September 13, 2022 6:00 p.m. Formal Meeting
Tuesday, September 20, 2022 6:00 p.m. Study Session
Tuesday, September 27, 2022 6:00 p.m. Formal Meeting
Tuesday, October 4, 2022 6:00 p.m. Study Session
Tuesday, October 11, 2022 6:00 p.m. Formal Meeting
Tuesday, October 18, 2022 6:00 p.m. Study Session
Tuesday, October 25, 2022 6:00 p.m. Formal Meeting
Tuesday, November 1, 2022 6:00 p.m. Study Session
Thursday, November 10, 2022 6:00 p.m. Formal Session
Tuesday, November 15, 2022 6:00 p.m. Study Session
Tuesday, November 22, 2022 6:00 p.m. Formal Session
Tuesday, November 29, 2022 6:00 p.m. Study Session
Tuesday, December 6, 2022 6:00 p.m. Formal Meeting
Tuesday, December 13, 2022 6:00 p.m. Study Session
Tuesday, December 20, 2022 6:00 p.m. Formal Meeting
Tuesday, December 27, 2022 6:00 p.m. Study Session

City of Pontiac 47450 Woodward Avenue Pontiac, Michigan 48342 248-758-3200

#7

RESOLUTION



MEMORANDUM

City of Pontiac

DPW

47450 Woodward Avenue

Pontiac, Michigan 48342

Telephone: (248) 758-3118

Fax: (248) 758-3197

DATE: 11/23/2021

TO: Honorable Mayor and City Council

FROM: Allen Cooley – Deputy Director, DPW

SUBJECT: CleanNet (Janitorial and Custodial services) contract extension

The City of Pontiac entered into a contract with CleanNet for the Janitorial service and the contract expired on 11/30/20 and the City exercised its option to extend the contract to 11/30/21. The City has option to extend the contract for one more year from 12/01/21 thru 11/30/22 with the same terms and conditions of the original contract.

CleanNet is compensating their employees who work for the City at an hourly rate between \$11.00 to \$13.50. Mayor would like the contract employees who work for the City should also get the living wages at an hourly rate of not less than \$15.00 per hour. Paying living wage would help to end poverty among the working poor and it creates an economy that work for everyone. Paying a living wage leads to increase worker morale, worker health and improved quality of service. A living wage can also reduce family dependencies on welfare.

While Michigan is proposing the livable wage be increased to \$15.00 per hour, employers everywhere are challenged to find people to work because they do not want to work for minimal wages. Fast food restaurants to the like of McDonald's and Taco Bell are paying workers \$14.00 - \$18.00 per hours and offering benefits. Michigan's workforce decreased by 96,000 or 2% since this time last year while unemployment was 5.8%. Here in Pontiac, several employers have closed because workers will not work for minimal wages

CleanNet agrees to pay their employees at the minimum hourly rate of \$15 provided the Compensation amount is adjusted appropriately and the contract is extended for two more years. This change in the contract will increase the annual cost from \$135,623 to approximately \$178,453 which is an increase of 32% over the existing contract amount. There are no other changes in the original contract provisions.

If Council agrees that the employees of the Contractor should also be paid the living wages, then the following resolution would be in order:

WHEREAS, the Pontiac City Council believes that the CleanNet employees working at the City facilities should be paid at the minimum rate of \$15 per hour an hour; and

WHEREAS, the City and the Contractor have amended the Agreement by changing the “compensation” and the “contract period” provisions; and,

WHEREAS, the Contractor has demonstrated its ability to faithfully execute the terms of the Agreement for the last two years; and,

WHEREAS, the City recognizes the importance of maintaining uninterrupted Janitorial services at the City facilities; and,

WHEREAS, the City currently does not have staff to perform these services; and,

WHEREAS, it is in the best interest of the City and the Contractor to extend the current agreement for two more years with the living wage stipulation; and,

NOW, THEREFORE, the City and Contractor agree to amend the original Agreement, for the following professional services and conditions:

Now, therefore, be it resolved, that the City Council for the City of Pontiac approve the attached Janitorial Service Agreement with the CleanNet of Greater Michigan be approved for a period of two years (from 12/01/2021 to 11/30/2023).

CONTRACT FOR Janitorial and Custodial Services

- 1) **Parties:** The parties to this contract are the City of Pontiac, Michigan hereinafter referred to as the "City", and CleanNet of Greater Michigan hereinafter called the "Contractor".
- 2) **Purpose:** The purpose of this contract is for the City to engage the Contractor to provide Janitorial and Custodial Services to the City (see Scope of Services below).
- 3) **Scope of Services:** The Contractor will provide all labor, materials, supplies, equipment and supervision to perform Janitorial and Custodial Services in the City. The Contractor is to perform all work in accordance with generally accepted standards and practices.
- 4) **General Terms and Conditions.** This contract is hereby made subject to the terms and conditions Included in the scope of Services (see Exhibit "A" below) and Additional Terms and Conditions (see Exhibit "B" below).
- 5) **Consideration.** As consideration for the performance of the services referenced in the Scope of Services (see Exhibits "A" & "B" below), the City agrees to compensate the Contractor as given below:

- Contractor must pay the labor they employ at the minimum hourly rate of \$15. City agree to pay the contractor at the hourly rate of \$23.55 which is an increase of \$4.55 (23.95%) over the current hourly rate of \$19.00.

Location	Current Price	Sug. Price	Difference							
50th Dist. Court	\$4,021.07	\$5,109.11	\$1,088.04							
Pruth Peterson	\$1,625.32	\$2,711.66	\$1,086.34							
Bowen Center	\$1,625.31	\$2,711.66	\$1,086.35							
Youth Center	\$4,030.18	\$4,338.66	\$308.48							
Total Monthly	\$11,301.88	\$14,871.09	\$3,569.21							
Annual	\$135,622.56	\$178,453.12	\$42,830.56	32%	increase					
Location	hrs/clean	# of days	Monthly Hrs	Lbr Rate	Markup	TTL Hrly rate	Labor Cost	Consum. Cost	Profit	TTL Monthly
50th Dist. Court	8	5	173.2	\$15.00	\$8.55	\$23.55	\$2,598.00	\$770.45	\$259.80	\$5,109.11
Pruth Peterson	5	5	108.25	\$15.00	\$8.55	\$23.55	\$1,623.75		\$162.38	\$2,711.66
Bowen Center	5	5	108.25	\$15.00	\$8.55	\$23.55	\$1,623.75		\$162.38	\$2,711.66
Youth Center	8	5	173.2	\$15.00	\$8.55	\$23.55	\$2,598.00		\$259.80	\$4,338.66
TOTALS		5	562.9	\$15.00	\$8.55	\$23.55	\$8,443.50	\$770.45	\$844.35	\$14,871.09

SPECIAL EVENT_CLEANING

Labor **\$23.55 per/hour;**

I, the undersigned, propose to provide services proposed in this contract as per specifications supplied by the City of Pontiac. No contract is active until a purchase order is issued.

I, further propose to deliver the above described services for the City of Pontiac in first class operating manner in accordance with all specifications contained herein subject to purchaser's inspection of services performed,

I attest the contract includes all information necessary for the City of Pontiac to accept the contract

NAME, ADDRESS AND PHONE NUMBER:

Dated and signed at _____, MI on _____

Signature of Bidder: _____

Print Name and Title: _____

Address of Bidder:

Office Ph: _____ Cell Ph: _____

Fax: _____ Federal Tax Id: _____

6) Period of Performance. This contract will become effective for the period of two years (12/1/2021-11/30/2023).

7) Method of payment. Contractor will be paid 30 days after completion of work as outlined in the scope of Services after submission of a valid invoice.

8) Applicable law. This contract shall be governed by and construed in accordance with the laws of the City of Pontiac, State of Michigan and applicable federal laws.

9) Compliance with Laws. The Contractor understands that the City is an equal opportunity employer and, therefore, maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, genetic information, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful and the Contractor agrees during the term of the agreement that the Contractor will strictly adhere to this policy in its employment practices and provision of services. The Contractor shall comply with, and all activities under this agreement shall be subject to, all applicable federal, State of Michigan, and City of Pontiac laws and regulations, as now existing and as may be amended or modified.

The Contractor is responsible for instructing and training their employees in appropriate safety measures. Employees will be responsible for maintaining a safe work environment while completing their tasks,

a) The Contractor shall comply with the Michigan Right to Know Law (Amendments to Act 154), which requires that all employers within the State comply with federal Hazard Communications Standards (C.F.R. 1910.1200) and certain additional guidelines as of February 25, 1987. These Standards specify that employers develop a written hazard communication program, which is to be made available for workers or their designated representatives.

b) The Contractor will comply with all federal, state and local regulations, including but not limited to all applicable OSHA/MIOSHA requirements and the Americans with Disabilities Act

c) The Contractor is responsible for all applicable state and federal social security benefits and unemployment taxes and agrees to indemnify and protect the City against such liability.

10) Requirements contract. During the period of the contract, the Contractor shall provide all the services described in the contract. The Contractor understands and agrees that this is a requirements contract and that the City shall have no obligation to the Contractor If no services are required.

EXHIBIT "A"

SCOPE OF SERVICES

The Contractor shall provide *Janitorial and Custodial*

Except as otherwise provided herein, Contractor shall furnish all labor, supervision and services necessary to properly execute and complete the work.

The City of Pontiac is looking for a company to provide Janitorial and Custodial Services for four (4) locations. The Contractor shall provide all cleaning and custodial services and supplies necessary for the cleaning of the six (6), including but not limited to, the items listed in the scope of Services. The Contractor shall also supply all bathroom toiletry supplies such as hand soap, toilet tissue and hand towels and appropriate dispensers. The contractor will be responsible for refilling toiletry dispensers as needed. The Contractor shall maintain high standards of cleanliness in performance of the Contract and it is specifically understood that the cleaning specifications will not be construed as complete, but all cleaning services necessary to maintain the building in a "good housekeeping manner" to the City's complete satisfaction shall be included. Contractor shall comply with all applicable O.S.H.A. and M.I.O.S.H.A. laws and regulations. The Contractor shall furnish the necessary personnel, training, and certification for the services to be provided hereunder, such personnel are to be employees of Contractor. The Contractor shall provide the services hereunder as an independent contractor, and nothing herein contained shall be construed to be inconsistent with this relationship or status.

Background Check: All employees will need a full background check. The background check will require a Driver's license or State Identification Card and a Social Security Number. Due to the classified nature of business at City Hall, 50th District Court, Sheriff's Substation and Senior Centers, anyone with a criminal felony will not be allowed to work. **A \$50.00 fee shall be paid by the Contractor to the City of Pontiac for each background clearance check for the issue of an identification card.**

Uniform: Contractor shall require all its employees to wear uniform clothing, of a type to be approved by the City's representative, as a means of identification while on the City premises, Management and all Contractor employees shall wear a City of Pontiac provided Identification badge (showing picture of employee) in a prominent position on the front of the uniform. The identification badges remain the property of the City of Pontiac and will be surrendered immediately to the City of Pontiac upon termination of the employee by the contractor or upon termination of the contract Uniforms shall be provided and cleaned at the Contractors expense. Issuing of uniforms shall be the responsibility of the Contractor. **A \$50.00 fee shall be paid by the Contractor to the City of Pontiac for each replacement of any lost/stolen/damaged Identification card.**

Equipment Requirements: Contractor shall furnish all equipment necessary to accomplish the specific work. The Contractor shall absorb all costs of equipment including expenses for routine maintenance and any necessary repairs. Contractor must have sufficient back up equipment to assure continuity of cleaning activities in the event of equipment breakdowns.

3.2 SCOPE OF SERVICES

Inspections: Contractor's Supervisor shall conduct and provide daily a thorough Inspection tour of the Sheriff Substation building and provide weekly a written inspection report of each day by e-mail or fax to the City's representative for approval. These inspection reports shall be a basis for processing all cleaning invoices. Monthly invoices must include a narrative of work accomplished for the month, include a copy of certified payroll for the month, and include staff hours worked for the month. **Cost Savings Initiatives.** The vendor will be expected to provide operational recommendations that result in a cost savings to the city. The recommendations provided by the vendor will be evaluated on a quarterly basis. The vendor will receive points toward their Quarterly Business Report Scorecard. Vendor representative and a city representative will meet regularly to discuss and evaluate the feasibility of each cost savings initiative. The city will within reason provide the vendor with the necessary information to determine the best manner to realize proposed savings.

Fees at Risk: The vendor agrees to place a percentage of their monthly fee to the city at risk of penalty for failing to meet the agreed minimum service levels.

Quality Assurance Program: Vendor agrees to utilize the city's software for quality assurance metrics. Use of the software will be at zero cost to the vendor and remains the property of the city.

Monthly Report: Vendor agrees to provide the city representative with a monthly report that lists total number of hours worked by each employee; number of training hours; and name of all employees that worked on city premises for the prior month.

Background checks: Vendor agrees to provide a background check for all employees working on city premises before employees begin their first day serving city properties and staff. Failure to provide background checks will result in a fine or reduction in monthly fee.

Equipment and Supplies:

3.2.1 Contractor shall furnish all cleaning equipment and supplies necessary for the performance of its work. Contractor will need to deliver a 30 days' worth of supplies to each facility on the first (15) day of the service period, Examples of these items are, but not limited to: floor and bathroom cleansers; window, trim and/or glass cleansers; wax and/or polish for floors; paper products, cleaning towels, commercial vacuum, mops, brooms, cleaning carts and all applicable equipment and back up equipment to perform the thorough cleaning of buildings. The Contractor shall also furnish all other items, such as paper goods, hand soap, sanitary napkins, plastic bags, air fresheners, trash container liners etc. and appropriate dispensers and shall maintain an adequate supply in designated storage closets within each facility.

Approximate Paper Product Usage – 50th District Court

C-Fold Towels	104 cases
Jumbo Roll Toilet Tissue	104 cases
Regular Toilet Tissue	52 cases

Special Note: The Senior Centers will furnish and maintain bathroom toiletry supplies, such as paper goods, hand soap, sanitary napkins, plastic bags, air fresheners, trash container liners, etc.

3.2.2 The Contractor shall furnish a written applicable stock of equipment to clean adequately the assigned buildings,

3.2.3 All equipment and supplies used in City buildings shall be subject to the prior approval by the City's designated representative. All materials, supplies and equipment furnished by the Contractor shall meet or exceed the requirements of applicable city, state and federal codes, ordinances, laws and regulations. If the Contractor shall furnish any supplies or equipment contrary to such codes, ordinances, laws and regulations, It shall assume full responsibility therefore and shall bear all costs attributable thereto.

3.2.4 Storage area(s) for the Contractor's cleaning and janitorial supplies will be provided by the City's representative to assist the Contractor to fulfill the contractual obligations herein.

3.2.5 Contractor shall provide the Grounds Superintendent a copy of Material Safety Data Sheets for every supply used by the Contractor and the Contractor shall maintain a copy in each location.

Supervision: The Contractor shall employ, at all times, the quantity and quality of supervision necessary for the effective and efficient management of the housekeeping system at all the facilities. All supervisors shall have an intimate knowledge of the various tasks, equipment and materials to be able to direct the employees in their individual tasks and to maintain and control an effective inspection and follow-up program.

Hours of Service:

Senior Centers: The Contractor shall be responsible for a thorough cleaning of the assigned facility three days per week, (Ruth Peterson Center), or otherwise directed, five days per week (Bowens Center). It shall be the Contractor's responsibility to furnish necessary supervision and manpower to complete all work within a reasonable time on that assigned day. Additional cleaning may be required after the conclusion of an event and prior to the next scheduled event. Note - in some cases this may allow eight (8) hours or less cleaning time and may occur on any shift or day of the week. Centers hours of operations 9:00 AM to 5:00 PM.

50th District Court: A full time day porter(s) must be present from 7:30 AM until 5:00 PM on a daily basis, Monday through Friday. The contractor is responsible for unlocking the doors in the morning and locking the doors in the evening. On Monday mornings, Supervisor must be present to evaluate building to ensure adequate staffing is scheduled and available to thoroughly clean building resulting from any weekend meetings, and special events.

Youth Recreation Center: The selected vendor shall provide a day porter(s) who must be present from 10:00am-5:00pm; Monday through Friday, 52 weeks per year. The vendor is responsible to furnish necessary supervision and labor to complete all work during these hours. Any additional hours requested by the city will be billed on an hourly rate.

Performance Requirements

Floor Maintenance:

3.2.6 General: For all operations where furniture and equipment must be moved, no chairs, wastepaper baskets, or other similar items, shall be stacked on desks, tables, counters, etc. Upon completion of work all furniture equipment must be returned to its original position.

Baseboards, walls, stair risers, furniture and equipment shall in no way be splashed, disfigured or damaged during these operations,

Proper precautions shall be taken to advise City of Pontiac occupants of wet and/or slippery floor conditions; this applies during cleaning operations. Contractor shall obtain and use a stock of "Caution Wet Floor" signs. All tools and equipment shall be maintained in clean condition at all times and neatly stored each night in an assigned storage area.

3.2.7 Sweeping and Wet Mopping: After sweeping and wat mopping operations, all floors shall be clean and free of dirt streaks. No dirt or litter shall be left in corners, under furniture, behind doors, on stair landings or treads. Likewise sidewalks, entrances, and other assigned areas shall be swept clean of all dirt and trash. No dirt shall be left where sweepings were picked up.

3.2.8 Wet Mopping and Scrubbing: The floors shall be thoroughly swept to remove visible dirt and debris, removal of wads of gum, tar and similar substances from the floor surface shall be included. On completion of the mopping and scrubbing, the floors shall be clean and free of dirt, water streaks, mop marks, string, etc., properly rinsed and dry mopped to present an overall appearance of cleanliness. Wash water shall be changed frequently enough to avoid streaking of floors and other surfaces. All surfaces shall be dry, corners and cracks clean, after the wet mopping or scrubbing. When scrubbing is designated, it shall be performed by machine or by hand with a brush.

3.2.9 Waxing and Buffing: Apply proper wax removers, stripping agent or synthetic detergents to the floor. Scrub with a floor-scrubbing machine or agitate with a mop to remove all dead wax, soap film, dirt and stains. Pick up dirty squeeze mop or wet vacuum and thoroughly rinse with clean dry. Wax shall be applied in a thin even coat and machine buffed immediately after drying. The number of coats applied will depend on the type and condition of the floor.

3.2.10 Vacuuming: Rugs, Carpeting (as necessary): After each vacuuming, all rugs shall be clean, free from dust balls, dirt and other debris. All rugs shall be vacuumed at least once per week and high traffic areas shall be addressed as needed. Vacuums shall have attachments for cleaning cracks and crevices and to pick-up paperclips and other metallic items.

3.2.11 Shampooing: Rugs, Carpeting: (shall be performed once in the spring and once in the autumn). Thoroughly clean all rugs and carpeting. The cleaning process must leave the rugs and carpet as free of moisture as possible and completely dry before the next occupancy of the area cleaned. This cleaning will be performed in evenings or weekends whenever possible.

3.2.12 Toilets: Special attention shall be given to floors about urinals and commodes for elimination of odors and stains, so as to provide a uniformly clean appearance.

3.2.13 Dusting: Dust shall not be moved from spot lo spot, but removed directly from the area in which It lies by the most effective means with appropriately treated dusting cloths, vacuum tools, etc.

a. There shall be no dust streaks.

b. Corners, crevices, molding and ledges shall be free of all dust.

- c. There shall be no oil spots or smudges on dusted surfaces caused by dusting tools.
- d. There shall be no visible dust on any walls, doors, base boards.
- e. Employee desktops should not be dusted unless so requested by the employee.
- f. Computer and electronic equipment shall only be dusted with electronic cleaning supplies.

3.2.14 Spot Cleaning: This task consists of using a clean damp cloth or sponge to remove all dirt, spots, streaks, smudges from walls, glass and other specified surfaces and then drying to produce a uniform clean appearance. The wetting solution shall come in an appropriate cleaning agent. When damp wiping in toilet areas, a multi-purpose agent disinfectant deodorizer cleaner shall be used. Following this operation, all smudges, marks or spots shall have been removed without causing unsightly discoloration.

3.2.15 Bright Metal Polishing: Bright metal polishing may be performed by damp wiping and drying with a suitable cloth to obtain a polished appearance. However, if a polished appearance cannot be produced, the City's representative shall be contacted for direction as to the use of an appropriate polish.

3.2.16 Trash: Pickup and removal from areas all paper, trash, rubbish, empty bottles and other discarded materials and emptying waste receptacles as required. Also pickup and remove debris on the grass surrounding the building and the walkway leading to the door.

3.2.17 Glass Spot Cleaning: After spot cleaning operation, all glass shall be free of streaks, marks and smudges. Window-sash and sill's woodwork about Interior glass and other such surroundings shall be thoroughly wiped free of dripping and other water marks.

3.2.18 Porcelain Ware Cleaning: Porcelain fixtures (drinking fountains, wash basins, urinals, toilets, etc.) shall be clean and bright; there shall be no dust, soap film, dirt, spots, stains, green mold, encrustation or excess moisture. Walls and floor, Drinking fountains shall be kept free of trash, etc., and nozzles free of paper, vandalism, or encrustation.

3.2.19 Windows, window sills, shelving and furniture: Use proper technique and methods to type of material being cleaned. Inside windows, wash and clean as needed. Exterior windows clean twice a year. If exterior window cleaning is subcontracted, Sub-Contractor must follow the same guidelines as outlined in the RFP. Any equipment used will need to be certified by the Department of Public Works

3.2.20 Runners: The Contractor shall be responsible for procuring and maintaining runners in the area of the back door, treasurer's office, and in such other high traffic areas that the situation may require.

3.2.21 Break rooms: The Contractor shall sanitize the counter tops daily and clean the microwave weekly.

3.2.22 Holding Cells: Thoroughly clean holding cells daily or as required. Protective wear must be provided for employee, protecting from blood borne pathogens. Clean benches with a bleach solution, clean sinks with appropriate cream cleanser and/or bleach solution, clean toilets and floors with a bleach solution.

3.2.23 Inclement Weather: The Contractor shall keep the walkway from the door to the sidewalk clear of grass, leaves, blowing debris, snow and Ice as necessary.

DAILY DUTIES

3.2.24 Exterior Grounds: Contractor shall provide litter control of the area immediately surrounding buildings.

3.2.25 Sweeping, Mopping Vacuuming Carpets Litter Control and Window cleaning at the following locations:

Robert Bowen Center, 52 Bagley St., Pontiac, MI 48341

Ruth Peterson Center, 990 Joslyn Rd., Pontiac, MI 48341

50th District Court, 70 N. Saginaw, Pontiac, MI 48342

Youth Recreation Center, 825 Golf Drive, Pontiac MI 48341

3.2.26 Restrooms

- A. Completely clean and sanitize all toilets, urinals, sink fixtures and any other miscellaneous fixtures.
- B. Remove gum from floor.
- C. Empty barrels, wash, clean, and replace liners; and wash barrel tops.
- D. Mop floor with germicidal detergent and rinse, giving special concern to edges and base of walls.
- E. Scrub and wash partitions with germicidal detergent and rinse.
- F. Scrub and wash walls, hand marks, foot prints, spills, from walls, floors, ceilings.
- G. Clean mirrors and chrome trim.
- H. Re-stock towels, tissue, and soap dispensers.
- I. Clean and dust overhead louvers.
- J. Report any damage to room or fixtures to the City's representative.
- K. Maintain closets located in each restroom in a clean, neat and orderly fashion.
- L. Clean stop sinks located in the closets.
- M. Sanitize door handles and push plates

3.2.27 Stairwells

- A. Thoroughly sweep and remove all trash.
- B. Wash walls and railings.
- C. Remove gum from floors and steps.
- D. Mop floors, steps, and stair risers.
- E. Empty and wash all trash containers and tops and replace liners.
- F. Dust windowsills.
- G. Sanitize door handles

3.2.28 Appurtenances and Miscellaneous throughout the Building

Common areas: Thoroughly clean, wash and dust the following:

1. Coin telephone units.
2. Drinking fountains.
3. Fire extinguisher cabinets.
4. Dust & clean light fixture covers.
5. Air returns, registers and heating & cooling vents.

Elevators: Thoroughly clean, wash, scrub walls, floor, doors, covers over light fixtures, car/hatchway door sills, polish Inside of car doors, etc.

Entrance Doors:

Thoroughly wash, clean all entrance doors, glass windows on all levels, Clean and polish all metal trim, such as revolving door shells. If snow is present, shovel entrance and sidewalk and apply Ice melt as required. Provide adequate supply of ice melt and shovels and blower to ensure safety of employees and citizens. This task must be completed by 7:30 AM, Monday through Friday, if inclement weather present throughout hours of operation, special attention must be given to repeating this task to ensure the safety of employees and citizens.

Lights: In addition to the cleaning tasks outlined in this document, the Contractor shall be responsible for insuring that lights in the public areas are restrooms of the facility are properly turned on and off.

3.2.29 Staffing

At least one person must be on staff during the hours specified, for each location, to complete the cleaning of the facilities as required. A Supervisor must be on site at least one day per week to evaluate the conditions of the facilities.

3.2.30. Special Events

Additional work or duties may be required by the hour for special events. The contractor will be notified in advance when special/additional work is required and will schedule accordingly based on hourly rates and unit prices provided in the Proposal Form. Additional tasks may include:

1. Setting up, cleaning, and taking down folding chairs.
2. Provide special litter control and staff support, as agreed, during event meetings and/or any building special events.
3. Other related cleaning or cleaning prior to events as directed by City of Pontiac's representative.

Service Level Agreement

<u>Task</u>	<u>Daily</u>	<u>Monthly</u>	<u>Bi-Annual</u>
Sweeping	X		
Emptying Trash	X		
Mopping	X		
Vacuuming	X		
Bathroom Cleaning	X		

Access Window Cleaning	X		
High Dusting		X	
Low Dusting		X	
Strip and Wax Floors			
			X

3.3 NON-ASSIGNMENT OR TRANSFER

The service provided for under the Contract shall not be sub-contracted, assigned or transferred by the Contractor without prior written consent of the City.

3.4 CITY RULES

Employees of the Contractor shall comply with all instructions, and building regulations issued by representative of the City of Pontiac.

3.4.1 Contractor and its employees will immediately report hazardous conditions and items in need of repair such as dead lights, leaks, damaged facilities, toilet slippage, slippery areas, etc. to the Grounds Maintenance Superintendent or a specified City employee.

3.4.2 The City of Pontiac shall have the right to require the Contractor to dismiss any employee deemed Incompetent, careless, or otherwise objectionable, or any personnel whose actions or appearance are deemed inconsistent with the best Interests of the City. However, in this regard, the City of Pontiac shall not require the Contractor to take any action that would be in violation of State or Federal laws or applicable union contracts.

3.4.3 It is assumed that all employees brought into the City buildings by the Contractor will have the requisite skills to perform their designated tasks. Necessary training shall be performed at the Contractor's expense and untrained Individuals shall not be brought onto the premises for so called "on the job training".

3.4.4 Employees of the Contractor shall eat and take work breaks in designated areas and will not be allowed to eat in offices, private suites, lobbies, corridors or other locations. Employees of Contractor shall not use telephones other than their own private cell phones.

3.4.5 Contractor shall Interview and screen all employees prior to bringing them on City premises. A criminal background check will also be performed by the Oakland County Sheriffs' Department prior to employment. Employees of the Contractor hired to work in the 50 District Court shall receive the proper clearance from the Sheriffs' Department prior to starting work for the City. Those with a criminal record, particularly a felony record, will not be authorized to work in the facility. Further, an employee may be restricted from working or entering specific areas of the facility, at the sole discretion of the 50th District Court,

3.4.6 Contractor shall provide a General Supervisor, acceptable to the City of Pontiac's representative, to direct the cleaning operations, and to co-ordinate and review procedures with the City's representative.

Said General Supervisor shall be available full time to the City when required for City operations.

3.4.7 Contractor agrees that the services covered under this proposal shall be performed by qualified, competent, careful and efficient employees, in the strictest conformity with the best practices and standards generally prevailing for the specific service being rendered, and in the strictest conformity with such practices and standards as may be prescribed by the City from time to time,

3.4.8 Contractor agrees to provide General Manager/Supervisor with the essential operating elements of this Contract.

3.5 TERM OF CONTRACT

The term of the Contract is for one year, after a sixty (60) day probationary period/ evaluation. At that time it will be decided to extend the probation, extend the contract or terminate the contract. The City shall have the option of extending the contract for years two and/or three, upon the approval and signature of the parties hereto.

3.5 RECORD RETENTION

The Contractor shall keep all records that may be requested by the City of Pontiac for six (6) years and make such records available when requested by City for whatever reason, The Contractor shall maintain and preserve within the Detroit metropolitan area such books and records pertaining to its performance so as to enable the City of Pontiac to audit such books and records to determine the accuracy and propriety of payments being made by the City of Pontiac to the Contractor. The Contractor further agrees that the City, or its designated representative, shall have the right to reasonable access to the books and records for the purposes of inspection and audit at any time during the term of the proposed Contract and for six (6) years after termination.

EXHIBIT "B"

ADDITIONAL TERMS AND CONDITIONS

1) **Attorneys' fees and expenses**: Subject to other terms and conditions of this contract, in the event the Contractor defaults in any obligation under this contract, the Contractor shall pay to the City all costs and expenses (Including, without limitation, Investigative fees, court costs, and attorneys' fees) incurred by the City in enforcing this contract or otherwise reasonably related thereto. Contractor agrees that under no circumstances shall the City be obligated to pay any attorneys' fees or costs of legal action to the Contractor.

2) **Authority to contract**: The Contractor warrants: (a) that it is a validly organized business with valid authority to enter into this contract; (b) that it is qualified to do business and in good standing in the State of Michigan; (c) that entry into and performance under this contract is not restricted or prohibited by any loan, security, financing, contractual, or other contract of any kind; and, (d) notwithstanding any other provision of this contract to the contrary, that there are no existing legal

proceedings or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this contract.

3) Confidential information: Disclosure of any confidential information by the Contractor or its subcontractor without the express written approval of the City shall result in the immediate termination of this contract.

4) Confidentiality: Notwithstanding any provision to the contrary contained herein, it is recognized that the City of Pontiac is a public city of the State of Michigan and is subject to the laws regarding confidentiality. If a public records request is made for any information provided to the City pursuant to the contract, the City shall promptly notify the disclosing party of such request and will respond to the request only in accordance with the procedures and limitations set forth in applicable law. The disclosing party shall promptly institute appropriate legal proceedings to protect its Information. No party to the contract shall be liable to the other party for disclosures of Information required by court order or required by law.

5) Contractor personnel: The City shall, throughout the life of the contract, have the right of reasonable rejection and approval of staff or subcontractors assigned to the work by the Contractor. If the City reasonably rejects staff or subcontractors, the Contractor shall provide replacement staff or subcontractors satisfactory to the City in a timely manner and at no additional cost to the City. The day-to-day supervision and control of the Contractor's employees and subcontractors is the sole responsibility of the Contractor. Contractor personnel are subject to background checks by the Oakland County Sheriff Department and shall comply with all requirements as outlined in the Request for Quote.

6) Insurance. The Contractor shall not commence work under this contract until it has obtained the required insurance under this paragraph. All coverage shall be with Insurance companies licensed and permitted to do business in the State of Michigan. All coverage shall be with carriers acceptable to the City of Pontiac:

a) Workers' Compensation Insurance. The Contractor shall procure and maintain during the life of this contract, Workers' Insurance, including Employers Liability Coverage, in accordance with all applicable statutes of the State of Michigan with a minimum limit of \$100,000 each accident for any employee.

b) Commercial General Liability Insurance or Garage Liability Insurance. The Contractor shall procure and maintain during the life of this contract, Commercial General Liability Insurance, Commercial General Liability Insurance or Garage Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$2,000,000 per occurrence and/or aggregate combined single limit. Personal Injury, Bodily injury and Property Damage, coverage shall include the following extensions:

(A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent; (E) Deletion of all Explosion, Collapse and Underground (XCU) Exclusions, if applicable; (F) Per project aggregate.

c) Motor Vehicle Liability. The Contractor shall procure and maintain during the life of this contract Motor Vehicle Liability Insurance, including Michigan No-Fault Coverage, with limits of liability of not less than \$2,000,000 per occurrence combined single limit Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

d) Garage keeper's Legal Liability Insurance: The Contractor shall procure and maintain during the life of

this contract Garage keepers Legal Liability Insurance in an amount of not less than \$80,000.

e) Contractor shall procure and maintain Professional Liability and Errors and Omissions Insurance with limits of liability of not less than \$2,000,000 per occurrence to fully indemnify the City of Pontiac.

f) Additional Insured: Commercial General Liability, Garage Liability, Garage Keepers Legal Liability and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following shall be Additionally Insured: The City of Pontiac, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers.

g) Cancellation Notice: All policies described above shall include an endorsement stating the following: "It is understood and agreed that Thirty (30) days Advance Written Notice of Cancellation, Non-Renewal, Reduction and/or Material Change shall be sent to City Administrator for the City of Pontiac.

h) Insurance Certificates: The Contractor shall submit a copy of the Contractor's standard insurance certificate with their bid.

i) Proof of Insurance Coverage: The Contractor shall provide the City of Pontiac, at the time the contracts are returned for execution, certificates for all coverage listed above.

i) Two (2) copies of Certificate of Insurance for Workers' Compensation Insurance

ii) Two (2) copies of Certificate of Insurance for Commercial General Liability Insurance, Garage Liability Insurance and Garage keepers Legal Liability Insurance;

iii) TWO (2) copies of Certificate of Insurance for Vehicle Liability Insurance;

iv) If so requested, certified copies of all policies mentioned above will be furnished

j) Expiration of Policies: If any of the above coverage lapses during term of this contract, the Contractor shall deliver renewal certificates and/or policies to the City of Pontiac at least ten (10) days prior to the expiration date.

k) Indemnification: To the extent permitted by law, the Contractor shall indemnify and hold the City harmless of and from all claims, losses, liability, demands, costs, loss of service, expense, and compensation on account of or in any way growing out of any damage, including, but not limited to, bodily injury or property damage which may result from the Contractor's work, In addition, the Contractor shall cover all costs incurred by the City in defense of any litigation covered under this letter of contract, including attorney fees and court costs.

l) Insurance companies, named Insureds and policy forms shall be subject to approval by Pontiac's Department of Public Works. Such approval shall not be unreasonably withheld. Insurance policies shall not contain endorsements or a policy condition, that reduces coverage provided to the City of Pontiac. Contractor shall be responsible to the City of Pontiac or Insurance companies insuring the City of Pontiac for all costs resulting from both financially unsound insurance companies selected by Contractor and their inadequate insurance coverage. Contractor shall furnish the City Finance Department with satisfactory certificates of Insurance or a certified copy of the policy, if requested by the Finance Department.

m) No payments will be made to the Contractor until the current certificates of insurance have been received and approved by the Finance Department. If the insurance as evidenced by the certificates furnished by the Contractor expires or is canceled during the term of the contract, services and related payments will be suspended. Contractor shall furnish the Finance Department with certification of insurance evidencing such coverage and endorsements at least ten (10) working days prior to commencement of services under this contract. Certificates shall be addressed to the Pontiac Finance Department, and shall provide for 30 day written notice to the Certificate holder of cancellation of coverage.

7) Ineligibility and suspension: The Contractor certifies to the best of its knowledge and belief, that it: (a) is not presently ineligible, suspended, proposed for ineligibility, declared ineligible, or voluntarily excluded from covered transaction by any federal department or the City or any political subdivision of the City or the State of Michigan; (b) has not, within a three year period preceding this proposal, been convicted of or had civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; (c) has not, within a three year period preceding this proposal, been convicted of or had civil judgment rendered against it for a violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (d) is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of these offenses enumerated in paragraphs (b) and (c) of this certification; and, (e) has not, within a three year period preceding this proposal, had one or more public transactions (federal, state, or local) terminated for cause or default.

8) Disclosure of confidential information. In the event that either party to this contract receives notice that a third party requests divulgence of confidential or otherwise protected Information and/or has served upon it subpoena or other validly issued administrative or judicial process ordering divulgence of confidential or otherwise protected information that party shall promptly inform the other party and thereafter respond in conformity with such subpoena to the extent mandated by law. This section shall survive the termination or completion of this contract.

9) Exceptions to confidential information. The Contractor and the City shall not be obligated to treat as confidential and proprietary any information disclosed by the other party ("disclosing party") which: (a) is rightfully known to the recipient prior to negotiations leading to this contract, other than information obtained in confidence under prior engagements; (b) is generally known or easily ascertainable by nonparties of ordinary skill in the business of the customer; (c) is released by the disclosing party to any other person, firm, or entity (Including governmental agencies or bureaus) without restriction; (d) is Independently developed by the recipient without any reliance on confidential Information; (e) is or later becomes part of the public domain or may be lawfully obtained by the City or the Contractor from any nonparty; or, (f) is disclosed with the disclosing party's prior written consent.

10) Default. If the Contractor:

a) Fails to supply complete labor and supervision in sufficient time and quantity to meet the City's progress schedule, as it may be modified:

b) Causes stoppage or delay of, or interference with, the project;

- c) Fails to promptly pay its employees for work on the project;
- d) Fails to pay worker's compensation or other employee benefits, withholding or any other taxes;
- e) Fails to comply with the safety provisions of the Contract or with any safety order, regulation or requirement of any governing authority having jurisdiction over this project;
- f) Makes unauthorized changes in supervisory personnel;
- g) Falls in performance or observance of any of the provisions of the contract;
- h) Files a voluntary petition in bankruptcy or is adjudicated insolvent;
- i) Obtains an order for relief under Section 301 of the Bankruptcy Code;
- j) Files any petition or fails to contest any petition filed seeking any reorganization or similar relief under any laws relating to bankruptcy, insolvency or other relief of debtors;
- k) Or seeks or consents to or is acquiescent in the appointment of a trustee, receiver or liquidator of any of its assets or property;
- l) Makes an assignment for the benefit of creditors; or
- m) Makes an admission, in writing, of its inability to pay its debts as they became due; Then City, after giving Contractor written or oral (subsequently confirmed In writing) notice of such default and forty-eight (48) hours within which to cure such default, shall have the right to exercise any one or more of the following remedies:
 - a) Require that Contractor utilize, at its own expense, additional labor, overtime labor (including Saturday and Sunday work) and additional shifts as necessary to overcome the consequences of any delay attributable to Contractor's default.
 - b) Remedy the default by whatever means City may deem necessary or appropriate, including, but not limited to, correcting, furnishing, performing or otherwise completing the work, or any part thereof, by itself or through others (utilizing where appropriate any materials and equipment previously purchased for that purpose by Contractor) and deducting the cost thereof from any monies due or to become due to Contractor hereunder;
 - i) After giving Contractor an additional forty-eight (48) hours written (or oral, subsequently confirmed in writing) notice, terminate this contract, without thereby waiving or releasing any rights or remedies against Contractor or its sureties, and, by itself or through others, take possession of the work, and all materials, equipment facilities, tools, scaffolds and appliances of Contractor relating to the work, for the purposes of costs and other damages under the contract and for the breach thereof; and
 - ii) Recover all reasonable attorneys' fees suffered or incurred by City by reason of, or as a result of, Contractor's default.
- 11) Failure to enforce, Failure by the City at any time to enforce the provisions of the contract shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of the contract or any part thereof or the right of the City to enforce any provision at any time in accordance with its terms,

12) Final payment. Upon satisfactory completion of the work performed under this contract, as a condition before final payment under this contract, or as a termination settlement under this contract, the Contractor shall execute and deliver to the City a release of all claims against the City arising under, or by virtue of, the contract, except claims which are specifically exempted by the Contractor to be set forth therein. Unless otherwise provided in this contract, by state law, or otherwise expressly agreed to by the parties in this contract, final payment under the contract or settlement upon termination of this contract shall not constitute waiver of the City's claims against the Contractor under this contract.

13) Force majeure. Each party shall be excused from performance for any period and to the extent that it is prevented from performing any obligation or service, in whole or In part, as a result of causes beyond the reasonable control and without the fault or negligence of such party and/or its subcontractors. Such acts shall include without Imitation acts of God, strikes, lockouts, riots, and acts of war, epidemics, and governmental regulations superimposed after the fact, fire, earthquakes, floods, or other natural disasters (the "force majeure events"). When such a cause arises, the Contractor shall notify the City immediately in writing of the cause of its inability to perform, how it affects its performance, and the anticipated duration of the inability to perform. Delays in delivery or in meeting completion dates due to force majeure events shall automatically extend such dates for a period equal to the duration of the delay caused by such events, unless the City determines it to be in its best interest to terminate the contract.

14) Indemnification. To the fullest extent allowed by law, the Contractor shall indemnify, defend, save and hold harmless, protect, and exonerate the City, its commissioners, board members, officers, employees, agents, representatives, and the State of Michigan from and against all claims, demands, liabilities, suits, actions, damages, losses, and costs of every kind and nature whatsoever including, without limitation, court costs, investigative fees and expenses, and attorneys' fees, arising out of or caused by the Contractor and/or its partners, principals, agents, employees and/or subcontractors in the performance of or failure to perform this contract. In the City's sole discretion, the Contractor may be allowed to control the defense of any such claim, suit, etc. In the event the Contractor defends said claim, suit, etc., the Contractor shall use legal counsel acceptable to the City. The Contractor shall be solely responsible for all costs and/or expenses associated with such defense, and the City shall be entitled to participate in said defense. The Contractor shall not settle any claims, suit, etc., without the City's concurrence, which the City shall not unreasonably withhold.

15) Independent contractor status. The Contractor shall, at all times, be regarded as and shall be legally considered an independent contractor and shall at no time act as an agent for the City. Nothing contained herein shall be deemed or construed by the City, the Contractor, or any third party as creating the relationship of principal and agent, master and servant, partners, joint ventures, employer and employee, or any similar such relationship between the City and the Contractor. Neither the method of computation of fees or other charges, nor any other provision contained herein, nor any acts of the City or the Contractor hereunder creates, or shall be deemed to create, a relationship other than the independent relationship of the City and the Contractor. The Contractor's personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of the City or the State of Michigan. Neither the Contractor nor its employees shall, under any circumstances be considered servants, agents, or employees of the City and the City shall be at no time legally responsible for any negligence or other wrongdoing by the Contractor, its servants, agents, or employees. The City shall not withhold from the contract payments to the Contractor any federal or state unemployment taxes, federal or state Income taxes, social security tax, or any other amounts for benefits to the Contractor. Further, the City shall not provide to the Contractor any insurance coverage or other benefits, including worker's compensation, normally provided by the City for its employees.

16) No limitation of liability. Nothing in this contract shall be interpreted as excluding or limiting any tort liability of the Contractor for harm caused by the intentional or reckless conduct of the Contractor or for damages incurred through the negligent performance of duties by the Contractor or the delivery of products that are defective due to negligent construction.

17) Notices. All notices required or permitted to be given under this contract shall be in writing and personally delivered or sent by certified United States mail, postage prepaid, return receipt requested, to the Pontiac City Clerk's Office to whom the notice should be given at the address set forth below. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address,

For the Contractor: CleanNet of Greater Michigan,
30665 Northwestern Highway, suite 203
Farmington Hills, MI 48334

For the City: City of Pontiac,
47450 Woodward Ave.,
Pontiac, MI 48342

18) Oral statements. No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in this contract. All modifications to the contract shall be made in writing by the City and agreed to by the Contractor.

19) Ownership of documents and work papers. The City shall own all documents, files, reports, work papers and working documentation, electronic or otherwise, created in connection with the project which is the subject of this contract, except for the Contractor's Internal administrative and quality assurance files and internal project correspondence. The Contractor shall deliver such documents and work papers to the City upon termination or completion of the contract. The foregoing notwithstanding, the Contractor shall be entitled to retain a set of such work papers for its files. The Contractor shall be entitled to use such work papers only after receiving written permission from the City and subject to any copyright protections.

20) Priority. The contract consists of this contract with exhibits. Any ambiguities, conflicts or questions of Interpretation of this contract shall be resolved by first, reference to this contract with exhibits and, if still unresolved, by reference to the bid. Omission of any term or obligation from this contract shall not be deemed an omission from this contract if such term or obligation is provided for elsewhere in this contract.

21) Quality control. The Contractor shall Institute and maintain throughout the contract period a properly documented quality control program designed to ensure that the services are provided at all times and in all respects in accordance with the contract. The program shall include providing daily supervision and conducting frequent Inspections of the Contractor's staff and ensuring that accurate records are maintained describing the disposition of all complaints. The records so created shall be open to inspection by the City.

22) Record retention and access to records. Provided the Contractor is given reasonable advance written notice and such inspection is made during normal business hours of the Contractor, the City or any duly

authorized representatives shall have unimpeded, prompt access to any of the Contractor's books, documents, papers, and/or records which are maintained or produced as a result of the project for the purpose of making audits, examinations, excerpts, and transcriptions. All records related to this contract shall be retained by the Contractor for three years after final payment is made under this contract and all pending matters are closed; however, if any audit, litigation or other action arising out of or related in any way to this project is commenced before the end of the three year period, the records shall be retained for one year after all Issues arising out of the action are finally resolved or until the end of the three year period, whichever is later.

23) Recovery of money. Whenever, under the contract, any sum of money shall be recoverable from or payable by the Contractor to the City, the same amount may be deducted from any sum due to the Contractor under the contract or under any other contract between the Contractor and the City. The rights of the City are in addition and without prejudice to any other right the City may have to claim the amount of any loss or damage suffered by the City on account of the acts or omissions of the Contractor.

24) Right to audit. The Contractor shall maintain such financial records and other records as may be prescribed by the City or by applicable federal and state laws, rules, and regulations. The Contractor shall retain these records for a period of three years after final payment, or until they are audited by the City, whichever event occurs first. These records shall be made available during the term of the contract and the subsequent three-year period for examination, transcription, and audit by the Michigan Office of the State Auditor, its designees, or other authorized bodies.

25) Right to inspect facility. The City may, at reasonable times, inspect the place of business of the Contractor or any subcontractor, which is related to the performance of any contract awarded by the City.

26) Severability. If any part of this contract is declared to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision of the contract that can be given effect without the invalid or unenforceable provision, and to this end the provisions hereof are severable. In such event, the parties shall amend the contract as necessary to reflect the original Intent of the parties and to bring any invalid or unenforceable provisions in compliance with applicable law.

27) City property. The Contractor will be responsible for the proper custody and care of any City-owned property furnished for the Contractor's use in connection with the performance of this contract. The Contractor will reimburse the City for any loss or damage, normal wear and tear excepted.

28) Termination for convenience clause.

a) The City reserves the absolute right to terminate the contract in whole or in part, for the convenience of the City at its sole discretion on thirty (30) days written notice to the Contractor. The City has the right, upon its sole discretion only, to terminate the contract with cause by giving notice to the Contractor of such termination, specifying the effective date thereof, at least fourteen (14) days before the effective date of such termination, and the Contract shall terminate in all respects as if such date were the date originally given for the expiration of the Contract.

b) The Contractor shall be liable to the City for damages sustained by the City by virtue of any breach of the Contract by the Contractor, and any costs the City might incur enforcing or attempting to enforce the Contract, and the City may pursue legal remedies in the collection of fees to compensate for the damages sustained by the City.

c) Contractor's Obligations. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The City may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the State of Michigan. The Contractor shall still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

29) Termination for default clause.

a) Default. If the Contractor refuses or fails to perform any of the provisions of this contract with such diligence as will ensure its completion within the time specified in this contract or any extension thereof, or otherwise fails to timely satisfy the contract provisions, or commits any other substantial breach of this contract, the City may notify the Contractor in writing of the delay or nonperformance and if not cured in ten days or any longer time specified in writing by the City, the City may terminate the Contractor's right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part, the City may procure similar supplies or services in a manner and upon terms deemed appropriate by the City. The Contractor shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.

b) Contractor's Duties. Notwithstanding termination of the contract and subject to any directions from the City, the Contractor shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the Contractor in which the City has an Interest.

c) Compensation. Payment for completed services delivered and accepted by the City shall be at the contract price. The City may withhold from amounts due the Contractor such sums as the City deems to be necessary to protect the City against loss because of outstanding liens or claims of former lien holders and to reimburse the City for the excess costs incurred in procuring similar goods and services.

d) Excuse for Nonperformance or Delayed Performance. Except with respect to defaults of subcontractors, the Contractor shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Contractor to make progress in the prosecution of the work hereunder which endangers such performance) if the Contractor has notified the City within 15 days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; acts of the State of Michigan and any other governmental entity in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes, or unusually severe weather. If the failure to perform caused by the failure of a subcontractor to perform or to make progress, and if such failure arises out of causes similar to those set forth above, the Contractor shall not be deemed to be in default, unless the services to be furnished by the subcontractor were reasonably obtainable from other sources in sufficient time to permit the Contractor to meet the contract requirements. Upon request of the Contractor, the City shall ascertain the facts and extent of such failure, and, if such officer determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Contractor's progress and performance would have met the terms of the contract, the delivery schedule shall be revised accordingly, subject to the rights of the City under the clause entitled "Termination for Convenience." (As used in this paragraph, the term "subcontractor" means subcontractor at any tier).

e) Erroneous Termination for Default. If, after notice of termination of the Contractor's right to proceed under the provisions of this clause, it is determined for any reason that the contract was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph (d) (Excuse for Nonperformance or Delayed Performance) of this clause, the rights and obligations of the parties shall, if the contract contains a clause providing for termination for convenience by the City, be the same as if the notice of termination had been issued pursuant to such clause.

f) Additional Rights and Remedies. The rights and remedies provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

30) Termination upon bankruptcy. This contract may be terminated in whole or in part by the City upon written notice to the Contractor, if the Contractor should become the subject of bankruptcy or receivership proceedings, whether voluntary or involuntary, or upon the execution by the Contractor of an assignment for the benefit of its creditors. In the event of such termination, the Contractor shall be entitled to recover just and equitable compensation for satisfactory work performed under this contract, but in no case shall said compensation exceed the total contract price.

31) Third party action notification. The Contractor shall give the City prompt notice in writing of any action or suit filed, and prompt notice of any claim made against the Contractor by any entity that may result in litigation related in any way to this contract.

32) Unsatisfactory work. If, at any time during the contract term, the service performed or work done by the Contractor is considered by the City to create a condition that threatens the health, safety, or welfare of the citizens and/or employees of the City of Pontiac, the Contractor shall, on being notified by the City, immediately correct such deficient service or work. In the event the Contractor fails, after notice, to correct the deficient service or work immediately, the City shall have the right to order the correction of the deficiency by separate contract or with its own resources at the expense of the Contractor.

33) Waiver No delay or omission by either party to this contract in exercising any right, power, or remedy hereunder or otherwise afforded by contract, at law, or in equity shall constitute an acquiescence therein, impair any other right, power or remedy hereunder or otherwise afforded by any means, or operate as a waiver of such right, power, or remedy. No waiver by either party to this contract shall be valid unless set forth in writing by the party making said waiver. No waiver of or modification to any term or condition of this contract will void, waive, or change any other term or condition. No waiver by one party to this contract of a default by the other party will imply, be construed as, or require waiver of future or other defaults.

34) Taxes and Contributions. The Contractor hereby accepts and assumes exclusive liability for and shall indemnify, protect and save harmless the City from and against the payment of:

a) Contractor agrees to contact the City of Pontiac Income Tax Division, Audit and Compliance Section, 47450 Woodward, Pontiac, Michigan 48342, to establish reporting and withholding obligations under the City of Pontiac Income Tax Ordinance. Contractors will require the same of all subcontractors employed to perform any work in the City of Pontiac.

b) All contributions, taxes or premiums (including interest and penalties thereon) which may be payable under the Unemployment Insurance Law of any State, the Federal Social Security Act, Federal, State, County and/or Municipal Tax Withholding Act, Federal, State, County and/or Municipal Tax Withholding laws, or any other law, measured upon the payroll of or required to be

withheld from employees by whomsoever employed or engaged in the work to be performed and furnished under this contract.

- c) All sales, use, personal property and other taxes (Including interest and penalties thereon) required by any Federal, State, County, Municipal or other law to be paid or collected by the Contractor or any of its vendors or any other person or persons acting for, through or under it or any of them, by reason of the performance of this work or the acquisition, furnishing, or use of any materials, equipment, supplies, labor, services or other items for or in connection with the work.
- d) All pension, welfare, vacation, annuity and other union benefit contributions payable, under or in connection with respect, to all persons; by whomsoever employed or engaged in the work to be performed and furnished under this Contract.

35) Bonds. The Contractor is required to execute bonds, with sureties acceptable to the City, as identified in the specifications, all of which are Incorporated into this agreement.

In witness whereof, the parties hereto have affixed, on duplicate originals, their signatures on the date indicated below, after first being authorized so to do.

CleanNet of Greater Michigan

DATE: _____

By: _____

City of Pontiac

DATE: _____

By: _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/18/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Exchange Underwriters, Inc. 2111 N Franklin Dr Ste. 100 Washington PA 15301	CONTACT NAME: Kim Wietasch PHONE (A/C No. Ext.): 724-745-1800 FAX (A/C No.): 724-745-0224 E-MAIL ADDRESS: kwietasch@exchangeunderwriters.com	
INSURED CleanNet USA, Inc. 9881 Broken Land Parkway S#208 Columbia MD 21046	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: AmGUARD Insurance Company	42390
	INSURER B: Ohio Casualty	24074
	INSURER C: West American	44393
	INSURER D: American Fire & Casualty Co.	24088
	INSURER E:	
	INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 1829611162

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSUR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	SUBS	POLICY NUMBER	POLICY EFF DATE (MM/DD/YYYY)	POLICY EXP DATE (MM/DD/YYYY)	LIMITS
C	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:	Y	Y	EKW58813895	9/1/2021	9/1/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - CONSUMP AGG \$ 2,000,000 \$
D	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	BAA58813895	9/1/2021	9/1/2022	COMBINED SINGLE LIMIT (Per accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		Y	USO58813895	9/1/2021	9/1/2022	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
A	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROP/RET/CON/PARTNER/EXECUTIVE OFFICE/EMPLOYEE EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	CLV6257750	9/1/2021	9/1/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> DIS-EM E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EACH EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
G	Third Party Bond			EKW58813895	9/1/2021	9/1/2022	Occurrence Aggregate 25,000 50,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate holder is named as Additional Insured with respects to General Liability on a primary and non-contributory basis and Automobile Liability when required by CleanNet billed contract. Participating Franchisees are covered for General Liability, Workers Compensation and Bond. General Liability, Automobile Liability and Workers Compensation Waiver of Subrogation applies when required by Contract. Umbrella policy to follows form over the General Liability, Automobile Liability and Workers Compensation policies.

CERTIFICATE HOLDER

Evidence of Insurance 9881 Broken Land Parkway Suite 208 Columbia MD 21046 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Susan A. Korman</i>
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#8

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President and City Council Members

FROM: Linnette Phillips, Director, Economic Development

THROUGH: Mayor Deirdre Waterman

DATE: November 30, 2021

RE: Resolution to Schedule Public Hearing Notice for Community Development Block Grant (CDBG) Program Year 2022 Recommended Projects to be posted by Dec. 3, 2021.

Overview

The City of Pontiac's application deadline for the Community Development Block Grant (CDBG) Program Year 2022 is due for submission to Oakland County on December 17, 2021, no later than 5:00 pm EST. A total allocation of \$798,883 is projected for the CDBG Program Year 2022. The City of Pontiac (COP) is a sub-recipient to Oakland County to administer the program. Contractors submit invoices to the COP who processes for the County to reimburse and directly pay the contractor. Program Year 2022 funds are allocated for calendar year 2023 spending.

Prior to the City Council voting to approve the application, a public hearing will need to be held at the meeting on December 14, 2021. The notice for the public hearing should be posed by Dec. 3, 2021. We are required to inform the public at least 10 days prior to the public hearing.

We are requesting that your honorable body set the public hearing for Tuesday, December 14, 2021. Again, the deadline date for the CDBG Program 2022 Application is Friday, December 17th by no later than 5:00 pm EST.

Proposed Projects Considered for Recommendation for CDBG PY2022

The Honorable City Council proposed all CDBG funds to repair Sidewalks throughout the City of Pontiac:

Sidewalks for \$798,883: Funds to repair sidewalks throughout the City of Pontiac. Priority for sidewalk repair is based on complaint areas in neighborhoods, and the amount of repairs needed. DPW have a generated complaint referred to for repairs. See map attached



CITY OF PONTIAC CITY COUNCIL

**RESOLUTION TO SCHEDULE PUBLIC HEARING FOR COMMUNITY
DEVELOPMENT BLOCK GRANT (CDBG) ON DECEMBER 14, 2021 FOR
PROGRAM YEAR 2022 RECOMMENDED PROJECTS**

Whereas, the City of Pontiac is submitting an application for the Community Development Block Grant; and

Whereas, the grant application will be submitted on December 17, 2021 to Oakland County for Program Year 2022 projects; and

Whereas, a Public Hearing is required with a minimum 10 notice, published by December 3, 2021 to the public; and

Whereas, we are requesting to hold the Public Hearing on December 14, 2021 at 6:00; and

Whereas, the following project is proposed for consideration:

Sidewalks for \$798,883. Funds to repair sidewalks throughout the City of Pontiac.

Now Therefore be it Resolved, that the Pontiac City Council schedule a public hearing on the Community Development Block Grant Application for Program Year 2022 on December 14, 2021 at 6:00 PM and instruct the Interim Clerk to have a public notice published in the newspaper 10 days on or before December 3, 2021.

CITY OF PONTIAC



CITY OF PONTIAC CITY COUNCIL

NOTICE OF PUBLIC HEARING

RECOMMENDING PROGRAM YEAR 2022 COMMUNITY DEVELOPMENT BLOCK GRANS (CDBG)

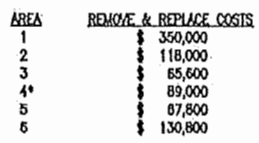
NOTICE IS HEARBY GIVEN that the City of Pontiac will hold a public hearing to recommend Community Development Block Grant (CDBG) projects for Program Year 2022. The recommendation is the entire allocated amount of \$798,883 be appropriated for Sidewalks.

Public Comment For individuals who desire to make a public comment, please submit your name and comment in writing to publiccomments@pontiac.mi.us by 5:00 PM, December 13, 2021. Additionally, you may submit your public comment in writing directly to the Office of the Interim City Clerk gdoyle@pontiac.mi.us

The hearing will be held on **Tuesday, December 14, 2021 at 6:00 pm at the City of Pontiac City Council Chambers at Pontiac City Hall, 47450 Woodward Avenue, 2nd Floor in Pontiac, Michigan.**

SIDEWALKS

Program/Account #	172170-731745
Eligible Uses	Improvements to sidewalks. Also use 03L for sidewalk improvements that include the installation of trash receptacles, lighting, benches, and trees.
Project Delivery Costs	Project service delivery costs including staff timesheets, other direct costs, and service costs directly related to carrying out this activity are eligible. Cost reasonableness standards apply.
Notes	<p>Contact Planning & Evaluation at (248) 858-5312 to determine eligibility before applying for this project.</p> <p>If the sidewalk runs through low-income census tract block groups, the project is considered an areawide benefit activity.</p> <p>Low-income persons cannot be charged to recover CDBG funded capital costs to install or improve sidewalks in areas where CDBG funds are being used on an areawide basis for the sidewalk installation/improvement.</p> <p>CDBG funds recovered from persons who are not low income are considered program income. In all other areas, CDBG funds may only be used to pay the special assessments against low-income households for construction or improvement of the sidewalk.</p> <p>Contact Contract Compliance at (248) 858-0196 when compiling bids/specs.</p>
Environmental Code	Contact Environmental Review at (248) 858-5309 to confirm if project is Categorically Excluded and/or Environmentally Assessed
HUD Matrix Code	03L
Authority	24 CFR 570.201(c) or 42 USC 5305(a)(2)
National Objective Codes	<p>Contact Planning & Evaluation at (248) 858-5312 to determine National Objective. Options include:</p> <p>LMA – Low-income area benefit: the service area identified for activities is at least 45.08% low-income income.</p> <p>LMC – Low-income limited clientele benefit: activities that benefit a limited clientele, at least 51% of which are low-income.</p> <p>LMH – Low-income housing benefit: activities that are carried out for providing or improving permanent residential structures that will be occupied by low-income households.</p>
Accomplishment Type	<p>People/Housing Units/Public Facilities</p> <p>When sole purpose is to create curb cuts, report number of curb cuts using Public Facilities code. When creating curb cuts in conjunction with other sidewalk improvements, report number of people.</p>
Performance Objective	Create Suitable Living Environment
Performance Outcome	Sustainability



*NOTE: AREA 4 ESTIMATED COST DOES NOT INCLUDE NON-ELIGIBLE AREA, ADDITIONAL COSTS FOR NON-ELIGIBLE AREA: \$29,000.

#9

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President and City Council Members

FROM: Linnette Phillips, Director, Economic Development

THROUGH: Mayor Deirdre Waterman

DATE: November 30, 2021

RE: Resolution to Schedule Public Hearing to Reprogram Senior Housekeeping Services to Safety and Repair Services for Seniors and Disabled Persons - Recommending Project Allocations for Community Development Block Grant (CDBG) Program Years 2019 and 2020

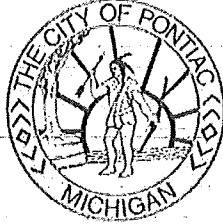
The City of Pontiac (COP) was awarded \$50,000 in both PY2109 and 2020 to provide Housekeeping Services to citizens. The amount for both years totals \$100,000. As a result of the Covid-19 pandemic, seniors did not want strangers in their home providing the service, nor did the contractor want to provide the service of going into senior residents homes.

A request to schedule a public hearing to reprogram the funds from Senior Housekeeping Services to Safety and Repair Services for Seniors and Disabled People. A notice for the public hearing should be posted by December 3, 2021, at least 10 days prior to a public hearing on Tuesday, December 14, 2021. The hearing will be held at 6:00 PM in the City of Pontiac City Hall Council Chambers on the 2nd floor.

The funds would allow for small jobs not to exceed \$600 and can be completed in a reasonable time. Some examples are caulk tubs/toilets and windows, roof repair, tree trimming, install smoke detectors, patch holes in drywall, floor repair, gutters repaired. See attached spec sheet.

The funds are available for calendar year 2021 and 2022.

Resolution Following Next Page



CITY OF PONTIAC CITY COUNCIL

**RESOLUTION TO SCHEDULE A PUBLIC HEARING ON DECEMBER 14,
2021 TO REPROGRAM SENIOR HOUSEKEEPING SERVICES TO SAFETY
AND REPAIR SERVICES FOR SENIORS AND DISABLED PERSONS
RECOMMENDED PROJECT ALLOCATION FOR COMMUNITY
DEVELOPMENT BLOCK GRANT (CDBG) PROJECTS FOR PROGRAM YEARS
2019 AND 2020**

Whereas, the City of Pontiac is requesting a Public Hearing to Reprogram Senior Housekeeping Services funding; comprised of \$50,000 from Program Year 2019 and \$50,000 from Program Year 2020; and

Whereas, a Public Notice will be published by December 3, 2021;

Whereas, the Public Hearing will be held on Tuesday, December 14, 2021 at 6:00 PM in City Hall City Council Chambers; and

Whereas, the total of \$100,000 is recommended for reprogramming of a Senior Citizen project from Housekeeping Services to Safety and Repair Services for Seniors and Disabled Person; and

Whereas, the following project be considered:

Safety and Repair Services for Seniors and Disabled Persons for \$100,000

Now Therefore be it Resolved, that the Pontiac City Council schedule a Public Hearing and post the Notice by December 3, 2021 for the proposed reprogramming of Senior Housekeeping Services with CDBG funds from both Program Years 2019 and 2020 are proposed, recommending the total \$100,000 funds be available for Safety and Repair Services for Seniors and Disabled Persons. The hearing will be held on December 14, 2021 at 6:00 pm.

CITY OF PONTIAC



CITY OF PONTIAC CITY COUNCIL

NOTICE OF PUBLIC HEARING

TO REPROGRAM CDBG SENIOR HOUSEKEEPING SERVICES FROM PROGRAM YEARS 2019 AND 2020 TO PROPOSED RECOMMENDED COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) SAFETY AND REPAIRS FOR SENIORS AND DISABLED PEOPLE PROJECT FOR PROGRAM YEARS 2019 AND 2020

NOTICE IS HEREBY GIVEN that the City of Pontiac will hold a public hearing to reprogram Community Development Block Grant (CDBG) funding for Senior Housekeeping Services from Program Years 2019 and 2020. Due to the Covid-19 pandemic, seniors did not want agency workers to come into their homes, nor were the agency workers available to provide the services. The funds are proposed recommending the entire \$100,000 be reprogrammed for Sidewalk Repairs.

Public Comment For individuals who desire to make a public comment, please submit your name and comment in writing to publiccomments@pontiac.mi.us by 5:00 PM, December 13, 2021. Additionally, you may submit your public comment in writing directly to the Office of the Interim City Clerk gdoyle@pontiac.mi.us

The hearing will be held on **Tuesday, December 14, 2021 at 6:00 pm at the City of Pontiac City Council Chambers at Pontiac City Hall, 47450 Woodward Avenue, 2nd Floor in Pontiac, Michigan.**

OTHER PUBLIC SERVICES NOT LISTED IN 03T AND 05A-05Y

Program	172160																																																												
HUD Matrix Code	05Z																																																												
Eligible Uses	Only use code when an activity does not fall under a more specific 05A-05Y code. An example of a legitimate use of this code is when a public service activity that does not have a more specific matrix code, provides services to multiple groups of clients such as seniors, persons with disabilities and homeless persons. For instance, for a "meals on wheels" program for seniors and persons with disabilities, use 05Z. If this program had been available to only seniors, the correct matrix code is 05A.																																																												
Account #	Safety & Repair - 731665																																																												
Small jobs that are less than \$600 and can be completed in a reasonable time. A permit typically is not required. A local maintenance/ handyperson can complete the jobs.																																																													
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Project Delivery Costs	Project Service Delivery Costs including staff timesheets, other direct costs, and service costs directly related to carrying out this activity are eligible. Cost reasonableness standards apply.																																																												
Notes	This activity can be designed to serve clients who are presumed benefit, income qualified or clients who are presumed benefit and income qualified. Communities must develop an application and advertise availability of services. A current PERSON DBA REPORT must be submitted with each invoice which indicates the income eligibility or presumed benefit eligibility of clients served. Supporting documentation must be provided to the County to receive reimbursement. If an agency is hired to administer the activity, contracts must be executed specifying services, duration, cost, etc.																																																												
National Objective Codes	Contact Planning & Evaluation at (248) 858-5312 to determine National Objective. Options include: LMC – Low-income limited clientele benefit: activities that benefit a limited clientele, at least 51% of which are low-income.																																																												
Accomplishment Type	People																																																												
Performance Objective	Suitable Living Environment																																																												
Performance Outcome	Improved Availability/Accessibility																																																												

#10

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Finance Department

TO: Honorable City Council President Kermit Williams, and City Council Members

FROM: Darin Carrington, Finance Director

DATE: November 23, 2021

RE: **Resolution to approve a budget amendment for Fiscal Year 2021-22 to allocate a total of \$8,000,000 to the VEBA Retiree Healthcare Opt Out Fund to receive funding from GERS and to allocate funds for the City to make the Opt Out payments to retirees**

The City of Pontiac has been working for a number of years to address the matter of healthcare for the City's retirees. In 2018, the City reached a Settlement Agreement with the retirees that would put in place a solution for retiree healthcare. Under this Settlement Agreement, a New VEBA has been formed that will provide healthcare benefits to eligible retirees, beneficiaries and dependents. Eligible retirees can choose to Opt Out of the New VEBA and terminate their rights to future healthcare benefits in exchange for a one-time payment of \$20,000.

The funding for the New VEBA is being provided from the assets of the Police & Fire VEBA and the Excess Assets from GERS. From the Excess Assets from GERS that is to go to the New VEBA, the VEBA Trust Agreement directs \$8 Million of these funds to go to the City. This \$8 Million is sent to the City in order for the City to make the \$20,000 Opt Out payments to the retirees that choose to opt out of the retiree healthcare.

GERS and the New VEBA are in the process of finalizing the transfer of assets as laid out by the Settlement Agreement and the VEBA Trust. Additionally, the City is taking the necessary steps to process the \$20,000 Opt Out payments to retirees. In preparation for making these payments, the Administration is proposing a budget amendment for the City to receive the \$8 million and to appropriate funds to make the Opt Out payments. Any funds remaining after the initial Opt Out payments are made will be held in a restricted account by the City specifically for the purpose of Opt Out payments that may need to be made to future and/or deferred retirees.

It is hereby requested that the City Council approve this proposed budget amendment.

As such, the following resolution is recommended for your consideration:

Whereas, the City of Pontiac timely approved the FY 2021-22 budget on June 24, 2021 and;

Whereas, the City entered into a Settlement Agreement in connection with the long standing matter of retiree healthcare; and

Whereas, the Settlement Agreement provided for eligible retirees to permanently Opt Out of the healthcare benefits in exchange for a one-time payment of Twenty-Thousand Dollars (\$20,000); and

Whereas, the Opt Out payments to the individual retirees are to be made by the City; and

Whereas, the City Council has approved a First Amendment to the VEBA Declaratory Trust Agreement; and

Whereas, this First Amendment provides for the City to receive Eight Million Dollars (\$8,000,000) from the General Employment Retirement System (GERS) for the purpose of making the Opt Out payments; and

Whereas, the Administration is proposing a budget amendment to receive the \$8,000,000 from GERS and to provide the appropriation for making the Opt Out payments to the retirees choosing to exercise the Opt Out option; and

NOW THEREFORE be resolved that the City Council hereby approves the amendment for the Fiscal Year 2021-22 Budget as requested by the Administration providing for an increase of \$8,000,000 to the VEBA Retiree Healthcare Opt Out Fund (Fund-232).

This item cannot be approved until after the resolution to authorize the City Clerk to publish the notice of the budget amendment has been approved and one week after the publication of the notice. It takes 5 votes to approve a budget amendment.

#11

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President Kermit Williams, and City Council Members

FROM: Darin Carrington, Finance Director

CC: Honorable Mayor Deirdre Waterman

DATE: November 23, 2021

RE: **Resolution to approve a budget amendment for Fiscal Year 2021-22 to move funding of the Grant Writer position from Finance to Community & Economic Development by re-allocating a total of \$34,800 from the GL Account 101-206-702.000 to GL Account 101-690-702.000**

One of the positions funded for FY 2021-22 is for the position of Grant Writer. The position is currently budgeted in Department 207–Finance Administration. This position has been budgeted in the Finance Department and the Administration desires to operate and fund it through Community & Economic Development. Thus, we are proposing to move funding for the Grant Writer by re-allocating the budgeted fund from Finance to Community & Economic Development.

As such, the following resolution is recommended for your consideration:

Whereas, the City of Pontiac timely approved the FY 2021-2022 budget on June 29, 2021; and

Whereas, the adopted FY 2021-2022 General Fund budget includes appropriations in the Finance Department for salaries for personnel using account number 101-206-702.000; and

Whereas, the Administration desires to re-allocate \$34,800 in funds for the Grant Writer position from Finance Administration (Department 207) to Community & Economic Development (Department 690); and

NOW THEREFORE be resolved that the City Council hereby approves the amendment for the fiscal year 2021-2022 as requested by the Administration transferring \$34,800 from GL account 101-207-702.000 to GL account 101-690-702.000.

This item cannot be approved until after the resolution to authorize the City Clerk to publish the notice of the budget amendment has been approved and one week after the publication of the notice. It takes 5 votes to approve a budget amendment.

#12

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Finance Department

TO: Honorable City Council President Kermit Williams, and City Council Members

FROM: Darin Carrington, Finance Director

DATE: November 18, 2021

RE: **Resolution to approve a budget amendment for Fiscal Year 2021-22 to allocate a total of \$180,000 to the Capital Improvement Fund account 445-265-976.001 – Building Additions & Improvements.**

The City of Pontiac has passed a Resolution expressing support for the Pontiac Skate Project. Additionally, a Resolution has been approved which allocates \$180,000 of City funds to be used towards this project. These funds are being taken from already appropriated funds from the Capital Improvement Fund. In order to not delay or cancel any planned projects for the Capital Improvement Fund, a budget amendment is being proposed to replace the funds back into the Capital Improvement Fund.

It is hereby requested that the City Council approve this proposed budget amendment.

As such, the following resolution is recommended for your consideration:

Whereas, the City of Pontiac timely approved the FY 2021-22 budget on June 24, 2021 and;

Whereas, the City Council approved the allocation by the City of \$180,000 for the Pontiac Skate Park Project; and

Whereas, funds for this allocation were approved to come out of the appropriations for the current year FY 2021-22 from the Capital Improvement Fund GL account 445-265-976.001; and

Whereas, in order to replace the funds used for this allocation the Administration is proposing a budget amendment for the Capital Improvement Fund; and

Whereas, the Administration is proposing to the City Council to increase the appropriations for the current year FY 2021-2022 in the amount of \$180,000 to the Capital Improvement Fund GL account 445-265-976.001; and

Whereas, to fund this additional appropriation, \$180,000 is transferred out of the General Fund Balance GL account 101-000-390.000;

NOW THEREFORE be resolved that the City Council hereby approves the amendment for the Fiscal Year 2021-22 Budget as requested by the Administration transferring \$180,000 from the General Fund Balance GL account 101-000-390.000 to the Capital Improvement Fund, GL account 445-265-976.001 – Building Additions & Improvements.

This item cannot be approved until after the resolution to authorize the City Clerk to publish the notice of the budget amendment has been approved and one week after the publication of the notice. It takes 5 votes to approve a budget amendment.

#13

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Finance Department

TO: Honorable City Council President Kermit Williams, and City Council Members

FROM: Darin Carrington, Finance Director

DATE: November 18, 2021

RE: **Resolution to approve a budget amendment for Fiscal Year 2021-22 to allocate a total of \$180,000 to the Capital Improvement Fund account 445-265-976.001 – Building Additions & Improvements.**

The City of Pontiac has passed a Resolution expressing support for the Pontiac Skate Project. Additionally, a Resolution has been approved which allocates \$180,000 of City funds to be used towards this project. These funds are being taken from already appropriated funds from the Capital Improvement Fund. In order to not delay or cancel any planned projects for the Capital Improvement Fund, a budget amendment is being proposed to replace the funds back into the Capital Improvement Fund.

It is hereby requested that the City Council approve this proposed budget amendment.

As such, the following resolution is recommended for your consideration:

Whereas, the City of Pontiac timely approved the FY 2021-22 budget on June 24, 2021 and;

Whereas, the City Council approved the allocation by the City of \$180,000 for the Pontiac Skate Park Project; and

Whereas, funds for this allocation were approved to come out of the appropriations for the current year FY 2021-22 from the Capital Improvement Fund GL account 445-265-976.001; and

Whereas, in order to replace the funds used for this allocation the Administration is proposing a budget amendment for the Capital Improvement Fund; and

Whereas, the Administration is proposing to the City Council to increase the appropriations for the current year FY 2021-2022 in the amount of \$180,000 to the Capital Improvement Fund GL account 445-265-976.001; and

Whereas, to fund this additional appropriation, \$80,000 is transferred out of the General Fund Balance GL account 101-000-390.000 and \$100,000 is transferred out of the General Fund GL account 101-101-818.013 – Professional Services-Animal Control;

NOW THEREFORE be resolved that the City Council hereby approves the amendment for the Fiscal Year 2021-22 Budget as requested by the Administration transferring \$80,000 out of the General Fund Balance GL account 101-000-390.000 and \$100,000 is transferred out of the General Fund GL account 101-101-818.013 – Professional Services-Animal Control; and \$180,000 is transferred into the Capital Improvement Fund, GL account 445-265-976.001 – Building Additions & Improvements.

This item cannot be approved until after the resolution to authorize the City Clerk to publish the notice of the budget amendment has been approved and one week after the publication of the notice. It takes 5 votes to approve a budget amendment.

#14

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President Kermit Williams, and City Council Members

FROM: Darin Carrington, Finance Director

CC: Honorable Mayor Deirdre Waterman; Attorney Anthony Chubb

DATE: October 13, 2021

RE: **Resolution to approve a budget amendment for Fiscal Year 2021-22 to allocate a total of \$81,213, to the General Fund account 101-266-959.003 – Settlement Payments. These funds would be used for payments required under recently decided legal actions brought by former City employees.**

The City has been involved in litigation with several former City employees involving the payment of unused sick time. During the time that the City was under an Emergency Manager, these employees were denied payments for unused sick time. The court has recently found in favor of the former employees and the City has been ordered to make settlement payments to these former employees for their unused sick time. The cases involve six former employees and the total amount that is owed to these employees is \$81,213.

In order to make these payments, the Administration is hereby requesting that the General Fund budget is amended. This amendment would allocate \$81,213 to the General Fund account 101-266-959.003. To help offset these costs, the Administration plans to request withdrawal from the City's Self Insurance Retention Fund. This withdrawal from the Retention Fund

It is hereby requested that the City Council approve this proposed budget amendment.

As such, the following resolution is recommended for your consideration:

Whereas, the City of Pontiac timely approved the 2021-2022 budget on June 24, 2021 and;

Whereas, the Administration is proposing to the City Council to increase the appropriations for the current year 2021-2022 for payments in the amount of \$81,213 to account 101-266-959.003; and

Whereas, the increased appropriations will not cause the fund balance in the General Fund to go below the policy mandated thresholds and;

NOW THEREFORE be resolved that the City Council hereby approves the amendment for the fiscal year 2021-2022 as requested by the Administration for account 101-266-959.003-Settlement Payments in the amount of \$81,213.

This item cannot be approved until after the resolution to authorize the City Clerk to publish the notice of the budget amendment has been approved and one week after the publication of the notice. It takes 5 votes to approve a budget amendment.

#15

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President Williams and City Council

FROM: Alexandra Borngesser, Grant Writer

THROUGH: Honorable Mayor Deirdre Waterman

DATE: November 16, 2022

RE: RESOLUTION TO ADOPT AND ACCEPT A \$90,000 GRANT FROM NEXTFIFTY INITIATIVE FOR THE CITY OF PONTIAC TO SUPPORT INFRASTRUCTURE IMPROVEMENTS TO PONTIAC SENIOR CENTERS

The City of Pontiac has received a \$90,000 grant award from the NextFifty Initiative. The grant was awarded to the City for infrastructure improvements to Pontiac's senior centers in response to a grant application submission titled "The City of Pontiac's Older Adult Enrichment" and the grant award does not have any matching requirements.

The City of Pontiac aspires to provide elite services and programming for its older adult population. Currently, the Pontiac centers that serve the older adult community, The Robert Bowens Center and the Ruth Peterson Center, are in dire need of infrastructure repair and updates. The budget submitted with the grant request included improving entryways, interior wall construction, kitchen improvements, and restroom improvements. The funds from the NextFifty Initiative will allow the City to renovate and update structurally deficient, unsafe and/or inaccessible facilities so that they can be used and enjoyed by the older adult and disabled communities in safe, inclusive, and innovative ways.

As such, the following resolution is recommended for your consideration:

Resolution on Following Page



CITY OF PONTIAC CITY COUNCIL

RESOLUTION TO ADOPT AND ACCEPT A \$90,000 GRANT FROM NEXTFIFTY INITIATIVE FOR THE CITY OF PONTIAC TO SUPPORT INFRASTRUCTURE IMPROVEMENTS TO PONTIAC SENIOR CENTERS

Whereas, the City of Pontiac was awarded a \$90,000 grant from the NextFifty Initiative; and;

Whereas, the grant is for the purpose of renovating and updating structurally deficient, unsafe and/or inaccessible facilities so that they can be used and enjoyed by the older adult and disabled communities in safe, inclusive, and innovative ways, and;

Whereas, the grant award from NextFifty Initiative does not have a matching requirement; and;

Whereas, the funds from the grant will increase the budgeted revenue for the current fiscal year 2021-2022 in the amount of \$90,000 for grant income, and increase the appropriations in the amount of \$90,000, representing grant expenditures.

Whereas, the increased appropriations will not cause the fund balance in the General Fund to go below the policy mandated thresholds and;

NOW THEREFORE be resolved that the City Council hereby authorizes the Interim City Clerk to publish a notice in a newspaper of general circulation at least one week before consideration of the proposed budget amendment to increase budgeted revenues in the amount of \$90,000 to the General Fund in account 101-000-532.000 –Grant Income, and appropriations in the amount of \$90,000 in a General Fund account.

Attachment: NextFifty Initiative Grant Award Letter



INITIATIVE

October 21, 2021

Alexandra L Borngesser
The City of Pontiac
47450 Woodward Avenue
Pontiac, MI 48342

Dear Alexandra,

Congratulations! NextFifty Initiative has reviewed the application you submitted for "The City of Pontiac's Older Adult Enrichment" and we are excited to work with you as your organization aims to positively change the landscape of aging!

Based on the information provided and the availability of funds, we will fund your request at \$90,000.00 (specific details of your award are outlined in the enclosed Grant Agreement). NextFifty Initiative staff member Sydney Langer is your Program Officer and will work with you on this award. Please direct all questions about the grant to this individual.

All funds awarded are contingent on fulfillment of Conditions of the Grant Award. These conditions are listed in the enclosed agreement. Please read this agreement thoroughly. Also enclosed is an ACH Payment form. Complete, sign, and date the documents and return them to NextFifty Initiative via DocuSign **no later than November 29, 2021. Failure to return the executed documents to NextFifty Initiative by November 29, 2021, may result in the forfeiture of your grant.** Funds will not be released until the documents are signed and returned by the aforementioned date. A copy of the fully executed agreement will be sent to you via DocuSign. Should you have any questions, please contact your Program Officer.

If something occurs to delay implementation or progress of the grant or to alter the goals, intended use of funds, or request primary contact identified in the grant application, please contact your Program Officer as soon as possible.

Your grant award provides a great opportunity to promote the work you are doing with and for older adults! When sharing news about your grant award, we request that you specifically note that funding was made available by NextFifty Initiative. Please do not release any announcements or promotional materials until you have received your copy of the fully executed grant agreement and communication toolkit. The toolkit includes resources to make it easier to share this news with your community.

Additionally, we recognize that stories are an effective method of expressing the impact of the work you do. If you have a compelling story that relates to your work or to this project, please share with us as we would be honored to hear about it. We may feature some of these stories on our website and in other communications.

We are thankful for the work you are doing and are excited for this opportunity to collaborate in improving the future of aging.

Sincerely,

A handwritten signature in black ink, appearing to read "Diana McFail". The signature is fluid and cursive, with the first name "Diana" being more prominent than the last name "McFail".

Diana McFail
President and CEO

Enclosure

#16

RESOLUTION

RESOLUTION AUTHORIZING ENTRY OF STATE LOCAL GOVERNMENT
INTRASTATE AGREEMENT CONCERNING ALLOCATION OF
SETTLEMENT PROCEEDS IN THE NATIONAL OPIOIDS LITIGATION

WHEREAS, the City of Pontiac filed a lawsuit in the United States District Court to address the public nuisance that is the Opioid Epidemic, which named, among other companies, the following four Defendants (“Settling Defendants”):

1. Janssen Pharmaceuticals, Inc. (a prescription opioids manufacturer);
2. Amerisource Bergen Corp. (a prescription opioids wholesaler distributor);
3. Cardinal Health, Inc. (a prescription opioids wholesaler distributor); and
4. McKesson Corporation (a prescription opioids wholesaler distributor)

AND WHEREAS the lawsuit was subsequently transferred to the United States District Court in the Northern District of Ohio and centralized as part of *In re National Prescription Opiate Litigation*, MDL 2804; Case No. 1:17-md-2804, which is presided over by the Honorable Dan Aaron Polster, United State Federal District Court Judge;

AND WHEREAS the Settling Defendants have negotiated proposed national settlement agreements (“Proposed Settlements”) with the State Attorneys General, and a Plaintiff Executive Committee-designated negotiating committee that represents approximately 4,000 local governments that have brought lawsuits similar to City of Pontiac’s lawsuit;

AND WHEREAS the Proposed Settlements contain a “default” allocation method where settlement funds that are allocated to a particular state to resolve the claims asserted by state and local governments within that state are allocated as follows:

- 15% of settlement proceeds paid under the Proposed Settlements are allocable to the State;
- 15% of the settlement proceeds are allocable to local governments; and
- 70% of the settlement proceeds are allocable to an opioid abatement fund;

AND WHEREAS the Proposed Settlements enable the state and local governments within a State to negotiate alternative allocation methods to the “default” allocation method referenced above;

AND WHEREAS THE City of Pontiac desires to enter into an alternative allocation method which allocates settlement funds solely to:

1. Participating Local Governments who have elected to participate in the Proposed Settlements; and
2. the State of Michigan.

NOW THEREFORE, The City of Pontiac authorizes the execution of a Michigan State-Subdivision Agreement For Allocation of Distributor Settlement Agreement and Janssen Settlement Agreement substantially similar to the proposed agreement attached to this resolution. The City of Pontiac also authorizes execution of a similar state-subdivision agreement to the extent that it provides a substantially similar allocation of settlement or bankruptcy proceeds obtained from opioids litigation with any other entity.

MICHIGAN STATE-SUBDIVISION AGREEMENT FOR ALLOCATION OF DISTRIBUTOR SETTLEMENT AGREEMENT AND JANSSEN SETTLEMENT AGREEMENT

The People of the State of Michigan and its communities have been harmed by misfeasance, nonfeasance, and malfeasance committed by certain entities within the pharmaceutical industry. The conduct of such Pharmaceutical Entities has caused, or contributed to the existence of, a public nuisance associated with the opioid public health epidemic.

The State, through its Attorney General, and Litigating Local Governments, through their elected representatives and counsel, are separately engaged in litigation seeking to hold the Pharmaceutical Entities accountable for the damage caused by their misfeasance, nonfeasance, and malfeasance by imposing the equitable remedy of nuisance abatement. The State and Litigating Local Governments litigated their claims in their proprietary, sovereign, and quasi-sovereign capacities.

To allocate monetary payments received from these Pharmaceutical Entities, the State and Litigating Local Governments agree to the following State-Subdivision Agreement:

I. Definitions

As used in this Agreement:

- A. “Administrative Fund” is 0.3% of the Local Government Share.
- B. “Actual Attorney Fees” are the aggregate contingent fees paid to a Local Litigating Attorney for work performed for a Litigating Local Government for the Settlements and associated litigation, based on a Litigating Local Government’s Actual Total Recovery. This does not include any fee payments for common benefit work as defined by the Settlements.

- C. “Actual Total Recovery” is the aggregated monetary recovery that a Litigating Local Government receives, based on that Litigating Local Government’s Final Allocation Percentage and aggregate Local Government Share.
- D. “Agreement” is this State-Subdivision Agreement.
- E. “De minimis-share Local Government” is a Participating Local Government whose Final Allocation Percentage is less than .0023%.
- F. “Final Allocation Percentage” is a Participating Local Government’s Allocation Percentage as modified by the Litigation Adjustment. Attached as Exhibit A is an estimated projection of the Final Allocation Percentage for each Local Government, assuming that all Local Governments elect to participate in the Settlement.
- G. “Litigating Local Government Attorneys” are the law firms who were retained by the Litigating Local Governments.
- H. “Litigating Local Government Attorney Fee Fund” (“LLGAFF”) is an annually adjusted percentage of the Local Government Share set aside for Projected Attorney Fee installment payments.
- I. “Litigating Local Governments” are the entities located in the geographical boundaries of the State of Michigan that are listed in Exhibit C of the Settlements.
- J. “Litigation Adjustment” is the adjusted component distributed to Litigating Local Governments in recognition of the commitment of time, resources, and assumption of risk in litigation.
- K. “Local Government Share” is the portion of the Settlement Payments payable to Participating Local Governments pursuant to this Agreement.

- L. “Local Governments” are the entities located within the geographic boundaries of the State of Michigan and identified in Exhibit C or G of the Settlements.
- M. “National Contingency Fee Fund” is the Contingency Fee Fund established and defined by Exhibit R of the Settlements.
- N. “National Fund Administrator” is the Settlement Fund Administrator as defined by the Settlements.
- O. “Neutral Special Master” is an independent mediator selected by the State.
- P. “Opioid Remediation” is the term as defined by the Settlements.
- Q. “Participating Local Governments” are the Local Governments who have signed a Participation Agreement in the Settlements.
- R. “Parties” are the State and the Litigating Local Governments. The singular word “Party” shall mean either the State or Litigating Local Governments.
- S. “Pharmaceutical Entities” are the “Released Entities” as defined by the Settlements.
- T. “Preliminary Allocation Percentage” is the percentage listed for a Participating Local Government in Exhibit G of the Distributor Settlement Agreement.
- U. “Projected Attorney Fees” are the anticipated contingent fees paid to a Litigating Local Government Attorney for work performed for a Litigating Local Government for the Settlements and associated litigation, based on a Litigating Local Government’s Projected Total Recovery. This does not include any fee payments for common benefit work as defined by the Settlements.

- V. “Projected Total Recovery” is the aggregated monetary recovery that a Litigating Local Government is projected to receive based on that Litigating Local Government’s Final Allocation Percentage and aggregate Local Government Share.
- W. “Settlements” are the Distributor Settlement Agreement and Janssen Settlement Agreement.
- X. “Settlement Payments” are scheduled monetary payments received through the Settlements.
- Y. “Special Circumstance Fund” is 5% of the Local Government Share.
- Z. “State” is the State of Michigan acting through its Attorney General or her designees.
- AA. “State Share” is the portion of the Settlement Payments payable to the State pursuant to this Agreement.

II. Terms

- 1. Participation in Settlements: The Parties agree that Litigating Local Governments, to participate in the Settlements, will execute a Participation Agreement.
- 2. Opioid Remediation: All Settlement Payments shall be utilized by Participating Local Governments and the State for Opioid Remediation, except as otherwise allowed by the Settlements. A minimum of 70% of Settlement Payments must be used solely for future Opioid Remediation.

3. Distribution: Settlement Payments are allocated as follows:
 - 50% of Settlement Payments to the Local Government Share
 - 50% of Settlement Payments to the State Share
4. Local Government Share Offset: Prior to Participating Local Governments receiving their Final Allocation Percentage of the Local Government Share, amounts will be deducted for the following funds:
 - Administrative Fund
 - Litigating Local Government Attorney Fee Fund
 - Special Circumstance Fund
5. Litigation Adjustment: The Parties recognize that the Litigating Local Governments expended time, resources, and assumed risk in the pursuit of litigation against the Pharmaceutical Entities. In recognition of this commitment and contribution to a Settlement, the Litigating Local Governments are entitled to a Litigation Adjustment of an additional percentage of their Preliminary Allocation Percentage, as follows:
 - 16% for Litigating Local Governments that served as a bellwether or filed suit in 2017
 - 12% for Litigating Local Governments that filed suit in 2018
 - 8% for Litigating Local Governments that filed suit in 2019
6. Accelerated Participation Payments: Prior to the distribution of the State Share, the National Fund Administrator shall allocate the Projected Total Recovery for all De minimis-share Local Governments from the State Share to those De minimis-share Local Governments. This allocation shall be made in the first Settlement Payment. In subsequent

Settlement Payments, the National Fund Administrator shall direct distributions of all De minimis-share Local Governments to the State Share.

7. Non-Participant Reallocation: If a non-county Local Government does not participate in the Settlements, then that non-county Local Government's share shall revert to the county(ies) in which it is located. If a county Local Government does not participate in the Settlements, that county's share shall be reallocated to the Participating Local Governments.
8. Attorney Costs: To the extent that Litigating Local Government Attorneys receive cost reimbursement from the National Contingency Fee Fund, then such reimbursed costs shall be deducted from any remaining entitlement to costs as provided under individual retention agreements.
9. Attorney Fees:
 - a. Attorney fee payments are only paid in years where Settlement Payments received are greater than \$0.00.
 - b. Projected Attorney Fees shall be calculated as 15% of a Litigating Local Government's Projected Total Recovery. Projected Attorney Fees shall be paid in installments over the first seven Settlement Payments.
 - c. Litigating Local Government Attorneys must apply to the National Contingency Fee Fund and seek the maximum annual allowable contribution to their fee. To the extent that a Litigating Local Government Attorney applies to the National Attorney Contingency Fee Fund and the National Attorney Contingency Fee Fund does not pay the Projected Attorney Fee annual installment payment, the LLGAFF shall pay the deficiency for that year. If a Litigating Local Government Attorney does not apply to the National

Attorney Contingency Fee Fund, the LLGAFF shall not pay any deficiency.

- d. Actual Attorney Fees shall be no greater than 15% of a Litigating Local Government's Actual Total Recovery.
 - e. If a Litigating Local Government's Actual Total Recovery is less than the Projected Total Recovery, the Litigating Local Government Attorney shall return the amount received that is greater than 15% of the Litigating Local Government's Actual Total Recovery.
10. Special Circumstance Fund: Applications to receive additional funding for any local impact of the opioid epidemic that is not captured by a Local Government's Allocation Percentage may be submitted to the Neutral Special Master for consideration. The Neutral Special Master will decide the additional funding to be paid, if any, to all applicants on an application-by-application basis. Any additional funding allocated under this paragraph shall only be paid from the Special Circumstance Fund. Initial applications to the Special Circumstance Fund shall be made by March 30, 2022 and reviewed for allocation determination by the Neutral Special Master. The allocation decisions of the Neutral Special Master shall be final and not appealable. Notwithstanding the foregoing, Local Governments may submit applications to revise the Special Circumstance Fund allocation determinations on March 29, 2030 to reflect changes in circumstances, and the Neutral Special Master may prospectively adjust the allocation of the Special Circumstance Fund at that time. Local Governments are limited to one application prior to March 30, 2022 and one subsequent application on March 29, 2030. Application to the Special Circumstance Fund may not be made with the express purpose of offsetting the Litigation Adjustment. The Neutral Special Master shall be paid solely from the Administrative Fund.

11. Allocation of Remaining Local Government Share: The remainder of the Local Government Share after offsets shall be distributed to Participating Local Governments in accordance with each Participating Local Government's Final Allocation Percentage.
12. Escrow Agent: An Escrow Agent shall be agreed upon by the State and a majority of the Litigating Local Governments to administer the distribution of the Local Government Share and all funds contained within it pursuant to this Agreement. The Escrow Agent shall be entitled to a reasonable fee for its services, which shall be paid solely from the Administrative Fund. Alternatively, the Parties may explore whether the Escrow Agent's role can be fulfilled by the Settlement Fund Administrator as that term is defined in the Settlements.
13. Reversion to Local Government Share:
 - a. Any amounts remaining in the Administrative Fund shall remain in such fund until all anticipated administrative costs associated with implementation of this Agreement have been paid, after which any remaining funds may revert to the Local Government Share for distribution to Participating Local Governments in accordance with their Final Allocation Percentage.
 - b. Any amounts remaining in the LLGAFF after paying the Projected Attorney Fee installment payment shall revert to the Local Government Share for distribution to Participating Local Governments in accordance with their Final Allocation Percentage. Any amount reverted to the Local Government Share shall be distributed no later than the next Settlement Payment.

III. Other Terms and Conditions

1. Governing Law and Venue: This Agreement will be governed by the laws of the State of Michigan. Any and all litigation arising under this Agreement, unless otherwise specified in this Agreement, will be instituted in a State court in Michigan
2. Modification: This Agreement may only be modified by a written amendment between the Parties. No promises or agreements made subsequent to the execution of this Agreement shall be binding unless reduced to writing and signed by the Parties.
3. Execution in Counterparts: This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute this Agreement.
4. Assignment: The rights granted in this Agreement may not be assigned or transferred by any Party without the prior written approval of all the Parties. No Party shall be permitted to delegate its responsibilities or obligations under this Agreement without the prior written approval of all the Parties.
5. Additional Documents: The Parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions which may be reasonably necessary or appropriate to give full force and effect to the basic terms and intent of this Agreement.
6. Captions: The captions contained in this Agreement are for convenience only and shall in no way define, limit, extend, or describe the scope of this Agreement or any part of it.

7. Entire Agreement: This Agreement, including any attachments, embodies the entire agreement of the Parties. There are no other provisions, terms, conditions, or obligations. This Agreement supersedes all previous oral or written communications, representations, or agreements on this subject.
8. Construction: The Parties mutually acknowledge and represent that they have been fully advised by their respective legal counsel of their rights and responsibilities under this Agreement. The Parties state that they have read, know, and understand the contents of this Agreement. The Parties state that they have voluntarily executed this Agreement. This Agreement was drafted jointly by the Parties and shall not be construed for or against any Party.
9. Capacity to Execute Agreement: The Parties represent and warrant that the individuals signing this Agreement on their behalf are authorized and fully competent to do so.

<SIGNATURES>

City of Pontiac, Michigan

By: _____

Its: Mayor, Executive Office
Dr. Deirdre Waterman
47450 Woodward Avenue
Pontiac, MI 48342

NAPOLI SHKOLNIK

Shayna E. Sacks
SSacks@NapoliLaw.com
Napoli Shkolnik PLLC
360 Lexington Ave.
11th Floor
New York, New York 10017
Tel: (212) 397-1000
Attorneys for City of Pontiac, Michigan

Exhibit A - Allocation Percentages

Political Subdivision	Final Allocation Percentage
Ada Township	0.0040980766%
Adrian City	0.0318054564%
Alcona County	0.0934628519%
Alger County	0.0879524654%
Algoma Township	0.0016421543%
Allegan County	0.4323330679%
Allen Park City	0.0601411770%
Allendale Charter Township	0.0043522954%
Alpena County	0.3552561989%
Alpine Charter Township	0.0014228756%
Ann Arbor City	0.2592163909%
Antrim County	0.2666721978%
Antwerp Township	0.0007349044%
Arenac County	0.1805501797%
Auburn Hills City	0.0658582130%
Bangor Charter Township	0.0061135845%
Baraga County	0.0830044643%
Barry County	0.2422860613%
Bath Charter Township	0.0301042109%
Battle Creek City	0.1915872718%
Bay City	0.0642299593%
Bay County	1.1889724404%
Bedford Township	0.0230882785%
Benton Charter Township	0.0507683481%
Benzie County	0.1559706330%
Berkley City	0.0200860024%
Berrien County	1.4352988277%
Beverly Hills Village	0.0257433002%
Big Rapids City	0.0137142726%
Birmingham City	0.0576940575%
Bloomfield Charter Township	0.1340520076%
Branch County	0.3823014417%
Brandon Charter Township	0.0167020041%
Brighton Township	0.0005665104%

Exhibit A - Allocation Percentages

Brownstown Charter Township	0.0579309581%
Burton City	0.0185692776%
Byron Township	0.0080353487%
Cadillac City	0.0555200623%
Caledonia Charter Township	0.0025826166%
Calhoun County	1.7844536156%
Cannon Township	0.0030991399%
Canton Charter Township	0.2635377157%
Cascade Charter Township	0.0113488946%
Cass County	0.4127448322%
Charlevoix County	0.2142854370%
Cheboygan County	0.3054117905%
Chesterfield Charter Township	0.1182320583%
Chippewa County	0.2775922568%
Clare County	0.2621981188%
Clawson City	0.0130636868%
Clinton Charter Township	0.6524306766%
Clinton County	0.5402659757%
Coldwater City	0.0072374749%
Commerce Charter Township	0.0186223712%
Comstock Charter Township	0.0079150288%
Cooper Charter Township	0.0008981589%
Crawford County	0.2886248306%
Davison Township	0.0082828501%
Dearborn City	0.2806249079%
Dearborn Heights City	0.0986697292%
Delhi Charter Township	0.0184255922%
Delta Charter Township	0.0379780271%
Delta County	0.2697497864%
Detroit City	7.3863424753%
Dewitt Charter Township	0.0344346432%
Dickinson County	0.2772924419%
East Bay Township	0.0013716447%
East Grand Rapids City	0.0194183533%
East Lansing City	0.1928769837%
Eastpointe City	0.1570715799%
Eaton County	1.0040365208%
Egelston Township	0.0055442883%
Emmet County	0.1698083804%

Exhibit A - Allocation Percentages

Emmett Charter Township	0.0076220724%
Escanaba City	0.0187485557%
Farmington City	0.0206257812%
Farmington Hills City	0.1546310773%
Fenton Charter Township	0.0017350176%
Fenton City	0.0449143938%
Ferndale City	0.0834529283%
Flat Rock City	0.0160870877%
Flint Charter Township	0.0239510097%
Flint City	2.8492786601%
Flushing Charter Township	0.0035053630%
Fort Gratiot Charter Township	0.0088419327%
Fraser City	0.0750035570%
Frenchtown Charter Township	0.0457788935%
Fruitport Charter Township	0.0121060047%
Gaines Township	0.0084203048%
Garden City	0.0337349072%
Garfield Charter Township	0.0003808273%
Genesee Charter Township	0.0121239180%
Genesee County	2.1561010650%
Genoa Township	0.0000708138%
Georgetown Charter Township	0.0067451981%
Gladwin County	0.2013726455%
Gogebic County	0.0699293035%
Grand Blanc Charter Township	0.0196505592%
Grand Haven Charter Township	0.0105599546%
Grand Haven City	0.0325642186%
Grand Rapids Charter Township	0.0035182061%
Grand Rapids City	1.3440287082%
Grand Traverse County	0.9563564239%
Grandville City	0.0260356993%
Gratiot County	0.3525166164%
Green Oak Township	0.0301262157%
Grosse Ile Township	0.0200616077%
Grosse Pointe Park City	0.0265129119%
Grosse Pointe Woods City	0.0188934726%
Hamburg Township	0.0317751657%
Hamtramck City	0.1013597973%
Harper Woods City	0.0282917552%

Exhibit A - Allocation Percentages

Harrison Charter Township	0.1197688397%
Hartland Township	0.0002731390%
Hazel Park City	0.0412048509%
Highland Charter Township	0.0164736361%
Highland Park City	0.0219082942%
Hillsdale County	0.4179671190%
Holland Charter Township	0.0163254464%
Holland City	0.0926620487%
Holly Township	0.0022940602%
Houghton County	0.2492715886%
Huron Charter Township	0.0404726230%
Huron County	0.1639464599%
Independence Charter Township	0.0461874251%
Ingham County	2.3910766467%
Inkster City	0.0934204718%
Ionia City	0.0251410877%
Ionia County	0.5298077989%
Iosco County	0.3597966842%
Iron County	0.1234776860%
Iron Mountain City	0.0102890253%
Isabella County	0.6406618264%
Jackson City	0.1975957746%
Jackson County	0.6074591273%
Kalamazoo Charter Township	0.0291115982%
Kalamazoo City	0.2119320016%
Kalamazoo County	2.1433211665%
Kalkaska County	0.0921309729%
Kent County	3.0032868710%
Kentwood City	0.0796469222%
Keweenaw County	0.0037871285%
Lake County	0.0815749450%
Lansing City	0.6157250225%
Lapeer County	0.4430252778%
Leelanau County	0.1385867126%
Lenawee County	0.8823777837%
Lenox Township	0.0062628155%
Leoni Township	0.0050881374%
Lincoln Charter Township	0.0099875466%
Lincoln Park City	0.0889079341%

Exhibit A - Allocation Percentages

Livingston County	1.4441635762%
Livonia City	0.4479733292%
Luce County	0.0715136127%
Lyon Charter Township	0.0033736180%
Mackinac County	0.0508969129%
Macomb County	8.9600573285%
Macomb Township	0.0605439472%
Madison Heights City	0.0807592241%
Manistee County	0.3495462265%
Marion Township	0.0001112788%
Marquette City	0.0175418557%
Marquette County	0.6035263853%
Mason County	0.2785765539%
Mecosta County	0.1858599007%
Melvindale City	0.0290818158%
Menominee County	0.0884253719%
Meridian Charter Township	0.0396205458%
Midland City	0.1691682290%
Midland County	0.3013229168%
Milford Charter Township	0.0035967958%
Missaukee County	0.0561166074%
Monitor Charter Township	0.0024719766%
Monroe Charter Township	0.0066999360%
Monroe City	0.1176224673%
Monroe County	1.7767020419%
Montcalm County	0.6957822208%
Montmorency County	0.0972590131%
Mount Clemens City	0.0281476309%
Mount Morris City	0.0025972301%
Mount Pleasant City	0.0200209338%
Mundy Charter Township	0.0084383248%
Muskegon Charter Township	0.0201938431%
Muskegon City	0.0978268063%
Muskegon County	1.9100341310%
Muskegon Heights City	0.0280047832%
New Baltimore City	0.0268850419%
Newaygo County	0.5231803758%
Niles City	0.0326416369%
Niles Township	0.0120506889%

Exhibit A - Allocation Percentages

Northville Charter Township	0.0937408906%
Norton Shores City	0.0392736699%
Novi City	0.0820256283%
Oak Park City	0.0580729408%
Oakland Charter Township	0.0153525568%
Oakland County	6.0626184934%
Oceana County	0.2437637971%
Oceola Township	0.0002023252%
Ogemaw County	0.6231242341%
Ontonagon County	0.0564869917%
Orion Charter Township	0.0271186983%
Osceola County	0.2155118172%
Oscoda County	0.0549351669%
Oshtemo Charter Township	0.0069607363%
Otsego County	0.3179200542%
Ottawa County	0.8298498275%
Owosso City	0.0335973657%
Oxford Charter Township	0.0123474418%
Park Township, Ottawa County	0.0038841157%
Pittsfield Charter Township	0.0274647747%
Plainfield Charter Township	0.0082400089%
Plymouth Charter Township	0.0346412846%
Pontiac City	0.3248494362%
Port Huron Charter Township	0.0080769667%
Port Huron City	0.1458195691%
Portage City	0.0549617576%
Presque Isle County	0.1629844003%
Redford Charter Township	0.1186198475%
Riverview City	0.0270073032%
Rochester City	0.0223385411%
Rochester Hills City	0.0378208525%
Romulus City	0.1043052795%
Roscommon County	0.4301829310%
Roseville City	0.2391396028%
Royal Oak City	0.1452731800%
Saginaw Charter Township	0.0387260972%
Saginaw City	0.2410554689%
Saginaw County	1.8697473939%
Sanilac County	0.3884578568%

Exhibit A - Allocation Percentages

Sault Ste. Marie City	0.1102859840%
Schoolcraft County	0.0441833724%
Scio Charter Township	0.0028834441%
Shelby Charter Township	0.2834603371%
Shiawassee County	0.8126027109%
South Lyon City	0.0144909867%
Southfield City	0.2201519285%
Southfield Township	0.0000622822%
Southgate City	0.0497153528%
Spring Lake Township	0.0058175162%
Springfield Charter Township	0.0025016675%
St Clair County	2.2355232712%
St Joseph County	0.2387040780%
St. Clair Shores City	0.1902094233%
Sterling Heights City	1.0160140241%
Sturgis City	0.0335373222%
Summit Township	0.0082384857%
Superior Charter Township	0.0067842962%
Taylor City	0.2106734621%
Texas Charter Township	0.0029134060%
Thomas Township	0.0071131789%
Traverse City	0.0694747561%
Trenton City	0.0269636770%
Troy City	0.1320745485%
Tuscola County	0.4964101372%
Tyrone Township	0.0053919654%
Union Charter Township	0.0000286653%
Van Buren Charter Township	0.0769290173%
Van Buren County	0.4269100635%
Vienna Charter Township	0.0048375505%
Vienna Charter Township	0.0006623336%
Walker City	0.0322973264%
Warren City	1.2684316986%
Washington Township, Macomb	0.0452626591%
Washtenaw County	2.6615246438%
Waterford Charter Township	0.1223377680%
Wayne City	0.0938476105%
Wayne County	11.8161879464%
West Bloomfield Charter Township	0.1467627621%

Exhibit A - Allocation Percentages

Westland City	0.3653110233%
Wexford County	0.3345375719%
White Lake Charter Township	0.0327604256%
Wixom City	0.0206724929%
Woodhaven City	0.0320045375%
Wyandotte City	0.0546592661%
Wyoming City	0.1429453938%
Ypsilanti Charter Township	0.0323887161%
Ypsilanti City	0.0502847087%
Zeeland Charter Township	0.0034419483%

EXHIBIT K

Subdivision Settlement Participation Form

Governmental Entity:	State:
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above ("*Governmental Entity*"), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated July 21, 2021 ("*Distributor Settlement*"), and acting through the undersigned authorized official, hereby elects to participate in the Distributor Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Distributor Settlement, understands that all terms in this Participation Form have the meanings defined therein, and agrees that by signing this Participation Form, the Governmental Entity elects to participate in the Distributor Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, secure the dismissal with prejudice of any Released Claims that it has filed.
3. The Governmental Entity agrees to the terms of the Distributor Settlement pertaining to Subdivisions as defined therein.
4. By agreeing to the terms of the Distributor Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Distributor Settlement solely for the purposes provided therein.
6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Distributor Settlement. The Governmental Entity likewise agrees to arbitrate before the National Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the Distributor Settlement.

7. The Governmental Entity has the right to enforce the Distributor Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Distributor Settlement, including, but not limited to, all provisions of Part XI, and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Distributor Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Distributor Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Distributor Settlement.
10. In connection with the releases provided for in the Distributor Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Distributor Settlement.

11. Nothing herein is intended to modify in any way the terms of the Distributor Settlement, to which Governmental Entity hereby agrees. To the extent this Participation Form is interpreted differently from the Distributor Settlement in any respect, the Distributor Settlement controls.

I have all necessary power and authorization to execute this Participation Form on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____

#17

RESOLUTION

Founded in 1852
by Sidney Davy Miller



Samantha A. Kopacz
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FAX (248) 879-2001
millercanfield.com

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November 22, 2021

Pontiac City Council
City Hall
47450 Woodward Avenue
Pontiac, Michigan 48342

**Re: Request for Approval of the VEBA Merger Agreement and Authorization to
Make Corresponding IRS Submission**

Dear Honorable Council:

As you are aware, the City of Pontiac (the "City") entered into an innovative settlement agreement on March 30, 2018 with a class of retirees ("CPREA") related to City funding of retiree health benefits in the United States District Court for the Eastern District of Michigan Case No. 2:12-cv-12830, which was given final approval by the court on November 19, 2018 (the "Settlement Agreement"). The City established (1) the City of Pontiac VEBA Trust (the "Super VEBA") on March 23, 2020; and (2) the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan (the "P&F VEBA") on August 22, 1996. Section 7 of the Settlement Agreement requires that the P&F VEBA be merged into the Super VEBA with the Super VEBA being the surviving entity. Section 7 of the Settlement Agreement also requires the VEBA boards and City to seek a determination from the Internal Revenue Service that the merger does not affect the VEBAs tax-exempt status under Internal Revenue Code §501(c)(9). In order to effectuate the Settlement Agreement, we recommend and respectfully request that City Council adopt the enclosed proposed resolution which (1) authorizes the execution of the Merger Agreement in its proposed form; and (2) authorizes the execution and delivery of any submission to the IRS related to the Merger Agreement.

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November 22, 2021

Please contact me with any questions.

Very truly yours,

Miller, Canfield, Paddock and Stone, P.L.C.

A handwritten signature in black ink that reads "Samantha A. Kopacz". The signature is written in a cursive, flowing style.

By: _____
Samantha A. Kopacz

Enclosures:

Merger Agreement
Resolution for the Pontiac City Council

cc: Dr. Deirdre Waterman, Mayor of City of Pontiac
John Clark, Esq.
Richard Warren, Esq.

SAK/reu
38393435.1/071371.00075

City of Pontiac

PONTIAC CITY COUNCIL

At a regular meeting of the Pontiac City Council ("City Council") held on November ____, 2021.

WHEREAS, the City entered into a settlement agreement with a class of retirees related to City funding of retiree health benefits in *City of Pontiac Retired Employees Association et. al. v. Schimmel et. al*, Docket #64-2, Case No. 2:12-cv-12830-AC-PJK dated March 30, 2018 (United States District Court Eastern District of Michigan), which was given final approval by the court on November 19, 2018 (the "Settlement Agreement");

WHEREAS, the City of Pontiac, Michigan (the "City") established the City of Pontiac VEBA Trust (the "Super VEBA") on March 23, 2020;

WHEREAS, the City established the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan (the "P&F VEBA") on August 22, 1996;

WHEREAS, the Internal Revenue Service has issued determination letters indicating that both the Super VEBA and P&F VEBA are exempt from federal income taxation under Code §501(c)(9);

WHEREAS, Section 7 of the Settlement Agreement requires that the P&F VEBA be merged into the Super VEBA with the Super VEBA being the surviving entity;

WHEREAS, the City Council has been provided the proposed merger agreement to be entered into by and between the Super VEBA, the P&F VEBA, and the City, effective as of January 31, 2022 (the "Merger Agreement").

WHEREAS, the City Council has reviewed and discussed the Merger Agreement; and

WHEREAS, to effectuate the terms of the Settlement Agreement, the following resolutions are hereby adopted:

RESOLVED, that the Merger Agreement is approved in its proposed substantive form;

FURTHER RESOLVED, that Dr. Deirdre Waterman, Mayor of the City of Pontiac, is directed and authorized to (1) execute the Merger Agreement on behalf of the City; and (2) execute and direct legal counsel to make any submissions to the Internal Revenue Service on behalf of the City related to approval of the Merger Agreement by the Internal Revenue Service pursuant to the terms of the Settlement Agreement ("IRS Submission"); and

FURTHER RESOLVED, that the filing fees associated with any IRS Submission are authorized to be paid to the Internal Revenue Service by the City.

MERGER AGREEMENT

This Merger Agreement is entered into by and between the City of Pontiac VEBA Trust, the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan, and the City of Pontiac, effective as of January 31, 2022.

WHEREAS, the City of Pontiac, Michigan (the “City”) established the City of Pontiac VEBA Trust (the “Super VEBA”) on March 23, 2020;

WHEREAS, the Internal Revenue Service issued a determination letter on August 10, 2020, indicating that the Super VEBA is exempt from federal income taxation under Code §501(c)(9) effective March 23, 2020;

WHEREAS, the City established the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan (the “P&F VEBA”) on August 22, 1996;

WHEREAS, the Internal Revenue Service issued determination letters on September 22, 1997, and October 19, 2021, indicating that the P&F VEBA is exempt from federal income taxation under Code §501(c)(9);

WHEREAS, the City entered into a settlement agreement with a class of retirees related to City funding of retiree health benefits in *City of Pontiac Retired Employees Association et. al. v. Schimmel et. al*, Docket #64-2, Case No. 2:12-cv-12830-AC-PJK dated March 30, 2018 (United States District Court Eastern District of Michigan), which was given final approval by the court on November 19, 2018 (the “Settlement Agreement”);

WHEREAS, Settlement Agreement §7 directs the P&F VEBA to merge into the Super VEBA with the Super VEBA being the surviving entity;

WHEREAS, Settlement Agreement §7 directs that after the merger, the former P&F VEBA members shall receive retiree health benefits under the terms and provisions of the Super VEBA;

WHEREAS, article 10 of the Super VEBA Trust Agreement generally permits the provisions of such trust agreement to be amended to the extent such amendment is not inconsistent with the Settlement Agreement and does not adversely affect the tax exempt status of the Super VEBA;

WHEREAS, article X of the P&F VEBA Trust Agreement generally permits the provisions of such trust agreement to be amended to the extent such amendment does not adversely affect the tax exempt status of the P&F VEBA;

WHEREAS, the City, the P&F VEBA Trustees, and Super VEBA Trustees have also determined that the merger of the two VEBAs will facilitate coordination of benefits and administrative and cost efficiencies and will be in the best interest of the City, the P&F VEBA, the Super VEBA, and members and beneficiaries of the two VEBAs;

WHEREAS, on [November 30], 2021, the Pontiac City Council approved a resolution authorizing the adoption of this Merger Agreement in order to effectuate the terms of Settlement Agreement §7;

WHEREAS, on November 19, 2021, the P&F VEBA Trustees approved a resolution authorizing the adoption of this Merger Agreement in order to effectuate the terms of Settlement Agreement §7; and

WHEREAS, on November 18, 2021, the Super VEBA Trustees approved a resolution authorizing the adoption of this Merger Agreement in order to effectuate the terms of Settlement Agreement §7.

NOW THEREFORE, in order to effectuate the merger of the P&F VEBA into the Super VEBA, the parties hereby agree as follows in this Merger Agreement.

ARTICLE 1 DEFINITIONS

The following definitions shall govern the following terms when used in this Merger Agreement, unless otherwise specifically required by the context:

“City” means the City of Pontiac, Michigan.

“Code” means the Internal Revenue Code of 1986, as may be amended from time to time.

“CPREA” means the representative party in *City of Pontiac Retired Employees Association et. al. v. Schimmel et. al*, Docket #64-2, Case No. 2:12-cv-12830-AC-PJK (United States District Court Eastern District of Michigan).

“Effective Date” means January 31, 2022.

“Funds Transfer Date” has the meaning set forth in Section 2.1.

“IRS Approval” means a favorable determination by the Internal Revenue Service that this merger of the P&F VEBA into the Super VEBA will not affect either VEBA’s tax-exempt status.

“P&F VEBA” means the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan.

“P&F VEBA Group” means the members, eligible deferred vested members, retirants, and beneficiaries who have an interest in the P&F VEBA as of the date immediately prior to the Effective Date.

“P&F VEBA Trust Agreement” means the Declaration of Trust and Agreement of the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan.

“P&F VEBA Trustees” means the board of trustees for the P&F VEBA.

“Settlement Agreement” has the meaning set forth in the preamble. The Settlement Agreement (along with the November 19, 2018 court order approving the Settlement Agreement) is attached to this Merger Agreement as Exhibit A.

“Super VEBA” means the City of Pontiac VEBA Trust.

“Super VEBA Trust Agreement” mean the City of Pontiac VEBA Declaratory Trust Agreement.

“Super VEBA Trustees” means the board of trustees for the Super VEBA.

ARTICLE 2 MERGER, TRANSFER, AND ASSIGNMENT

2.1 **Merger of Assets and Transfer of Funds**. Pursuant to the requirements of Settlement Agreement §7, the P&F VEBA is hereby merged with and into the Super VEBA (with the Super VEBA continuing as the surviving entity) as of the Effective Date. Subject to the terms and conditions set forth within this Merger Agreement and upon IRS Approval, the P&F VEBA Trustees are directed to effectuate the actual transfer of funds from the P&F VEBA into the Super VEBA as follows:

(a) As soon as administratively feasible after the Effective Date and IRS Approval, the P&F VEBA Trustees shall assign, transfer, and/or convey all of the P&F VEBA assets to the Super VEBA in the form directed in writing by the Super VEBA Trustees (“Funds Transfer Date”) in order to provide retiree health benefits to the P&F VEBA Group in accordance with the terms of the Settlement Agreement. With respect to any contribution which had accrued but has not been paid to the P&F VEBA as of the Effective Date, the P&F VEBA Trustees shall direct the party responsible for such contribution to remit the contribution as soon as administratively feasible to the Super VEBA.

(b) Assets shall be increased by earnings or gains and decreased by expenses or losses on such funds in the P&F VEBA between the Effective Date and the Fund Transfer Date. Thereafter, the assets shall be credited with investment gains and losses and earnings and expenses in the same manner as are the comparable accounts in the Super VEBA.

(c) All obligations and liabilities of the P&F VEBA existing on the Effective Date, including continuation of payment of retiree health benefits as described in the Settlement Agreement, are transferred to, assumed by, and made obligations and liabilities of the Super VEBA upon transfer of substantially all of the P&F VEBA assets to the Super VEBA.

(d) Following the merger and transfer of assets from the P&F VEBA into the Super VEBA, the Super VEBA Trustees shall administer the resulting combined merged VEBA pursuant to the terms of the Super VEBA and Settlement Agreement.

Benefits provided under the Super VEBA are meant to replace the benefits which would have otherwise been available to the P&F VEBA Group had the P&F VEBA's assets not been transferred to and liabilities assumed by the Super VEBA. In no event shall the P&F VEBA Group receive duplicative benefits under both the P&F VEBA and the Super VEBA.

2.2 **Assumption of Liabilities on Merger.** As of the Funds Transfer Date, the liability for the P&F VEBA Group shall become the liability of the Super VEBA, and the P&F VEBA (including its administrator, fiduciaries, trustees and other individuals and entities responsible for its administration) shall thereafter have no responsibility or obligation with respect to such transferred account balances. Concurrent with the merger, the Super VEBA assumes all obligations and liabilities for benefits to the P&F VEBA Group, and discharges the P&F VEBA and its fiduciaries from such obligations and liabilities, except to the extent that such remaining liability is attributable to actions, or omissions to act, by the administrator of the P&F VEBA, P&F VEBA Trustees, or their authorized representatives and/or other service providers, prior to the actual Funds Transfer Date.

This Merger Agreement shall represent a removal of the P&F VEBA Trustees and the appointment of the Super VEBA Trustees as the P&F VEBA Trustees' successor for purposes of the merged assets. The P&F VEBA Trustees are directed to take any action that is necessary to liquidate or assign (as directed in writing by the Super VEBA Trustees) the investments of the P&F VEBA, to account for such assets, and to transfer such assets to the Super VEBA Trustees. Notwithstanding the foregoing, neither the Super VEBA nor the Super VEBA Trustees shall be liable for actions or omissions to act in relation to the P&F VEBA and its assets that occurred prior to the Effective Date, except to the extent that any such Super VEBA Trustees were also P&F VEBA Trustees prior to the Effective Date.

Notwithstanding the foregoing, the P&F VEBA Trustees shall assist the Super VEBA Trustees in any and all actions to fully winddown the operations of the P&F VEBA and to transfer the assets of the P&F VEBA to the Super VEBA.

2.3 **Transfer of Ownership.** As soon as administratively feasible on or after the Effective Date, the P&F VEBA Trustees are directed to deliver to the Super VEBA Trustees all of the books, records, and documents of the P&F VEBA pertaining to, the interests, assets, and liabilities transferred from the P&F VEBA to the Super VEBA, together with all such documentation, fully executed, as may be necessary to permit the transfer / assignment of title, registration or other indicia of ownership to the Super VEBA of all assets transferred / assigned. The Super VEBA Trustees shall be directed to accept the same.

2.4 **Books and Records.** As soon as administratively feasible on or after the Effective Date, the administrator of the P&F VEBA is directed to deliver to the administrator of the Super VEBA all of the books, records, and documents of the P&F VEBA relating to the P&F VEBA Group whose interests have been merged into the Super VEBA. The P&F VEBA Trustees shall ensure that all records necessary to meet the recordkeeping requirements of Treasury Regulation §1.501(c)(9)-5 as related to the P&F VEBA are so transferred.

2.5 **Eligibility of P&F VEBA Group to Participate in the Super VEBA After Merger.** Each person who falls within the definition of the P&F VEBA Group shall automatically become, continue as, or have a deferred vested right to become a member of the Super VEBA as of the Effective Date. The terms and provisions of the Super VEBA, as it may be amended from time to time, shall apply to the P&F VEBA Group after the Effective Date.

Each member of the P&F VEBA Group who had years of service credited under the P&F VEBA shall have that service apply for each purpose under the Super VEBA, including but not limited to, eligibility to participate, and entitlement to benefits, rights and features.

All elections, waiver, consents, designations, directions, and other exercises of rights and privileges under the P&F VEBA shall be deemed effective and applicable with respect to the Super VEBA until otherwise modified or terminated.

As of February 1, 2022 (or such date the Super VEBA health plans become effective, if later), non-deferred members of the P&F VEBA Group shall become eligible to participate in the Super VEBA health plans. The participants in the Super VEBA health plans prior to the Effective Date shall continue to receive benefits under the Super VEBA health plans.

ARTICLE 3 COMPLIANCE WITH STATUTORY PROVISIONS

3.1 **Applicable Code Requirements.** As of the Effective Date, the assets and liabilities of the P&F VEBA related to any individual in the P&F VEBA Group shall be merged into the Super VEBA in a transaction satisfying all applicable requirements of Code §501(c)(9) and its implementing regulations. The methodology utilized to provide benefits to beneficiaries to calculate the amount of assets to be transferred to the Super VEBA shall be consistent with the requirements of Code §501(c)(9) so as not to affect the tax exempt status of the Super VEBA or the P&F VEBA (as of its termination). The assets transfer by the P&F VEBA will not be used to benefit the City in any manner other than through any incidental cost savings and efficiencies it may enjoy through a simplified structure. The City will have no right to receive any funds that are transferred from the P&F VEBA to the Super VEBA. All of the transferred assets shall be used for the exclusive purpose of providing funding for retiree health benefits as specifically set forth in the Super VEBA Trust Agreement and as required by the Settlement Agreement. No part of the net earnings of the Super VEBA prior to or after the Effective Date shall inure, other than by payment of benefits described in the Super VEBA Trust Agreement (as permitted by Treasury Regulation §1.501(c)(9)-3), to the benefit of any private shareholder or individual.

ARTICLE 4 MISCELLANEOUS

4.1 **Expenses.** Each party to this Merger Agreement shall bear its own expenses incurred in connection with the negotiation and consummation of the transactions contemplated under this Merger Agreement.

4.2 Binding Effect. This Merger Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

4.3 Complete Agreement. This Merger Agreement represents the entire agreement of the parties, and supersedes any and all prior or contemporaneous agreements, concerning this subject matter, whether written, unwritten, express or implied. The parties acknowledge that there are no oral representations, understandings, or agreements relating to this Merger Agreement which are not fully expressed herein.

4.4 Severability. Any provision of this Merger Agreement which is determined to be invalid or unenforceable, shall not affect the remainder of this Merger Agreement, which shall remain in effect, unless the removal of the invalid or unenforceable provision would substantially defeat the basic intent, purpose and spirit of this Merger Agreement.

4.5 Applicable Law. This Merger Agreement shall be construed and enforced according to the laws of the State of Michigan, to the extent that federal law does not control.

4.6 Counterparts. This Merger Agreement may be executed in multiple counterparts all of which shall be deemed originals.

4.7 Amendment of VEBA Trust Agreements. This Merger Agreement shall serve as an amendment to the Super VEBA Trust Agreement and the P&F VEBA Trust Agreement.

4.8 Notice to City, Trustees, and CPREA. A copy of this Merger Agreement shall be provided to the P&F VEBA Trustees, the Super VEBA Trustees, the City, and CPREA to confirm to such persons that the merger of the P&F VEBA into the Super VEBA has been authorized, and to direct that the assets in possession of the P&F VEBA Trustees be transferred to the Super VEBA Trustees as soon as administratively feasible following the Effective Date and IRS Approval.

4.9 Further Assurances. The parties agree to execute such other instruments, including any necessary amendments to the P&F VEBA and Super VEBA, and to perform such other acts as may be necessary and proper to effectuate the intent of this Merger Agreement.

4.10 Valuation. The annual valuation of the Super VEBA shall be made by the Super VEBA Trustees on the combined balances in the Super VEBA after the transfer of assets and liabilities from the P&F VEBA has occurred.

IN WITNESS WHEREOF, the parties have caused this instrument to be signed and/or executed by duly authorized officers of the City of Pontiac VEBA Trust, the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan, and the City.

City of Pontiac VEBA Trust

By: Claudia Filler
Its: Chairperson

Dated: _____, 2021

City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan

By: Matthew Nye
Its: Chairman

Dated: _____, 2021

City of Pontiac

By: Dr. Deirdre Waterman
Its: Mayor

Dated: _____, 2021

DRAFT 11-22-21

EXHIBIT A

SETTLEMENT AGREEMENT & COURT APPROVAL

37152143.8/071371.00075
DRAFT 11/22/21

#18

**COMMUNICATION
FROM THE
MAYOR**

NEXT STEPS:

AMERICAN RESCUE PLAN TOWN HALL RECAP MEETING



AMERICAN RESCUE PLAN

TOWN HALL **RECAP** MEETING

LET'S TALK ABOUT HOW TO
INVEST PONTIAC'S \$37.7 MILLION

MAYOR DEBBIE WATERMAN IS HOSTING AN AMERICAN RESCUE PLAN RECAP MEETING, WITH PRESENTATIONS FROM EXPERTS, FEEDBACK GATHERED FROM THE PRIOR TOWN HALLS, AND PROPOSED PLANS FOR USE. JOIN US TO DISCUSS PROPOSED AMERICAN RESCUE PLAN PROJECTS.

1 Restore Neighborhoods & Citizen Relief

2 Business Development & Job Creation

3 Infrastructure Improvements

4 Public Safety

5 Smart City Initiatives



AMERICAN RESCUE PLAN RECAP MEETING

MONDAY, DECEMBER 6TH, 2021 - 6:00 PM

ROBERT BONHENS SENIOR CENTER

52 BAGLEY ST., PONTIAC MI, 48341





DR. DEIRDRE WATERMAN
MAYOR
CITY OF PONTIAC

Tuesday, November 23, 2021

Dear Resident,

In March, President Biden signed the American Rescue Plan Act into law. This act is meant to provide aid to both state and local governments and to promote local communities' recovery and revitalization following the impacts of COVID-19. The City of Pontiac was allocated \$37.7 million from the American Rescue Plan Act.

In an effort to raise public awareness about the allotment of American Rescue Plan funds awarded to the city and to receive feedback from the public about how best to allocate the funds, I hosted a series of town halls. It was our goal, that through these interactive meetings, we could work towards establishing a shared vision of how best to apply these funds. The content from expert presenters, the dialogue with residents, and interactive breakout activities provided the City with feedback to better build a strategic plan for the investment of these funds.

In follow up to the series of town halls, I would like to cordially invite you to an American Rescue Plan Town Hall Recap meeting. The events will be moderated by myself, Mayor Deirdre Waterman, with special presentations from experts, presenting both qualitative and quantitative feedback gathered from the prior town halls and proposed plans for use. The meeting will be held on Monday December 6th at 6:00 PM at the Robert Bowens Senior Center.

We hope you will be available to join us. Please contact Alexandra Borngesser at aborngesser@pontiac.mi.us or (248) 758-3327 if you would like any additional information.

Sincerely,

Dr. Deirdre Waterman
Mayor, City of Pontiac

47450 Woodward Avenue • Pontiac, Michigan 48342
Direct: (248) 758-3181 • Appointments: (248) 758-3326 • Fax: (248) 758-3292
E-mail: DWaterman@pontiac.mi.us • www.pontiac.mi.us
<https://www.facebook.com/pontiacmayor/>



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President Williams and City Council

FROM: Alexandra Borngesser, Grants

THROUGH: Executive Office of Mayor Deirdre Waterman

DATE: November 24, 2021

RE: The American Rescue Plan Town Hall Series

EXECUTIVE SUMMARY

In March, President Biden signed the American Rescue Plan Act into law. This act is meant to provide aid to both state and local governments and to promote local communities' recovery and revitalization following the impacts of COVID-19. The City of Pontiac was allocated \$37.7 million from the American Rescue Plan Act.

In an effort to raise public awareness about the allotment of American Rescue Plan funds awarded to the city and to receive feedback from the public about how best to allocate the funds, Mayor Deirdre Waterman hosted a series of town halls. It was the goal, that through these interactive meetings, we could work towards establishing a shared vision of how best to apply these funds. The content from expert presenters, the dialogue with residents, and interactive breakout activities provided the City with feedback to better build a strategic plan for the investment of these funds. This memorandum is meant to provide a summarized synopsis of the information gathered from the American Rescue Plan Town Halls.

MEETING FORMAT

The meetings were held at various locations throughout the city for each of the seven districts. Each meeting was hosted by Mayor Deirdre Waterman and was moderated in cohort with Alexandra Borngesser. The format of the meeting included presentations from experts, question and answer sessions with residents, a breakout activity for feedback and collaborative ideation, and clear next steps.

For district 1 & district 2, the meeting was held on October 18th at 6:00 PM at the Robert Bowens Senior Center. The meeting had 64 in-person attendees and 78 virtual attendees. The October 18th panelists and their respective presentation topics included: Mayor Deirdre Waterman – Strategic Planning and Leadership, Darin Carrington, Finance Director - ARP Funding Parameters & Permissible Uses, Vern Gustafsson, Planning Director - Proposed ARP Funded City Projects, Matt Gibb, Attorney - ARP Related Business Development, Job Creation, & Leveraging Funds, and Donovan Smith– Previous Projects & Demolition Maps.

The district 3, district 4, and district 6 meeting was held on October 21st at 6:00 PM at the Ruth Peterson Senior Center. The meeting had 36 in-person attendees and 204 virtual attendees. The October 21st panelists and their respective presentation topics included: Mayor Deirdre Waterman – Strategic Planning and Leadership, Darin Carrington, Finance Director - ARP Funding Parameters & Permissible Uses, Donovan Smith - Proposed ARP Funded City Projects & Previous Projects, Matt Gibb, Attorney - ARP Related Business Development, Job Creation, & Leveraging Funds, and Peter Gleek, IT Professional – Smart City & Broadband.

The district 5 & district 7 meeting was held on November 15th at 6:00 PM at the Salvation Army Holland Community Center. The meeting had 13 in-person attendees and 260 virtual attendees. The November 15th panelists and their respective presentation topics included: Vern Gustafsson, Planning - Proposed ARP Funded City Projects, Linnette Phillips, Economic Development – Business Development Funding Opportunities, Matt Gibb, Attorney - Leveraging Funds & Pontiac Smart City, Abdul Siddiqui, Engineer – Storm Sewer Infrastructure, and Darin Carrington, Finance Director– ARP Introduction and Eligibility Requirements.

The meeting for Pontiac non-profits was held on November 6th, 2021 at Oakland University. The Meeting had 19 in-person attendees. The November 6th panelists and their respective presentation topics included: Mayor Deirdre Waterman – Strategic Planning and Leadership, Linnette Phillips, Economic Development – Business Development & Citizen Relief, and Alexandra Borngesser, Grants – Permissible Uses. The attendees also reviewed presentations from Lighthouse, Habitat for Humanity, Oakland-Pontiac Initiative, The Pontiac Skate Park Project, and Centro Multicultural La Familia.

KEY FINDINGS & TAKEAWAYS

From the feedback collected during the breakout sessions at each town hall, the following can be concluded:

Issue Space Occurrence:

- ARTS AND CULTURE: 4
- BUSINESS DEVELOPMENT & JOB CREATION: 18
- INFRASTRUCTURE: 28
- NEIGHBORHOOD REVITALIZATION: 30
- PUBLIC SAFETY: 7
- SMART CITY INITIATIVES: 10
- YOUTH: 6

The following items were recurring themes from each of the town hall discussions and feedback breakout sessions:

- OWNER OCCUPIED HOME IMPROVEMENT AND RENT TO OWN PROGRAMS
- CITY-WIDE BROADBAND INTERNET ACCESS
- POLICE AND FIRE INVESTMENTS
- CLINTON RIVER TRAIL IMPROVEMENTS
- YOUTH RECREATION AND ENRICHMENT PROGRAMS
- SIDEWALK AND ROAD REPAIRS

KEY PROJECTS FOR IMMEDIATE FUNDING

During this process, the Executive Office of Mayor Deirdre Waterman, used public feedback derived from the American Rescue Plan Town Halls to begin the strategic planning for key projects for immediate funding. Those projects include:

Lighthouse – *Emergency Service for Pontiac Residents*

This project would allow for funding for Lighthouse, a Pontiac non-profit, to provide access to food, permanent shelter, eviction prevention and wrap around services such as mental health support, employment coaching, credit repair, etc. The program would also include economic mobility services to all Pontiac residents and would co-locate emergency services and economic services within one location in Pontiac. This is a Person-centered services project that would promote privacy, autonomy, and stability for Pontiac residents.

Habitat for Humanity – *Affordable Housing Gap Fund*

The only solution to the problematic economic barrier to affordable homeownership is to secure grant funding to cover the gaps that are present. Current gaps for single or multi-family homes in Pontiac are approaching \$100,000 per unit (less in other communities). This gap can be partially mitigated through collaborative fundraising and innovative cost saving construction methods, but even the most creative endeavors do not close the gap. Additional gap funding from the American Rescue Plan could help close the affordable housing gap through this strategic plan in partnership with Habitat for Humanity.

Oakland University / Pontiac Initiative – *Non-Profit Incubator*

The OU-Pontiac Initiative wishes to establish a OU-Pontiac Initiative Non-Profits Incubator that extends its expertise, workspace, and hive-mind to Pontiac non-profits. The OU-Pontiac Initiative will work with existing partners to strengthen the existing non-profit community in Pontiac and to ensure that they are sustained into the future. The incubator will fill a much needed gap in mentorship, brick and mortar collaborative workspaces and guidance with standing up the operational infrastructure of a functioning non-profit.

Centro Multicultural La Familia – *Infrastructure and Programming*

Since the inception of the possibility to renovate a school building, the goal of Centro Multicultural La Familia has always been to contribute to the growth of the Pontiac community. It is their hope to build renovate a school building using American Rescue Plan funds to provide the following services on top of their regular services: CommUNITY Library Healing Garden, Support to micro-enterprises (bakery, salon, etc.), Workforce development (teaching sewing, jewelry making, growing herbs/plants, catering, etc.), Co-work or studio space for locals, Capacity-building workshops and skill shares, Communal gathering space indoors & outdoors, Community resource fairs, and Film screenings, poetry & writing workshops, family events.

Small Business Program – *Small Business Development*

This proposal is a small Business Program to provide gap funding for business owners in the form of grants and loans. Currently, we have approximately 1,200 small business owners. Business owners can apply for funding through applications and/or pitch competitions. Through review by the EDC, new or start-ups could receive funding. Funding options include, but are not limited to: Small Business Grants – one time up to \$5,000, Small Business Micro Loans – up to \$15,000 with review and approval by the EDC and Small Business Revolving Loans – up to \$50,000 with review and approval by the EDC.

The program is designed to promote entrepreneurship, small business growth and enhance the COP's economy. We will provide technical support and related resources. Additionally, small business owners applying for funding would participate in a "small business boot camp" comprised of workshops with subject matter experts (SME), workshops providing technical assistance to create documentation, business plans, generating reports with metrics, networking and connecting with providers or required, useful and necessary resources.

City-Wide Broadband Internet – *Pontiac Smart City Initiative*

A proposal to create broad based infrastructure in the COP with cameras to monitor safety and tracking of infrastructure such as pot holes, leaks in water lines, traffic congestion, etc. The COP could reach out to tech and infrastructure partners to collaborate and provide additional resources and funding.

Workers and Families Program – *Citizen Relief & Job Creation*

This program provide assistance to unemployed workers and job training in partnership and cohort with local organizations and businesses.

Investing in Housing and Neighborhoods – *Citizen Relief*

Services to support individuals facing homelessness, affordable housing and housing vouchers, residential counseling and navigation assistance. This is a program to increase home ownership to Pontiac's 61,606 residents where 60% are renters and move frequently. With our reduced unemployment rate and with an employer such as United Wholesale Mortgage (UWM) who employs over 9,000 employees. The COP would work in tandem with them to assist with programs to promote and prepare residents to purchase homes. The COP also will deploy a program to sell properties owned by the COP and also offer first right of refusal for the purchase of properties that are adjacent or congruent to current owner's property. This would also include aid to Pontiac residents for home improvements such as roof repairs, replacement for hot water tanks, windows and exterior work related to leaks, and exposure of elements.

Department of Public Works – Infrastructure Repairs

This funding opportunity would include Storm Drain Maintenance, Giddings Rd Culvert Replacement & Road Reconstruction, and Opdyke Sidewalk & Associated Drainage Updates. Additional enhancements could also include video inspection and cleaning of all storm water structures and sewers in addition to purchasing Street Sweepers for Local Roads, and purchasing Vactor Trucks for Catch Basin Cleaning In-House.