

PONTIAC CITY COUNCIL

President Mike McGuinness, District 7
Pro Tem William A. Carrington, District 6
Melanie Rutherford, District 1
Brett Nicholson, District 2
Mikal Goodman, District 3
Kathalee James, District 4
William Parker, Jr., District 5



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

Phone: (248) 758-3200

107th Session of the 11th Council – September 12, 2023, at 6:00 p.m.

Meeting Location: City Council Chambers, Pontiac City Hall, 47450 Woodward Pontiac, Michigan 48342

MEETING AGENDA

Call to Order

Invocation

Pledge of Allegiance to the Flag of the United States

Moment of Silence

Roll Call of Councilmembers

Authorization to Excuse Councilmembers from the Meeting

Amendments to and Approval of the Agenda

Approval of the Consent Agenda

- A. August 28, 2023, City Council Parks, Recreation, and Public Works Subcommittee Meeting Minutes
- B. September 5, 2023, City Council Meeting Minutes
- C. Resolution to approve the Finance Director establishing a line of credit with TriMark, a supplier of Strategic Equipment, LLC for an amount not exceeding \$20,462, to procure a commercial hood for the Ruth Peterson Senior Center

Special Presentations

1. Proposed Park Action Plan for Pontiac Oaks
Presenter: Melissa Prowse of Oakland County
2. Special Election scheduled for November 7, 2023, on Marihuana Ordinance Proposals Cancelled
Presenter: Garland Doyle, City Clerk
3. Access and Youth Services from Oakland Community Health Network
Presentation Presenters: Dana Lasenby, OCHN CEO and Kyle Glasgow, OCHN Director of Access and Crisis

Subcommittee Reports

4. Communications, Engagement & Operations
5. Economic Development, Housing & Planning
6. Facilities & Property
7. Finance & Personnel
8. Law & The Courts
9. Parks, Recreation & Public Works
10. Public Safety, Health & Wellness

Recognition of Elected Officials

Agenda Address (Two Minutes Time Limit)

Agenda Items

Ordinance

11. A Resolution to approve the first reading of an Ordinance to Amend Ordinance 2406 An Ordinance to Allow Adult-Use Marihuana Establishments to Operate in the City of Pontiac Pursuant to the Michigan Regulation And Taxation Of Marihuana Act, Initiated Law 1 of 2018, Mcl 333.27951 Et Seq.; to Provide for Standards and Procedures to Permit and Regulate Adult-Use Marihuana Establishments; to Provide for the Imposition of Permit Application Fees and Renewal Fees; and to Impose Conditions For The Operation Of Adult-Use Marihuana Establishments.

Resolutions

Community Development

Code Enforcement Division

12. Resolution to approve the position of Code Enforcement Assistant Manager

Finance

Purchasing Division

13. Resolution to approve the position of Purchasing Administrative Assistant
14. Resolution to approve the proposed budget amendment for the Budget Year 2023-2024 increase budget appropriation in the following GL accounts: 101-233-702.00 – Salaries & Wages - \$45,833, 101-233-715.000 – FICA -City Contribution - \$3, 506, 101-233-718.500 – MERS Employer Contribution - \$1,833, 101-233-716.000 – Medical Insurance - \$9,813, 101-233-719.001 – Dental insurance - \$473, 101-233-716-011 – Hearing/Optical Insurance - \$8, 101-233-717.000 – Short-term Disability, 101-233-719.0 – Workers' Comp Insurance - \$833, 101-233-725.000 – Sick & Vacation Contribution - \$441 **(This amendment relates to the establishment of the Purchasing Administrative Assistant Position.)**

Public Comment (Three Minutes Time Limit)

Public Communications

City Council

15. Residents who are behind in paying their water bills or facing a service shut-off can get help from a partnership between the Oakland County Water Resources Commission and OLSHA. Those who qualify could get up to \$1,500 in payments on their water bills and stop a shut-off plan. This program is temporary and expires on September 30, 2023. Schedule an appointment with OLHSA to sign up by calling (248) 209-2600 or emailing info@olhsa.org.
16. Oak Hill Cemetery Volunteer Cleanup, September 15, 2023, from 9:00 am to 12:00 pm, held at Oak Hill Cemetery, 216 University Drive in Pontiac, contact Mike McGuinness at (248) 410-0702 for more information.
17. District Three Monthly Community Meeting, September 15, 2023, at 6:00 pm, held at the Oakland History Center, 405 Cesar E. Chavez Avenue in Pontiac, contact City Councilman Mikal Goodman for more information.
18. Pontiac Festival of the Arts, September 16, 2023, from 12:00 pm to 11:00 pm throughout Downtown Pontiac.
19. Oak Hill Cemetery Walk, September 17, 2023, with tours starting every fifteen minutes from 2:00 to 4:00 pm, held at Oak Hill Cemetery, 216 University Drive, Pontiac 48342, proceeds from the \$15 tour donations to the Oakland History Center go to cemetery improvement efforts, call (248) 338-6734 for information.

20. PLAT Jam Nights, the Third Tuesday of Every Month, September 19, 2023, at Pontiac's Little Arts Theatre, 47 N. Saginaw Street in Downtown Pontiac.
21. Wine Dinner at the Alley Cat, with five courses and featuring Woodberry Wine, September 21, 2023, at 6:30 pm, held at the Alley Cat, 31 N. Saginaw Street in Downtown Pontiac.
22. Pontiac Lions Club 100th Anniversary Celebration, September 23, 2023, held at Lafayette Grande, 1 Lafayette Street in Downtown Pontiac, Reservations Needed by September 19, 2023, call (248) 651-1672 for more information.
23. Pontiac Alumni 2023 Homecoming Spirit Week, September 25 through 30
24. "Dishes Past" Historic Cuisine Dinner, September 29, 2023, at 7:00 pm, held at the Oakland History Center, 405 Cesar E. Chavez Avenue in Pontiac.
25. Pontiac High School Homecoming Game Day, September 30, 2023, with Tailgating at 9:00 am, Parade starting at 10:00 am, Gates Open at 12:30 pm, and Varsity Football Game versus Troy Athens at 2:00 pm, held at Pontiac High School, 1051 Arlene Avenue, Pontiac 48342.
26. Global Jam Nights with OU, the First Thursday of Every Month, October 5, 2023, at 7:00 pm, held at Pontiac's Little Arts Theatre, 47 N. Saginaw Street in Downtown Pontiac.
27. CARE House of Oakland County CARE Night Gala, October 6, 2023, at 6:00 pm, held at The Treasury, 30 N. Saginaw Street in Downtown Pontiac.
28. Hauntiac Car Show and Woodward Scream Cruise, October 7, 2023, held at the Oakland History Center, 405 Cesar E. Chavez Avenue in Pontiac.
29. Downtown Pontiac Walking Ghost Tours, October 15 and 22, 2023, presented by the Oakland History Center, tours starting at 5:00, 6:00, 7:00, and 8:00 pm.
30. Rocky Horror Picture Show" Film Screening, October 20 and 21, 2023 with Doors Open at 7:00 pm and show at 8:00 pm, held at Pontiac's Little Arts Theatre, 47 N. Saginaw Street in Downtown Pontiac.
31. Harvest Festival at the History Center, October 29, 2023, from 12:00 to 4:00 pm each day, held at the Oakland History Center, 405 Cesar E. Chavez Avenue in Pontiac.
32. "Making a Difference" Scholarship Essay Competition Presented by the Fran Anderson Legacy Fund, application period now open until November 1, 2023 at 12 Noon, write how you have made a difference in your community in 500 words or less, and you could win a \$5,000 scholarship. High School students who reside in Pontiac are eligible to enter. For more information, contact Linda Zabik at (248) 421-7198 or he@holidayextravaganza.org.
33. Accent Pontiac Sixth Annual Green Bucket Run, November 4, 2023, from 8:00 to 11:00 am, held at Kirk in the Hills Church, 1340 W. Long Lake Road in Bloomfield Hills.
34. The Dirk Kroll Band Live, November 10, 2023, at 7:00 pm, held at Pontiac's Little Arts Theatre, 47 N. Saginaw Street in Downtown Pontiac.
35. Oakland History Center and Pontiac Creative Arts Center Gala Auction, November 11, 2023, held at the Pontiac Creative Arts Center, 47 Williams Street, Pontiac 48341.
36. The Art Experience Glimpse & Glimmer Gala, November 16, 2023, held at the Flagstar Strand Theatre, 12 N. Saginaw Street in Downtown Pontiac.

37. Dixon's Violin Live, November 17, 2023, at 7:00 pm, held at Pontiac's Little Arts Theatre, 47 N. Saginaw Street in Downtown Pontiac.

38. Save the Date: Holiday Extravaganza Parade in Downtown Pontiac, December 2, 2023

39. Historic Christmas Open House December 9 and 10, 2023 from 12:00 to 4:00 pm each day, held at the Oakland History Center, 405 Cesar E. Chavez Avenue in Pontiac.

40. Quincy Stewart Live, December 23, 2023, at 8:00 pm, held at Pontiac's Little Arts Theatre, 47 N. Saginaw Street in Downtown Pontiac.

Mayor's Office

41. Residents Encouraged to Complete Online Survey for Pontiac Youth Recreation Center Amenities

Clerk's Office

42. The Special Election scheduled for November 7, 2023, on the Adult Use Marihuana Ordinance Proposals has been cancelled.

Closing Comments

Mayor Greimel (Seven Minutes Time Limit)

Clerk and City Council (Three Minutes Time Limit)

Adjournment

CONSENT AGENDA A

Parks, Recreation / Public Works Subcommittee Meeting August 24, 2023 Minutes

Meeting Convened at Noon.

Chair: Councilwoman Kathalee James

Members: Councilman Mikal Goodman, Councilwoman Melanie Rutherford

UPDATE ON MATTIE MICKINNEY HATCHETT PARK RENOVATION PROJECT, Dustin McClellan, Executive Director, Pontiac Community Foundation.

Grants Update from Alexandria Borngesser

Park Manager Update from, Alex Zegarzewski

- Updates on preliminary park designs for community parks.
- Grounds crew work updates

Recreation Manager Update from Tanisha Taylor

- Fall Programming
- Registration Process for Fall

Update Draft to CITY OF PONTIAC MICHIGAN FACILITY AND PARKLAND USE POLICY, Administration

PUBLIC WORKS UPDATE, Al Cooley

DPW Department Space Update for Purchase of New Site

Pavement Repairs Status; Baldwin, Joslyn, Telegraph Ext., Elizabeth Lake, and Beverly Status

- **PUBLIC COMMENT**
- **MEETING ADJOURNED at 1:36pm**

CONSENT AGENDA B

September 5, 2023, Draft

**Official Proceedings
Pontiac City Council
106th Session of the Eleventh Council**

Call to order

A 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, September 5, 2023, at 6:02 p.m. by Council President Mike McGuinness.

Invocation – Pastor Chris Johnson - All Saints Episcopal Church – Pontiac, Michigan

Pledge of Allegiance to the Flag of the United States

Moment of Silence

Roll Call

Members Present – William Carrington, Mikal Goodman, Kathalee James, Mike McGuinness, Brett Nicholson, and William Parker Jr.

Mayor Tim Greimel was present.
A quorum was announced.

Excuse Councilmembers

Motion to excuse Councilwoman Melanie Rutherford for personal reasons. Moved by Councilperson Nicholson and second by Councilperson Parker.

Ayes: Carrington, Goodman, James, McGuinness, Nicholson, and Parker

No: None

Motion Carried

Amendments to and Approval of the Agenda

Motion to approve the agenda. Moved by Councilperson Nicholson and second by Councilperson Carrington. Discussion.

Motion to amend agenda and add a resolution as the new item #4 calling on the State of Michigan to remove the Preemption of Local Rent Control. Moved by Councilperson Goodman and second by Councilperson Nicholson.

Ayes: James, McGuinness, Nicholson, Parker, Carrington, and Goodman

No: None

Motion Carried

Motion to amend the agenda and remove item #B (August 28, 2023, City Council Parks, Recreation, and Public Works Subcommittee Meeting Minutes) from the agenda. Move by Councilperson Nicholson and second by Councilperson Goodman.

Ayes: McGuinness, Nicholson, Parker, Carrington, Goodman, and James

No: None

Motion Carried

The vote was taken to approve the agenda as amended.

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Ayes: Goodman, James, McGuinness, Nicholson, Parker, and Carrington

No: None

Motion Carried

Consent Agenda

23-317 **Resolution to approve the consent agenda for September 5, 2023.** Moved by Councilperson Parker and second by Councilperson Goodman.

Whereas, the City Council has reviewed the consent agenda for September 5, 2023.

NOW, THEREFORE, BE IT RESOLVED that the City Council approves the consent agenda for September 5, 2023, including August 22, 2023, City Council Minutes to correct the previously adopted minutes and August 29, 2023, City Council Meeting Minutes.

23-317 (B) **Resolution to Amend August 22, 2023, City Council Meeting Minutes to Correct the Previously Adopted Minutes.** Moved by Councilperson Parker and second by Councilperson Goodman.

WHEREAS, the Pontiac City Council approved its Meeting Minutes for the August 22, 2023, City Council Meeting on August 29, 2023; and,

WHEREAS, the Pontiac City Council Meeting Minutes for August 22, 2023 did not include the names of three individuals who spoke during agenda address; and,

WHEREAS, the Pontiac City Council is amending its August 22, 2023, City Council Meeting Minutes to reflect that Darlene Clark addressed item 1, Gloria Miller addressed item 1 and Patrice Waterman addressed item 1 during agenda address.

NOW THEREFORE, BE IT RESOLVED, that the Pontiac City Council approves the amending of its August 22, 2023, City Council Meeting Approved Minutes to reflect that Darlene Clark addressed item 1, Gloria Miller addressed item 1 and Patrice Waterman addressed item 1 during agenda address.

Ayes: Goodman, James, McGuinness, Parker, and Rutherford

No: Nicholson and Carrington

Resolution Passed

Special Presentations

City of Pontiac Small Business Support American Rescue Plan-Funded Technical Assistance Grants

Service Changes for SMART 450 Woodward Local Pontiac and 462 FAST Woodward Pontiac-Auburn Hills, with the Woodward Avenue & Long Lake Road Stop Added for Both Routes

Recognition of Elected Officials – None

Agenda Address

1. Darlene Clark addressed item #1
2. Gloria Miller addressed item #4

Agenda Items

Ordinance

2422 **Adoption of an Ordinance to Amend Appendix B of the Municipal Code of the City of Pontiac, Amending Article 2, Section 2.103 – Zoning Map, to Change the Zoning Classifications for Two (2) parcels on Orchard Lake Road, on the South Side of Orchard Lake Road between Bagley Street and Congress Street from C-1 Local Business to M-1 Limited Industrial. (Second Reading)** Moved by Councilperson Nicholson and second by Councilperson Carrington.

Ayes: Parker, Carrington, Goodman, James, McGuinness, and Nicholson

No: None

Ordinance Passed

****See Ordinance #2422 as Exhibit A after the minutes****

Resolutions

City Council

23-318

Resolution Calling on the State of Michigan to Remove the Preemption of Local Rent Control. (Agenda add-on) Moved by Councilperson Goodman and second by Councilperson Nicholson.

Whereas, the mission of the Pontiac City Council is to promote the economic, cultural, and physical welfare of Pontiac citizens and residents through the powers and responsibilities given to us by the City Charter; and

Whereas, nearly six-tenths of the households in Pontiac (57%) are renter-occupied; and

Whereas, the Michigan State Housing and Development Authority (MSHDA) found that, as of November 2019, 50% of Michigan rental households are cost-overburdened, which The United States Department of Housing and Urban Development has defined as families who spend more than 30 percent of their household income on housing and “may have difficulty affording necessities such as food, clothing, transportation, and medical care,”; and

Whereas, in Pontiac more than half (57%) of our tenants are considered cost burdened; and,

Whereas, the average cost of rent for a one-bedroom apartment in Pontiac is \$1,018 as of January 2023, according to current renter market trends from Rent.com. The United States Census Bureau found that the median income in Pontiac in 2020 was \$27,169 for individuals and \$36,214 for households. This means that an individual making the median income in Pontiac would need to spend roughly 45% of their income on rent alone to afford the average one-bedroom apartment. MSHDA classifies any household spending more than 50% of their income on housing as severely cost-overburdened; and

Whereas, Affordable housing for an individual making the minimum wage of \$10.10 per hour and working full-time should cost no more than \$484.80 per month based on 30% of their income, which is less than half of the average rent for a 1-bedroom apartment in Pontiac, according to current rental market trends. The rental market trends also show that properties with rent under \$700 per month only make up less than 5% of the rental properties in Pontiac. This illustrates a severe lack of affordable housing for individuals making less than the Area Living Wage; and

Whereas, the lack of affordable housing causes financial stress and exacerbates poverty by preventing individuals from saving money for emergencies or for necessary purchases. The financial strain also causes physical stress to Pontiac residents that can result in chronic health problems; and

Whereas, MCL 123.411 prohibits local governments from enacting any resolution or ordinance “that would have the effect of controlling the amount of rent charged for leasing private residential property.” As a result, Pontiac is currently unable to use rent control as a tool to ensure that there is adequate affordable housing for its citizens; and

Whereas, the lack of rent control in Pontiac also contributes to the astounding number of evictions that Pontiac residents experience every year. Prior to the COVID 19 pandemic, eviction cases averaged over 4,000 per year; and

Whereas, Evictions increase poverty, disrupt education, cause mental health issues, and accelerate the cycle of homelessness in Pontiac. These evictions harm individuals and families; especially seniors, people with disabilities and households headed by Black women with young children; and

Whereas, according to a recent study by the University of Michigan, “At the current filing rate, 31% of Pontiac renters will face the threat of eviction this year.” This data is absolutely shocking and illustrates the enormity of the problem that a significant segment of our residents are facing. The eviction problem

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has reached epidemic proportions, and it requires immediate and effective action from all levels of government; and

Whereas, Pontiac residents' human rights depend on adequate, affordable housing for all, but our current systems and laws governing housing have a long failed to address the crisis. It is time for more effective policies.

Now, Therefore, Be It Resolved, the Pontiac City Council strongly urges State Representative Brenda Carter and State Senator Jeremy Moss to introduce or sponsor and enact legislation rescinding the ban on rent control laws.

THEREFORE, BE IT FINALLY RESOLVED, that the Pontiac Clerk is directed to send this resolution to the Pontiac delegation of the Michigan State House and Senate, the members of both legislative chambers, Housing committees, and Governor Gretchen Whitmer.

Ayes: Carrington, Goodman, James, McGuinness, Nicholson, and Parker

No: None

Resolution Passed

Communications

23-319 **Resolution to authorize payment for newsletter printing and delivery to the Original Print Shoppe in the amount of \$12,991.35.** Moved by Councilperson Nicholson and second by Councilperson James.

WHEREAS, the City of Pontiac solicited responses from four vendors to print and deliver a newsletter to residents; and

WHEREAS, four companies responded to the request; and

WHEREAS, one company was able to provide the requested services in the requested time frame at a total cost of \$12,991.35; and

WHEREAS, the total cost included \$7,822.91 for postage.

NOW THEREFORE, BE RESOLVED, City Council hereby authorizes payment to The Original Print Shoppe in the amount of \$12,991.35 for printing and delivery of the newsletter.

Ayes: Carrington, James, McGuinness, Nicholson, and Parker

No: None

Resolution Passed

Councilman Goodman was absent during the vote.

Community Development

23-320 **Resolution to approve the awarding of the bid and execute an agreement for Enterprise Fleet Management Inc. via the Sourcewell Cooperative Purchasing Program not to exceed \$36,486.00. (5 fleet vehicles for building inspectors)** Moved by Councilperson Carrington and second by Councilperson Nicholson.

WHEREAS, The Purchasing Manager has ensured that the purchase is following the City's municipal code, Division II. Purchasing, Section 2-517, 2-518, and 2-519 pertaining to major purchases.

WHEREAS, the Purchasing Manager is requesting approval to execute a City contract with Enterprise Fleet Management, Inc.

NOW, THEREFORE, The Pontiac City Council approves the Mayor or Mayor Designee to execute a City contract with Enterprise Fleet Management, Inc. as stated herein.

Ayes: James, McGuinness, Nicholson, Parker, and Carrington

No: None

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Resolution Passed

Councilman Goodman was absent during the vote.

Department of Public Works (DPW)

23-315 **Resolution to execute an agreement with DLZ for the replacement of the Sheriff Building Cooling Tower for the City of Pontiac. (Postponed from August 29, 2023 City Council Meeting)** Moved by Councilperson Rutherford and second by Councilperson Parker.

WHEREAS, The Purchasing Manager has ensured that the purchase is following the City's municipal code, Division II. Purchasing, Section 2-517, 2-518, and 2-519 pertaining to major purchases; and WHEREAS, the Purchasing Manager is requesting approval to execute a contract with DLZ to complete the engineering design for the replacement of the Sheriff Building cooling tower no later than November 2023;

NOW, THEREFORE IT IS RESOLVED: The Pontiac City Council approves the Mayor or Mayor Designee to execute a contract with DLZ for the Engineering design of the replacement of the Sheriff Building cooling tower.

Ayes: James, McGuinness, Parker, Carrington, and Goodman

No: None

Resolution Passed

Councilman Nicholson was absent during the vote.

Grants and Philanthropy

23-321 **Resolution to authorize the Mayor to execute the agreement between the City of Pontiac and the MI Department of Environment, Great Lakes, and Energy for the EGLE High Water Grant award in the amount of \$1,500,000.** Moved by Councilperson Carrington and second by Councilperson Parker.

WHEREAS, the City of Pontiac has been awarded \$1,500,000 from Michigan Department of Environment, Great Lakes, and Energy Water Resources Division State High Water Infrastructure Grant Program in the amount of \$1,500,000; and,

WHEREAS, the grant program requires that the City of Pontiac certify compliance with all Grant Program requirements, including commitment to long-term maintenance and all project cost overruns.

WHEREAS, the Pontiac City Council approved the application for this grant program by way of formal grant agreement on November 15, 2022

WHEREAS, the grant program requires a minimum of 20 percent matching funds.

THEREFORE, BE IT RESOLVED that the Pontiac City Council hereby authorizes the Mayor to execute the agreement between The City of Pontiac and the MI Department of Environment, Great Lakes, and Energy for the EGLE High Water Grant award in the amount of \$1,500,000.

Ayes: McGuinness, Nicholson, Parker, Carrington, Goodman, and James

No: None

Resolution Passed

23-322 **Resolution to authorize the City Clerk to publish the proposed budget amendment for Fiscal Year 2023-24 to increase budgeted revenues in the amount of \$1,500,000 to account 101-000-539.000 – MIEGLE, and expenditures in the amount of \$1,500,000 to account 101-445-936.000 – MIEGLE, \$75,000 to account 203-463-806.001 – MIEGLE, \$200,000 to account 202-463-818.001- MIEGLE, and \$100,000 to account 101-447-818.001 – MIEGLE.** Moved by Councilperson Nicholson and second by Councilperson James.

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WHEREAS, the City of Pontiac has been awarded \$1,500,000 from Michigan Department of Environment, Great Lakes, and Energy Water Resources Division State High Water Infrastructure Grant Program in the amount of \$1,500,000; and,

WHEREAS, the grant program requires that the City of Pontiac certify compliance with all Grant Program requirements, including commitment to long-term maintenance and all project cost overruns.

WHEREAS, the Pontiac City Council authorized the execution of the grant agreement.

WHEREAS, the grant program requires a minimum of 20 percent matching funds.

NOW THEREFORE, be it resolved that the City Council hereby authorizes the City Clerk to publish the proposed budget amendment to increase budgeted revenues in the amount of \$1,500,000 to account 101-000-539.000-MIEGLE, and expenditures in the amount of \$1,500,000 to account 101-445-936.000-MIEGLE, \$75,000 to account 203-463-806.001-MIEGLE, \$200,000 to account 202-463-818.001-MIEGLE, and \$100,000 to account 101-447-818.001-MIEGLE.

Ayes: Nicholson, Parker, Carrington, Goodman, James, and McGuinness

No: None

Resolution Passed

23-323 **Resolution to authorize the Mayor to execute the Michigan Indigent Defense Commission Fiscal Year 2024 Grant Agreement.** Moved by Councilperson Parker and second by Councilperson Nicholson.

WHEREAS, the Michigan Indigent Defense Commission (MIDC) has granted the City of Pontiac funding in the amount of \$1,741,055.88 for the period of October 1, 2023, through September 30, 2024. WHEREAS, the total budget is \$1,759,219.93, which includes the required local share contribution of \$18,164.05.

WHEREAS, the FY24 grant award budget is \$1,146,462.12 more than the prior year award.

WHEREAS, the grant program provides funding to the 50th District Court for the purpose of continuing to bring indigent defense systems into compliance with the first four minimum indigent defense standards, MCL 780.993(6).

WHEREAS, the Michigan Indigent Defense Commission Act (MIDC Act), MCL 780.981, et al., requires local funding unites to take over the delivery of indigent defense systems, MCL 780.983(g) and MCL 780.993(10) as specified in standards 1-5.

WHEREAS, the City of Pontiac is the local funding unit for the 50th District Court.

WHEREAS, the MIDC Act requires the City of Pontiac to create, and annual compliance plan and cost analysis required to deliver indigent defense services in compliance with the approved MIDC standards, MCL 780.993(3).

WHEREAS, the MIDC Act requires the MIDC to appropriate funds and provide grant monies to local funding unites for the costs in excess of the local share to continue to provide indigent defense services that comply with the minimum standards established by the MIDC, MCL 780.993(6).

THEREFORE, BE IT RESOLVED that the Pontiac City Council hereby authorizes the Mayor Tim Greimel to execute the agreement between The City of Pontiac and MI Indigent Defense Commission for the grant award with a total budget of \$1,759,219.93.

Ayes: Parker, Carrington, Goodman, James, McGuinness, and Nicholson

No: None

Resolution Passed

Public Comment

1. Kevin Dyer
2. Dawn Hannah
3. Anita Bow

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4. Chuck Johnson
5. Darlene Clark
6. Gloria Miller

Discussion

Zoning Map Status for 1075 E. Walton Boulevard

Communications

City Council and Mayor's Office

Mayor, Clerk and Council Closing Comments

Mayor Tim Greimel, Councilman Brett Nicholson, Councilman Mikal Goodman, Councilwoman Kathalee James, Councilman William Park Jr., Council President Pro-Tem William Carrington, and Council President Mike McGuinness made closing comments.

Adjournment

Motion to adjourn the meeting. Moved by Councilperson Carrington and second by Councilperson Goodman.

Ayes: Carrington, Goodman, James, McGuinness, Nicholson, and Parker

No: None

Motion Carried

Council President Mike McGuinness adjourn the meeting at 8:17 p.m.

Garland S. Doyle
City Clerk

STATE OF MICHIGAN
COUNTY OF OAKLAND
CITY OF PONTIAC

ORDINANCE NO. 2422

ZONING ORDINANCE MAP AMENDMENT

AN ORDINANCE TO AMEND APPENDIX B OF THE MUNICIPAL CODE OF THE CITY OF PONTIAC, AMENDING ARTICLE 2, SECTION 2.103—ZONING MAP, TO CHANGE THE ZONING CLASSIFICATIONS FOR TWO (2) PARCELS ON ORCHARD LAKE ROAD, ON THE SOUTH SIDE OF ORCHARD LAKE ROAD BETWEEN BAGLEY STREET AND CONGRESS STREET FROM C-1 LOCAL BUSINESS TO M-1 LIMITED INDUSTRIAL.

THE CITY OF PONTIAC ORDAINS:

Section 1. Amendments.

That the Zoning Map of the City of Pontiac, said map being incorporated by reference in the Zoning Ordinance for the City of Pontiac pursuant to Article 2 therefor, be and the same is hereby amended, changed, and altered so that hereafter the zoning classifications for the below legal description, also known as 121 Orchard Lake Road, on the South side of Orchard Lake Road between Bagley Street and Congress Street, Tax IDs: 64-14-29-460-14 and 64-14-29-460-008, shall be rezoned from C-1 Local Business to M-1 Limited Industrial.

Legal Description (as provided):

T3N, R10E, SEC 29 & 32 ASSESSOR'S PLAT NO. 115 LOTS 7 & 8, ALSO LOTS 11 TO 14 EXC THAT PART IN PCL BEG AT NW COR OF LOT 14, TH N 75-39-07 E 47.64 FT, TH N 88-34-22 E 275.50 FT, TH S 01-25-01 E 24.69 FT, TH S 89-04-04 W 59.11 FT, TH ALG CURVE TO LEFT, RAD 2247 FT, CHORD BEARS S 85-46-59 W 257.38 FT, DIST OF 257.52 FT, TH N 13-51-45 W 26.68 FT TO BEG, ALSO LOTS 15 & 16 EXC THAT PART IN PCL BEG AT NE COR OF LOT 15, TH S 13-51-45 E 26.68 FT, TH ALG CURVE TO LEFT, RAD 2247 FT, CHORD BEARS S 79-26-54 W 239.32 FT, DIST OF 239.43 FT, TH N 13-52-33 W 10.83 FT, TH N 75-39-07 E 238.93 FT TO BEG 2-2-99 FR002,003,004 010&012

Section 2. Repealer and Severability.

All other parts and provisions of the Zoning Ordinance shall remain in effect, amended only as provided above. If any section, clause, 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 this Ordinance shall stand and be in full force and effect.

Section 3. Effective Date

The foregoing amendment to the City of Pontiac Zoning Map was approved and adopted by the City Council on _____, 2023, after a public hearing as required pursuant to the Michigan Act 110 of 2006, as amended. The Ordinance shall be effective on _____, 2023, which date is the eighth day after publication of a Notice of Adoption and Posting of the Zoning Map Amendment in a publication in a newspaper of general circulation in the zoning district as required by Section 401 of Act 110 of 2006, as amended. However, this effective date shall be extended as necessary to comply with the requirements of Section 402 of Act 110, as amended.

ORDINANCE DECLARED ADOPTED.

CONSENT AGENDA C



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable Mayor, Council President, and City Council Members

FROM: Alicia Martin, Purchasing Manager
Tim Sadowski, Finance Director

DATE: September 8, 2023, for September 12, 2023 Session

RE: The Purchasing Manager and Finance Director request that the Pontiac City Council approve the Finance Director establishing a line of credit with TriMark a supplier of Strategic Equipment, LLC, for an amount not exceeding \$20,462, to procure a commercial hood for the Ruth Peterson Senior Center.

The Purchasing Manager collaborated with Hubbell, Roth & Clark, Inc., the architectural firm hired to design the Senior Center improvements, to solicit quotes from purchasing cooperatives that the City of Pontiac is a member of for the Ruth Peterson Senior Center improvements (Phase 2). Phase 2 includes renovations to Ruth Peterson's kitchen and floors connected to the kitchen and communal area. The quote received from Strategic Equipment, LLC is to install a new commercial exhaust hood and make-up air unit in the kitchen. Director Alexandra Borngesser was instrumental in obtaining a Lowe's grant totaling \$200,000 for Phase 2 of the Ruth Peterson Senior Center project; a portion of the total cost (**\$91,900**) is for appliances.

The purchasing manager will use the Sourcewell Contract #063022-SES to procure the commercial hood and make-up air unit. A copy of the Sourcewell contract will accompany this resolution. The purchasing manager and architect opted to use a cooperative for the project because time is of the essence, and a contractor must complete the scope of work, and payment is made to the contractor no later than November 15, 2023

According to Pontiac Code Section 2-523, the City may use cooperative purchasing when the Purchasing Agent or the City Council deems it to be in the "best interest of the City." The ordinance further permits that when bids are received through such cooperatives, the advertising and bidding requirements are deemed to have been met.

WHEREAS, The Purchasing Manager has ensured that the purchase is following the City's municipal code, Division II. Purchasing, Section 2-517, 2-518, and 2-519 pertaining to major purchases; and

WHEREAS, the Purchasing Manager is requesting approval to establish a line of credit with Strategic Equipment, LLC up to a not-to-exceed amount of \$20,462;

NOW, THEREFORE
BE IT RESOLVED, The Pontiac City Council approves the Mayor or Mayor Designee to allow the Finance Director to execute the line of credit application with Strategic Equipment, LLC to purchase the commercial hood and air unit for the Ruth Peterson Senior Center.

AM



Acct. Number
Date Received

NEW CUSTOMER ACCOUNT APPLICATION

FEDERAL I.D. # _____ D&B # _____ TAX EXEMPT # _____
Current W-9 Required, please attach **Certificate Required, please attach**

B I L L T O	LEGAL NAME (dba)	_____
	CORPORATE	_____
	ADDRESS	_____
	CITY	COUNTY
	STATE	ZIP
	AP PHONE #	AP FAX #
	AP EMAIL ADDRESS	_____

* S H I P T O	NAME	_____
	ADDRESS	_____
	CITY	COUNTY
	STATE	ZIP
	ATTENTION OF	_____
	PHONE #	FAX #
	EMAIL ADDRESS	_____

Monthly Statement Desired?

YES ☐ NO ☐

* If more than one ship to address, please attach listing.

BUSINESS FACTS

<input type="checkbox"/> SOLE PROPRIETOR	<input type="checkbox"/> CORPORATION	<input type="checkbox"/> PARTNERSHIP	STATE OF INCORPORATION	YEAR STARTED
LENGTH OF TIME AT PRESENT LOCATION		PREVIOUS LOCATION		
TYPE OF BUSINESS				DOES OPERATOR OWN BUILDING? <input type="checkbox"/> YES <input type="checkbox"/> NO
NAME, ADDRESS AND PHONE NO. OF MORTGAGOR				
IF LEASING, NAME, ADDRESS & PHONE NO. OF LESSOR				

COMPLETE THE FOLLOWING INFORMATION FOR ALL CORPORATE OFFICERS, PARTNERS, OR AN INDIVIDUAL PROPRIETOR

NAME AND TITLE	NAME AND TITLE
HOME ADDRESS	HOME ADDRESS
CITY, STATE, ZIP	CITY, STATE, ZIP
BUSINESS/CELL PHONE #	BUSINESS/CELL PHONE #
SS #	SS #
FAX #	FAX #
EMAIL ADDRESS	EMAIL ADDRESS
NAME AND TITLE	NAME AND TITLE
HOME ADDRESS	HOME ADDRESS
CITY, STATE, ZIP	CITY, STATE, ZIP
BUSINESS/CELL PHONE #	BUSINESS/CELL PHONE #
SS #	SS #
FAX #	FAX #
EMAIL ADDRESS	EMAIL ADDRESS

HAVE YOU HAD A PRIOR ACCOUNT WITH TRIMARK?		TRADE NAME USED	WHEN
BANKING			
BANK NAME		BANK NAME	
ADDRESS		ADDRESS	
CITY, STATE, ZIP		CITY, STATE, ZIP	
ACCOUNT #		ACCOUNT #	

FOR CREDIT AMOUNTS IN EXCESS OF \$15,000, PLEASE ATTACH LAST TWO YEAR-END FINANCIAL STATEMENTS PLUS INTERIM FINANCIAL STATEMENTS (IF AVAILABLE), INCLUDING BALANCE SHEETS AND PROFIT AND LOSS STATEMENTS AND NOTES WITH THIS APPLICATION.

TRADE REFERENCES: (Preferably food service suppliers)

NAME	CONTACT	PHONE	CREDIT LIMIT	EMAIL
1				
2				
3				

The entity set forth above (hereinafter referred to as "Customer") agrees to the following terms or provisions in consideration of the extension of credit by TriMark USA and/or its subsidiaries and affiliates (collectively referred to hereinafter as "TriMark") to Customer and TriMark's agreement to sell goods and materials to Customer.

- Customer has reviewed and hereby agrees to the Terms and Conditions of Sale of TriMark, a copy of such terms and conditions may be found here: <http://www.trimarkusa.com/terms-of-sale> (the "Terms and Conditions").
- Customer and any party executing the personal guaranty set forth below (the "Guaranty", and each signatory, a "Guarantor"), if applicable, agree that amounts due TriMark are payable in accordance with the terms of each order or quotation. Unless otherwise provided for in an order or quotation, all amounts due TriMark are required to be paid within thirty (30) days of the date of invoice. Customer acknowledges and agrees that Customer will pay a finance charge in the amount of 1.5% per month or the maximum rate allowed by law, whichever is the less, on the unpaid balance of any past due invoice until paid.
- Customer agrees to pay TriMark a service charge for all checks returned unpaid by Customer's bank.
- TriMark may impose a convenience fee associated with credit card payments that is not greater than TriMark's cost of acceptance.
- Customer agrees to notify TriMark not less than thirty (30) days prior to any change in ownership of Customer and further agrees to be liable for all purchases made before and after change of ownership should Customer fail to comply with this provision.
- Customer acknowledges that the above and attached information is submitted for obtaining credit from TriMark. Customer represents and warrants that the information set forth above and any attachments to this Application are true and correct. Customer expressly authorizes any past or present bank, trade reference and credit reporting agency to release information to TriMark, and that TriMark is hereby authorized to contact and obtain information from the references provided and any credit reporting agencies for verifying all submitted information. Customer agrees to promptly notify TriMark of any material change in any of the information herein or subsequently provided to TriMark.
- Customer agrees that a facsimile copy, email, or electronic signature on this Application bearing authorized signatures may be treated as an original.
- Customer hereby grants express permission to TriMark to send facsimile/email advertisements from time to time, but that Customer may elect to opt out of such advertisements by providing written notice to TriMark at any time.
- The undersigned represents and warrants that he/she has the authority to execute this Application on behalf of Customer. If no business entity is listed above and the undersigned is applying for credit personally, then the undersigned is to be deemed the "Customer" and to be acting in his/her individual capacity and not in a representative capacity. The undersigned acknowledges and agrees that his/her personal credit history may be a factor in TriMark's evaluation of the credit worthiness of Customer and hereby consents to and authorizes TriMark to obtain the undersigned individual's personal credit history from credit agencies.
- In consideration of TriMark's agreement to extend credit to Customer, Customer grants to TriMark a security interest in the goods and materials acquired from TriMark as more fully set forth in the Terms and Conditions.
- This application and the agreements contained herein shall be construed, governed, and enforced under the laws of the State of Delaware, without regard to laws regarding conflict of law. Customer and/or Guarantor(s) identified below agree that all disputes arising hereunder shall be resolved by binding arbitration, which shall be held exclusively in Boston, Massachusetts, under the Commercial Dispute Resolution Procedures of the American Arbitration Association with the prevailing party to be awarded that proportion of its reasonable costs and expenses (including attorney's fees) that it actually incurs in arbitrating the matter. Judgment upon the award may be entered in any court having jurisdiction.

DATE _____

SALES REPRESENTATIVE _____

X

OFFICER, OWNER OR PARTNER

TITLE _____

TYPE OR PRINT NAME _____

INDIVIDUAL PERSONAL GUARANTY

The undersigned guarantor(s), for and in consideration of TriMark USA and/or its subsidiaries and affiliates (collectively, "TriMark") extending credit to Customer, hereby personally guarantees to TriMark any payment of any obligations of Customer and hereby agree to bind themselves to pay on demand any sum which Customer may owe to TriMark if Customer fails or is unable to pay the same. It is understood that this guaranty shall be a continuing and irrevocable guaranty and indemnity for such indebtedness of Customer to TriMark, is a guaranty of payment and performance, and if there are multiple guarantors, that this guaranty shall be a joint and several obligations of the guarantors. The undersigned guarantor(s) do hereby waive notice of default, non-payment and notice thereof and any modification or renewal of any credit, credit extension, obligations, or payments hereby guaranteed, in the event the account becomes delinquent and is turned over to an attorney for collection, the undersigned guarantor(s) agree to pay all TriMark's collection costs including reasonable attorneys' fees.

DATE _____

WITNESS _____

X

SIGNATURE

HOME ADDRESS _____

TYPE OR PRINT NAME _____



Strategic Equipment, LLC
dba TriMark Strategic
dba TriMark Foodcraft
dba ISI Commercial Refrigeration

Quote

08/30/2023

To:
Hubbell, Roth & Clark
Steven Sack
248-454-6830 (Contact)

Project:
City of Pontiac - Exhaust Hood

From:
Strategic Equipment, LLC
Chuck Taylor
2801 S Valley Parkway
Suite 200
Lewisville, TX 75067
(469)240-7200
469-240-7253 (Contact)

Job Reference Number: 81264

Thank you for allowing TriMark the opportunity to provide pricing. Please be aware in this very unstable market; manufacturers are experiencing delays, pricing increases and additional freight surcharges and storage fees. **As such, quotes will remain in effect for 10 days.** TriMark reserves the right to make any corrections or adjustments due to cost increases, market fluctuations, supply chain disruptions, tariffs, third party supplier changes in cost, general contractor delays, or any other factors outside of TriMark's control at any time prior to delivery. We apologize for the inconvenience.

For all custom fabricated equipment, exhaust hoods, walk-in coolers/freezers, and all items requiring owner selections of colors or laminate finishes, these prices are current estimates. We will re-quote those items based on the manufacturers' prices in effect at the time when field measurements can be taken and/or color/laminate selections are made by the owner. This policy also applies to all items of standard manufacture that cannot be shipped immediately upon fabrication to an owner's or general contractor's facility.

****Sourcewell Contract #063022-SES****

This quote does not include duct work above the ceiling or installation. The fans quoted are for exhaust only. No make-up air is included.

Item	Qty	Description	Sell	Sell Total
<u>1</u>	1 ea	EXHAUST HOOD Accurex Model No. KH-24 RANGE Accurex 48" canopy hood, exhaust only. Includes Canopy Hood	\$13,752.54	\$13,752.54

Item	Qty	Description	Sell	Sell Total
		Exhaust fan and curb		
		Fire Suppression System, pre-piped		
		Fire System Field Hook-up		
		Gas valve		
		System controls		
		Start-up and certification		
	1 ea	BACKSPLASH Stainless steel backsplash - 80" high x 60" long	\$366.91	<Optional>
	1 ea	CEILING CLOSURE PANELS 18" stainless steel closure panels for left, front, and right	\$417.47	<Optional>
	1 ea	XDGX-P115-H05-VG Tempered (Heat Only) make-up air unit, Natural Gas	\$6,209.26	\$6,209.26
ITEM TOTAL:				\$19,961.80
2	1 ea	EXHAUST HOOD	\$14,252.43	\$14,252.43
		Accurex Model No. KH-36 RANGE		
		Accurex 48" canopy hood, exhaust only. Includes		
		Canopy Hood		
		Exhaust fan and curb		
		Fire Suppression System, pre-piped		
		Fire System Field Hook-up		
		Gas valve		
		System controls		
		Start-up and certification		
	1 ea	BACKSPLASH Stainless steel backsplash - 80" high x 60" long	\$366.91	<Optional>
	1 ea	CEILING CLOSURE PANELS 18" stainless steel closure panels for left, front, and right	\$417.47	<Optional>
	1 ea	XDGX-P115-H05-VG Tempered (Heat Only) make-up air unit, Natural Gas	\$6,209.26	\$6,209.26
ITEM TOTAL:				\$20,461.69
Total				\$40,423.49

This Quote shall be subject to TriMark's Terms of Sale <https://www.trimarkusa.com/SiteMedia/SiteResources/Terms/TriMark-Terms-and-Conditions-of-Sale.pdf>, which are incorporated herein by reference and shall govern. The parties specifically agree that no signature shall be required in order for this Quote or its applicable terms and conditions to be deemed legally binding and enforceable on Customer where the intent to be so bound can be inferred (including by acceptance or retention of products or services), notwithstanding contrary requirements under any law.

Any tax or similar fees shown in this Quote are an estimate only.

Florida Refrigeration License # CAC1821900

Austin	Beaumont	Houston	Lewisville
TACLB52729R	TACLA35912C	TACLA108388C	TACLB16860C

Regulated by the Texas Department of Licensing and Regulation, P.O. BOX 12157, Austin, Texas, 1-800-803-9202. www.tdlr.texas.gov

I understand, agree to and accept the above terms and conditions.

Acceptance: _____ Date: _____

Printed Name: _____

Project Grand Total: \$40,423.49



Solicitation Number: RFP #063022

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Strategic Equipment, LLC, 2801 S. Valley Parkway, Suite 200, Lewisville, TX 75067 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Commercial Kitchen Equipment with Related Supplies and Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires August 3, 2026, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
 - b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,

resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

- a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
- b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. **REQUIREMENTS.** At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for products liability-completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability.* During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:

\$2,000,000 per claim or event

\$2,000,000 – annual aggregate

6. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial

general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to "federal" should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier's Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report

all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R.

§180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. **PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322).** A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. **FEDERAL SEAL(S), LOGOS, AND FLAGS.** The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. **PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.** The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. **FEDERAL DEBT.** The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. **U.S. EXECUTIVE ORDER 13224.** The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

063022-SES

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

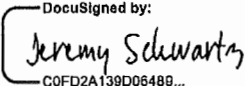
T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

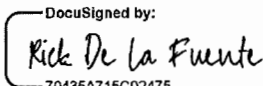
22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

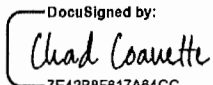
Sourcewell

Strategic Equipment, LLC

DocuSigned by:

By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 7/29/2022 | 12:53 PM CDT

DocuSigned by:

By: 70435A715C02475...
Rick De La Fuente
Title: Regional Chief Financial Officer
Date: 8/2/2022 | 9:57 AM CDT

Approved:

DocuSigned by:

By: 7E42B8F617A84CC...
Chad Coquette
Title: Executive Director/CEO
Date: 8/2/2022 | 10:04 AM CDT

RFP 063022 - Commercial Kitchen Equipment with Related Supplies and Services

Vendor Details

Company Name: Strategic Equipment, LLC
Does your company conduct business under any other name? If yes, please state: Trimark
Address: 2801 S Valley Parkway, Suite 200
Lewisville, Texas 75067
Contact: Chuck Taylor
Email: chuck.taylor@trimarkusa.com
Phone: 469-261-5003
Fax: 469-240-7253
HST#: 62-1808341

Submission Details

Created On: Thursday June 16, 2022 09:14:24
Submitted On: Thursday June 30, 2022 13:16:44
Submitted By: Chuck Taylor
Email: chuck.taylor@trimarkusa.com
Transaction #: b7c85aea-0d6c-4500-802c-61c97587e748
Submitter's IP Address: 99.106.55.140

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Strategic Equipment, LLC
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Strategic Equipment, LLC is a wholly-owned subsidiary of Trimark USA, LLC, with Trimark being our trade and brand identity. Although not subsidiaries of Strategic Equipment, LLC, other Trimark divisions, operating under separate legal entities, share the same Trimark trade and brand identity and will participate in providing goods and services under this contract. These legal entities are: TriMark Marlinn, LLC; Hockenbergs Equipment and Supply Co, Inc.; S.S. Kemp & Co, LLC; TriMark United East, LLC; RW Smith & Co; Chefs Toys, LLC All Trimark divisions, regardless of legal entity, identify themselves in the marketplace as Trimark and share common values, goals, and principles. We work in cooperation with each other to present a seamless experience to our customers.
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	ISI Commercial Refrigeration, TriMark Foodcraft
4	Provide your CAGE code or Unique Entity Identifier (SAM):	641S7
5	Proposer Physical Address:	2801 S. Valley Parkway, Suite 200 Lewisville, TX 75067
6	Proposer website address (or addresses):	www.trimarkusa.com
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Rick De La Fuente Regional Chief Financial Officer 2801 S Valley Parkway, Suite 200 Lewisville, TX 75067 Rick.DeLaFuente@trimarkusa.com 469-240-7219
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Chuck Taylor Manager Institutional Sales and Purchasing Co-ops 2801 S Valley Parkway, Suite 200 Lewisville, TX 75067 chuck.taylor@trimarkusa.com 469-250-7253
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Mark Kohlschmidt Senior VP Institutional and Contract Sales - Southern Region 9010 W. Little York Road, Ste 100 Houston, TX 77040 mark.kohlschmidt@trimarkusa.com 713-861-4455 ext. 5504 Amy Leasure Sales Executive Southern Region 5843 Barry Road Tampa, FL 33634 amy.leasure@trimarkusa.com 972-896-9893

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	TriMark has been in business more than 125 years. TriMark is the most experienced foodservice supply company in the industry. We are the leading provider of foodservice supplies, equipment, and specialized kitchen solutions. We are committed to the unique vision of each customer - offering innovative ideas, cutting-edge insights and critical tools to support their passionate pursuit of excellence every day. From sourcing products to identifying cost-saving solutions, we help our customers operate more efficiently to achieve optimal results. We provide services to meet the unique needs of foodservice establishments. Our purchasing power allows us to stock the best equipment and supplies for the customer to run their operation efficiently.
11	What are your company's expectations in the event of an award?	Our position as the incumbent supplier in this category affords a unique perspective into the purchasing trends of Sourcewell members and allows us to identify opportunities for measurable growth. We expect to build on the foundational business we've established over the previous years as a trusted Sourcewell supplier by increasing our offering to include new product categories, consultative design capabilities, and service. We also expect immediate growth with the expansion of our contract award to TriMark and its subsidiaries, enhancing not only our responsiveness to Sourcewell members in their respective markets but also our ability to anticipate their individual needs in a proactive fashion.
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Strategic Equipment generated sales of \$558.5 million in 2021, which was a 22% increase over 2020. We generated \$26 million in Operating Income from those sales in 2021. This sales performance would rank Strategic the fourth largest foodservice equipment and supplies distributor in the United States. See Attachment - Income Statement Summary
13	What is your US market share for the solutions that you are proposing?	Trimark occupies the #2 position in the market with a 15% domestic market share (Source: Foodservice Equipment and Supplies 2022 Distribution Giants report, https://fesmag.com/research/distribution-giants/20180-2022-distribution-giants).
14	What is your Canadian market share for the solutions that you are proposing?	N/A. No data available related to Canadian market share.
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No, it has not.
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Strategic Equipment, LLC is a subsidiary of TriMark USA, LLC, a wholly owned and privately held corporation, and is best described as a distributor/dealer/reseller. We are the preferred supplier of the industry's top tier foodservice equipment and supply manufacturers, providing the breadth of a national company while maintaining the depth of a local dealer.
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	N/A
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	None

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
19	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>Foodservice Equipment and Supplies Magazine Dealer of the Year Award 2019</p> <p>2020 Performance in Tabletop Award - International Smoke</p> <p>2022 Vendor of the Year Award - Focus Brands (Schlotzsky's, Carvel, Cinnabon, Moe's Southwest Grill, McAlister's Deli, Auntie Anne's and Jamba)</p> <p>2018/2020/2022 - Highest Volume Increase in Smallwares Category - ABC Buying Group</p> <p>2022 - Highest Total Dollar Increase - ABC Buying Group</p>
20	What percentage of your sales are to the governmental sector in the past three years	.43% of total sales were to the government sector
21	What percentage of your sales are to the education sector in the past three years	2.1% of total sales were to the education sector
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	<p>Sourcwell Contract 091918-TMK</p> <p>2019 - \$8,345,324.50</p> <p>2020 - \$2,822,788.50</p> <p>2021 - \$10,837,512.00</p> <p>TASN Buyboard Contract 598-19</p> <p>2019 - \$1,373,149.50</p> <p>2020 - \$ 282,159.50</p> <p>2021 - \$ 644,756.00</p> <p>Choice Partners Contract 19/039TJ</p> <p>2019 - \$4,603,797.50</p> <p>2020 - \$2,467,064.50</p> <p>2021 - \$ 904,155.50</p>
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	None

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcwell participating entities.

Entity Name *	Contact Name *	Phone Number *
Georgia Department of Corrections	Freddie Armstrong Facility Maintenance Engineer Advisor	404-244-5748
Waco Independent School District	Clifford Reece Director of Child Nutrition Services	254-752-5522
Clay County District Schools	Rosita Rivera Viera	904-336-6855

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Georgia Dept. Corrections	Government	Georgia - GA	Equipment, Dish Washers, Cooking Equipment, Fabrication, Design, Installation	Varied Several \$240,000.00	\$3,200,000.00	*
Auburn University	Education	Alabama - AL	Equipment, Walk in refrigerated rooms, Cooking equipment, Installation	\$200,000.00-\$2,000,000.00	\$2,489,000.00	*
Louisiana Stadium and Exposition	Government	Louisiana - LA	Equipment, Walk in refrigerated rooms, Cooking equipment, Installation	\$1,870,000.00	\$1,870,000.00	*
School District of Lee County	Education	Florida - FL	Equipment, Serving Lines, Refrigeration, Cooking Equipment, Décor Packages, Installation	\$100,000.00 - \$200,000.00	\$1,582,000.00	*
School Board of Clay County	Education	Florida - FL	Equipment, Walk in Refrigerated Rooms, Serving Lines, Cooking Equipment, Décor Packages	\$100,000.00-\$200,000.00	\$1,447,000.00	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcwell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	Strategic Equipment a division of TriMark USA has seven sales people dedicated to the institutional market. This staff is located in: Dallas and Houston, Texas; Tampa, Florida; Knoxville, Tennessee; Duluth, Georgia. Our sister companies have sales staff located throughout the country. TriMark USA has 45 sales offices, with over 500 outside sales people and 200 inside sales people. This sales team is backed by over 600 project and operational support members. TriMark USA has 39 distribution centers.	*
27	Dealer network or other distribution methods.	We use our sister companies in TriMark USA and their respective distribution centers to fulfill the specifics of the RFP. This includes sales, project management, design, etc.	*
28	Service force.	We provide standard service repair during operating hours (both on-site and in-shop), emergency service repair on-site, installation (both project and single replacement), and planned maintenance (PM) service for the Commercial Food Equipment Industry. In addition, customers looking to repair their own equipment, we sell OEM parts with an inventory of over \$3 Million in our distribution facilities. In-house service territories include Alabama, Georgia, Florida, and Texas with a fleet of over 100 vehicles. TriMark is a proud member of the Commercial Food Equipment Service Association (CFESA). TriMark partners with authorized service agencies within neighboring states for both in and out of warranty service repairs as well as installation.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	New customers will be required to complete a New Customer Application. Upon receipt and review by our credit department, an open account with Net 30 day terms will be established and orders may be processed. Once the Sourcwell member acknowledges acceptance of the quotation and submits a valid purchase order, the Project Coordinator assigned to the account will process the order, place purchase orders to the manufacturers, and advise of the tracking information once that is made available.	*

30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	To obtain our goal of providing the highest lever of customer service and support, Strategic employs a team approach. The primary client contact is the Sales Executive or Account Manager assigned to the customer. To facilitate order fulfillment, the Sales Executive will assign a Project Coordinator or inside sales professional to assist with order placement, tracking of shipments, and other administrative functions. If the size of the project warrants additional resources, an onsite Project Manager will be assigned to assist with tracking and scheduling shipments and coordinating installation of the equipment, working in cooperation with the customer's general contractor and subcontractors. This team approach provides for the flow of shared information so each team member can provide timely and responsive updates and information to the customer regarding the project.	*
31	Describe your ability and willingness to provide your products and services to Sourcwell participating entities in the United States.	Strategic, along with our participating Trimark divisions comprise one of the largest sales forces in the industry, providing coverage nationwide. In addition, we have developed a team of experienced professional Sales Executives dedicated to serving the institutional market and growing our market share in this sector. Developing the institutional market is one of our key initiatives company-wide and we view it as one of our greatest opportunities for growth.	*
32	Describe your ability and willingness to provide your products and services to Sourcwell participating entities in Canada.	While our experience in providing products and services to customers in Canada has been very limited, primarily in support of our chain account customers, we are developing the contacts and channel partnerships necessary to pursue more opportunities in that market.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	N/A	*
34	Identify any Sourcwell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	N/A	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Freight and transportation costs would be based on actual cost plus mark up	*

Table 7: Marketing Plan

Line Item	Question	Response *	
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	We plan to distribute marketing materials to our sales team and customer base that highlight our contract capabilities. Our award will be posted on our company website and all our web marketing platforms will be updated to include content designed to draw attention to our contract offerings with links to the Sourcwell home page and our vendor landing page. We will continue to exhibit at regional and national trade shows providing the best opportunity to meet prospective members with the intent of generating new cooperative sales leads. We will periodically distribute marketing materials via direct mail and email marketing campaigns designed to underscore cooperative purchasing and our commitment to our Sourcwell partnership.	*
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Strategic has a robust social media presence. We post across five social media platforms on a weekly basis sharing recent company programs, restaurant installations, community involvement, hiring activities and industry partnership. We've recently launched BIM 360 utilizing technology to provide a live, shared digital workspace to facilitate project management and critical planning.	*
38	In your view, what is Sourcwell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcwell-awarded contract into your sales process?	As an incumbent supplier for Sourcwell, the cooperative purchasing vehicle is fully ingrained and has become fundamental to our sales and marketing strategy. The success thus far is largely attributed to the collaborative efforts of our Sourcwell contract administrators, promoting our contract to interested members and coordinating marketing efforts. We have seen significant growth in Sourcwell contract sales over the past year as a result of our focused attention on the institutional market and development of our Institutional Sales Team. We anticipate this to continue to grow as team members become more and more experienced with utilizing the benefits offered by cooperative purchasing.	*
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Currently we provide custom e-procurement portals tailored specifically to customers who regularly place replenishment orders of common items. This platform optimizes the ordering and delivery process for our repeat customers. This service will be made available to any Sourcwell member who believes this will fit their specific need. We also participate in Sourcwell Equal Level, currently positioned with an expanded profile with plans to move to a catalogue store in the future.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	We work in coordination with the local manufacturer's representatives to schedule on-site training and product demonstration designed to maximize familiarity and comfort with a new piece of equipment. Additionally, most manufacturer's representatives employ chefs who will assist our customers in menu development and testing and programming recipes for consistency and productivity. In most cases these services are provided at no additional cost to the customer. However, there may be cases where, due to the remote location of the customer or the requirement for multiple trips, a fee would be required. In those instances we would provide the customer with a quote based on the Ancillary rate in the pricing agreement.
41	Describe any technological advances that your proposed products or services offer.	Foodservice equipment manufacturers constantly update products to incorporate the latest innovations in design, function, and technology. Some recent examples are: High speed, fast bake ovens - reduce cooking time leading to higher productivity and efficiency. High efficiency fryers with oil recovery systems that significantly reduce the consumption of oil, reducing costs and increasing profitability. Induction cooking - provides the most efficient transfer of energy and allows more flexibility in locating cooking and serving locations Ventless technology for cooking equipment and warewashing equipment - allows for use of equipment where a traditional ventilation system would have been unfeasible.
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Equipment manufacturers invest heavily into research and development of new products able to operate at peak efficiency while minimizing impact on the environment. Strategic offers many Energy Star certified products and encourages the use of high-efficiency equipment whenever possible. For projects in development, our designers can collaborate with architects and consultants seeking LEED green building certification. On the operational level, our Strategic facilities employ motion-activated lighting, engage in pallet recycling programs, minimize packaging, and follow waste reduction protocol. Agencies that regulate and certify this equipment are: U.S. Department of Energy - www.energy.gov U.S. Environmental Protection Agency - www.epa.gov U.S. Green Building Council - new.usgbc.org
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	N/A
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	None
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Strategic is more than just an equipment and supplies provider. Our approach is more like a consultant. Our sales force is comprised of trained and experienced foodservice professionals, many holding CFSP accreditation, who are adept at working with the customer to identify needs and develop solutions. We truly provide a "turnkey" experience by offering services that include menu development, space and layout design, equipment specification and procurement, project management, delivery and installation, equipment demonstration and training. We take the project from inception to completion and employ a team of experts to assist the customer all along the process. Our national footprint and multiple warehouses help to provide timely delivery of products to our customers

Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	Warranties are those supplied by the equipment manufacturers. Generally cover parts and labor.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Warranty will not cover abuse or lack of maintenance.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	We have coverage in the United States.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	We warranty any work we perform. The equipment is covered by the original equipment manufacturer.	*
51	What are your proposed exchange and return programs and policies?	Special order items are not returnable and will not be exchanged. If a manufacturer will take back an item they consider returnable, the return must have an RMA and be returned within 90 days in the original carton. All freight, restocking, damage plus a service fee will be deducted from the credit for equipment.	*
52	Describe any service contract options for the items included in your proposal.	We offer preventative maintenance contracts for refrigeration equipment in Texas. DFW, Houston, Beaumont and Austin.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	Standard payment terms are Net 30 days. To be considered for an open account, all new customers will be required to complete a New Customer Application and provide tax exemption certification if applicable. All applicants are subject to Strategic's Credit Terms and Policies and must meet criteria specified therein. Finance charges of 1/5% per month (18% APR) or the maximum rate that an applicant may lawfully contract to pay, whichever is less, on any payment Seller considers past due until collected. Accepted payment methods include check, ACH, wire transfer, credit card	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	TriMark Strategic has developed business relationships with several reputable third-party leasing companies and can provide Sourcewell customers with information regarding this option upon request.	*
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Strategic will require a valid Purchase Order from Sourcewell customers. Upon acceptance, Strategic will agree to the terms and conditions set forth in the Purchase Order. All quotes submitted by Strategic to Sourcewell customers will be on a standard Quotation Form and will have this statement regarding the Terms of Sale: "This Quote shall be subject to TriMark's Terms of Sale http://www.trimarkusa.com/SiteMedia/SiteResources/Term/TriMark-Terms-and-Conditions-of-Sale.pdf , which are incorporated herein by reference. The customer's Purchase Order terms and conditions shall govern.	*
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, we accept P-cards as well as Visa, Master Card, American Express, and Discover. There is a 2.5% administrative fee for these transactions.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Due to the breadth of products and thousands of SKU's that we offer, we will employ a catalogue discount price model. Each manufacturer is assigned a set percentage discount off the published list price. Pricing extended to Sourcewell members will not exceed the contracted discount. A comprehensive matrix detailing the discounts and product categories by manufacturer will be made available. Note that some of the manufacturers listed do not have a published list price since their products are typically custom-made to each individual application. These include manufacturers that produce ventilation hoods, walk-in coolers and freezers, custom serving lines, custom stainless steel fabrication, etc. Since there is no published list price, we will provide a custom quote for these items. See Attachment for Detailed Discount Matrix
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	The discounts listed in the discount matrix range from 0% (List) to 70% off manufacturer's published list price.
59	Describe any quantity or volume discounts or rebate programs that you offer.	Due to the amount of discount offered, there are no additional quantity/volume discounts or rebates available.
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Pricing for any manufacturer not listed on the discount matrix will be provided by a quote upon request. Ancillary products and services will be provided at cost + 15%. Examples are: Design Services Project Management Freight and Logistics Consolidation and Storage Replacement parts Furniture Linens Uniforms Aprons Laundry Equipment Custom Fabrication Millwork Kiosks All Others
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Acquisition costs not specifically detailed in this proposal are hypothetical and dependent upon a number of variables. For example, if a customer should experience unforeseen delays in construction or renovation of a foodservice facility and is unable to accept scheduled delivery after an order has shipped, Strategic will coordinate with the carrier to reroute the shipment to a warehouse facility for storage until such a time the delivery can be rescheduled. Costs to receive, warehouse, stage, and deliver the order would be addressed with the customer and invoiced at a cost + rate as outlined above.
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All applicable freight charges will be quoted upon request and Strategic will prepay the charges and add these costs to the invoice in line with the pricing structure outlined for Ancillary Items. Due to our buying power and favorable relationships with leading manufacturers, Strategic has negotiated free shipping or reduced freight rates on many product lines. In these cases, the cost savings will be passed along to the Sourcewell member.
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	For shipments to Alaska, Hawaii, Canada, or offshore location, we typically provide shipping estimates to a freight forwarder at the nearest port of entry to the contiguous USA. I

64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Products requiring technical expertise to properly install and calibrate, such as warewashing equipment and combi ovens, may be shipped directly from the manufacturer to the factory authorized installer for delivery. Additionally, large projects typically require consolidation of equipment to a storage facility for later delivery by a Strategic installer or third party installation partner.	*
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Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	We now have a dedicated sales force focused specifically on the Institutional Market and each team member is well-versed and trained on the provisions and requirements of the Sourcewell agreement. Compliance will be monitored by the Manager of Institutional Sales and Purchasing Co-ops. All sales made through the Sourcewell contract will be keyed with an identifier in our order system and tracked to facilitate accurate quarterly sales reporting.	*
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	We monitor each quotation by generating a quote and confirming pricing and profitability. We set goals for sales and margin for our sales staff and the department as a whole.	*
68	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	1.5%	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Strategic Equipment is offering products of every category of food service equipment. This includes, cooking, holding, preparation, refrigeration and walk in coolers and freezers, warming, transport, bakery and ware washing, ventilation hoods; fire systems, fans, and pollution control equipment that would be tied to the hoods. We also offer smallwares, table top, utensils, supplies and disposables. We offer project management, set in place and installation. We provide after the sale service for refrigeration equipment in the major Texas metropolitan areas.	*
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Food Service Equipment, Supplies and Disposables: Equipment, tables, mixers, dish washers, mixers, slicers, vent hoods, walk in coolers and freezers, cooking equipment, laundry equipment, ovens, bar equipment, beer systems, small wares, table top.	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments	
71	Kitchen and foodservice equipment and appliances	<input checked="" type="radio"/> Yes <input type="radio"/> No	We have access to and can provide equipment from all foodservice manufacturers. This includes but is not limited to all kitchen ventilation and refrigerated rooms. We can also provide products from categories such as commercial laundry, equipment medical refrigeration and more.	*
72	Components, accessories, and parts for the equipment and appliances described in Line 71 above	<input checked="" type="radio"/> Yes <input type="radio"/> No	Components and parts that are accessories can be added at the time of ordering. Replacement parts can be provided as requested.	*
73	Foodservice small wares, tools, dispensers, supplies, and furnishings complementary to an offering of the solutions in Line 71 above	<input checked="" type="radio"/> Yes <input type="radio"/> No	We have access to and can provide foodservice small wares, tools, dispensers, supplies, and furnishings as requested. We have access to all foodservice small wares companies and have a proprietary line of small wares	*
74	Services complementary to the acquisition, operation, and upkeep of the solutions described in Lines 71-73 above, including design, installation, removal, disposal, inspection, repair, maintenance, training, and support. However, this solicitation should NOT be construed to include "services only" solutions.	<input checked="" type="radio"/> Yes <input type="radio"/> No	We provide a full service design, installation, repair, training, and preventative maintenance programs.	*

Table 15: Industry Specific Questions

Line Item	Question	Response *	
75	Describe your design service offering, if available.	Strategic Equipment has a full design department with over 20 designer/CAD operators on staff.	*
76	Describe the installation process and how it is managed from product order to completion.	Installation/set in place if quoted is processed through our order department. Installation is scheduled based on the equipment arrival schedule. We may use our own team or a third party company to complete the install.	
77	Describe how your company will handle supply issues, product substitutions and special orders products.	We are constantly reviewing the market place for industry supply chain issues. We search for comparable alternates for consideration that may reduce delays. All substitutions will be submitted for approval to the purchasing entity. Special orders are processed through our order entry and purchasing department. The items can be drop shipped or installed based on requirements.	

Table 16: Exceptions to Terms, Conditions, or Specifications Form

Line Item 78. NOTICE: To identify any exception, or to request any modification, to the Sourcwell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcwell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
 - Pricing - Tri-Mark Pricing Update 2022 (003) - Copy.pdf - Thursday June 30, 2022 10:25:11
 - Financial Strength and Stability - SELLC 2021 Income Statement Summary.pdf - Monday June 27, 2022 11:18:43
 - Marketing Plan/Samples - Marketing Samples.zip - Wednesday June 29, 2022 15:05:42
 - WMBE/MBE/SBE or Related Certificates (optional)
 - Warranty Information (optional)
 - Standard Transaction Document Samples (optional)
 - Upload Additional Document - Attachments.zip - Wednesday June 29, 2022 15:06:13

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Chuck Taylor, Manager Institutional Sales and Purchasing Coops, Strategic Equipment, LLC

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☐ Yes ☒ No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum**" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_1_Commercial_Kitchen_Eqpt_RFP_063022 Thu June 23 2022 08:54 AM	<input checked="" type="checkbox"/>	1

#2

**SPECIAL
PRESENTATION**



Office of the City Clerk

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

(248) 758-3200

IMPORTANT NOTICE: There will be no election on November 7, 2023 in Pontiac

ATTENTION PONTIAC VOTERS

You were previously informed that the City of Pontiac would have a special election on November 7, 2023 due to Sensible Cannabis Reform for Pontiac challenge to the two (2) proposed adult-use marijuana ordinances.

- Proposal 1 Marijuana Adult-Use Business Ordinance, Ordinance #2406 and
- Proposal 2 Adult-Use Zoning Ordinance, Ordinance #2407

Both Proposal 1 and Proposal 2 were to appear on the November 7, 2023 ballot.

On August 31, 2023, the City of Pontiac and Sensible Cannabis Reform for Pontiac agreed that Proposal 1 and Proposal 2 shall be removed from the November 7, 2023 Special Election ballot in the City of Pontiac.

Therefore, Oakland County Circuit Court Judge Mary Ellen Brennan issued a final order ordering Proposal 1 and Proposal 2 off the ballot on August 31, 2023.

#11

ORDINANCE



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President and City Council

FROM: Khalfani Stephens, Deputy Mayor

CC: Mayor Tim Greimel

DATE: September 8, 2023

RE: **Resolution to approve first reading of ordinance to allow adult-use marihuana establishments to operate in the city of Pontiac**

The City of Pontiac passed ordinances to allow adult-use marihuana establishments to operate earlier this year. Those ordinances were challenged, and a ballot referendum established. The referendum has since been rescinded. As a result, the following amended business ordinance is being put forth for a first reading. The accompanying zoning ordinance will come forward as soon as it has been reviewed by the planning commission.

CITY OF PONTIAC CITY COUNCIL

Council Resolution to authorize the first reading of an ordinance to allow adult-use marihuana establishments to operate in the city of Pontiac

WHEREAS, The City of Pontiac would like to allow adult-use marihuana establishments to operate in the city of Pontiac; and

WHEREAS, the original ordinance that would have allowed that was delayed because of a referendum; and

WHEREAS, the ballot referendum has been rescinded;

NOW THEREFORE, BE IT RESOLVED, the Pontiac City Council hereby authorizes the first reading of an amended ordinance to allow for adult-use marihuana establishments to operate in the City of Pontiac.

CITY OF PONTIAC
ORDINANCE NO. # _____

AN ORDINANCE TO ALLOW ADULT-USE MARIHUANA ESTABLISHMENTS TO OPERATE IN THE CITY OF PONTIAC PURSUANT TO THE MICHIGAN REGULATION AND TAXATION OF MARIHUANA ACT, INITIATED LAW 1 OF 2018, MCL 333.27951 ET SEQ.; TO PROVIDE FOR STANDARDS AND PROCEDURES TO PERMIT AND REGULATE ADULT-USE MARIHUANA ESTABLISHMENTS; TO PROVIDE FOR THE IMPOSITION OF PERMIT APPLICATION FEES AND RENEWAL FEES; AND TO IMPOSE CONDITIONS FOR THE OPERATION OF ADULT-USE MARIHUANA ESTABLISHMENTS.

THE CITY OF PONTIAC ORDAINS:

ARTICLE _____. ADULT-USE MARIHUANA BUSINESS LICENSING

Sec. 01. Title.

The title of this ordinance shall be the "City of Pontiac Adult-Use Marihuana Business Ordinance."

Sec. 02. Purpose and Intent.

A. Purpose. The purpose of this Ordinance is to establish standards and procedures for the issuance, regulation, renewal, suspension, and revocation of business licenses for adult-use marihuana establishments in accordance with the Michigan Regulation and Taxation of Marihuana Act, Initiated Law 1 of 2018, MCL 333.27951 et seq. ("MRTMA") so as to protect the public health, safety, and welfare of residents of the City by setting forth the manner in which adult-use marihuana businesses can be operated in the City. Further the purpose of this Ordinance is to:

(1) Protect the health, welfare and safety of the public through reasonable regulations on adult-use marihuana business operations as it relates to noise, odor, air and water quality, food safety, public safety, security for the establishments and its personnel, and other health and safety concerns;

(2) Protect residential zoned properties and neighborhoods by limiting the location and the concentration of types of Marijuana Businesses to specific areas of the City;

(3) Establish application and license fees to defray and recover the City's costs for administering and enforcing this ordinance;

(4) Recognize that the City of Pontiac has been identified by the State of Michigan's Cannabis Regulatory Agency as a city that has been disproportionately impacted by marihuana prohibition and enforcement and that social equity in the marihuana industry is necessary to address the historical disproportionate impact of marihuana prohibition and enforcement upon Pontiac residents and to positively impact the Pontiac community;

(5) Minimize the adverse effects from growing, processing, dispensing and storage of marihuana;

(6) Minimize the adverse effects from excessive consumption and use of marihuana;

(7) Coordinate with state laws and regulations addressing Marihuana Businesses; and

(8) To restrict the issuance of Marihuana Business permits only to those individuals and entities that demonstrate an intent and ability to fully comply with this Ordinance and the laws of the City and the State of Michigan.

B. Legislative Intent. This ordinance authorizes the establishment of adult-use marihuana businesses within the City of Pontiac consistent with the provisions of MRTMA, subject to the following:

(1) Use, distribution, cultivation, production, possession, and transportation of marihuana remains illegal under federal law, and marihuana remains classified as a "controlled substance" by federal law. Nothing in this ordinance is intended to promote or condone the production, distribution, or possession of marihuana in violation of any applicable law. Nothing in this ordinance is intended to grant immunity from any criminal prosecution under state or federal law. This ordinance does not protect the owners of properties on which a marihuana commercial operation is occurring from prosecution or from having their property seized by federal law enforcement authorities.

(2) This ordinance is to be construed to protect the public health, safety and welfare over commercial adult-use marihuana business interests. The operation of a permitted adult-use marihuana business in the City is a revocable privilege and not a right in the City. Nothing in this ordinance is to be construed to grant a property right for an individual or business entity to engage, obtain, or have renewed a City-issued permit to engage in the use, distribution, cultivation, production, possession, transportation or sale of adult-use marihuana as a commercial enterprise

in the City. The City determines that the commercialization of marihuana is a "closely regulated industry" as that term is used in U.S. Supreme Court jurisprudence.

(3) Any individual or business entity which purports to have engaged in the use, distribution, cultivation, production, possession, transportation or sale of marihuana as a commercial enterprise in the City without obtaining the required authorization required by this ordinance is deemed to be an illegally established nuisance, and as such is not entitled to legal nonconforming status under this ordinance, the City zoning ordinance, or state statutory or common law.

(4) Nothing in this ordinance is intended to grant immunity from criminal or civil prosecution, penalty or sanction for the cultivation, manufacture, possession, use, sale, distribution or transport of marihuana in any form that is not in strict compliance with the MRTMA and the Marihuana Tracking Act, and all applicable administrative rules promulgated by the State of Michigan regarding the commercialization of marihuana. Strict compliance with all applicable state laws and regulations is a requirement for the issuance or renewal of any permit issued under this ordinance, and noncompliance with any applicable state law or regulation is grounds for the revocation or nonrenewal of any permit issued under this ordinance.

C. Indemnification of the City.

(1) By accepting a permit issued pursuant to this ordinance, the holder waives and releases the City, its officers, elected officials, and employees from any liability for injuries, damages or liabilities of any kind that result from any arrest or prosecution of marihuana business owners, operators, employees, clients or customers for a violation of state or federal laws, rules or regulations.

(2) By accepting a permit issued pursuant to this ordinance, the holder agrees to indemnify, defend and hold harmless the City, its officers, elected officials, employees, and insurers, against all liability, claims or demands arising on account of any claim of diminution of property value by a property owner whose property is located in proximity to a licensed operating marihuana business arising out of, claimed to have arisen out of, or in any manner connected with the operation of a marihuana business or any claim based on an alleged injury to business or property by reason of a claimed violation of the federal Racketeer Influenced and Corrupt Organizations Act (RICO), 18 U.S.C. § 1964(c).

D. Reservation.

(1) The City of Pontiac shall not waive or constrain, in any manner, the right and prerogative of the City of Pontiac to reject any and all applications, to reject an application not accompanied with the required documentation or data required by the application, or to reject an application which is any way incomplete, irregular, not responsive or not responsible.

(2) The City of Pontiac shall not waive or constrain, in any manner, the right and prerogative of the City of Pontiac to amend or repeal this ordinance in any manner, including, but not limited to, the complete prohibition of any type of adult-use marihuana business or limiting the number and types of adult-use marihuana businesses authorized to operate in the City.

(3) Nothing in this ordinance is to be construed to grant or grandfather any marihuana business a vested right, license, permit or privilege for continued operations within the City.

Sec. 03. Definitions.

Unless defined by this ordinance, any term used in this Section that is defined by the MRTMA, or the Administrative Rules promulgated by the Michigan Department of Licensing and Regulatory Affairs addressing marihuana shall have the definition given in MRTMA and in the Rules.

As used in this Section, the following terms shall have the meanings indicated:

"Applicant" means a person who applies for a City-issued permit to operate a Marihuana Business in accordance with the terms of this Ordinance and the City zoning ordinance. With respect to disclosures in an application for a permit issued pursuant to this Ordinance for purposes of ineligibility for a permit and the transfer of an interest in an issued permit, the term "applicant" includes a managerial employee of the applicant, any person who holds ~~any~~ direct or indirect ownership interest ~~in the Marihuana Business, and of 6% or more in the applicant. Any person or entity who owns less than 6% of direct or indirect ownership in the applicant but who exercises control over or participates in the management of the applicant shall be deemed to be an Applicant. Applicant includes~~ the following ~~true parties of interest~~ for each type of applicant:

- ~~(1)~~ (a) For an individual or sole proprietorship: the proprietor and spouse.

(2) (b) For a partnership and limited liability partnership: all partners holding a direct or indirect ownership interest of 6% or more in the partnership and their spouses.

(3) (c) For a limited partnership and limited liability limited partnership: all general and limited partners holding a direct or indirect ownership interest of 6% or more in the limited partnership or limited liability limited partnership, and their spouses.

(4) (d) For a limited liability company: all members ~~and~~ holding a direct or indirect ownership interest of 6% or more in the limited liability company and their spouses, and all managers, and their spouses.

(5) (e) For a privately held corporation: all corporate officers or persons with equivalent titles and their spouses, all directors and their spouses, and all stockholders holding a direct or indirect ownership interest of 6% or more in the privately held corporation, and their spouses.

(6) (f) For a publicly held corporation: all corporate officers or persons with equivalent titles and their spouses, all directors and their spouses, and all stockholders holding a direct or indirect ownership interest of 6% or more in the publicly held corporation, and their spouses.

(7) (g) For a multilevel ownership enterprise: any entity or person that receives or has the right to receive 6% or more of the gross or net profits from the enterprise during any full or partial calendar or fiscal year.

(8) (h) For a nonprofit corporation: all individuals and entities with membership or shareholder rights in accordance with the articles of incorporation or the bylaws and their spouses.

(9) (i) For a trust: all trustees, any individual or ~~body~~ entity able to control and direct affairs of the trust, and any beneficiary who receives or has the right to receive 6% or more of the gross or net profit distributions of the trust during any full or partial calendar or fiscal year, and their spouses.

"Application" means the form(s) provided by the City, accompanied with the nonrefundable application fee per each permit requested.

"City" means the City of Pontiac, Michigan.

"Class A marihuana grower" means a grower licensed to grow not more than 100 marihuana plants.

"Class A Microbusiness" means a marihuana establishment authorized to operate at a single location and cultivate not more than 300 mature marihuana plants; package marihuana; purchase marihuana concentrate and marihuana-infused products from licensed marihuana processors; sell or transfer marihuana and marihuana-infused products to individuals 21 years of age and older; and transfer marihuana to a safety compliance facility for testing.

"Class B marihuana grower" means a grower licensed to grow not more than 500 marihuana plants.

"Class C marihuana grower" means a grower licensed to grow not more than 2,000 marihuana plants.

"Co-Locate" or "Co-Location" means any combination of growers, processors, retailers, social equity retailers, designated consumption, and Class A microbusiness establishments that are authorized by the City to operate as separate marihuana businesses at a single property but with separate business suites, partitions, and separate means of public ingress/egress from the exterior or from a common lobby area.

"Cultivate" means to propagate, breed, grow, harvest, dry, cure, or separate parts of the marihuana plant by manual or mechanical means.

"Department" means the State of Michigan Department of Licensing and Regulatory Affairs (LARA), including without limitation, the Cannabis Regulatory Agency, or its successor agency.

"Designated Consumption Establishment " means a marihuana-related business authorized to permit individuals 21 years of age and older to consume marihuana products on the licensed commercial premises located in the C-2 Downtown Overlay District No. 3.

"Disqualifying conviction" means a conviction that makes an applicant ineligible to receive a license under MRTMA and the Rules.

"Equivalent License" means any of the following state operating licenses when held by a single licensee:

- (1) Grower licenses of any class under both the Medical Marihuana Facilities Licensing Act, MCL 333.27101 et. seq. ("MMFLA") and MRTMA.
- (2) Processor licenses under both the MMFLA and MRTMA.
- (3) Secure transporter licenses under both the MMFLA and MRTMA.
- (4) Safety compliance facility licenses under both the MMFLA and MRTMA.
- (5) A provisioning center license under the MMFLA and a retailer establishment license under the MRTMA.

"Grower" means a licensee establishment that cultivates, dries, trims, or cures and packages marihuana for sale or transfer to a processor, retailer, or another grower.

"Industrial Hemp" means the term as defined at MCL 333.27953 (c).

"License" means a license that is issued by the Department under MRTMA that allows the licensee to operate an adult-use marihuana establishment in the City.

"Marihuana" means the term as defined at MCL 333.27953. For purposes of this Ordinance marihuana does not include industrial hemp.

"Marihuana accessories" means the term as defined at MCL 333.27953 (g).

"Marihuana concentrate" means the resin extracted from any part of the plant of the genus cannabis.

"Marihuana Business" means the following adult-use marihuana establishments, whether operated for profit or not for profit: (a) grower, (b) safety compliance facility, (c) processor, (d) retailer, (e) social-equity retailer, (f) secure transporter, (g) Class A microbusiness, (h) designated consumption establishment, (i) marihuana event organizer or (j) temporary marihuana event.

"Marihuana establishment" means a location at which a permittee is permitted to operate under this Ordinance and MRTMA.

"Marihuana Event Organizer" means a person licensed to apply for a temporary marihuana event license.

"Marihuana-Infused Product" means a topical formulation, tincture, beverage, edible substance, or similar product containing marihuana and other ingredients and that is intended for human consumption.

"Marihuana Tracking Act" or "MTA" means Public Act 282 of 2016, MCL 333.27901, et seq., as amended and all future amendments.

"Michigan Regulation and Taxation of Marihuana Act" or "MRTMA" means, Initiated law 1 of 2018, MCL 333.27951, et. seq., as amended and all future amendments.

"Permit" means the permit issued pursuant to this ordinance authorizing the operation of a Marihuana Business in the City.

"Permittee" means a person who receives and holds a permit to operate a Marihuana Business issued by the City under this ordinance.

"Person" means an individual, sole proprietorship, partnership, limited liability partnership, limited partnership, limited liability limited partnership, corporation, limited liability company, trust, or other legal entity, and includes persons within the definition of "applicant" as that term is used in this Ordinance.

"Processor" means a person licensed to purchase or obtain marihuana from a grower establishment and who processes the marihuana and sells or transfers it in packaged form to a retailer, class A microbusiness, or another processor. A processor is not prohibited from handling, processing, marketing or brokering industrial hemp pursuant to the Industrial Hemp Research and Development Act.

"Retailer" means a licensee that obtains marihuana from marihuana establishments and sells or otherwise transfers marihuana to marihuana establishments and to individuals who are 21 years of age or older in accordance with MRTMA.

"Rules" means the unified administrative rules promulgated and from time to time amended by the Department to implement the MMFLA and MRTMA.

"Safety Compliance Facility" means a person licensed to test marihuana, including certification for potency and the presence of contaminants.

"Secure Transporter" means a person licensed to obtain marihuana from marihuana establishments in order to transport marihuana to marihuana establishments.

"School" means and includes buildings and grounds used for school purposes to provide instruction to children and youth in grades pre-kindergarten through 12 by a public, private, denominational, or parochial school.

"Social Equity-Qualified Business" mean a marihuana establishment operated by an applicant that qualifies for the benefits offered under the social equity program administered by either the Department or the City.

"Stakeholder" means, with respect to a trust, the trustee and beneficiaries; with respect to a limited liability company, all members ~~and with a direct or indirect ownership interest greater than 6% and~~ all managers; with respect to a corporation, whether profit or non-profit, all stockholders with a direct or indirect ownership interest greater than 6%, directors, corporate officers or persons with equivalent titles; and with respect to a partnership~~—or, limited liability partnership, limited partnership and limited liability limited partnership~~ all general and limited partners.

with a direct or indirect ownership interest greater than 6%.

"State" means the State of Michigan.

"State Operating License" means a license that is issued by the Department under MRTMA that allows the licensee to operate an adult-use marihuana establishment, as specified in the license.

"Temporary Marihuana Event" means a license held by a marihuana event organizer for an event where the onsite sale or consumption of marihuana products, or both, are authorized at the location indicated on the state license during the dates indicated on the state license.

Sec. 04. Creation of Marihuana Business Commission; Composition; Quorum

(a) There is hereby created a Marihuana Business Commission. There shall be four (4) members of the Marihuana Business Commission. The membership shall elect from among its members a chairman, vice-chairman, and secretary.

(b) A quorum of the Marihuana Business Commission shall consist of three (3) members.

Sec. 05. Marihuana Business Commission Membership; Qualifications; Term; Vacancies; Compensation.

(a) Members of the Marihuana Business Commission shall be residents of the city, and shall be chosen so far as reasonably practicable in such a manner as to represent a cross-section of the community.

(b) Members of the Marihuana Business Commission shall be appointed by the mayor to serve at the pleasure of the mayor for a term of three (3) years. Reappointment of a member to serve an additional consecutive term is subject to council approval.

(c) If a vacancy occurs on the Marihuana Business Commission, the mayor shall appoint a new member to fill the vacancy.

(d) Members of the Marihuana Business Commission shall serve without pay.

Sec. 06. Marihuana Business Commission Powers and Duties.

The Marihuana Business Commission shall review and decide all appeals that are forwarded to it by the clerk under this ordinance. The Marihuana Business Commission shall review all appeals de novo. The Marihuana Business Commission shall only overturn a decision or finding of the clerk if it finds such decision or finding to be arbitrary or capricious and not supported by material,

substantial, and competent facts on the whole record considered by the clerk in arriving at such decision or finding.

Sec. 07. Marihuana Business Commission Rules and Regulations; Meetings.

(a) The Marihuana Business Commission shall adopt such rules and regulations as it deems necessary to govern its proceedings and deliberations.

(b) The rules and regulations adopted by the Marihuana Business Commission shall be subject to approval by the council.

(c) The Marihuana Business Commission shall maintain a written record of its proceedings and actions which shall be available for public inspection, showing the action of the commission and the vote of each member upon each question considered. All meetings of the commission shall be held in conformance with the open meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws.

Sec. 08. Marihuana Business Rules and Regulations.

(a) In addition to the Rules promulgated by the Department and the statutes of the State of Michigan, the operations of a Marihuana Business shall be conducted in accordance with the provisions of this ordinance and the City Code of Ordinances, including the zoning ordinance.

(b) Retailer establishments, Social Equity Retailer establishments, and Class A Microbusinesses located outside of the Downtown Overlay District shall be closed for business, and no sale or other distribution of marihuana in any form shall occur upon the premises, between the hours of 10:00 p.m. and 7:00 a.m. Retailer establishments, Social Equity Retailer establishments and Class A Microbusinesses located in the Downtown Overlay District shall be closed for business, and no sale or other distribution of marihuana in any form shall occur upon the premises, between the hours of 2:00 a.m. and 7:00 a.m.

(c) Delivery of a marihuana product for sale or transfer to marihuana customers by Retailer Establishments and Social Equity Retailer Establishments is permitted in strict compliance with Department Rules.

(d) Drive throughs and drive through, walk-up window service, and curbside service shall be a prohibited use for all Retailer Establishments, Social Equity Retailer Establishments and Class A Microbusinesses.

Sec. 09. Licensing of Adult-Use Marihuana Businesses.

(a) Number of permitted adult-use Marihuana Businesses.

Type of Establishment	
Grower	No limit
Processor	No limit
Secure transporter	No limit
Retailer	17
Social Equity Retailer	6
Class A Microbusiness	5
Safety compliance facility	No limit
Designated Consumption Establishment-North of Huron Street	3
Designated Consumption Establishment-South of Huron Street	3
Marihuana event organizer	No limit
Temporary marihuana event	No limit

Sec. 10. City Marihuana Business Permit and Annual Fee Required.

(a) No person shall establish or operate a Marihuana Business located in the City without first meeting all of the requirements set forth in this Ordinance, obtaining a permit from the City Clerk, and obtaining a State Operating License. Permits and State Operating Licenses shall be kept current and publicly displayed within the business. Failure to maintain or display current state licenses and City permits is a violation of this ordinance. A Marihuana Business operating without a City permit under this Ordinance or without a State license is declared to be a public nuisance.

(b) There shall be an initial application fee of \$5,000.00 and an annual nonrefundable renewal of permit fee of \$5,000.00 to defray the administrative and enforcement costs associated with marihuana businesses located in the City.

(c) The City permit fee requirement set forth in this ordinance shall be in addition to, and not in lieu of, any other licensing and permitting requirements imposed by the Department and any other

state regulatory agency, or by City ordinance, including, by way of example, and not limited to, any applicable fees for site plan review, zoning review, inspections, or building permits.

(d) A separate permit is required for each Marihuana Business co-located at a premises from which adult-use marihuana commercial businesses are operated. Operation of a grower, processor, retailer establishment or social equity retailer establishment, Class A microbusiness, and designated consumption establishment at the same co-location is authorized, provided that each establishment is separately licensed and permitted. Co-Location of a retailer establishment or social equity retailer establishment, Class A microbusiness and a designated consumption establishment at the same location as a grower or processing establishment is authorized when in conformity with the City zoning ordinance.

(e) Within thirty (30) days of approval of the applicant's application, the applicant will start all necessary requirements as required by the City to obtain their certificate of occupancy, including, without limitation, complying with all applicable building department, fire department, code and inspection requirements, including the approval of the site plan.

(f) All Marihuana Business permits shall be effective for one (1) year of its original date of issuance by the City and must be renewed annually.

(g) The conditional permittee has one (1) year to complete its site plan upon the approval of the issuance of the Marihuana Business conditional permit. The Community Development Director may extend the completion of the site plan up to an additional six months, provided the applicant demonstrates good cause for the extension.

Sec. 11. Location Criteria.

- (a) No marihuana business is eligible to receive a permit unless at the time the application for the marihuana business operating permit is submitted, the location of the proposed business operation complies with the requirements set forth in the City zoning ordinances as required for the specific type of marihuana commercial business for which the permit is being sought.
- (b) Mobile marihuana businesses and limited contact transaction operations are prohibited.
- (c) A permittee shall not operate a marihuana business at any location in the City other than at the address provided in the application on file with the City Clerk.

Sec. 12. General Permit Application Requirements.

(a) An applicant seeking a permit pursuant to the provisions of this ordinance and licensure by the state under MRTMA must submit an application in writing to the City Clerk on forms provided by the City Clerk. At the time of application, the application must be accompanied by a nonrefundable application fee of \$5,000.00 to defray the costs incurred by the City for processing of the application. In addition, the applicant shall present copies of government-issued photographic identification to accompany the application. Applicants are limited to one application per location. Multiple applications for the same establishment location shall be disqualified.

(b) An application shall be complete and made under the penalty of perjury and shall contain all of the following:

(1) The applicants, all of its stakeholders, and the proposed manager's full name, date of birth, residential and business address, email address, and telephone numbers including emergency contact information, and a copy of a government-issued photographic identification card of the applicant and all stakeholders:

(a) If the applicant is an individual or sole proprietorship, the proprietor and their spouse, if any, shall provide their name, address, date of birth, business address, business telephone number, email address, social security number, and, if applicable, federal tax identification (EIN) number.

(b) If the applicant is not an individual or sole proprietorship, the applicant shall provide information regarding the business entity, including, without limitation, the name and address of the entity, website address (if any), type of business organization, proof of registration with, or a certificate of good standing from, the State of Michigan, or other state or foreign jurisdiction, as applicable, and the names, dates of birth, residential and business addresses, email addresses, phone numbers of each applicant, each stakeholder and their spouses, and the federal tax identification number of the business entity.

~~(2) The identity of every person having an ownership or beneficial interest in the applicant with respect to which the license is sought, including~~ Regardless of the definition of Applicant, each applicant shall disclose in the application the ownership structure of the entity that identifies applicant entity and the identity of every person or entity having a

direct or indirect ownership interest in the applicant by providing the entity or individual name, the ownership percentage held by each stakeholder, email address, mailing address and if applicable, the date of birth; provided, however, a social equity-qualified business entity who is an applicant must ~~be able to also~~ demonstrate 51% or more ownership by qualifying social-equity applicants, ~~including ownership structure of the entity that identifies the ownership percentage held by each stakeholder.~~ Any person or entity who owns less than 6% of a direct or indirect ownership in the applicant but who exercises control over or participates in the management of the applicant shall be deemed to be an Applicant, if:

- a) the disclosed entity is a trust, the applicant shall disclose the names and addresses of the beneficiaries.
- b) the disclosed entity is a privately held corporation, the names and addresses of all shareholders holding a direct or indirect interest of greater than 5%, officers, and directors.
- c) the disclosed entity is a publicly held corporation, the names and addresses of all shareholders holding a direct or indirect interest of greater than 5%, officers, and directors.
- d) the disclosed entity is a partnership or limited liability partnership, the names and addresses of all partners.
- e) the disclosed entity is a limited partnership or limited liability limited partnership, the names of all partners, both general and limited.
- f) the disclosed entity is a limited liability company, the names and addresses of all members holding a direct or indirect interest of greater than 5%, and managers.

(3) If the applicant is not an individual, the articles of incorporation or organization, federal tax identification number and confirmation letter, and the limited liability company's

operating agreement, the corporation's shareholder agreement and bylaws, and the partnership agreement for a partnership or limited partnership, as applicable.

(4) A copy of the applicant's notice of prequalification status issued by the Department to operate an adult-use marihuana establishment. If the applicant does not have adult-use prequalification status from the Department, the application will not be processed by the City.

(5) The name and address of the proposed Marihuana Business and any additional contact information deemed necessary by the City Clerk, including the following:

(a) A copy of the deed reflecting the applicant's ownership of the proposed permitted premises, or a purchase agreement or option to purchase the proposed permitted premises as applicable; or

(b) A copy of the lease reflecting the right of the applicant to possess, or an agreement or option reflecting the applicant's right to lease, the proposed permitted premises, and a notarized statement from the owner of such property authorizing the use of the property for a marihuana business as applicable.

(6) For the applicant and every stakeholder, affirmation from the applicant that each is at least 21 years of age.

(7) A criminal history background report of the applicant's criminal history from the Internet Criminal History Access Tool (ICHAT) or a Michigan State Police criminal history report for applicants residing in Michigan. For applicants who reside in any other state, federal or foreign jurisdiction, or who have resided in any other state, federal or foreign jurisdiction within 5 years prior to the date of the application provide a certified state, federal or foreign jurisdiction sponsored or authorized criminal history report. The applicant is responsible for all charges incurred in requesting and receiving the criminal history report and the report must be dated within thirty (30) days of the date of the application. For purposes of this subsection (7) an applicant includes a managerial employee of the applicant and any person who exercises control over or participates in the management of the applicant. |

Commented [BMS1]: Inserted into the definition of "applicant" and "stakeholder" generally.

(8) Written consent authorizing the City to obtain a criminal history report from the Michigan State Police, the Federal Bureau of Investigation, or other applicable state, federal or foreign jurisdiction law enforcement or police agency, to ascertain whether the applicant and stakeholders have any disqualifying convictions or convictions involving dishonesty, theft, fraud, or controlled substances.

(9) A current organization chart that includes position descriptions and the names of each person holding such position, which shall include date of birth, address, copy of photo identification, and email address for any operator, manager, or employee if other than the applicant.

(10) A complete list of all marihuana related business permits and licenses held by applicant.

(11) An attested disclosure whether the applicant or operator has ever had a business license revoked or suspended, and if revoked or suspended, the reason for such revocation or suspension and copies of the orders of revocation or suspension.

(12) An attestation that no applicant or stakeholder is ineligible from holding a state license to operate a marihuana commercial business.

(13) An attestation that the applicant consents to inspections, examinations, searches and seizures required or undertaken pursuant to enforcement of this ordinance.

(14) A statement that no applicant is in default to the City for any property tax, special assessment, utility charges, fines, fees or other financial obligation owed to the City.

(15) For the applicant and for each stakeholder, a resume that includes a business history and any prior experience with a marihuana-related business.

(16) The proposed business plan of the applicant, which shall include without limitation, the following:

(a) A description of the type of the proposed adult-use marihuana commercial operation and its physical address; and

(b) A staffing plan which describes the anticipated or actual number of employees, including an estimate of the number and type of jobs that the business is expected to create, a proposed living wage or salary (at least 200 percent of the Federal Poverty Level for a family of two, at its hourly basis) for all employees pursuant to MCL 125.3501, MCL 125.3502, MCL 125.3504, article VII, § 34 Construction of constitution and law concerning counties, townships, cities, villages and article VII, § 22 Charters, resolutions, ordinances; enumeration of powers of the Michigan Constitution, and a health and welfare benefits package to be paid for such jobs, unless otherwise prohibited by state law, and the goals and objectives to recruit, hire and promote residents of the City; and

(c) A staff training and education plan that the applicant will provide to employees; and

(d) The financial structure, source of financing, development and build-out budget and projected initial operating budget of the proposed Marihuana Business; and

(e) Short and long-term goals and objectives; and

(f) An explanation, with supporting factual data, of the economic benefits to the City and the job creation for local residents to be achieved by the establishment, a proposed living wage or salary (at least 200 percent of the Federal Poverty Level for a family of two, at its hourly basis) for all employees pursuant to MCL 125.3501, MCL 125.3502, MCL 125.3504, article VII, § 34 Construction of constitution and law concerning counties, townships, cities, villages and article VII, § 22 Charters, resolutions, ordinances; enumeration of powers of the Michigan Constitution, and a health and welfare benefits package to be paid for such jobs, unless otherwise prohibited by state law, including plans for community outreach and worker training programs;

(g) If co-location of Marihuana Businesses is proposed, provide an explanation of the integration of such businesses, including a drawing showing the relationship between the businesses being co-located, including floor area and the separation provided between such facilities, including identification of any points of entry, ingress or egress, and controls at each location; and

(h) A neighborhood communication/education plan and strategies; and

(i) Any charitable plans and strategies whether through financial donations or volunteer work.

(17) A lighting plan showing the lighting outside of the marihuana business for security purposes and compliance with applicable City outdoor lighting requirements;

(18) A security plan, including, but not limited to, lighting, alarms, barriers, recording/monitoring devices, safes, and/or security guard arrangements proposed for the establishment and premises. The security plan must contain the specification details of each item of security equipment.

(19) A to-scale diagram of the proposed licensed premises, no larger than 11 inches by 17 inches, showing, without limitation, building floor plan and layout, all entryways, doorways, or passageways, and means of public entry and exits to the proposed licensed premises, loading zones, available on-site parking spaces, including handicapped accessible spaces, fencing at the premises, and all areas in which marihuana will be stored, grown, manufactured or dispensed;

(20) Any proposed elevation drawings, and photographs or other depiction of materials to be visible on the exterior of the proposed Marihuana Business.

(21) A proposed marketing, advertising, and business promotion plan for the proposed Marihuana Business.

(22) A description of planned tangible capital investment in the City for each proposed Marihuana Business.

(23) A social equity plan that (a) promotes and encourages participation and ownership in the marihuana industry by local residents that have been disproportionately impacted by marihuana prohibition and enforcement, and that (b) positively impacts local residents.

(24) A depiction of any proposed signage, text or graphic materials to be shown on the exterior of the proposed Marihuana Business.

(25) A sanitation plan designed to protect against any marihuana being ingested on the premises by any person or animal, describing how the waste and byproduct will be stored and disposed of, and how any marihuana will be rendered unusable upon disposal.

The sanitation plan shall include a copy of the proposed contract or letter of intent between the Applicant and sanitation waste provider.

(26) A proposed inventory and recordkeeping plan that will track payment method, amount of payment, time of sale, product quantity, and other product descriptors and compliance with the requirements of the Department.

(27) Proof of financial responsibility in the form of a commitment or letter of intent to issue an insurance policy covering the business and naming the City of Pontiac, its elected and appointed officials, employees, and agents, as additional insured parties, primary and non-contributory available for the payment of any damages arising out of an act or omission of the applicant or its stakeholders, agents, employees, or subcontractors, in the amount of:

- a. at least Two Million Dollars (\$2,000,000) for property damage;
- b. at least Two Million Dollars (\$2,000,000) for injury to one (1) person; and
- c. at least Two Million Dollars (\$2,000,000) for injury to two (2) or more person resulting from the same occurrence.

The insurance policy underwriter must have a minimum A.M. Best Company insurance ranking of B+, consistent with state law. The policy shall provide that the City shall be notified by the insurance carrier thirty (30) days in advance of any cancellation or reduction in coverages.

(28) A signed acknowledgement that the applicant understands that all matters related to marihuana cultivation, possession, dispensing, testing, transporting, distribution and use are subject to federal and state laws and regulations, and that the approval of a permit hereunder does not exonerate or excuse the applicant from abiding by the provisions and requirements and penalties associated therewith. Further, the applicant completely releases and forever discharges the city and its respective employees, agents, facilities, insurers, indemnors, successors, heirs and/or assigns from any and all past, present or future claims, demands, obligations, actions, causes of action, wrongful death claims, rights, damages, costs, losses of services, expenses and compensation of any nature whatsoever, whether based on a tort, contract or other theory or recovery,

which the applicant or its stakeholders may now have, or which may hereafter accrue or otherwise be acquired, on account of, or may in any way arise out of the applicant or stakeholders' application for a permit and, if issued a permit, the applicant or stakeholders' operation of a Marihuana Business.

(29) A scaled location area map that identifies the relative locations of, and distances from, Schools, childcare centers, public parks, and religious institutions, as measured along the centerline of the street or streets of address between two fixed points on the centerline determined by projecting straight lines, at right angles to the centerline, from the primary point of ingress to the school, childcare center, religious institution, or public park, nearest to contemplated location, and from the primary point of ingress to the contemplated location.

(30) If the applicant is applying for a permit to operate a Retailer, a Social Equity Retailer, a Class A Microbusiness, a Designated Consumption Establishment, or a Temporary Marihuana Event, a description of drug and alcohol awareness programs to be provided by the applicant to customers and the public.

(31) If the applicant is applying for a permit to operate a grower, a cultivation plan that includes a description of the cultivation methods to be used. Outdoor grows are prohibited.

(32) If the applicant is applying for a permit to operate a grower, a chemical and pesticide storage plan that complies with the requirements of the Department.

(33) An applicant for a Marihuana Secure Transporter license shall provide copies of the vehicle registration for all commercial motor vehicles that will be used to transport marihuana or marihuana-infused products. A secure transporter must provide proof of no-fault automobile insurance with a company licensed to do business in Michigan with limits of liability not less than \$1,000,000 per occurrence combined single limit for bodily injury and property damage.

(34) Any other information requested by the City Clerk considered to be relevant to the processing or consideration of the application.

(c) An applicant may apply for multiple Marihuana Business permits of the same or different nature, except that Class A Microbusiness applicants may not hold an ownership interest in a grower, processor, retailer, or social equity retailer, and social equity retailer permits are limited to social equity qualified applicants. No person who holds an ownership interest in a safety compliance facility or in a secure transporter may hold an ownership interest in a grower, a processor, a retailer, a social equity retailer, or a Class A microbusiness.

Sec. 13. Marihuana Business Permit Application Process.

(a) Upon receipt of a completed application meeting the requirements of this ordinance and payment of the permit application fee, the Clerk shall refer a copy of the application to the fire department and the Community Development Department, the planning division, and other affected departments for review and compliance with the City Code.

(b) No application for a permit shall be approved unless:

(1) The fire department and the Community Development Department and other affected departments have inspected the proposed location for compliance with all state and local building, electrical, fire, mechanical and plumbing requirements.

(2) The Community Development Department, the planning division, and other affected departments have confirmed that the proposed location complies with the zoning ordinance.

(3) The proposed Marihuana Business has been issued a certificate of occupancy and, if necessary, a building permit.

(4) The City Treasurer confirms the applicant and each stakeholder and the proposed location of the Marihuana Businesses are not in default to the City.

(c) After sixty (60) days from the effective date of this ordinance, the Clerk shall begin accepting adult-use Marihuana Business applications for a permit to operate a grower, processor, secure transporter, safety compliance facility, marihuana event organizer, and temporary marihuana event.

(d) The Clerk shall award a conditional permit to any applicant for a permit to operate a grower, processor, secure transporter, safety compliance facility, marihuana event organizer, and temporary marihuana event, upon the determination by the Clerk that the application is complete,

the applicant receives the City and State of Michigan approvals required in this ordinance, and the applicant meets all of the requirements of this ordinance and the City Code, including the zoning ordinance. If the City Clerk identifies, or is informed of, a deficiency in an application, the applicant has two (2) weeks to correct the deficiency after notification by the City Clerk. The Clerk will grant a final permit if the applicant obtains final site plan approval and special land use approval within 6 months of receiving a conditional permit, ~~and obtains an operating permit from the City and an operating license from the Department within 18 months after the conditional permit is granted and~~ enters into a written agreement with the City confirming that the marihuana establishment will operate in accordance with the business plans, building plans, design standards, social equity plans and all other operational standards described by the applicant in the application materials submitted, and obtains a permit from the City and an operating license from the Department within 18 months after the conditional permit is granted. The agreement shall further provide that if the establishment breaches the agreement, then the City may revoke authorization of the establishment following notice and a public hearing, and that in such event, the City shall be entitled to injunctive relief barring further operation of the establishment in the City. An extension of 6 months to obtain an operating permit from the City and an operating license from the Department may be granted in the discretion of the Clerk upon a showing of good cause for the delay.

(e) Retailer, Social Equity Retailer, Class A Microbusiness and Designated Consumption Establishment Applications. After ~~sixtythree (6030)~~ sixtythree (6030) days from the effective date of this ordinance, a point-based scoring and ranking procedure shall be approved by City Council resolution and the Clerk shall set a 21-day application window period during which applicants may apply for a Retailer, Social Equity Retailer (limited to Social Equity Qualified applicants), Class A Microbusiness and Designated Consumption Establishment permits. After the 21-day application window closes, the Clerk shall assess, evaluate, score and rank all applications for permits to operate a Retailer, Social Equity Retailer, Class A Microbusiness and Designated Consumption Establishment submitted during the twenty-one (21) day application window period. The Clerk shall review all submitted applications for completeness.

(f) In its application assessment, evaluation, scoring, ranking, and deliberations related to permits to operate a Retailer, Social Equity Retailer, Class A Microbusiness, and Designated Consumption Establishment, the Clerk shall assess, evaluate, score, and rank each application based upon a point-based scoring and ranking procedure which shall be approved by City Council

resolution, consistent with the requirements, conditions, and provisions of this ordinance in each of the following categories:

(1) The content and sufficiency of the information required to be in the application under this ordinance. Applicant must have submitted all required materials for each category in a professional, organized manner with clear and accurate labeling of all required items. Failure to clearly and accurately label and organize the application materials will result in the deduction of points. The maximum number of scoring points in this category shall be five (5) points.

(2) Whether the proposed Marihuana Business will have a detrimental impact on the surrounding area and neighborhood including the distance of the establishment to properties zoned or used residentially; traffic patterns, traffic mitigation and resident safety; plans for litter control, loitering, noise mitigation, odor mitigation. Applicant shall submit a traffic impact study by a professional traffic engineer. Applicant shall submit a sanitation plan designed to protect against any marihuana being ingested on the premises by any person or animal, describing how the waste and byproduct will be stored and disposed of, and how any marihuana will be rendered unusable upon disposal. The sanitation plan shall include a copy of the proposed contract between the Applicant and sanitation waste provider. Applicant shall submit an odor control plan satisfying the criteria in Sec. 15 of this ordinance. The maximum number of scoring points in this category shall be twenty (20) points.

(3) Neighborhood Communication/Education Plan on behalf of the proposed Marihuana Business. The plan shall include meetings, at least once per year, with the neighborhood organizations, residents and general public, and to provide a contact for on-going public information, questions and concerns. ~~Written, and written~~ notice to all property owners within 1500 feet of the marihuana business location, neighborhood organizations and City Clerk shall be provided a copy of the written notice two (2) weeks before the public meeting. In addition, to other methods of notice, the written notice shall be sent by mail at least two (2) weeks before the public meeting. The maximum number of scoring points in this category shall be ten (10) points.

(4) Whether the applicant or its stakeholders have made, or plan to make, significant physical investment and improvements to the building where the proposed Marihuana

Business is to be located, including the applicant's financial structure, source of financing, development and build-out budget and projected initial operating budget of the proposed Marihuana Business and proposed tangible capital investment; the current and proposed condition of the proposed location; and the applicant's ownership stake in the physical location of the establishment. The maximum number of scoring points in this category shall be ten (10) points.

(5) Whether the applicant and all of its stakeholders have a record of acts that are not detrimental to the public health, security, safety, morals, good order, or general welfare prior to the date of the application; applicant shall demonstrate and document a history of regulatory compliance with all federal, state and local laws and regulations, and shall disclose all complaints, judgments, convictions, administrative and regulatory decisions, permit and license suspensions, revocations and fines, rendered by any federal, state and local government agencies, including but not limited to wage and hour laws, anti-discrimination and civil rights laws, and occupational, health and safety laws. The maximum number of scoring points in this category shall be ten (10) points.

(6) Whether the applicant has disclosed and documented sufficient financial resources and total amount of capitalization to develop, operate and maintain a Retailer, Social Equity Retailer, Class A Microbusiness or Designated Consumption Establishment, and demonstrates the requisite business experience to execute, the submitted business plan and other plans required by this ordinance. The applicant should disclose and document sources and total amount of capitalization to operate and maintain a Retailer establishment, a Social Equity Retailer, Class A Microbusiness and Designated Consumption Establishment, and include a CPA attested financial statement, a valid pro forma for three years, proof of financial responsibility in the form of a commitment or letter of intent to issue an insurance policy satisfying the criteria in Sec. 12 (b)(27) of this ordinance, attest that the applicant and any of its owners have not filed bankruptcy in the last seven (7) years, have not had liens placed upon financial accounts or property by the Internal Revenue Service or state Treasuries, and has filed personal and/or corporate income tax returns for the past five (5) years. The maximum number of scoring points in this category shall be twenty (20) points.

(7) Description of staffing plan that includes the number and type of full-time and part-time positions the applicant intends to create; the proposed living wage or salary (at least 200 percent of the Federal Poverty Level for a family of two, at its hourly basis) for all employees pursuant to MCL 125.3501, MCL 125.3502, MCL 125.3504, article VII, § 34 Construction of constitution and law concerning counties, townships, cities, villages and article VII, § 22 Charters, resolutions, ordinances; enumeration of powers of the Michigan Constitution, the applicant intends to pay employees, unless otherwise prohibited by state law; whether the applicant has articulated plans and strategies to recruit, hire and mentor for career advancement, a percentage of diverse residents from the City of Pontiac, including those residents who are veterans, low income and/or have a prior controlled substance record (excluding distribution of a controlled substance to a minor); a staff training and education plan that the applicant will provide to employees; an explanation, with supporting factual data, of the economic benefits to the City and the job creation for local residents to be achieved by the establishment; short and long-term goals and objectives; and whether the applicant has articulated plans to provide employee health and welfare benefit plans, including, but not limited to, sick leave, maternity leave, and paternity leave. The applicant shall maintain and provide data to the City Clerk supporting its staffing plan which shall be considered at the time of renewal of any permit issued pursuant to this ordinance to determine compliance. The maximum number of scoring points in this category shall be ten (10) points.

(8) Planned philanthropic initiatives and community improvement programs aimed at the City of Pontiac, which may include a \$1,000 donation to a fund administered by the City used to promote social equity in the City of Pontiac, a negatively impacted community, by promoting advocacy around criminal justice issues related to marihuana prohibition, supporting youth who have been negatively impacted by the war on drugs as it relates to the prohibition of marihuana, and community education and outreach on adult-use marihuana in general. The maximum number of scoring points in this category shall be ten (10) points.

(9) Whether the applicant ~~received~~has current and final conditional approval for a medical marihuana provisioning center permit pursuant to City of Pontiac's Medical Marihuana Facilities Ordinance, Article XXX, Section 26.1491 et seq., and is not currently in default of compliance with Article XXX, ~~and has received site plan approval from the City's~~

~~Community Development Department and has started construction of the medical marihuana provisioning center subject to receipt of a valid building permit from the City not less than 30 days prior to the application for Marihuana Retailer or Social Equity Retailer permit. This subsection (9) does not apply to those applicants for a medical provisioning center permit who were initially one of the five highest scoring applicants in the zoning district where they applied but are no longer one of the five highest scoring applicants in the zoning district where they applied. The medical applicant entity who has current and final conditional approval for a medical marihuana provisioning center permit shall be awarded the thirty (30) points in this category whether they apply for a retailer permit or a social equity retailer permit as long as the entity qualifies as a social equity applicant when they apply for a social equity retailer permit under this Ordinance. Applicants with current and final conditional approval for a medical marihuana provisioning center permit pursuant to City of Pontiac's Medical Marihuana Facilities Ordinance, Article XXX, Section 26.1491 et seq may apply for recreational licenses at a different location in any of the four districts allowed under Ordinance #2407, not only in the district where they were awarded their conditionally approved medical license.~~ The maximum number of scoring points in this category shall be ~~twenty~~thirty (30) points.

(10) Whether the applicant has rehabilitated and/or redeveloped within three (3) years before the submittal of the application under this ordinance, or will rehabilitate and/or redevelop, an existing building by demolishing and rebuilding or completely renovating a building that has been vacant or had been vacant as registered with the City for one (1) year or more. The maximum number of scoring points in this category shall be ten (10) points.

(11) Whether the applicant has rehabilitated and/or redeveloped within three (3) years before the submittal of the application under this ordinance, or will rehabilitate and/or redevelop, an existing building by demolishing and rebuilding or completely renovating a building that ~~has been cited as meets the definition of~~ blighted or dangerous ~~or had been cited as blighted or dangerous~~ (as such term is defined in the City's Code of Ordinances). The maximum number of scoring points in this category shall be ten (10) points.

(12) Whether an applicant proposes a social equity plan that promotes and encourages social equity participation and ownership in the marihuana industry by persons who reside in disproportionately impacted communities in those Michigan communities designated by

the State of Michigan, who have been disproportionately impacted by marijuana prohibition and enforcement, and to positively impact those communities, in accordance with MCL 333.27958(1)(j). The maximum number of scoring points in this category shall be fifteen (15) points.

(13) Whether an applicant demonstrates social equity participation and greater than 50% ownership by persons who reside in disproportionately impacted communities in those Michigan communities designated by the State of Michigan, who have been disproportionately impacted by marijuana prohibition and enforcement, and to positively impact those communities, in accordance with MCL 333.27958(1)(j). The maximum number of scoring points in this category shall be fifteen (15) points.

(14) Whether an applicant applying for a retailer or social equity retailer permit was the highest scoring conditionally approved medical provisioning center applicant in the zoning district in which the applicant applied, including all those applicants tied for the highest score in that zoning district. The maximum number of points in this category shall be ten (10) points.

(g) Overall scoring and ranking shall be conducted and applied by the Clerk on the basis of assigned points from zero (0) points to one hundred and ~~sixty eighty~~ five (~~165~~~~185~~) points with the lowest overall total score as zero (0) points and the highest possible total score being one hundred and sixty five (165) points.

(h) At the conclusion of the twenty-one (21) day application period, the Clerk shall begin processing applications for permits to operate retailer establishments, awarding 17 conditional permits to the ~~seventeen (17)~~ highest scoring applicants, as limited by the applicable overlay zoning districts. In the event of an evaluation scoring tie, which causes there to be more than seventeen (17) applicants who achieve scores sufficient to qualify for a permit, the scoring-tied applicants will be entered into a random draw and the tie will be resolved through a blind lottery drawing to determine which applicant will receive recommendation for approval. Those applications randomly selected shall be eligible to receive a permit to operate a Retailer. In the event that the number of Retailer permits falls below the maximum number authorized under this ordinance, the clerk shall not be required to score applicants. Instead, the clerk shall evaluate applications in the order that they are submitted and shall award permits for Retailers to an applicant who submits a complete application, receives the approvals required in this section, and

Commented [SR2]: Chuck, this language would suggest that if 10 of the 17 applicants were woodward applicants and ten scored in the top 17, then all 10 would get it on Woodward.

meets the requirements of this ordinance. However, in no event shall the number of Retailer permits exceed the maximum number authorized under this ordinance.

(i) At the conclusion of the twenty-one (21) day application period, the Clerk shall begin processing applications for permits to operate Class A Microbusinesses, awarding conditional permits to the five (5) highest scoring applicants as limited by the applicable overlay zoning districts. In the event of an evaluation scoring tie, which causes there to be more than five (5) applicants who achieve scores sufficient to qualify for a permit, the scoring-tied applicants will be entered into a random draw and the tie will be resolved through a blind lottery drawing to determine which applicant will receive recommendation for approval. Those applications randomly selected shall be eligible to receive a permit to operate a Class A Microbusiness. In the event that the number of Class A Microbusiness permits falls below the maximum number authorized under this ordinance, the Clerk shall not be required to score applicants. Instead, the Clerk shall evaluate applications in the order that they are submitted and shall award permits for Class A Microbusinesses to an applicant who submits a complete application, receives the approvals required in this section, and meets the requirements of this ordinance. However, in no event shall the number of Class A Microbusiness permits exceed the maximum number authorized under this ordinance.

(j) At the conclusion of the twenty-one (21) day application period, the Clerk shall begin processing applications for permits to operate Designated Consumption Establishments, awarding conditional permits to the three (3) highest scoring applicants for the North of Huron locations. In the event of an evaluation scoring tie, which causes there to be more than three (3) applicants who achieve scores sufficient to qualify for a permit, the scoring-tied applicants will be entered into a random draw and the tie will be resolved through a blind lottery drawing to determine which applicant will receive recommendation for approval. Those applications randomly selected shall be eligible to receive a permit to operate a Designated Consumption Establishment. In the event that the number of Designated Consumption Establishment permits falls below the maximum number authorized under this ordinance, the Clerk shall not be required to score applicants. Instead, the Clerk shall evaluate applications in the order that they are submitted and shall award permits for Designated Consumption Establishment to an applicant who submits a complete application, receives the approvals required in this section, and meets the requirements of this ordinance. However, in no event shall the number of Designated

Consumption Establishment permits exceed the maximum number authorized under this ordinance.

(k) At the conclusion of the twenty-one (21) day application period, the Clerk shall begin processing applications for permits to operate Designated Consumption Establishments, awarding conditional permits to the three (3) highest scoring applicants for the South of Huron locations. In the event of an evaluation scoring tie, which causes there to be more than three (3) applicants who achieve scores sufficient to qualify for a permit, the scoring-tied applicants will be entered into a random draw and the tie will be resolved through a blind lottery drawing to determine which applicant will receive recommendation for approval. Those applications randomly selected shall be eligible to receive a permit to operate a Designated Consumption Establishment. In the event that the number of Designated Consumption Establishment permits falls below the maximum number authorized under this ordinance, the Clerk shall not be required to score applicants. Instead, the Clerk shall evaluate applications in the order that they are submitted and shall award permits for Designated Consumption Establishment to an applicant who submits a complete application, receives the approvals required in this section, and meets the requirements of this ordinance. However, in no event shall the number of Designated Consumption Establishment permits exceed the maximum number authorized under this ordinance.

(l) At the conclusion of the twenty-one (21) day application period, the Clerk shall begin processing applications for permits to operate Social Equity Retailer establishments, awarding conditional permits to the six (6) highest scoring applicants as limited by the applicable overlay zoning districts. In the event of an evaluation scoring tie, which causes there to be more than six (6) applicants who achieve scores sufficient to qualify for a permit, the scoring-tied applicants will be entered into a random draw and the tie will be resolved through a blind lottery drawing to determine which applicant will receive recommendation for approval. Those applications randomly selected shall be eligible to receive a permit to operate a Social Equity Retailer. In the event that the number of Social Equity Retailer permits falls below the maximum number authorized under this ordinance, the clerk shall not be required to score applicants. Instead, the clerk shall evaluate applications in the order that they are submitted and shall award permits for Social Equity Retailers to an applicant who submits a complete application, receives the approvals required in this section, and meets the requirements of this ordinance. However, in no event shall

the number of Social Equity Retailer permits exceed the maximum number authorized under this ordinance.

(m) The Clerk will grant a final permit to a retailer, social equity retailer, Class A microbusiness and designated consumption establishment if the applicant obtains final site plan approval and special land use approval within 6 months of receiving a conditional permit, obtains an operating permit from the City and an operating license from the Department within 18 months after the conditional permit is granted, and enters into a written agreement with the City confirming that the marihuana establishment will operate in accordance with the business plans, building plans, design standards, social equity plans and all other operational standards described by the applicant in the application materials submitted. The agreement shall further provide that if the establishment breaches the agreement, then the City may revoke authorization of the establishment following notice and a public hearing, and that in such event, the City shall be entitled to injunctive relief barring further operation of the establishment in the City. An extension of 6 months to obtain an operating permit from the City and an operating license from the Department may be granted in the discretion of the Clerk upon a showing of good cause for the delay.

(n) Nothing in this section is intended to confer a property or other right, duty, privilege or interest in a permit of any kind or nature whatsoever, including, but not limited to, any claim of entitlement.

(o) The Clerk may engage professional expert consultant assistance in performing the Clerk's duties and responsibilities under this Ordinance.

Sec. 14. Social Equity Retailers

(a) The City has created a permit process to allow state social equity qualifiers to apply for and be awarded social equity retailer permits in zoning districts designated in the City zoning ordinance. The City shall permit six (6) social equity retailer licenses for social equity applicants, including franchisees, who demonstrate and document 51% or more ownership by social equity qualifying applicants, including ownership structure of the entity that identifies the ownership percentage held by each stakeholder.

(b) Social equity applicants for social equity retailer permits may apply for other available adult-use permits including retailer establishment permits, except they may not apply for a Class

A microbusiness, safety compliance facility or secure transporter permit. Social equity retailer applicants are limited to one application per location. Multiple applications for the same social equity establishment location shall be disqualified.

Sec. 15. Odor Control.

(a) No Marihuana Business, permittee, person, tenant, occupant, licensee, landlord or property owner shall permit the release of marihuana odors from any origin to cause obvious odors emanating from the premises in which they derived and interfere with the reasonable and comfortable use and enjoyment of another's property. Whether or not a marihuana odor interferes with the reasonable and comfortable use and enjoyment of another's property shall be determined by the objective standards of a reasonable person of normal sensitivity.

(b) Marihuana Businesses shall use sufficient procedures to prevent smoke, odor, debris, dust, fluids and other substances from escaping the premises of the Marihuana Business. If any smoke, odor, debris, dust, fluids or other substances leave the Marihuana Business in a detectable amount sufficient to interfere with the reasonable and comfortable use and enjoyment of adjacent property, or that causes damage to property, the permittee for the Marihuana Business and the owner of the premises shall be jointly and severally liable for such conditions and shall be responsible for immediate, full cleanup and correction of such condition. The permittee shall properly dispose of all such materials, and other substances in a safe, sanitary, and secure manner in compliance with all federal and state laws and regulations, and this chapter.

1. A plan for ventilation of the Marihuana Business that describes the ventilation systems that will be used to prevent any odor of marihuana off the premises of the business. Such plan shall also include all ventilation systems used to control the environment for the plants and describe how such systems operate with the systems preventing any odor leaving the premises. For marihuana infused products, such plan shall also include all ventilation systems used to mitigate noxious gases or other fumes used or created as part of the production process.

2. Cultivated, produced, or distributed by a Marihuana Business. A Marihuana Business shall be ventilated so that the odor of marihuana cannot be detected by a person with a normal sense of smell at the exterior of the Marihuana Business or at any adjoining use or property.

3. Sufficient measures and means of preventing smoke, odor, debris, dust, fluids and other substances from exiting a Marihuana Business must be provided at all times. In the event that any odors, debris, dust, fluids or other substances exit a marihuana establishment, the owner of the subject premises and the permittee shall be jointly and severally liable for such conditions and shall be responsible for immediate, full clean-up and correction of such condition. The Marihuana Business shall properly dispose of all such materials, items and other substances in a safe, sanitary and secure manner and in accordance with all applicable federal, state and local laws and regulations.

Sec. 16. Social Equity

(a) A permittee must use good-faith efforts in hiring employees who have been negatively impacted by marihuana prohibition. Adult-use recreational marihuana businesses should use good-faith efforts to hire and retain 25 percent of its employees who are low income or live in the City of Pontiac.

Sec. 17. Class A Microbusinesses

(a) A Class A microbusiness is subject to all applicable provisions in this Ordinance related to growers, processors, and retailers.

(b) All Class A Microbusinesses, shall comply with all applicable requirements of the City of Pontiac's zoning ordinance except where otherwise specified in this Ordinance.

(c) All Class A Microbusinesses shall be classified as Special Land Uses in the permitted zoning districts.

(d) A masonry screen wall shall be provided along all property lines abutting property that is zoned for residential use, subject to the requirements of the Pontiac Code of Ordinances.

(e) Class A Microbusinesses are prohibited if the location is within 1,000 feet from any pre-existing School; (i) the distance separation requirement between the school and the contemplated location set forth above shall be measured along the centerline of the street or streets of address between two fixed points on the centerline determined by projecting straight lines, at right angles to the centerline, from the primary point of ingress to the School, and from the primary point of

ingress to the contemplated location along the centerline to the primary street address building entrance, regardless of the ownership of property or Permittee.

(f) Class A Microbusinesses located outside of the Downtown Overlay District shall be closed for business, and no sale or other distribution of marihuana in any form shall occur upon the premises between the hours of 10:00 p.m. and 7:00 a.m. Class A Microbusinesses located in the Downtown Overlay District shall be closed for business, and no sale or other distribution of marihuana in any form shall occur upon the premises, between the hours of 2:00 a.m. and 7:00 a.m.

(g) Drive throughs and drive through, walk-up window service, and curbside service shall be a prohibited use for all Class A Microbusinesses.

Sec. 18. Designated Consumption Establishments.

(a) All Designated Consumption Establishments shall comply with all applicable requirements of the City of Pontiac's zoning ordinance.

(b) Designated Consumption Establishments shall be limited to Downtown Overlay District as identified in the City zoning ordinance and on the City Zoning Map, with three Designated Consumption Establishments permitted north of Huron Street and three Designated Consumption Establishments permitted south of Huron Street.

(c) Designated Consumption Establishments shall be closed for business, and no consumption of marihuana in any form shall occur upon the premises between the hours of 2:00 a.m. and 7:00 a.m.

(d) Designated Consumption Establishments shall be classified as Special Land Uses in the permitted zoning districts.

(e) A masonry screen wall shall be provided along all property lines abutting property that is zoned for residential use, subject to the requirements of the Pontiac Code of Ordinances.

(f) Designated Consumption Establishments are prohibited if the location is within 1,000 feet from any pre-existing School; (i) the distance separation requirement between the school and the

contemplated location set forth above shall be measured along the centerline of the street or streets of address between two fixed points on the centerline determined by projecting straight lines, at right angles to the centerline, from the primary point of ingress to the School, and from the primary point of ingress to the contemplated location along the centerline to the primary street address building entrance, regardless of the ownership of property or Permittee.

(f) A Designated Consumption Establishment shall:

(1) Install and maintain an operable ventilation and filtration system to remove smoke to the outside of the building and eliminate odor at the property line of the premises;

(2) Prominently display a sign near the entrance of the business which carries the following warning:

WARNING: Marijuana use by pregnant or breastfeeding women, or by women planning to become pregnant, may result in fetal injury, preterm birth, low birth weight, or developmental problems for the child.

Sec. 19. Marijuana Business Co-Location and Stacking.

(a) Separate Marijuana Business grower, processor, retailer, social equity retailer, Class A microbusiness, and designated consumption establishment uses, shall be permitted to co-locate at a single property subject to permit approval for each use from the City. Co-located establishments operating at the same location must have permit approval for each Marijuana Business type and use described above.

(b) Consistent with the MRTMA and the Rules, applicants for Class C grower permits shall be allowed to stack and receive multiple Class C grower permits, and to operate under each permit in a single establishment.

Sec. 20. Transfer of Location Prohibited; Transfer of Ownership and Assets.

(a) Transfer of Location Prohibited. Permittees may not transfer a permit issued under this ordinance to a different location. Conditionally approved medical marijuana permit holders may apply for adult-use permits at a different location than the location applied for under the Medical Marijuana Facilities Ordinance, Article XXX, Section 26.1491 et seq. in any of the four zoning districts allowed under Ordinance #2407, not only in the zoning district where the applicant was awarded a conditionally approved medical marijuana permit. Current and final conditionally approved medical marijuana applicants for provisioning center permits who choose to apply

under this ordinance at a different location would receive the 30 scoring points under Section 13(f)(9) of this ordinance for the location that had been conditionally approved under the Medical Marihuana Facilities Ordinance Article XXX , Section 26.1491 et seq.

(b) Transfer of Ownership or Assets. Permittees may apply to the Clerk to transfer ownership or assets of a permittee's business and the permit issued under this ordinance to a different individual or entity, subject to receiving in advance written approval from the Clerk and the Department pursuant to the MRTMA and the Rules. In order to request City approval to transfer ownership or assets and a permit to a different individual or entity, the permittee must make a written request to the Clerk, indicating the current permittee and the proposed permittee. The proposed permittee shall submit a complete application to the Clerk, and the Clerk shall grant the request so long as the proposed permittee meets all requirements outlined in this Ordinance and the Department authorizes the transfer pursuant to the MRTMA and the Rules. A sale or transfer of an ownership interest of a social equity applicant shall be at a price no less than fair market value and the buyer or transferee shall be qualified as a social equity applicant.

(c) With submission of a complete transfer of ownership or assets application, the proposed permittee for an ownership or asset transfer shall pay a nonrefundable application fee of \$5,000.00, in order to offset costs of the City associated with review of the proposed permittee's qualifications for a permitted marihuana business operation.

Sec. 21. Permits Generally

(a) Permittees shall report any material change in the required information to the Clerk within twenty four (24) hour and shall report any non-material change in the required information to the Clerk within ten (10) business days of the change. Failure to do so may result in a fine, suspension or revocation of the license.

(b) Permit approval shall not be effective, and no Marihuana Business may operate, unless the Marihuana Business has obtained a State License, the site of the proposed use and proposed structure for the Marihuana Business has zoning approval for such use, and the final site plan and special exception permit has been approved by the Planning Commission.

Sec. 22. Term of Marihuana Business Permit.

(a) Approval of a permit shall be for a period of one calendar year subject to continued compliance with this ordinance, the City Code, MRTMA and the Rules.

- (b) Each permit for that current year shall be displayed in a conspicuous spot in the location.
- (c) A permittee shall remove any expired permit on display and replace it with the current permit. A permittee shall not attempt nor act in any fraudulent manner in regard to the display of any permit.

Sec. 23. Closing of Marihuana Business.

- (a) A permittee that closes a Marihuana Business must comply with the requirements issued by the Michigan Cannabis Regulatory Agency.
- (b) Within thirty (30) days of a permittee ceasing operations, written notification must be provided to the City Clerk.
- (c) The permittee shall furnish to the City a current forwarding address, phone number and email for all permittees.
- (d) The permittee shall surrender its Marihuana Business permit to the City upon the expiration of the thirty (30) days' notice to the City.

Sec. 24. Annual Marihuana Business Permit Renewal.

- (a) Application for a permit renewal shall be made in writing to the Clerk at least 30 days prior to the expiration of an existing permit. Failure to submit a completed application for renewal of an existing permit along with the required renewal fee to the City Clerk on or before the license expiration date shall be grounds for the revocation or suspension of a permit. Any authorized establishment that has not timely submitted a renewal application as required herein shall suspend all business operations until such time as a renewal permit has been obtained.
- (b) An application for permit renewal shall be made under oath on forms provided by the Clerk.
- (c) An application for permit renewal shall be accompanied by a renewal fee of \$5,000.00 for each permit to help defray administrative and enforcement costs of the City associated with the operation of the Marihuana Business.
- (d) Upon receipt of a completed application for renewal of a permit meeting the requirements of this ordinance and payment of the permit renewal fee, the Clerk shall refer a copy of the renewal

application to the fire department and the Community Development Department, planning division, and other appropriate City departments and officials for review.

(e) No application for a permit renewal shall be approved unless:

(1) The fire department and the Community Development Department, planning division, and other appropriate departments have, within the past calendar year, inspected the proposed location for compliance with all state and local building, electrical, fire, mechanical and plumbing requirements.

(2) The Community Development Department, planning division, and other relevant departments have confirmed that the location complies with the zoning ordinance.

(3) The permittee possesses the necessary State Operating Licenses in good standing with the Department.

(4) The applicant has operated the Marihuana Business in accordance with the conditions and requirements of this ordinance and the City Code.

(5) The permittee has not been determined to be a public nuisance.

(6) An explanation, with supporting factual data, that the operations of the business have been consistent with all of the plans submitted with its application for a permit, including but not limited to the staffing plan, the neighborhood communication/education plan, and proof of an insurance policy covering the business and naming the City of Pontiac, its elected and appointed officials, employees, and agents, as additional insured parties, primary and non-contributory available for the payment of any damages arising out of an act or omission of the applicant or its stakeholders, agents, employees, or subcontractors, in the amount of:

- a. at least Two Million Dollars (\$2,000,000) for property damage;
- b. at least Two Million Dollars (\$2,000,000) for injury to one (1) person; and
- c. at least Two Million Dollars (\$2,000,000) for injury to two (2) or more person resulting from the same occurrence.

The insurance policy underwriter must have a minimum A.M. Best Company insurance ranking of B+, consistent with state law. The policy shall provide that the City shall be notified by the insurance carrier thirty (30) days in advance of any cancellation or reduction in coverages.

(7) An explanation, with supporting factual data, of the efforts and success achieved by the social equity plan of the business to promote and encourage participation in the marihuana industry by local residents that have been disproportionately impacted by marihuana prohibition and enforcement, and the positive impact of the social equity plan on local residents.

(9) The City Treasurer has confirmed that the applicant and each stakeholder is not in default to the City for any property tax, special assessment, utility charges, fines, fees or other financial obligation owed to the City.

(10) The City has reviewed the application and determined that the applicant has satisfied the requirements of this Ordinance with respect to the criminal background check and security plan.

(11) Unless the applicant shows good cause, the applicant shall demonstrate to the City Clerk that the applicant was open and conducting business for a minimum of twenty (20) hours per week during each and every week of the prior year. The term "good cause" shall mean substantial grounds, such as an emergency, fire damage, or other unforeseeable circumstances that prevented the applicant from conducting business for a minimum of twenty (20) hours per week during each and every week of the prior year. Economic or financial decisions, or inability to secure capital or financial resources that prevented an applicant from conducting business for a minimum of twenty (20) hours per week during the prior year shall not be good cause.

(f) If written approval is given by each department or entity identified in this section, and the Clerk determines that the applicant has satisfied subsections (a), (b), (c), (d) and (e) of this Section, then the Clerk shall renew the permit of the applicant.

Sec. 25. Denial, Nonrenewal, Suspension, or Revocation of Marihuana Business Permit; Basis for Action; Appeal.

(a) Each Marihuana Business within the City for which a permit is granted shall be operated and maintained in accordance with all applicable City, State and federal laws, rules, and regulations. Any permit issued under this Ordinance may be revoked or suspended by the City after written notice and an administrative hearing if a City official finds and determines that grounds for revocation or suspension exist. Any grounds for revocation or suspension of a permit must be provided to the permittee at least ten (10) days prior to the date of the hearing by first class mail to the address given on the application or any address provided to the Clerk in writing subsequent to the filing of an application. The Clerk shall notify an applicant of the reasons for denial of an application for a permit, for permit renewal, or for suspension or revocation of a permit, or any adverse decision under this ordinance and provide the applicant or permittee an administrative hearing with the opportunity to be heard.

(b) In addition to any other reasons set forth in this ordinance, the City may refuse to issue a permit, may refuse to grant renewal of a permit, and may suspend or revoke a permit pursuant to Pontiac City Ordinance sections 1-24 or for any of the following reasons:

(1) A violation of any provision of this Ordinance, including, but not limited to, the failure to provide the information required by this Ordinance;

(2) Any disqualifying conviction or pattern of convictions by the permittee or any stakeholder of the permittee including any conviction of any felony or any misdemeanor involving controlled substances, theft, or dishonesty by the applicant, permittee, stakeholder, or any person holding an ownership interest in the licensee;

(3) Failure of the permittee to obtain or maintain a State License or approval pursuant to MRTMA and MMFLA;

(4) Commission of fraud or misrepresentation or the making of a false statement by the applicant, permittee, or any stakeholder of the applicant or permittee, while engaging in any activity for which this Ordinance requires a permit;

(5) The Marihuana Business is determined by the City to have become a public nuisance or otherwise is operating in a manner detrimental to the public health, safety or welfare;

(6) Failure of the permittee to maintain the property causing a blighted or other condition in violation of any City ordinance, including but not limited to, Ord. No. 2355, 8-9-18, or in violation of any state law, including but not limited to, MCL 125.538 to 125.542.

(7) Any default in the payment of any charges, taxes, or fees, to the City if not cured upon thirty (30) days following notice sent by electronic means or mail to the address of the Marihuana Business. This cure period does not apply to scoring of initial applications for Retailer, Social Equity Retailer, Class A Microbusiness and Designated Consumption Establishment permits;

(8) Violation of any State law applicable to Marihuana Businesses.

(9) Failure to obtain or maintain a certificate of occupancy from the Building Department;

(10) Failure of the permittee to obtain or maintain a permit or to renew a permit from the City Clerk; or

(11) The establishment's approved site plan is determined to be in substantial violation by the City.

(12) Applicants submitted more than one application for the same location.

(c) Appeal of denial of an application, denial of renewal, or revocation or suspension of a permit: Any applicant or permittee aggrieved by the denial, non-renewal, suspension or revocation of a permit or adverse decision under this ordinance may appeal to the Clerk, by filing with the Clerk, within fourteen (14) days after notice of the action complained of has been mailed or e-mailed to the applicant or to permittee's last known address on the records of the Clerk, a written statement setting forth fully the grounds for the appeal. The Clerk shall appoint a hearing officer to hear and evaluate the appeal and make a written recommendation and report to the Clerk. The Clerk shall review the report and recommendation of the hearing officer and issue a written decision. The Clerk's decision may be appealed to the Marihuana Business Commission by filing an appeal in writing to the Marihuana Business Commission no later than thirty (30) days after the Clerk's decision. The review on appeal of a denial, non-renewal, suspension, or revocation or adverse action shall be by the Marihuana Business Commission pursuant to this ordinance. The Marihuana Business Commission shall overturn a decision or finding of the Clerk if it finds such decision or finding to be arbitrary or capricious and/or not supported by material, substantial, and competent facts on the whole record considered by the Clerk in arriving at such decision or finding. Any decision by the Marihuana Business Commission on an appeal shall be final for purposes of judicial review. The Clerk may engage professional consultants to assist with the review and scoring of applications under this section.

(d) Following the denial of a permit to an applicant for a retailer permit, social equity retailer permit, Class A microbusiness permit or designated consumption establishment permit, and any subsequent appeal during the recommendation and issuance process, the Clerk may move to recommend the application with the next highest number of scoring points as determined in the application process to be awarded a permit.

(e) The City Clerk shall notify the Michigan Cannabis Regulatory Agency of all renewal applications which are renewed or denied, and all permits that are suspended or revoked.

(f) A permittee whose renewal application is denied, must submit a new application as a new applicant.

Sec. 26. Penalties; temporary suspension of a permit.

(a) The City may require an applicant or permittee of a Marihuana Business to produce documents, records, or any other material pertinent to the investigation of an applicant or permittee or to an alleged violation of this Ordinance or state law and rules. Failure to provide the required material may be grounds for application denial, or permit suspension or revocation.

(b) Any person in violation of any provision of this Ordinance, including the operation of a Marihuana Business without a permit shall be responsible for a civil infraction and shall be subject to a civil fine and costs. Increased civil fines may be imposed for a repeat violation. As used in this Ordinance "repeat violation" shall mean a second or any subsequent infraction of the same requirement or provision committed by a person or establishment within any twenty-four (24) month period. Unless otherwise specifically provided in this Ordinance, the penalty schedule is as follows:

- (1) Five Hundred Dollars (\$500), plus costs, for the first violation;
- (2) One Thousand Dollars (\$1,000), plus costs, for a repeat violation;
- (3) Three Thousand Dollars (\$3,000), plus costs for any repeat violation that continues for more than one day.

(c) The City may temporarily suspend a Marihuana Business permit without a prior hearing if the City finds that public safety or welfare requires emergency action affecting the public health,

safety, or welfare. The City shall cause the temporary suspension by issuing a suspension notice in connection with institution of proceedings for notice and a hearing.

(d) If the City temporarily suspends a permit without a prior hearing, the permittee is entitled to a hearing within thirty (30) days after the suspension notice has been served on the permittee or posted on the permitted premises. The hearing shall be limited to the issues cited in the suspension notice.

(e) If the City does not hold a hearing within thirty (30) days after the date the suspension was served on the permittee or posted on the permitted premises, then the suspended permit shall be automatically reinstated and the suspension vacated.

(f) The penalty provisions herein are not intended to foreclose any other remedy or sanction that might be available to, or imposed by the City, including criminal prosecution.

Sec. 27. Severability Clause.

Should any word, phrase, sentence, paragraph, or section of this Ordinance be held invalid or unconstitutional, the remaining provisions of this ordinance shall remain in full force and effect.

Sec. 28. Effective Date.

This Ordinance shall become effective: (a) 30 days following the date of adoption, (b) the effective date of the amendment to ordinance #2360 (removing the prohibition of marihuana establishments); or (c) the effective date of the zoning code text amendments permitting Adult-Use Marihuana Business land uses, whichever is later.

Sec. 29. Publication.

CERTIFICATION

The foregoing is a true and complete copy of an Ordinance adopted by the City Council of the City of Pontiac, County of Oakland, State of Michigan, at a regular meeting of the City Council held on _____ day of _____, 2023, and public notice of said meeting was given pursuant to and in accordance with the requirements of Act No. 267 of the Public Acts of

1976, as amended, being the Open Meetings Act, and the minutes of said meeting have been or will be made available as required by said Act.

Members Present: _____

Members Absent: _____

It was moved by Member _____ and supported by Member _____ to adopt the Ordinance.

Members voting Yes: _____

Members voting No: _____

Members Abstaining: _____

The Ordinance was declared adopted by the Mayor and has been recorded with the City of Pontiac.

Garland Doyle, City Clerk
City of Pontiac, Michigan

ADOPTED:

PUBLISHED:

EFFECTIVE:

Summary report: Litera Compare for Word 11.2.0.54 Document comparison done on 9/8/2023 4:48:06 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Second Reading Adult-Use Marihuana Ordinance as of 3-28-2023 Amendments(271109884.1).docx	
Modified filename: Amended per Resolution 23-300 Second Reading Adult-Use Marihuana Ordinance JG 08.31.23 (Pontiac 9.8.2023).docx	
Changes:	
<u>Add</u>	67
<u>Delete</u>	41
<u>Move From</u>	0
<u>Move To</u>	0
<u>Table Insert</u>	0
<u>Table Delete</u>	0
<u>Table moves to</u>	0
<u>Table moves from</u>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	108

#12

RESOLUTION



Community Development – Code Enforcement Division

TO: Pontiac City Council

FROM: Jack McIntyre, Manager of Code Enforcement

CC: Mayor Tim Greimel and Deputy Mayor Khalfani Stephens

DATE: September 6, 2023

RE: **Code Enforcement Assistant Manager Position**

With the 23/24 budget year the City of Pontiac's Council approved an additional full time Code Enforcement position with a salary amount of \$60,000 to \$70,000 currently in the Building fund. The intended purpose of this position was to create the Code Enforcement Assistant Manager position. This position will fall under the direct supervision of the Code Enforcement Manager.

The Code Enforcement Assistant Manager position will assist in directing and supervising the activities of the Code Enforcement Division, enforces all aspects of the City's codes and ordinances, and assists in managing site inspections of properties and structures within the city to ensure compliance with all applicable city, state, and federal codes and regulatory requirements.

The creation of the Assistant Manager position requires Council's approval.

Finance has stated there is dollars for this position currently in Building funds.

Code Enforcement Assistant Manager	\$65,000
------------------------------------	----------

WHEREAS, The City of Pontiac approved the new position with the org chart and;

WHEREAS, The Code Enforcement Division, has the need to fill the positions and;

WHEREAS, The Code Enforcement funds have budgeted dollars in the 2023/2024 Fiscal Year budget to cover these costs,

NOW, THEREFORE,

BE IT RESOLVED: The Pontiac City Council approves the position of Code Enforcement Assistant Manager.

Code Enforcement Assistant Manager, City of Pontiac

Description

SUMMARY: Assists in the activities of the Code Enforcement division of the Community Development Department. Responsible for assisting in the administrative oversight of all division services and ensure staffing for all associated boards. The work requires coordination of the City's interdepartmental resources to provide unified services to the public. The Assistant Code Enforcement Manager reports to the Code Enforcement Manager

ESSENTIAL FUNCTIONS: (The following examples are illustrative only and are not intended to be all inclusive.)

- Assists in directing and supervising the activities of the Code Enforcement Division
- Enforces all aspects of the City's codes and ordinances and assists in managing site inspections of properties and structures within the City to ensure compliance with all applicable City, State, and Federal codes and regulatory requirements.
- Reviews codes and ordinances for amendment/adoption.
- Collects rent rolls from multi-family and single family housing and coordinates invoicing and scheduling rental inspections.
- Assists and may present to manager and administration of other programs such as unsafe structure/demolition programs, lot mowing programs, nuisance abatement programs, lien reduction programs, and other related programs.
- Assists in managing the code enforcement, code inspection, and notification processes.
- Coordinates and conducts training for new employees
- Covers inspection schedules for all districts when staff shortages occur
- Assists and may present evidence in various legal proceedings to ensure that complete and correct information is related to all participants; provides depositions to the court.
- Attends various department, public, and Council meetings, and provides oral presentations to various local and civic groups and organizations.
- Handles difficult and sometimes volatile situations, regarding code violations to resolve issues with property owners, tenants, and complainants.
- Assists with phone and counter inquiries
- This position may require a rotating schedule to include Tuesday through Saturday

Requirements

MINIMUM QUALIFICATIONS

- Experience in municipal or state code enforcement and compliance work as well as experience in municipal rental property inspections
- Team lead, supervisory, or project lead experience
- Must have a valid Michigan Driver's License or a valid State Driver's License with the ability to transfer to a Michigan Driver's License within thirty (30) days of hire.
- Must complete International Code Council (ICC) rental inspection certification within three years as appropriate while in this position.

Knowledge, Skills & Abilities

- Thorough knowledge of local zoning codes, Community Development and nuisance codes, based upon area of assignment.
- Ability to effectively assist in supervising, training, coaching and evaluating staff performance
- Ability to prepare and maintain clear and comprehensive records and to make necessary reports
- Ability to effectively present programs and ideas orally and in writing and speak effectively to public groups and civic organizations
- Ability to establish and maintain effective working relationships with employees, officials, and the public
- Ability to enforce code requirements and perform rental inspections with tact and impartiality
- Ability to communicate effectively verbally and in writing
- Ability to organize, coordinate, and supervise office and field functions.

Physical Requirements

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to sit and stand; must regularly lift and or move items up to 25 pounds, and occasionally lift or move items over 50 pounds; be able to clearly hear constituents when speaking in person or on the telephone. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

This job description does not constitute an employment agreement between the employer and the employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

#13

RESOLUTION



Finance

CITY OF PONTIAC OFFICIAL MEMORANDUM

TO: Honorable City Council President and City Council

FROM: Sekar Bawa, Senior Accountant

CC: Timothy Sadowski, Finance Director, Mayor Tim Greimel, Khalfani Stephens, Deputy Mayor

DATE: August 28, 2023

RE: **Resolution to add a new position (Purchasing Administrative Assistant) to City of Pontiac.**

Respected Council President and Esteemed Members of the City Council,

Considering the ongoing transitional initiatives within the Finance Department, I am writing to formally propose the inclusion of a Purchasing Administrative Assistant role within the Purchasing division. At present, the Purchasing Manager relies on the assistance of a Purchasing Assistant to fulfill various duties related to procurement. However, to enhance our ability to promptly facilitate the procurement of goods and services for other departments, it is imperative that the Purchasing Manager be supported by an Administrative Assistant.

I hereby advocate for the establishment of the Purchasing Administrative Assistant position within the Purchasing division, encompassing an annual remuneration of up to \$55,000. This proposed position would fall under the direct supervision of the Purchasing Manager and would be entrusted with the responsibility of aiding both the Purchasing Manager and the Purchasing Assistant in their day-to-day administrative functions. These responsibilities encompass, but are not limited to, overseeing the competitive bid process, facilitating vendor onboarding procedures, managing contractual obligations, handling document distribution and organization, as well as coordinating internal and external communications. For your perusal, a detailed job description has been appended herewith.

Attachment: Job Description



Resolution to add new position (Purchasing Administrative Assistant) to City of Pontiac.

WHEREAS the Purchasing Division is currently experiencing an urgent imperative for the acquisition of a Purchasing Administrative Assistant, with the express purpose of providing essential support to the Purchasing Manager; and

WHEREAS it has been determined that the appropriate annual compensation for the Purchasing Administrative Assistant shall not exceed the amount of \$55,000; and

NOW, THEREFORE, BE IT RESOLVED that the Pontiac City Council hereby extends its official sanction towards the establishment of the subsequent position, denoted as the "Purchasing Administrative Assistant."

Job Posting

Purchasing Administrative Assistant

Pontiac, MI

Description

FLSA - Administrative Exemption

Salary Range - \$50,000 - \$55,000
(Annually)

GENERAL STATEMENT OF DUTIES:

The City of Pontiac Purchasing Division is looking for a highly organized and detail-oriented Administrative Assistant to keep the purchasing office running smoothly and efficiently. The Purchasing Administrative Assistant will be the "go-to" for the Purchasing office. The assistant will assist the City of Pontiac's Purchasing Manager and Purchasing Assistant with daily administrative tasks associated with but not limited to, the competitive bid process, vendor onboarding, contract administration, document distribution and management, and internal and external communications.

SUPERVISION RECEIVED:

The Purchasing Administrative Assistant will report directly to the Purchasing Manager.

SUPERVISION EXERCISED:

TYPICAL EXAMPLES OF WORK:

An employee in this class may be called upon to do any or all the following:

- Review solicitation requests for completion
- Prepare communications such as emails, reports, memos, and other correspondence
- Answer incoming calls and external calls
- Reviewing purchasing documentation for correct grammar and spelling before issue
- Scheduled solicitation milestones on manager and assistant's calendar
- Schedule appointments with internal and external customers, and maintain calendar
- Organize and maintain the electronic and manual files
- Assist with research subject matters
- Collect and distribute mail for the office

Essential Functions

- Assist PM with research scopes of work and services for department heads to prepare the solicitation packet
- In-take Purchasing general calls and delegate calls/messages to the Purchasing Manager or the Purchasing Assistant
- In-take Request for Solicitations (involves reviewing and asking department heads for missing information before sending to PM)
- Request Insurance Certificates for the City as needed
- Prepare letters of Intent to award for solicitations
- Prepare letters of non-award for solicitations

- Prepare letters of award once the council passes resolutions
- Save Council Resolution passes to the appropriate contract file
- Assist with purchasing calendar and maintenance
- Assist with contract management solution follow-up as necessary to ensure compliance is being adhered to and that documents are moving along in the contract management process as necessary
- Assist with preparing materials for pre-bid conferences, site visits, and public bid openings
- Ensure solicitation and contract milestones are saved to the PM and purchasing assistant's calendar
- Proofread documents for internal and public use
- Ensure manual files are organized in a professional, clear, and concise manner
- Ensure all documents are filed appropriately
- Assist PM and PA with researching subject matters
- Run monthly purchase order reports to check annual spend
- Schedule meetings and prepare meeting materials for internal and external customers
- Update vendor information in City's financial solution and run quarterly vendor reports to identify approved and preferred vendors and the commodities and services they provide
- Assist with performing general calculations for bid tabulations and using formulas provided by the PM and PA as necessary
- May be asked to accompany PM to meetings to take notes (capture critical information that requires action)

Requirements

Minimal Qualifications

An associate's degree with 3 to 5 years administrative office experience. A bachelor's degree from an accredited college with 2 to 3 years administrative office experience is preferred; municipality purchasing office experience is a plus. Must have exceptional organization and time management skills.

Knowledge, Ability, and Skills:

Ability to tabulate numbers, ability to read and write English fluently; ability to speak Spanish a plus. A mid-level user of Microsoft Word, Excel, Outlook, and Teams applications. Excellent proofreading skills and the ability to type more than 55 wpm. Ability to make independent decisions daily, addressing the best way to handle specific tasks. Ability to make recommendations for process improvements.

Job Environment

The City of Pontiac fosters diversity, equity, and inclusion and has established a committee to focus on this endeavor. An established Awards and Recognition Committee helps ensure that the City appreciates its employees throughout the year by sponsoring various activities and events. The City's HR Departments facilitate in-house training programs to ensure employees have access to the skills and tools necessary to perform their work. The office spaces where personnel reside has adequate lighting, durable office furniture, and an elevator that is accessible for those who require it. The facilities are cleaned and

maintained throughout the workday. The City has municipal codes consisting of its ordinance and charter, in addition to policies and procedures established by the various departments for operations. The City of Pontiac is aligning its personnel to work together towards creating positive results for continued growth and opportunities.

Physical Requirements

The physical demands described here must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform essential functions.

Minimal physical effort is required to perform work under typical office conditions. While performing the duties of this job, the employee is regularly required to sit and stand, must be able to lift and or move items up to twenty pounds regularly.

#14

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Finance

TO: Honorable City Council President and City Council

FROM: Sekar Bawa, Senior Accountant

CC: Timothy Sadowski, Finance Director, Mayor Tim Greimel, Khalfani Stephens, Deputy Mayor

DATE: August 23, 2023

RE: Council Resolution to approve the proposed budget amendment for the Budget Year 2022-2023.

Increase budget appropriation in the following GL accounts:

101-233-702.000 – Salaries & Wages	\$ 45,833
101-233-715.000 – FICA - City Contribution	\$ 3,506
101-233-718.500 – MERS Employer Contribution	\$ 1,833
101-233-716.000 – Medical Insurance	\$ 9,813
101-233-719.001 – Dental Insurance	\$ 473
101-233-716.011 – Hearing/Optical Insurance	\$ 8
101-233-717.000 – Short-term Disability	\$ 773
101-233-719.000 – Workers' Comp Insurance	\$ 833
101-233-725.000 – Sick & Vacation Contribution	<u>\$ 441</u>

The Purchasing Division is in urgent need of a Purchasing Administrative Assistant to aid the Purchasing Manager in the day-to-day function. If approved, the selected candidate for this role will be eligible for an annual salary of up to \$55,000.

We require additional funding for the period from September through June in the current fiscal year to pay for this essential service.

We are requesting an increase in the budget appropriations in the following GL line items:

101-233-702.000 – Salaries & Wages	\$45,833
101-233-715.000 – FICA - City Contribution	\$ 3,506
101-233-718.500 – MERS Employer Contribution	\$1,833
101-233-716.000 – Medical Insurance	\$ 9,813
101-233-719.001 – Dental Insurance	\$ 473

101-233-716.011 – Hearing/Optical Insurance	\$ 8
101-233-717.000 – Short-term Disability	\$ 773
101-233-719.000 – Workers' Comp Insurance	\$ 833
101-233-725.000 – Sick & Vacation Contribution	<u>\$ 441</u>

Net Decrease in the General Fund Balance	\$ 63,513
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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.



Council Resolution to approve the proposed budget amendment for Budget Year 2022-2023,

Increase budget appropriation in the following GL accounts:

101-233-702.000 – Salaries & Wages	\$ 45,833
101-233-715.000 – FICA - City Contribution	\$ 3,506
101-233-718.500 – MERS Employer Contribution	\$ 1,833
101-233-716.000 – Medical Insurance	\$ 9,813
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101-233-716.011 – Hearing/Optical Insurance	\$ 8
101-233-717.000 – Short-term Disability	\$ 773
101-233-719.000 – Workers' Comp Insurance	\$ 833
101-233-725.000 – Sick & Vacation Contribution	\$ 441

WHEREAS the Purchasing Division is in urgent need of a Purchasing Administrative Assistant to aid the Purchasing Manager; and

WHEREAS the Purchasing Administrative Assistant is to be paid at an annual salary of up to \$55,000:

WHEREAS the Purchasing Division require additional funding for the period from September through June in the current fiscal year to pay for this essential service; and

NOW, THEREFORE, BE IT RESOLVED that the budget of the City of Pontiac, Michigan for the fiscal year ending June 30, 2023, is hereby amended as follows for the Purchasing Division:

The appropriation for GL Account number 101-233-702.000 – Salaries & Wages - shall be increased by \$45,833.

The appropriation for GL Account number 101-233-715.000 – FICA - City Contribution - shall be increased by \$3,506.

The appropriation for GL account number 101-233-718.500 – MERS Employer Contribution - shall be increased by \$1,833.

The appropriation for GL account number 101-233-716.000 – Medical Insurance - shall be increased by \$9,813.

The appropriation for GL account number 101-233-719.001 – Dental Insurance - shall be increased by \$473.

The appropriation for GL account number 101-233-716.011 – Hearing/Optical Insurance - shall be increased by \$8.

The appropriation for GL account number 101-233-717.000 – Short-term Disability - shall be increased by \$773.

The appropriation for GL account number 101-233-719.000 – Workers' Comp Insurance - shall be increased by \$833.

The appropriation for GL account number 101-233-725.000 – Sick & Vacation Contribution - shall be increased by \$441.

BE IT FURTHER RESOLVED that the total increase in appropriation for these nine (9) items for the Purchasing Division shall be \$63,513.