



# CASCADE CHARTER TOWNSHIP

2865 Thornhills SE Grand Rapids, Michigan 49546-7140

## NOTICE OF PUBLIC MEETING VIA VIDEO CONFERENCE

In accordance with Public Act 228 of 2020, which declares that public bodies subject to the Open Meetings Act can use telephone and/or video conferencing technology to meet and conduct business during the ongoing COVID-19 pandemic, the Cascade Charter Township Board of Trustees will conduct a regular meeting on Wednesday, Wednesday March 10, 2021 at 7:00pm utilizing the Zoom video conferencing platform, for the purpose of conducting official business while complying with the Michigan Department of Health and Human Services orders and recommendations designed to help prevent the spread of COVID-19. For up-to-date information regarding the ongoing public health crisis, please visit:

<http://www.Michigan.gov/coronavirus> or <http://www.CDC.gov/coronavirus>

## INSTRUCTIONS FOR ACCESS AND PARTICIPATION

**Meeting ID:** 856 9344 1322

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/85693441322>

### **iPhone one-tap :**

US: +13126266799,,85693441322#

or

+19292056099,,85693441322#

### **Telephone:**

*(for higher quality, dial a number based on your current location):*

US: +1 312 626 6799

or +1 929 205 6099

or +1 301 715 8592

or +1 346 248 7799

or +1 669 900 6833

or +1 253 215 8782

International numbers available: <https://us02web.zoom.us/j/85693441322>

*\*\*Members of the public with disabilities may utilize the Michigan Relay System (7-1-1) to participate in the meeting. If other aids or services are needed for individuals with disabilities please contact the Township Deputy Clerk, Padley Gallagher, at [pgallagher@cascadetwp.com](mailto:pgallagher@cascadetwp.com) or 616-949-1500 at least 24 hours prior to the meeting\*\**

## **PUBLIC PARTICIPATION**

Members of the public will be able to listen to and view all discussion by the Township Board and all official materials for this meeting prepared for the Township Board will be included in the meeting packet and available to the public on the Township website [www.cascadetwp.com](http://www.cascadetwp.com) Individuals will be permitted to speak during public comment periods in accordance with the Township Remote Public Meeting Procedure Policy.

If you would like to contact the Cascade Township Board about any matter, on the agenda or otherwise, please do so via email at the addresses below a minimum of 8 hours prior to the meeting. If you wish comments to be read into the public record during the public comment period, you must indicate so and draft communication that can be read in the allotted 3-minute timeframe.

Supervisor Grace Lesperance: [glesperance@cascadetwp.com](mailto:glesperance@cascadetwp.com)

Clerk Sue Slater: [sslater@cascadetwp.com](mailto:sslater@cascadetwp.com)

Treasurer Ken Peirce: [kpeirce@cascadetwp.com](mailto:kpeirce@cascadetwp.com)

Trustee Jim Koessel: [jkoessel@cascadetwp.com](mailto:jkoessel@cascadetwp.com)

Trustee Timmy Noordhoek: [tnoordhoek@cascadetwp.com](mailto:tnoordhoek@cascadetwp.com)

Trustee Tom McDonald: [tmcdonald@cascadetwp.com](mailto:tmcdonald@cascadetwp.com)

Trustee John Shipley: [jshipley@cascadetwp.com](mailto:jshipley@cascadetwp.com)

Manager Ben Swayze: [bswayze@cascadetwp.com](mailto:bswayze@cascadetwp.com)

**AGENDA  
CASCADE CHARTER TOWNSHIP  
REGULAR BOARD MEETING**

Wednesday, March 10, 2021

7:00 P.M.

**REVISED 3/8/21**

**Expected Meeting Procedures**

1. During public comments you may speak on any item not noted on the agenda for a public hearing.
2. Please limit comments to 3 minutes per person and the Board may or may not choose to respond.
3. Please limit your comments to a specific issue.
4. Please turn OFF cellular phones.

- Article 1. Call to Order, Roll Call**
- Article 2. Pledge of Allegiance to the Flag**
- Article 3. Approval of Agenda**
- Article 4. Presentations**  
Fire Station #1 Final Presentation and Recommendations.
- Article 5. Public Comments-Anything on the Agenda not scheduled for a public hearing. (limit comments to 3 minutes)**
- Article 6. Approval of Consent Agenda**
- a. Receive and File Minutes
    1. Township Board Minutes – February 24, 2021
    2. Infrastructure Committee Minutes – January 6, 2021
  - b. Receive and File Reports
    1. Inspectors Report – February 2021
  - c. Receive and File Education Requests
    1. Todd Stevenson – Size Up and Command for the Small Dept. – March 20, 2021 – Traverse City, MI
- Article 7. Financial Actions**
- a. Tax Collection Report - 2020
- Article 8. Unfinished Business**
- Article 9. New Business**
- 023-2021 Consider Building and Grounds Equipment Replacement Purchases.**
- 024-2021 Consider Server Replacement.**
- 025-2021 Consider Kent County Designated Assessor Interlocal Agreement.**
- 026-2021 Consider Approval of 2021 Local Road Improvements.**
- 027-2021 Consider Progressive AE Agreement for Station #2 Outbuilding.**

- 028-2021** Consider 123.Net Inc, METRO Act Right of Way Permit Renewal.
- 029-2021** Consider Appointments to Planning Commission and Grand Valley Metro Counsel.
- 030-2021** Consider a Resolution Establishing a Citizen PFAS Advisory Committee. (roll call)

**Article 11. Public Comments – Any comments...whether it is on the Agenda or not. (limit comments to 3 minutes)**

**Article 12. Manager Comments**

**Article 13. Board Member Comments**

**Article 14. Adjournment**



# Fire Station 1

**FACILITIES STUDY AND NEW FACILITY STUDY**

**MARCH 10, 2021**

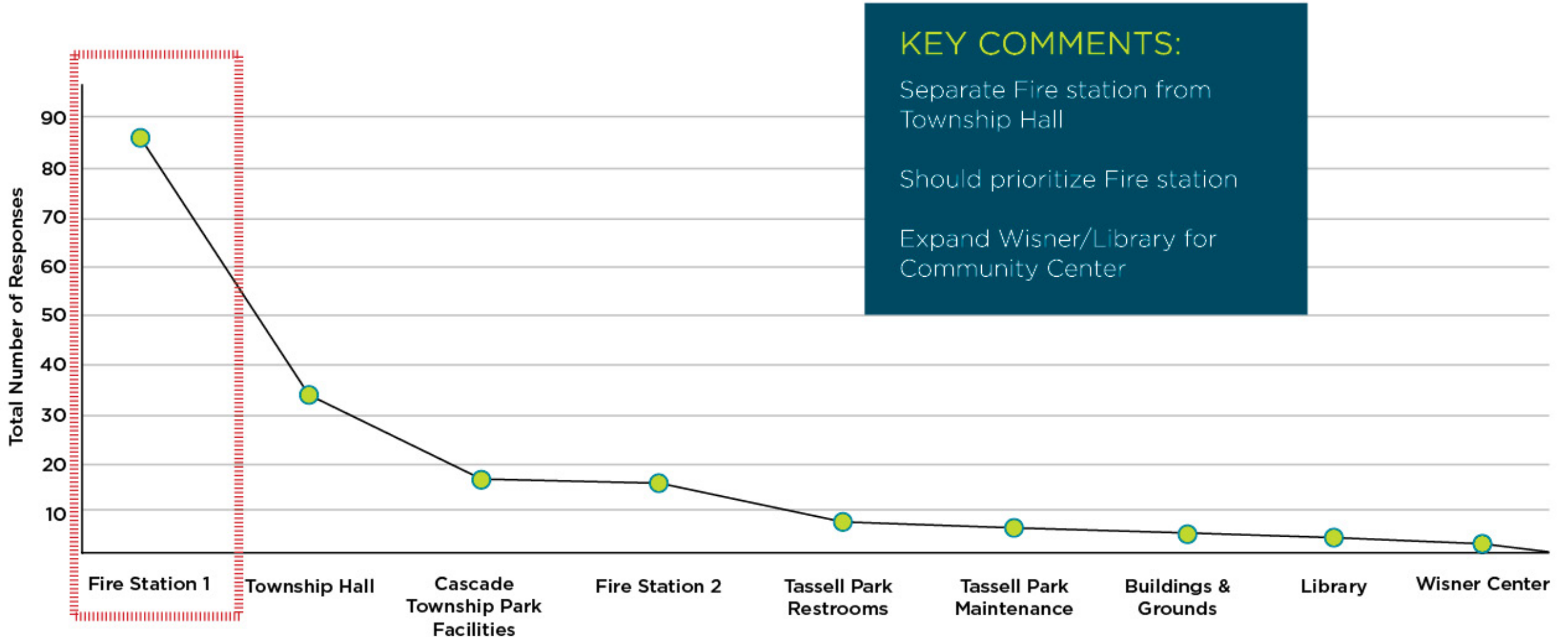
## MEETING **AGENDA**

- Facilities Study (2019)
- Township Growth Curve
- Facilities Assessments and Prioritization
- Site Selection Process, Operation Ramifications
- Design Process
- Temporary Operations Plan
- Financial Considerations
- Comparative Station Projects
- Next Steps
- Public Input

# FACILITIES STUDY

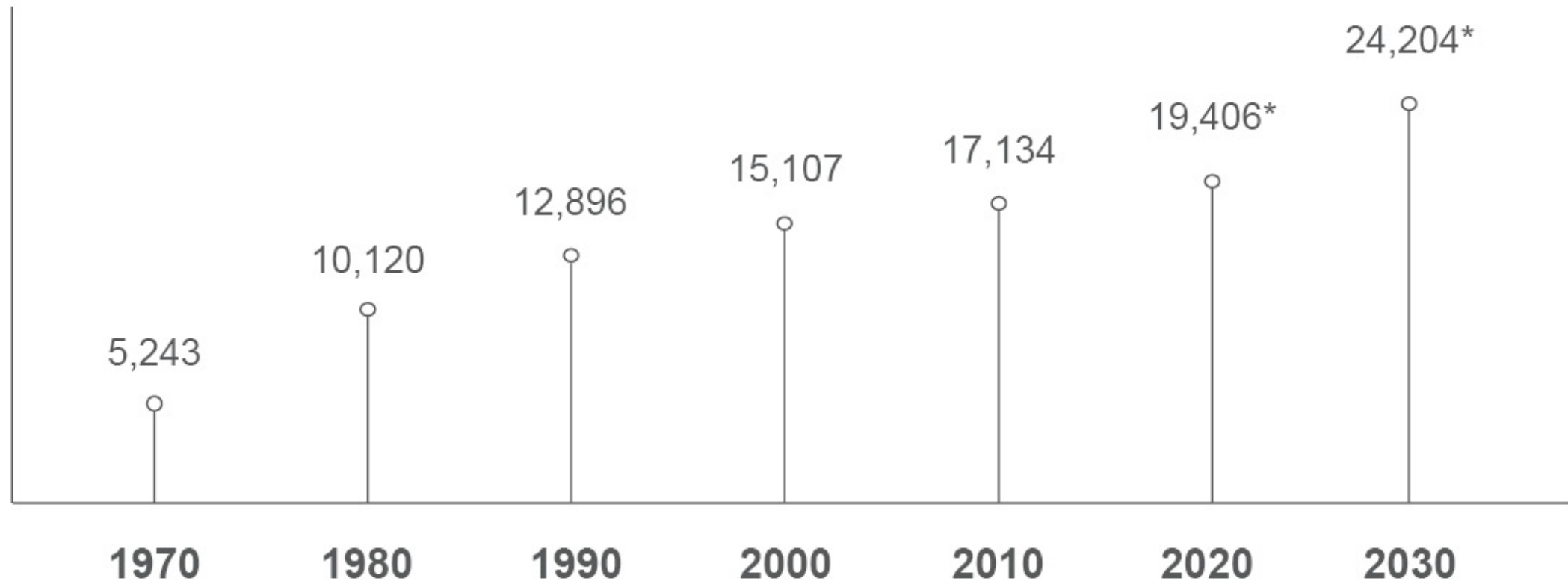
# COMMUNITY ENGAGEMENT

Where should priority be placed?



# TOWNSHIP GROWTH

# CASCADE TOWNSHIP POPULATION GROWTH



\* Based on estimates from the West Michigan Regional Planning Commission

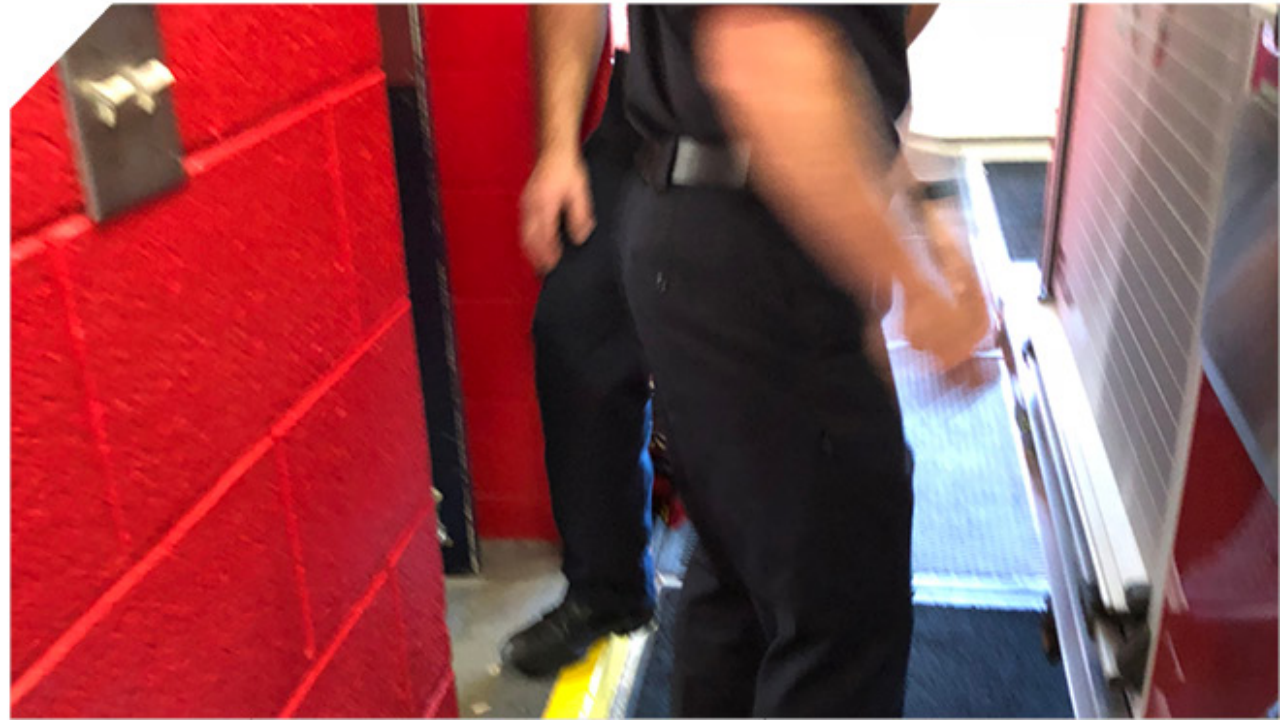
# FACILITY STUDIES AND PRIORITIZATION


## FIRE STATION 1

This building is old, needs significant repair, and doesn't function well for the fire department.

- Positioning behind township hall on the site poses safety concerns in emergencies.
- Lack of visibility and separation at entry are security risks.
- Apparatus bays are too small and don't comply with current requirements.
- Mechanical systems are not operating adequately and efficiently.
- Interior spaces and circulation are tight for fire fighters to move quickly and safely when preparing for emergency.
- Staff living quarters are undersized and don't provide for gender separation.
- Undersized living quarters limit the firefighter's ability to navigate safely in emergencies.

OVERALL CONDITION:





Based on the results of the investigation, observation, interviews, and community input gathered in this study, Progressive AE has developed the following recommended priorities for future investment in the township:

**1** FIRE STATION **1**

**2** TOWNSHIP **HALL**

**3** ENHANCED EMERGENCY **COVERAGE**

**4** TOWNSHIP **CENTER**

*These are listed in order of importance with replacement of Fire Station 1 being our highest priority.*

# 1 FIRE STATION 1

Fire Station 1 needs additional building area to provide a safe environment and meet National Fire Protection Association standards.

- The department has outgrown a facility that currently does not meet all building codes.
- A safe separation does not exist between the visitor entry and the internal operational area of the fire station.
- Vehicular and pedestrian traffic on the site creates conflict and is unsafe.
- Staff living quarters are undersized and do not allow for separation between genders and adequate circulation during emergencies.
- Vehicle apparatus bays are too low for trucks and cannot accommodate all equipment. This requires extra time to keep outdoor vehicles clear and ready for emergency response.
- Mechanical systems and building envelope are not adequate.



# 1 FIRE STATION 1

COVID-19 has further highlighted station deficiencies.

Tight quarters for required 24/7 team, requiring some to work remotely to comply with CDC requirements

Limited showers, wash areas for decontamination, which often means a wait

No washer/dryer for contaminated uniforms, turnout gear, or bedding

No sanitation or decontamination area for used medical equipment

Common bunkroom without adequate space for required physical distancing

Combined Gym/TV room also without adequate space for physical distancing



# 1 FIRE STATION 1

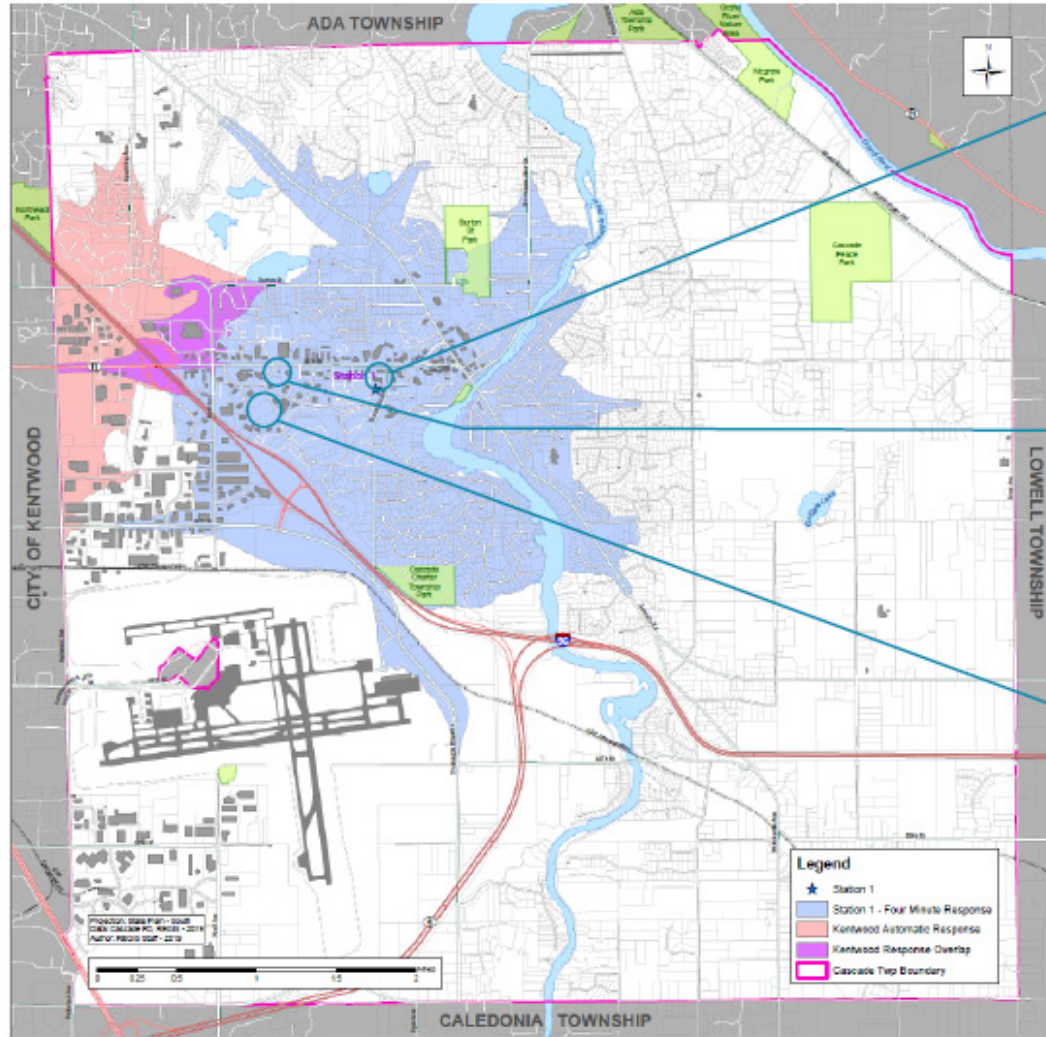
Fire Station 1 needs additional building area to provide a safe environment.

- A. Relocate the connected township hall to allow the fire station to expand.
  - + Makes use of township property for emergency services.
  - Location is not as visible or directly accessible from major roadways.
- B. Identify an alternate location for the station between I-96 and the Thornapple River.
  - Reduces coverage area from current
  - Decreases visibility and access



# SITE SELECTION PROCESS, AND OPERATION RAMIFICATIONS

# TOWNSHIP SERVICE AREA



THORNHILLS AVENUE PROPERTY

CHARLEVOIX DRIVE  
& 28TH PROPERTY

CHARLEVOIX DRIVE  
& ORCHARD VISTA  
PROPERTY

# OUTLINE MAP - CHARLEVOIX DRIVE & ORCHARD VISTA

## Proposed Location 1: Charlevoix Drive & Orchard Vista

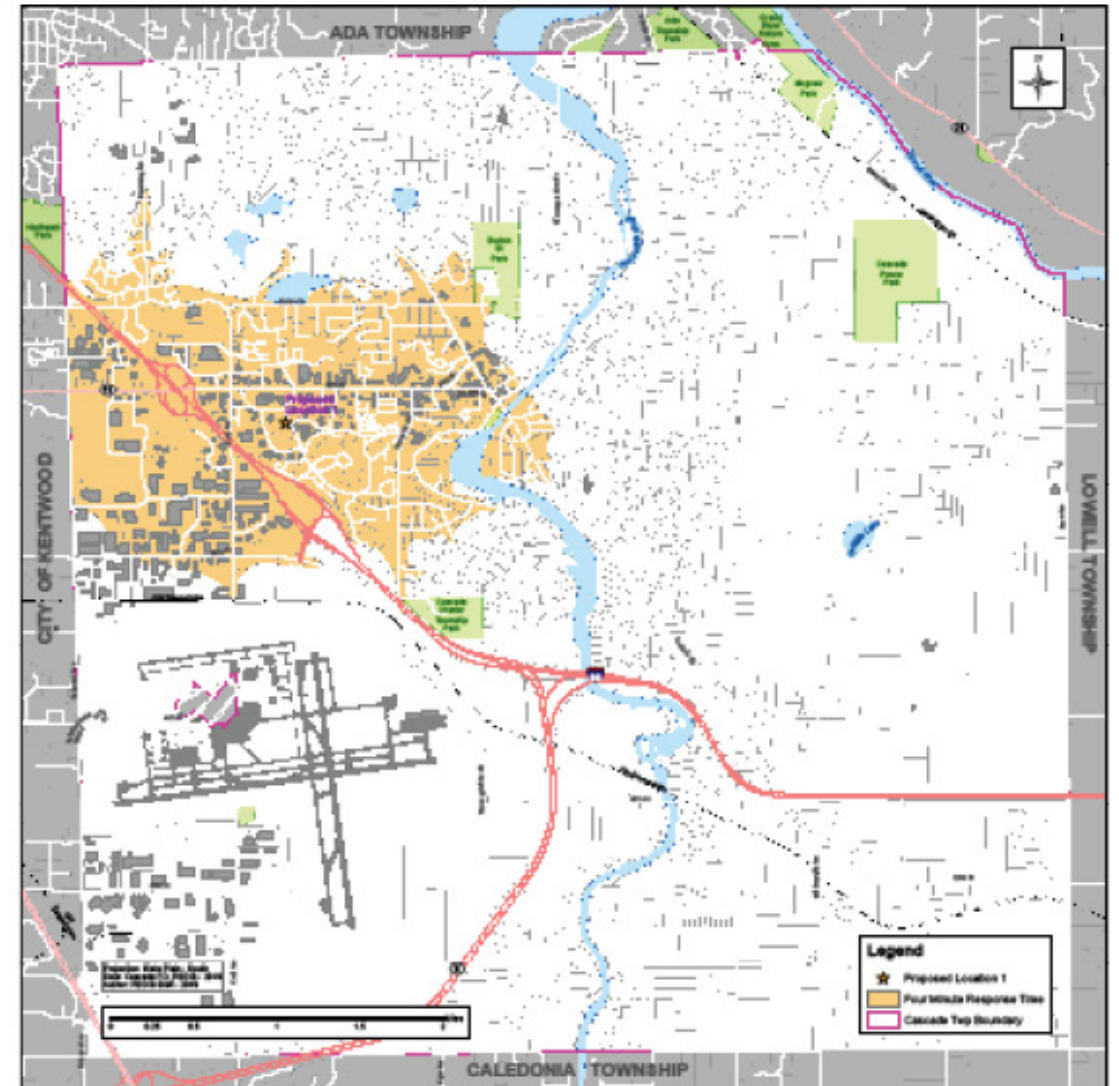
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### Pros:

- Available with plenty of acreage
- Adds primary coverage to more commercial and industrial areas
- No need for temporary coverage during construction

### Cons:

- High acquisition cost
- Delays response time due to location on a boulevard with a residential speed limit
- Delays response and support for Fire Station 2 area
- Delays response and support for area south of the airport
- Violates National Fire Protection Agency code/standard 1710, which specifies requirements for effective and efficient fire suppression/emergency operations to the public and protects firefighting staff
- Negates four-minute response time to several critical neighborhoods



# OUTLINE MAP - CHARLEVOIX DRIVE & 28TH STREET

## Proposed Location 2: Charlevoix Drive & 28th Street

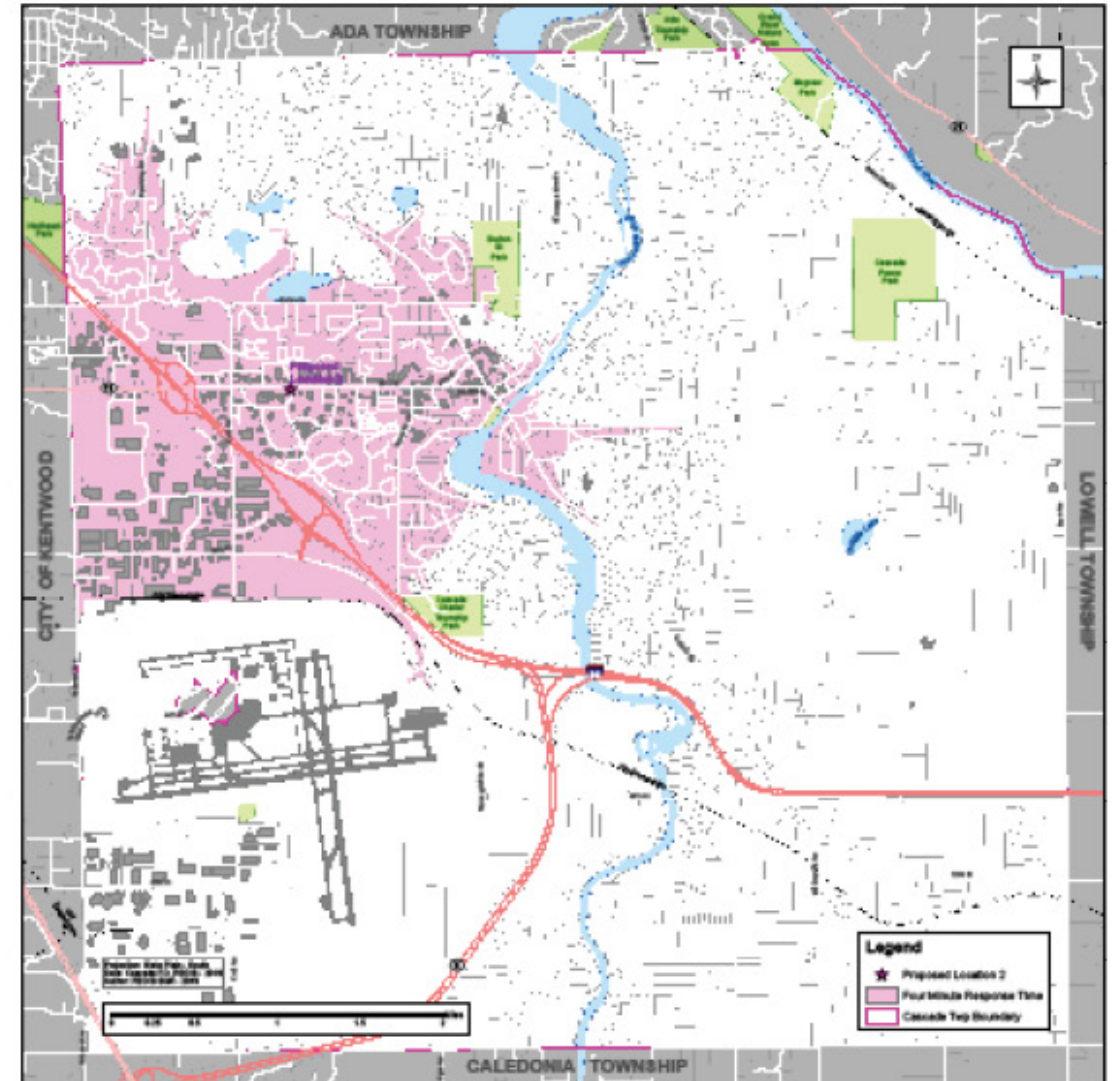
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### Pros:

- Good public visibility
- Adds primary coverage to more commercial and industrial areas
- No need for temporary coverage during construction

### Cons:

- Parcel is less than two acres (three is ideal)
- High acquisition cost
- Creates traffic and accessibility issues to 28th Street
- Delays response and support for area south of airport
- Violates National Fire Protection Agency code/standard 1710, which specifies requirements for effective and efficient fire suppression/emergency operations to the public and protects firefighting staff



# OUTLINE MAP - THORNHILLS AVENUE

## Proposed Location 3: 2865 Thornhills Ave.

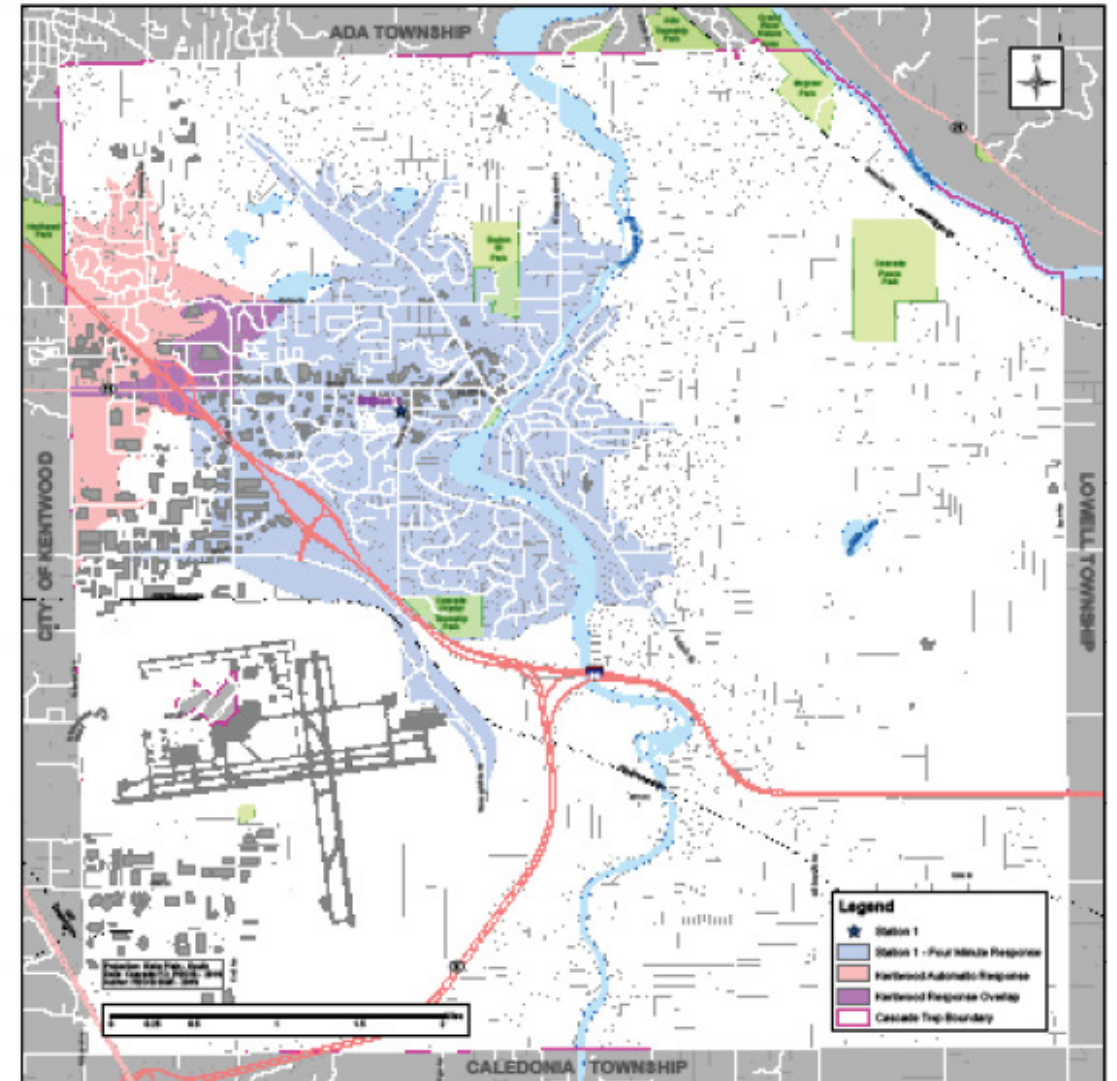
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### Pros:

- Easy access to north/south/east/west response routes
- Ideal three-acre lot
- Maximizes automatic aid from the Kentwood Fire Department
- Township-owned and already zoned for a fire station
- Adequate coverage for both commercial and residential properties
- Suitable location to accommodate Township growth
- Eliminates relocation expenses

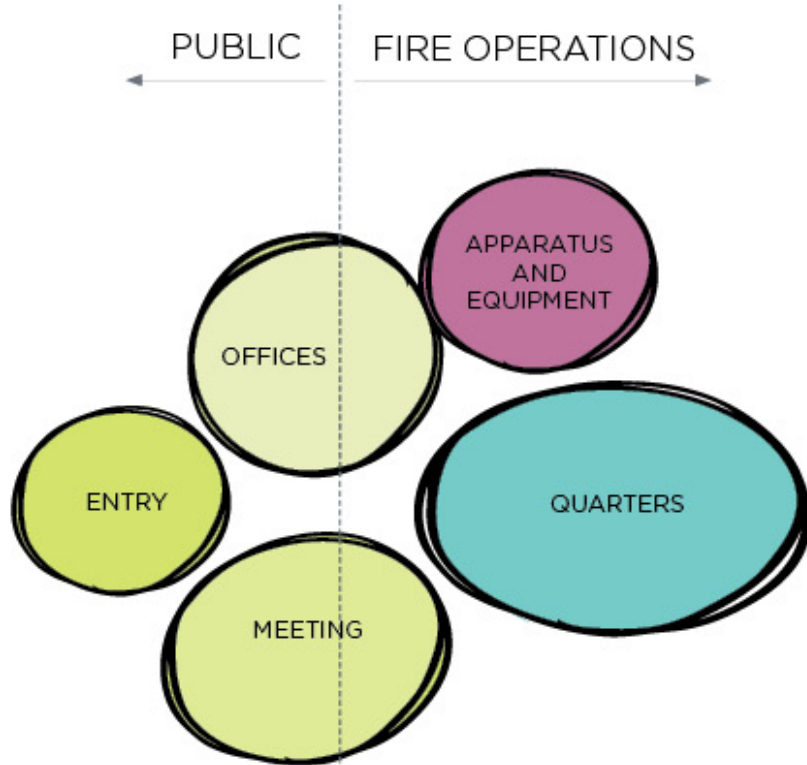
### Cons:

- Requires demolition of existing station, which means Station 1 would move to a temporary location
- Reliance on mutual aid to cover southwest commercial and industrial areas



# DESIGN PROCESS AND CONSIDERATIONS

# PROJECT SPACE REQUIREMENTS



## ADJACENCY DIAGRAM

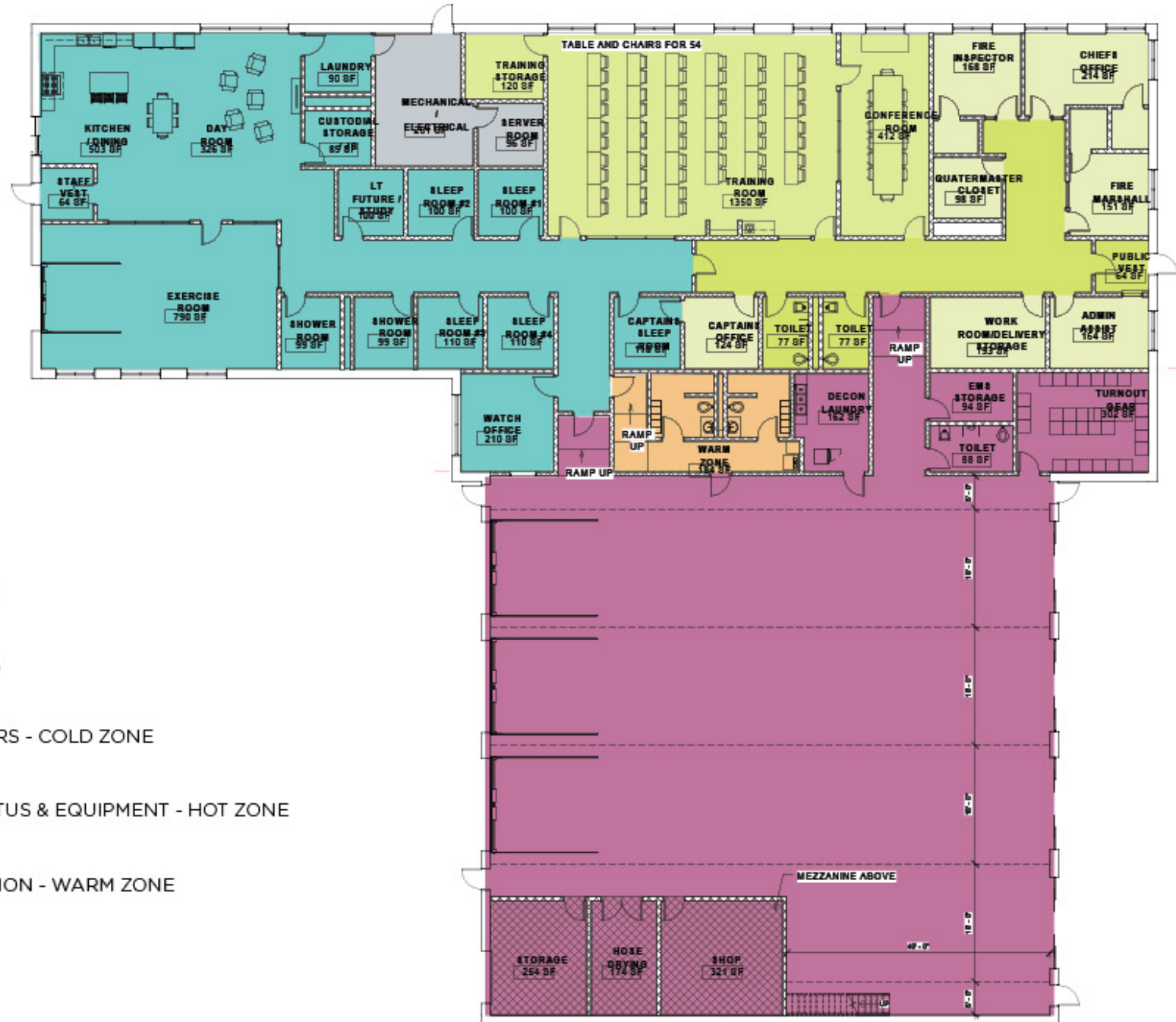
Adjacency Diagrams use scaled bubbles to illustrate scale and relationships between spaces. Spaces that are touching have a critical relationship. The diagram does not indicate a floor plan.

Redstone Architects, Inc.  
Public Safety Consultant

Fire Station  
Space Needs Assessment- March 2020

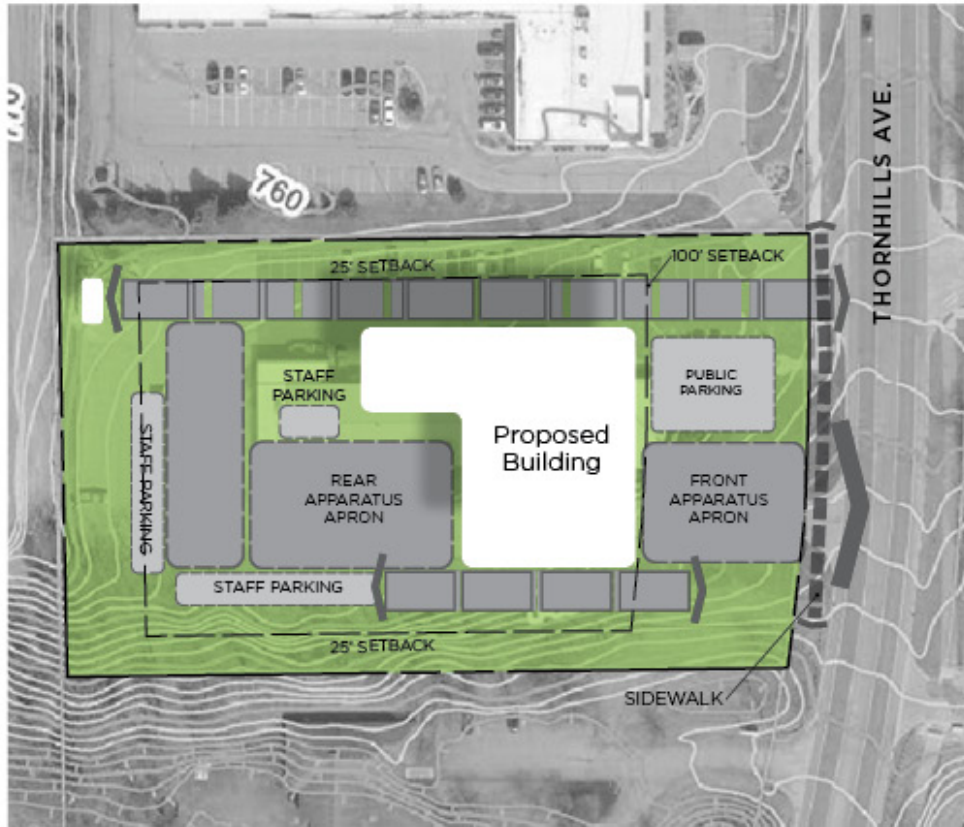
Building Area Calculations	Current Staff	Planned Staff	Area Required
1. Public Spaces	0	0	2435
2. Fire Administration	4	5	2059
3. Suppression Operations	3	3	581
4. Staff Commons	12	12	4038
5. Apparatus Bay	0	0	6331
6. Maintenance and Support	0	0	360
7. Building Support Area	0	0	480
<b>Total</b>	<b>19</b>	<b>20</b>	
Subtotal			<b>16284</b>
10% Gross-Up Factor (Common circulation, structure, shafts, etc.) (Use additional 5% Gross-Up Factor for Renovation)			<b>1628</b>
<b>Total Main Building Area</b>			<b>17912</b>
		with Mezzanine	<b>19620</b>
CONDITIONED STORAGE BUILDING: NEEDS TO BE DETERMINED; SEPARATE FROM MAIN BUILDING			70' x 45'
Lawn Equipment:			
	2 Blowers		
	Standing Lawn Mower		
	Trimmers		
	Plow (possible on pallet rack)		
	Truck spreader		
Event materials:			
	Room inside storage building with shelving to keep event materials clean		
Generator			
	Generator on double axel trailer		
Search Training Materials			
	Items that can be stored on pallet racks		
Seasonal Storage-Salt			
	Reserve Brush Truck and Boat for seasonal storage		
SUV			
SUV			
	Plow Truck with plow and spreader attached approx. 30'		
	<b>Plow Truck with plow and spreader attached approx. 30'</b>		
Extra Hoses			

# CONCEPT PLAN



- ENTRY
- OFFICES
- MEETING
- QUARTERS - COLD ZONE
- APPARATUS & EQUIPMENT - HOT ZONE
- TRANSITION - WARM ZONE

# THORNHILLS AVENUE



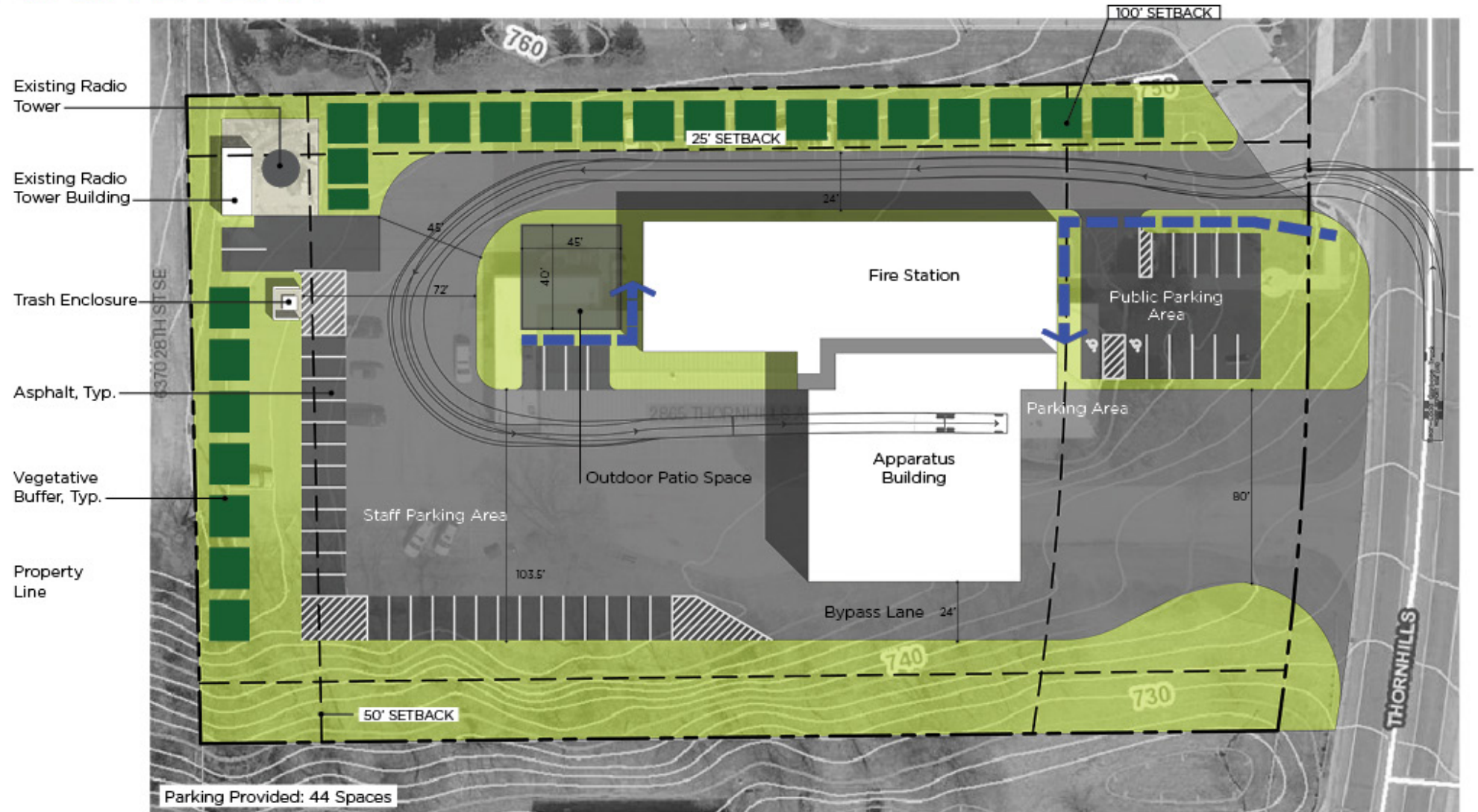
## PROS:

- The existing fire station is currently located on this parcel
- The parcel is in close proximity to 28th Street
- The parcel is large enough to support the stations program requirements
- Land use for the parcel complements surrounding land uses
- Parcel does not have any unique requirements or restrictions
- The parcel is large enough to support the separation of public and staff parking and navigate an apparatus vehicle without major restrictions
- Quick access to main response routes (North, South, East, West, Highway)
- Access to traffic light at 28th Street

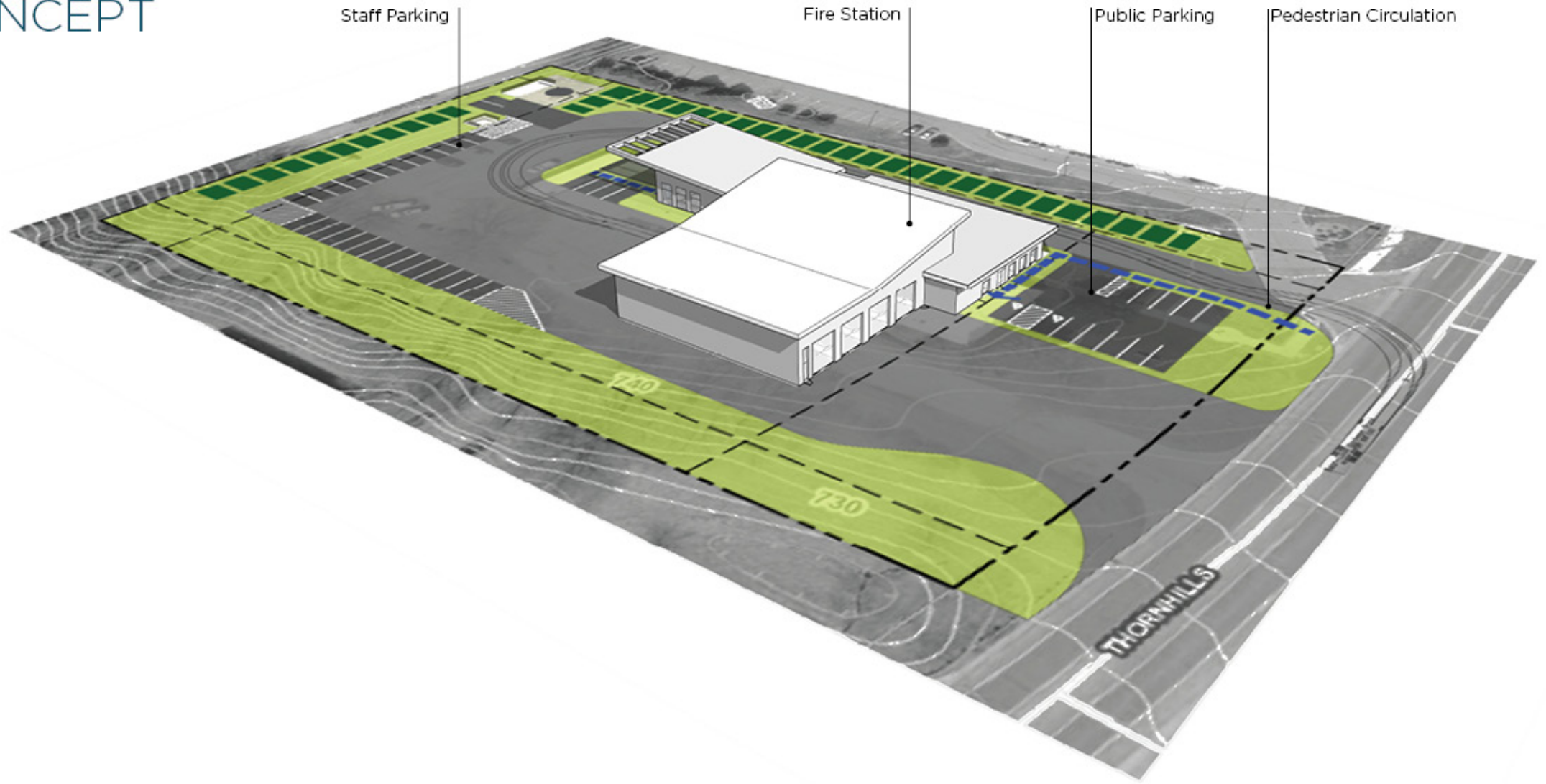
## CONS:

- The existing radio antenna will not allow for another support building on the parcel without a variance
- Topography at the southern edge of the parcel poses challenges for construction
- Temporary operations shift during construction

# POTENTIAL SITE PLAN



# CONCEPT



# TEMPORARY OPERATIONS PLAN

# OUTLINE MAP - TEMPORARY STATION 1

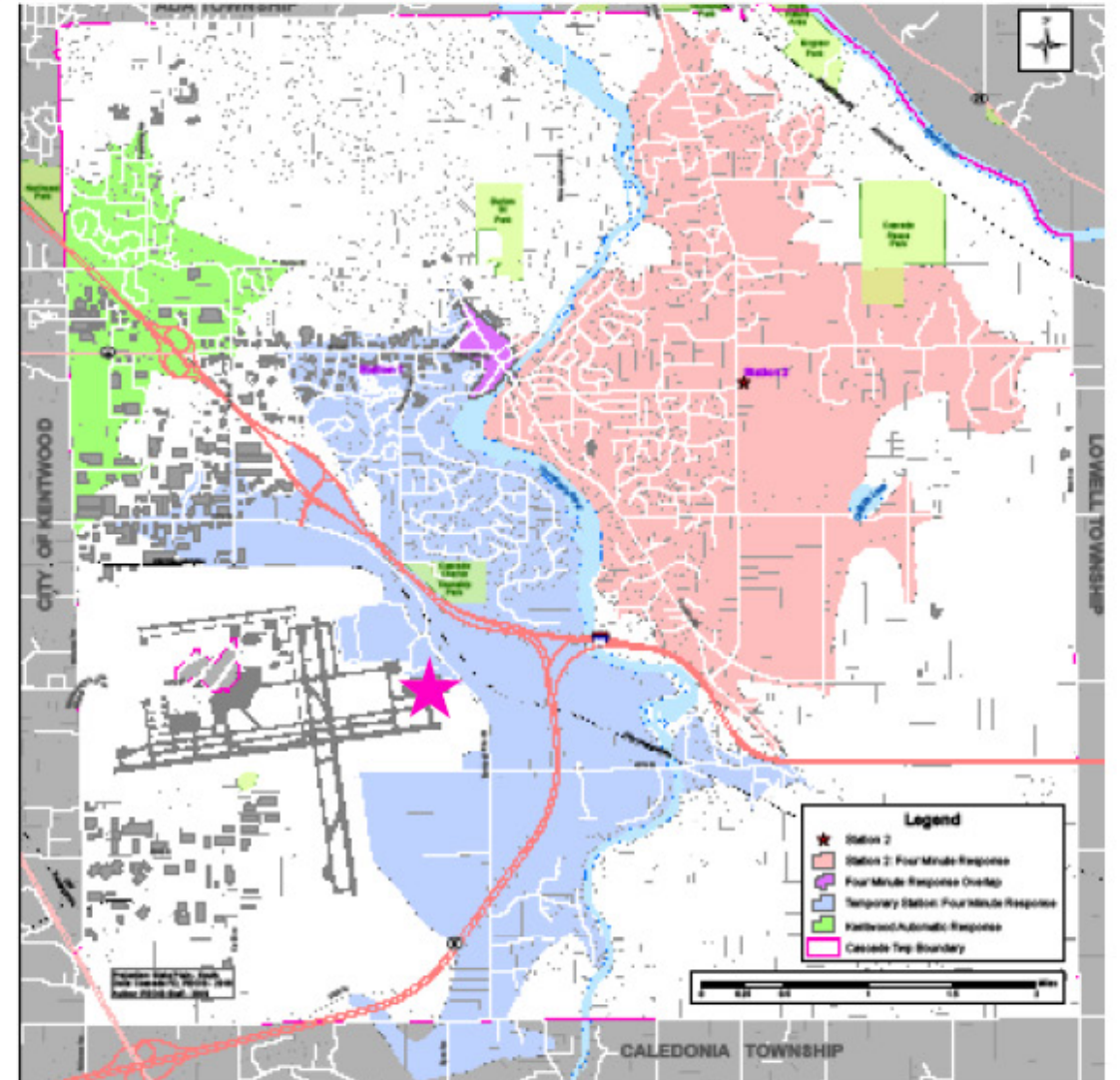
## Proposed Temporary Fire Station 1 Location: Gerald R. Ford International Airport Air Cargo Facility

### Pros:

- Is readily available to rent in Station 1's response area
- Can house one fire engine, one medic vehicle, four firefighters, one fire chief and one inspector
- Would rent for 12-18 months
- Best option of numerous sites studied

### Cons:

- Shifts coverage 60-90 seconds to the south – can post a fire crew/ vehicle to augment coverage

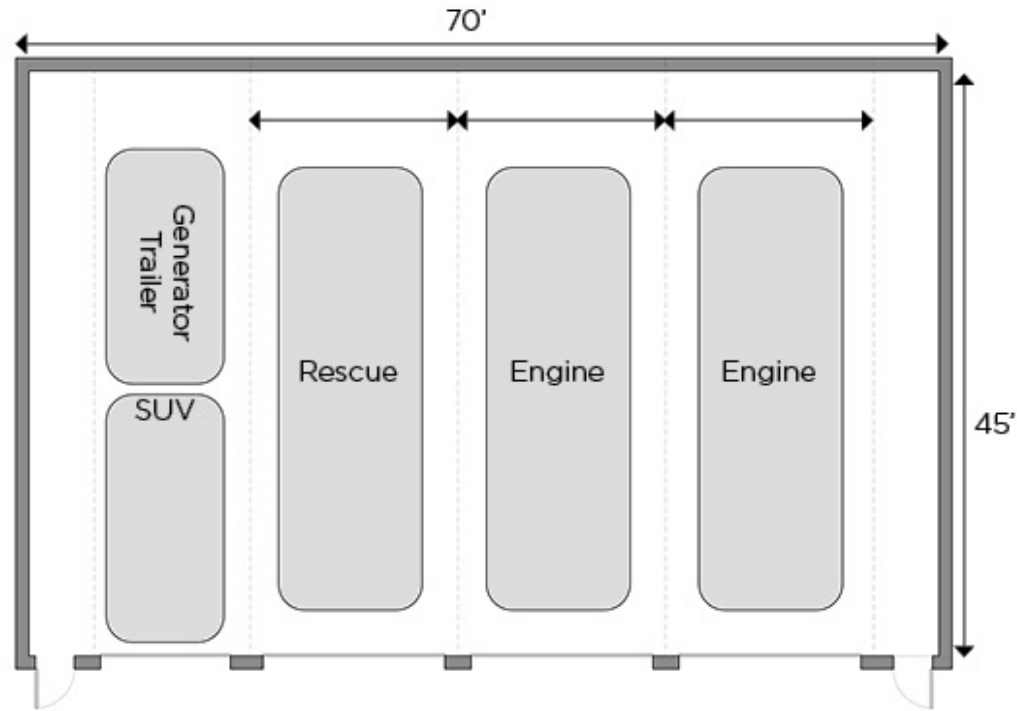


# OUTBUILDING INTERIM AND LONG TERM USE

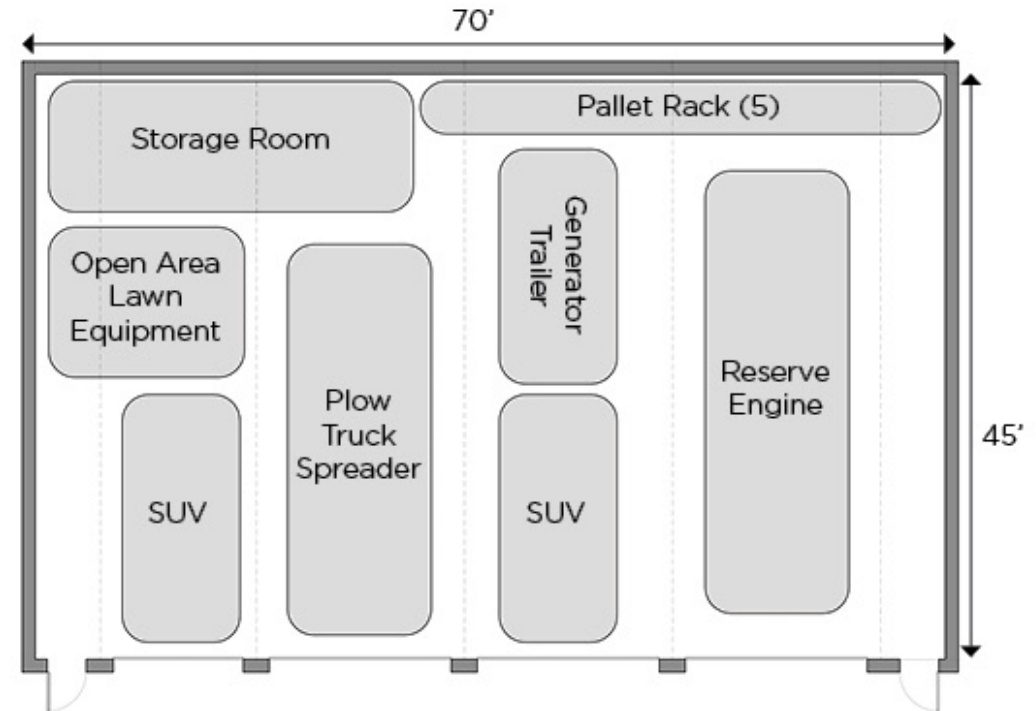


## OUTBUILDING INTERIM AND LONG TERM USE

An outbuilding was identified to meet all the needs of Fire Station Number 1, however the ordinance did not allow for the scale of building required on the Thornhill's site based on current zoning designations. With further review, the outbuilding was located at Fire Station Number 2 where it met ordinance requirements. In addition, by locating the building at the Buttrick site, the outbuilding can be used to temporarily house the apparatus from Fire Stations Number 1 while the new building is under construction. Therefore, phase one would be the outbuilding on Buttrick, and phase two would be the new building on Thornhills.



Outbuilding Planning - Phase I - Immediate Use



Outbuilding Planning - Phase II - Long Term Use

# FINANCIAL CONSIDERATIONS

# OPINION OF PROBABLE COST

<b>Cascade Charter Township Fire Station - Concept B</b>		Estimated Square Foot: <b>17,912</b>	
		<b>Low Range</b>	<b>High Range</b>
<b>Construction Cost (Div. 02 through Div. 28)</b>	\$	3,096,900.00	\$ 3,585,800.00
<b>Construction Site Development (Div. 31 through Div. 34)</b>	\$	668,100.00	\$ 773,600.00
<b>General Conditions</b>	\$	339,500.00	\$ 393,100.00
<b>General Requirements</b>	\$	316,500.00	\$ 366,500.00
	<b>Potential Construction Cost = \$</b>	<b>4,421,000.00</b>	<b>\$ 5,119,000.00</b>
	<b>Construction Costs Sqft = \$</b>	<b>262.61</b>	<b>\$ 304.07</b>
<b>Contingency</b>			
Contingency - Design (10%)	\$	442,200.00	\$ 512,000.00
Contingency - Construction (5%)	\$	221,100.00	\$ 256,000.00
Escalation - Beyond Calendar Year (Assumed Construction 2021)	\$	176,900.00	\$ 204,900.00
	<b>Potential Construction (with Contingency) Cost = \$</b>	<b>5,261,200.00</b>	<b>\$ 6,091,900.00</b>
	<b>Construction (with Contingency) Costs Sqft = \$</b>	<b>312.52</b>	<b>\$ 361.86</b>
<b>Soft Cost (by Percentage of Potential Construction Cost)</b>			
Wayfinding, Special Inspections, A/E Reimbursables and Expenses, A/E Design Services and Fees, Specialty Equipment, FFE (Furniture, Fixtures and Equipment), Security and AV Equipment		15%	20%
<b>Total Project Cost Range - Fire Station (excludes outbuilding)</b>		<b>\$ 6,050,380.00</b>	<b>\$ 7,310,280.00</b>

# Project Schedules

## Fire Station #2: Storage Building

2021

March Design and Construction Documentation

May Construction Bidding & Awards

June Shop Drawing Submittals

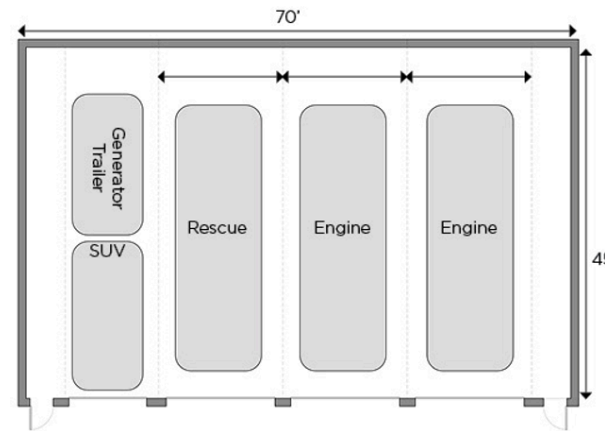
July Building Fabrication

August Construction Commencement

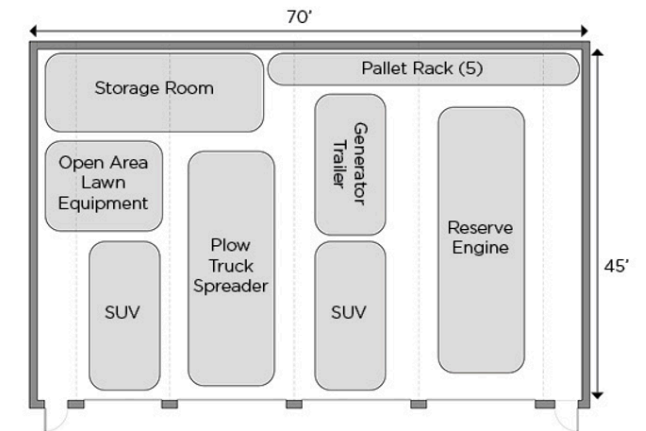
2022

February Construction Completion

March Occupancy



Outbuilding Planning - Phase I - Immediate Use



Outbuilding Planning - Phase II - Long Term Use

# Project Schedules

## Fire Station #1: New Station

2021

May Design and Construction Documentation

November Construction Bidding & Awards

2022

January Shop Drawing Submittals

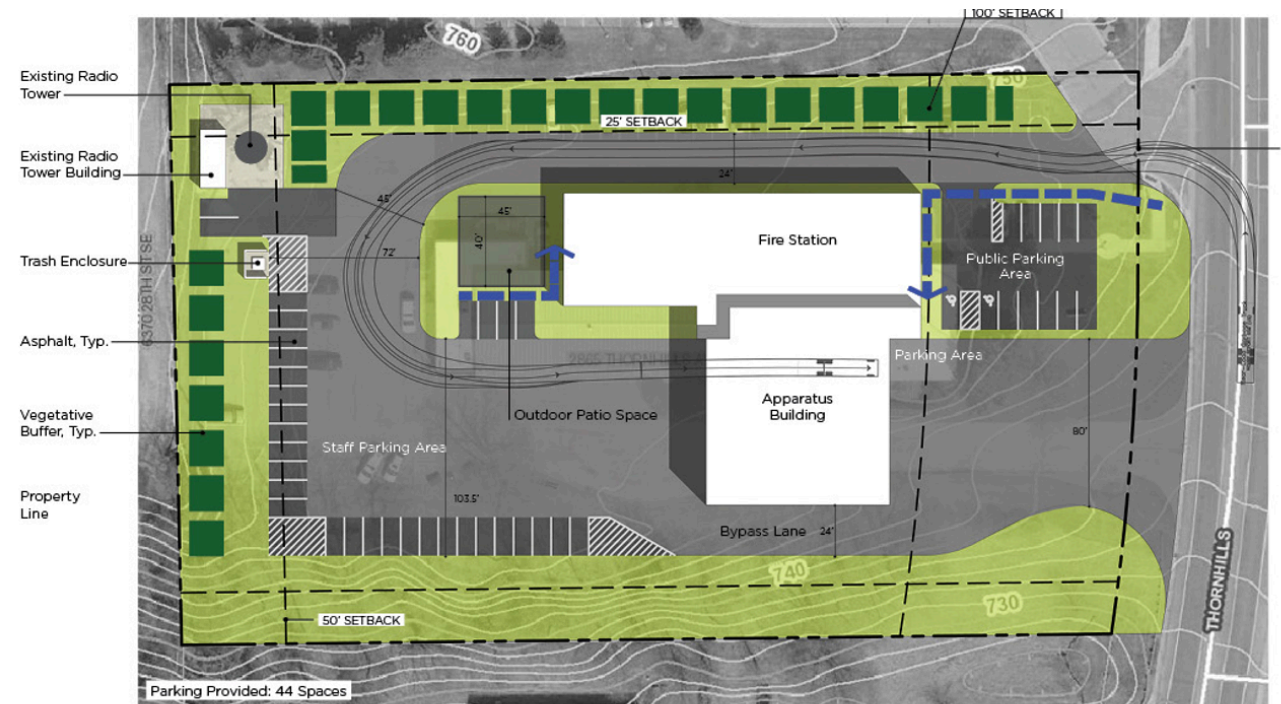
March Mobilization & Existing Building Demolition

April Construction Commencement

2023

February Construction Completion

March Occupancy



# Financial

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## Estimated FY20 Fund Balances:

- General Fund - \$6.9 million
- Fire Fund - \$2.4 million

## Bond Funding:

- \$4 – \$6 million based on final construction costs
- Annual debt service - \$270k – \$400k for 20 years
  - To be paid from existing revenues



# COMPARATIVE STATION PROJECTS

# COMPARATIVE STATION PROJECTS



PORTAGE FIRE  
PORTAGE, MI  
18,000 SQ.FT.  
\$6.1 MILLION  
BUILT 2020



MONROE FIRE  
MONROE, MI  
15,560 SQ.FT.  
\$6.4 MILLION  
BUILT 2019



HIGHLAND FIRE  
HIGHLAND, MI  
14,000 SQ.FT.  
\$5.6 / 7.6 MILLION  
2021



DEXTER FIRE  
DEXTER, MI  
31,000 SQ.FT.  
\$7+ MILLION  
2021

## Firehouse Magazine. Station Design Study

November 2020 Issue Vol. 45, No. 11

58 Newly Constructed Fire Stations in North America in 2020.

Average Size – 16,728 square feet

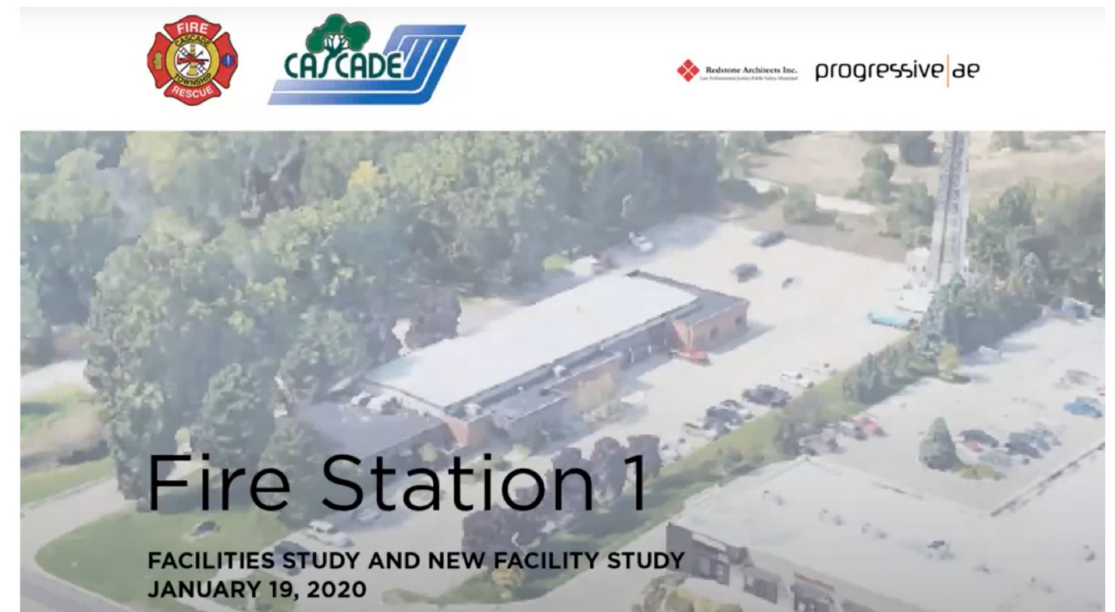
Average Cost - \$ 6,628,000

NEXT STEPS

# Public Input

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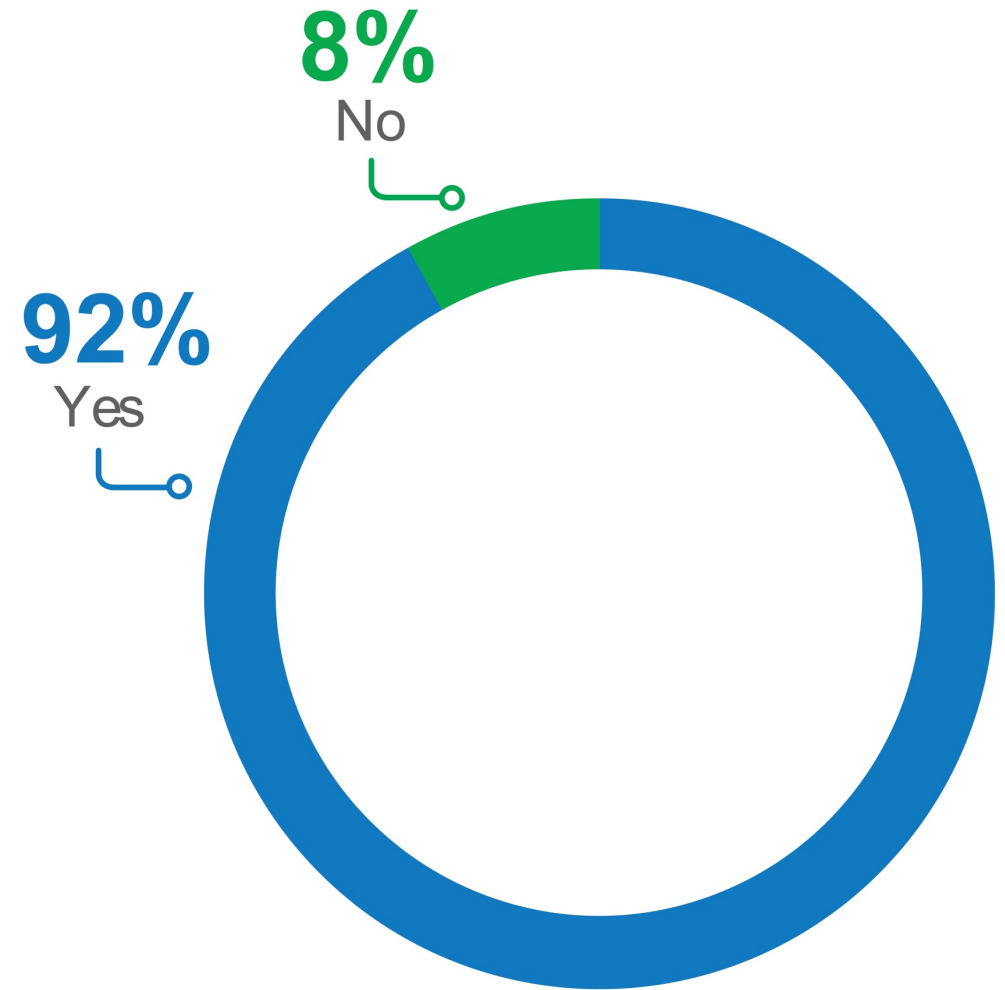
- Held a virtual public engagement meeting on Jan. 19 and provided the meeting recording and a feedback survey after
- Communicated information about the meeting and survey through:
  - Social media (organic and sponsored posts)
  - Website
  - Postcard
  - Print newsletter
  - E-newsletter
  - Press release



# Public Input

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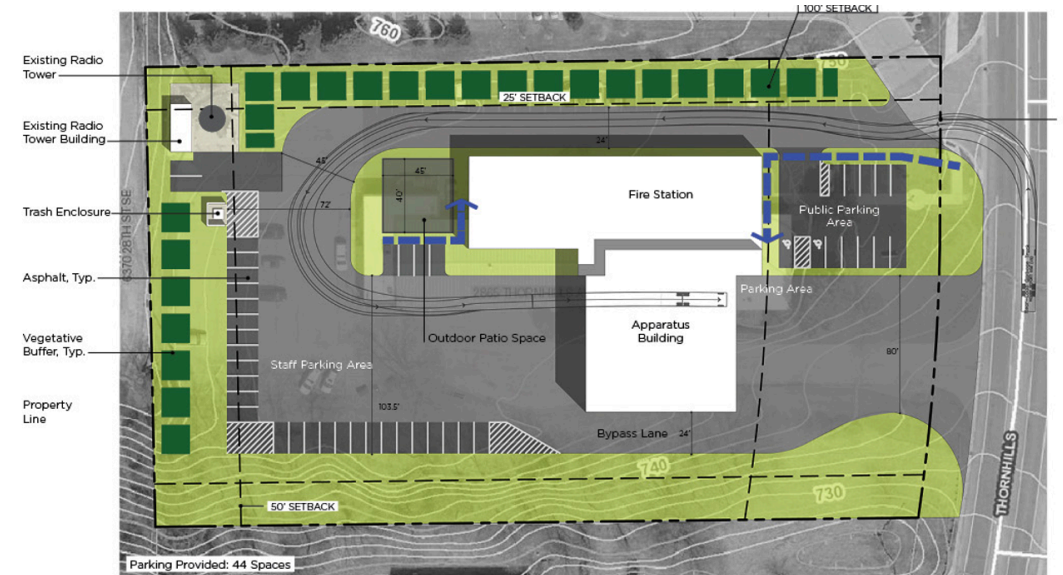
Q: Do you agree with the findings for a new Fire Station 1?



# Recommended Next Steps

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- Design/build contract from Progressive AE for Station 2 Outbuilding (3/10/21)
- Design/build contract from Progressive AE/Redstone for Station 1 (3/24/21)



progressive|ae

# Jan. 19 Public Engagement Meeting Feedback Survey

Do you agree with the findings for a new Fire Station 1? If not, why not?

Yes

Yes

Yes

Yes

Yes I agree! Over the years many studies have been done that point to the same outcome. This project is long over

Yes, I agree with the findings. Let's make sure our top-notch fire department has a top-notch facility. The current l

Yes

Yes

Yes I agree Cascade Township is in need of a new Fire Station 1.

Definitely. Long overdue. Every other township has a current fire station except for cascade. People are willing to

Yes!

Yes

Yes

No, I don't understand why it's needed at this time. Would prefer to address at later time—2 or 3 years.

yes

Covid as a basis for cited need for improvements?? That is, happily, a temporary condition. It tells me they are lo

Yes

Yes

Yes

Yes

Yes, it is long over due.

Yes, the study shows that the current station is in terrible condition and does not meet the needs to operate safel

Yes. I think that the current location on Thornhills is the best and most cost-effective spot to construct and impro

Yes

Yes, at the current station 1 site.

## Public Responses (as of Feb. 9)

Do you have any questions that weren't addressed during the meeting?

No

No

NO

No, I believe the project is on the right track to move forward.

No

No

No

Yes. If the current location is demolished and a new fire station 1 is constructed on that site what will become of the current building?  
What is taking so long???

Nope, thank you for being thorough!

No

No

No

no

I did not attend the meeting.

No

I still do not get why the hold up. It appears that building is far outdated, and there already appears to be a plan for a new building.

No

Why has this process taken so long? The price is not going to get any lower. Start the project.

No, it seems the township and fire department did a good job researching and getting to the point they are at.

With all the extra equipment being housed in the outbuilding at FS2, will the personnel also be housed over there?

No

Yes, are there any plans for a 3rd station, it seems the 2 station system neglects a large portion of the township in

## Additional comments related to the Facilities Study for a new Fire Station 1.

None, it's time for this to happen!

We need an upgraded/new fire department! Please use the money already put aside and build a new station. Th

I believe this project has great community support.

This was a great presentation. I think the township and the fire department have considered the alternatives, exa  
Very well planned out and presented in understandable terms. I am in full support!

I thought all this was taken care of when we did the Facility study last time and we decided the fire station was the  
the township hall? What will the township use for township offices?

Why is the fire station a back burner topic? These folks live there round the clock yet seem to be forgotten when i  
Thank you for all you guys do for the township! does not go unnoticed by us!

When will it be done? Cascade township needs a new fire station

I watched the meeting and appreciated the thoroughness that appears to have taken place to get us to this point.

Let's start building.

The Township seems to be champing at the bit to build. Today it's a new fire station. Recently it was a new town:  
Looking forward to the new station!

Lets bring this to the next board meeting and get it passed

Building something that will be be manned for the next 50 years or so, I hope that it is built with a tight envelope ;  
Let's build it!

Let's get it built.

Keep the public informed of their investment into the community as the project moves forward.

to man the equipment if a call comes through that requires their response?

Get started!

Would like to see the building incorporate sustainable design such as LEED certification and energy efficiency. May

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mined costs, planned for future growth, and made a good choice. I especially appreciate that previous boards ha

it comes to a quality building. I recall visiting for Halloween in 1995. The building and truck storage area looked t

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ad the foresight to plan for this expenditure.

**MINUTES OF THE  
CASCADE CHARTER TOWNSHIP  
REGULAR BOARD MEETING**

Wednesday, February 24, 2021

Virtual Zoom Meeting

7:00 P.M.

- Article 1.** Supervisor Lesperance called the meeting to order.  
Present: Supervisor Lesperance, Clerk Slater, Treasurer Peirce, Trustees Koessel, Shipley, McDonald and Noordhoek.  
Absent: None  
Also Present: Township Manager Swayze, Assistant Township Manager Fast, Community Development Assistant Hilbrands, and DDA Director Korhorn.
- Article 2.** Supervisor Lesperance led the Pledge of Allegiance.
- Article 3. Approval of Agenda**  
Motion was made by Trustee Shipley and supported by Clerk Slater to approve the Agenda as presented. Motion carried unanimously.
- Article 4. Presentations**
- Article 5. Public Comments**  
Mary Ann Schramm – 2879 Burrwick Dr. – Addressed the board regarding the upkeep of the Cascade Woods entry landscaping.  
  
Trish Hielkema, – 3130 Howlett Drive. – Addressed the Board about the Church on the Hill being bought and turned into a park.  
  
Melody Vanderweide – 2600 Castaview Dr. SE – Emailed the Board prior to the meeting addressing the Board about the Church on the Hill being bought and turned into a park.
- Article 6. Approval of Consent Agenda**
- a. Receive and File Minutes
    - 1. Township Board Minutes – February 10, 2021
    - 2. DDA Minutes – January 19, 2021
    - 3. Public Safety Advisory Committee Meeting–January 20, 2021
    - 4. Personnel & Finance Committee Meeting–January 13, 2021
  - b. Receive and File Reports
    - 1. Treasurer’s Report – July 2020
    - 2. Treasurer’s Report – August 2020
    - 3. Treasurer’s Report – September 2020
    - 4. Treasurer’s Report – October 2020
- Motion was made by Trustee Koessel and supported by Trustee Shipley to approve the Consent Agenda as presented. Motion carried unanimously.
- Article 7. Financial Actions**
- Article 8. Unfinished Business**
- Article 9. New Business**

- 017-2021 a) Hold Public Hearing for Amendment to East Imports PUD Ordinance for the Construction of a New Car Dealership at 6115 28<sup>th</sup> Street.**  
 Motion was made to open public hearing by Trustee Koessel and supported by Trustee Shipley. Motion carried unanimously.
- Motion was made to close public hearing by Trustee McDonald and supported by Trustee Shipley. Motion carried unanimously.
- b) Consider Approval of Amendment to East Imports PUD Ordinance for the Construction of a New Car Dealership at 6115 28<sup>th</sup> Street.**  
 Motion was made for approval by Trustee Koessel and supported by Trustee McDonald. Motion carried unanimously by roll call vote.
- 018-2021 Consider Appointments to the Brownfield Redevelopment Authority (BRA) Board.**  
 Motion was made for approval by Trustee McDonald and supported by Trustee Shipley. Motion carried unanimously.
- 019-2021 Consider Resolution for a Streetlight Replacement at 28th Street SE and WB I-96 Ramp.**  
 Motion was made for approval by Trustee Shipley and supported by Trustee Koessel. Motion carried unanimously by roll call vote.
- 020-2021 Consider Resolution for a Streetlight Replacement at Kraft and 36<sup>th</sup> Street.**  
 Motion was made for approval by Trustee McDonald and supported by Trustee Shipley. Motion carried unanimously by roll call vote.
- 021-2021 Consider the issuance of an RFP for Township Legal Services.**  
 Motion was made for approval by Treasurer Peirce and supported by Trustee Koessel. Motion carried unanimously.
- 022-2021 Consider Parks Committee Recommendation for Property Purchase at 2965 Wycliff.**  
 Motion was made to table item by Trustee McDonald and supported by Trustee Koessel. Motion carried unanimously.

**Article 11. Public Comments**

Craig Meurlin – 6333 Thornhills Ave. SE – Addressed the board about the length of time needed for a Law Office to respond to an RFP and the Conflict of Interest of the proposed Legal Service.

Keely Shay – 7486 Alaska Ridge – Addressed the Board about the concern of listening to residents opinions and the virtual meeting postings.

Al Pennington – 2678 Cascade Springs – Addressed the Board about the Church on the Hill being bought and turned into a park.

Craig Meurlin – 6333 Thornhills Ave. SE – Expressed his frustration with the Board on the decisions of the Fowling Warehouse, Gathering Space, and Special Assessment District.

**Article 12. Manager Comments**

Manager Swayze made the following comments:

- Finalizing the New Township Hall walkthroughs and moving into the new building in March.
- Lisa Krieter has resigned from the Planning Commission, he wished her well in her new job.

**Article 13. Board Member Comments**

Trustee Shipley offered the following comments:

- Thanked the residents for attending the meeting

Clerk Slater offered the following comments:

- Thanked Supervisor Lesperance for restating the motions and seconds in the meeting.

Trustee McDonald offered the following comments:

- Thanked past Trustee Jack Lewis for his advice on the planning commission for his advice about precedence with decisions made on the commission or board.

Supervisor Lesperance offered the following comments:

- Thanked the Board and the public for their input and willingness to have public discussions.

**Article 14. Adjournment**

Motion was made by Trustee McDonald and supported by Clerk Slater to adjourn. Motion carried unanimously.  
Meeting adjourned at 8:23p.m.

Respectfully submitted,

Padley Gallagher  
Deputy Clerk

Approved by:

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Susan B. Slater, Clerk

**CASCADE CHARTER TOWNSHIP**  
**INFRASTRUCTURE COMMITTEE MEETING**  
January 6, 2021 at 9:00am  
Held via Zoom Remote Conferencing Software &  
Large Conference Room at Township Hall  
2865 Thornhills SE, Grand Rapids, MI 49546

**Members Present:** Supervisor Lesperance, Trustee McDonald, Trustee Shipley

**Others Present:** Township Manager (TM) Ben Swayze, Community Development Director (CDD) Steve Peterson, Fishbeck Engineers Mike Berrevoets and Greg Whittle

**Call to Order:** Trustee McDonald called the meeting to order at 9:00 a.m.

**Business:** The Infrastructure Committee discussed the following items:

**1. Officers of the Committee**

TM Swayze explained that per the committee policy, the committee is responsible for electing a Chair and a Vice Chair.

*Motion by Trustee McDonald, supported by Trustee Shipley to appoint Trustee Shipley to Chair and Supervisor Lesperance as Vice Chair. Motion carried.*

**2. Pathway Construction Update**

CDD Peterson reviewed the current issues with the Burton Street bridge pathway. The condo association have expressed some concerns with the pathway placement they would like addressed prior to approving the required easements. Concerns include:

- Want pathway moved further away from Burton Street
- Want center turn land on Burton
- Would like enhanced tree replacement/landscaping

Fishbeck engineers and CDD walked through the issues. Discussion ensued. IT was generally agreed that the center turn land should not be a condition of the project. Township will offer the 1 for 1 replacement program for landscaping. Township will continue to review options for moving the pathway further away from Burton Street, including looking at moving existing utility poles.

CDD Peterson and Fishbeck engineers reviewed the issues with the Cascade road pathway near the entrance to Watermark. The original pathway was supposed to go all the way to Watermark, but construction stopped at McNider due to easement issues. Fishbeck engineers reviewed the pathway layout alternatives. Discussion ensued. It was agreed that Township should approach Watermark one last time, but if they aren't willing to offer easement Township should move on.

Trustee McDonald brought up the Laraway Lake pathway issue. Discussion ensued. Committee asked staff to return to the committee with further information on a possible pathway extension from Cascade road north to where it currently ends.

*No action, discussion only*

### **3. 2021 – 2026 Capital Improvements Plan**

TM Swayze reviewed the proposed 21-26 CIP. Discussion ensued. Conversation was had regarding the merits of the Gathering Space project in the DDA section. Supervisor Lesperance indicated she is interested in pursuing the property on Wycliff with the church that is currently for sale.

*Motion by Trustee McDonald, supported by Supervisor Lesperance to forward the 21-26 Capital Improvements Plan to the Planning Commission for consideration. Motion carried*

*\*\*\*Trustee Shipley excused himself from the meeting\*\*\**

### **4. Updated Cascade Township PASER Map**

TM Swayze reviewed the updated PASER map with the committee. Discussion ensued regarding investigating areas for improvements for FY21. TM Swayze indicated that areas of work for 2021 will be back to the committee at the next meeting.

*No action, discussion only*

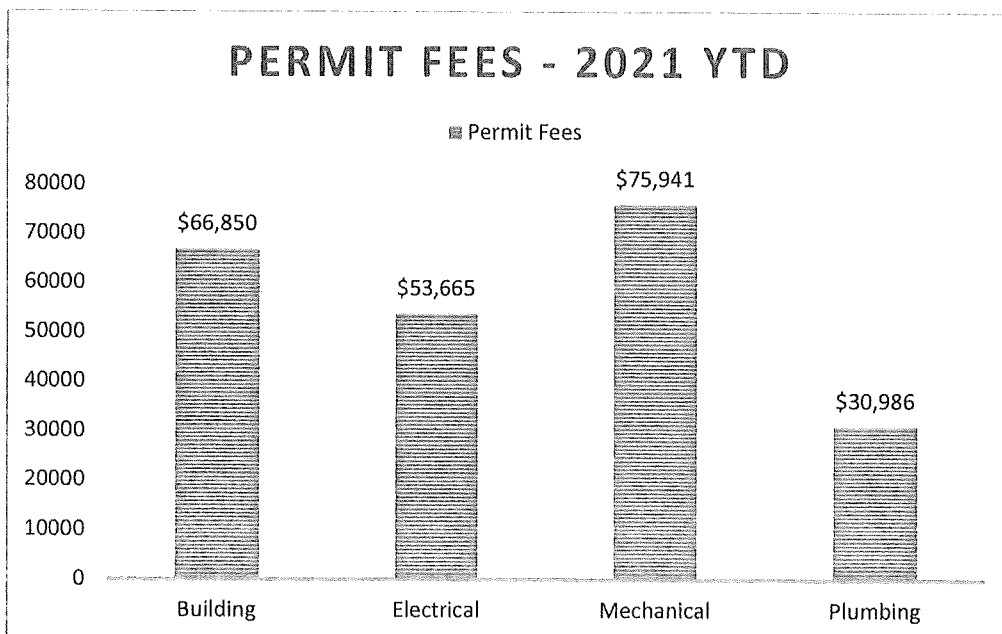
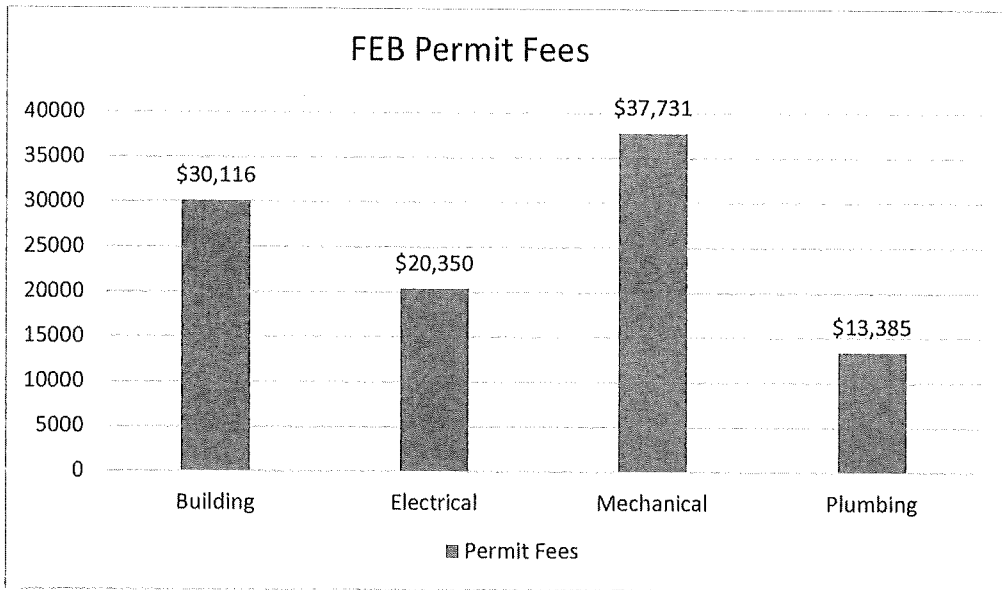
**Adjournment:** Motion by Trustee McDonald, supported by Supervisor Lesperance to adjourn the meeting. Motion carried. Meeting adjourned at 11:18 am

**Approved by the Infrastructure Committee 3.3.21**

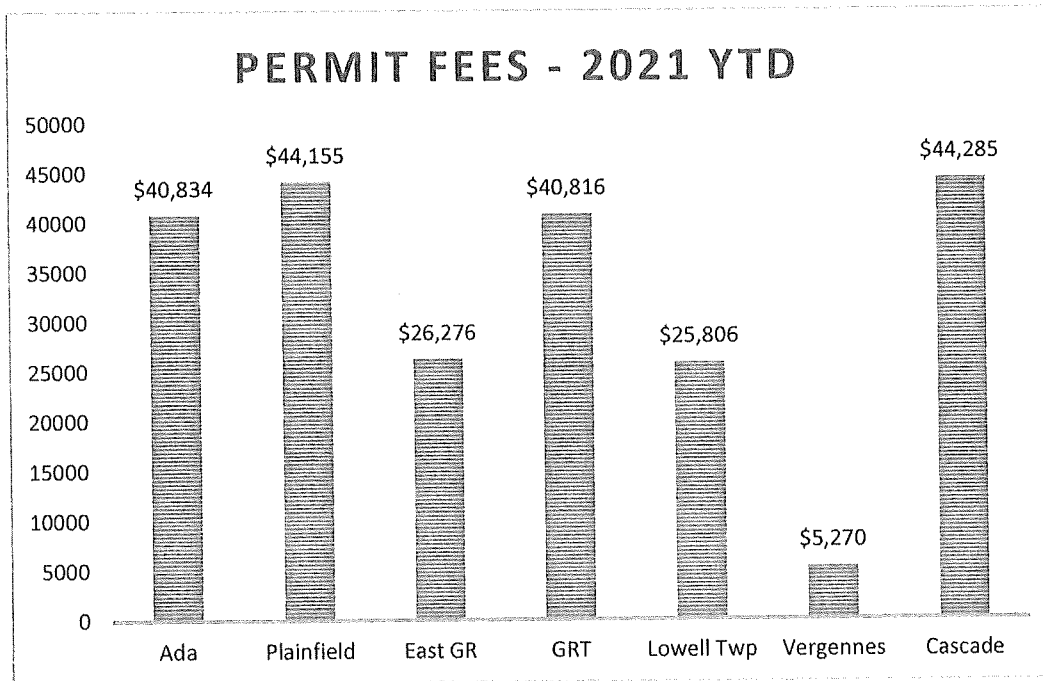
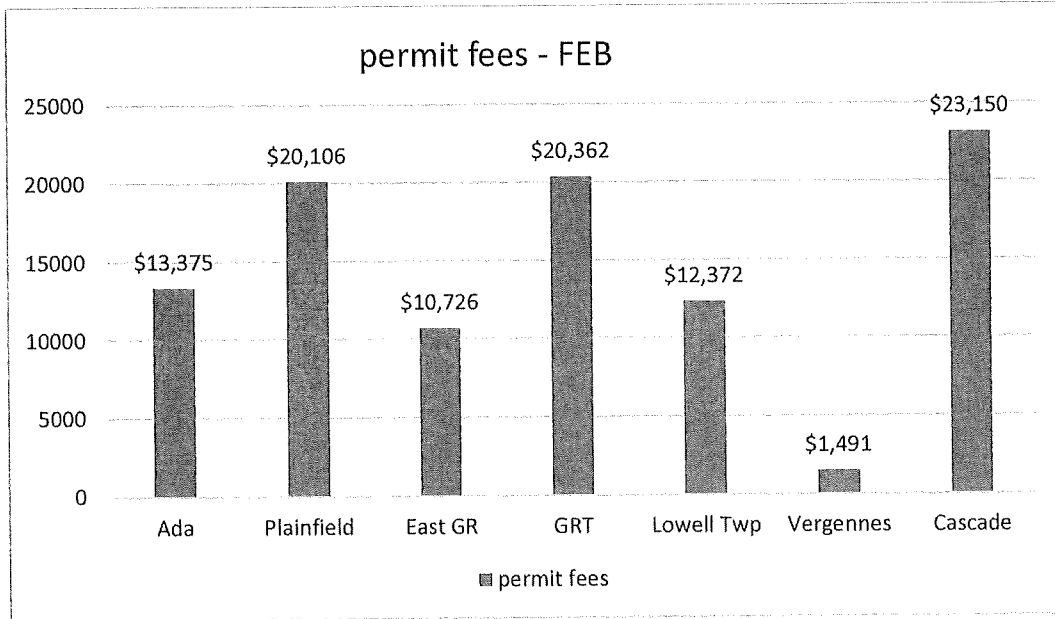
# Cascade Inspection Services

FEB 2021

## Permit Fees by Type



## Permit Fees by Municipality



Township	#of Per Building	#of Per Electrical	# of Per Mechanical	# of Per Plumbing	Total Permits	Total Fees				
PREV YTD TOTAL	113	\$36,734.00	197	\$33,315.00	306	\$38,210.25	132	\$17,601.00	748	\$125,860.25
FEB										
Cascade	27	\$8,827.00	33	\$4,979.00	59	\$6,810.00	26	\$2,534.00	145	\$23,150.00
Lowell Twp	10	\$7,912.00	10	\$1,748.00	15	\$2,265.00	3	\$447.00	38	\$12,372.00
Ada	20	\$5,774.00	16	\$2,021.00	36	\$4,371.00	9	\$1,209.00	81	\$13,375.00
Vergennes			3	\$473.00	5	\$405.00	3	\$613.00	11	\$1,491.00
GR Twp	17	\$5,958.00	17	\$1,697.00	58	\$10,685.00	19	\$2,022.00	111	\$20,362.00
EGR	13	\$1,645.00	28	\$3,419.00	29	\$3,055.00	18	\$2,607.00	88	\$10,726.00
Plainfield			42	\$6,013.00	87	\$10,140.00	34	\$3,953.00	163	\$20,106.00
									0	\$0.00
<b>MONTH TOTAL</b>	<b>87</b>	<b>\$ 30,116.00</b>	<b>149</b>	<b>\$ 20,350.00</b>	<b>289</b>	<b>\$ 37,731.00</b>	<b>112</b>	<b>\$ 13,385.00</b>	<b>637</b>	<b>\$101,582.00</b>

YTD	200	\$ 66,850.00	346	\$ 53,665.00	595	\$ 75,941.25	244	\$ 30,986.00	1385	\$ 227,442.25
TOTAL -2020	1628	\$ 803,244.00	2017	\$ 307,137.85	3410	\$ 403,536.80	1616	\$ 212,701.00	8671	\$ 1,726,619.65
TOTAL -2019	1675	\$ 631,143.50	2288	\$ 347,205.00	3478	\$ 406,781.95	1469	\$ 206,608.00	8910	\$ 1,591,688.45
TOTAL -2018	1705	\$ 920,876.00	2116	\$ 380,754.00	3585	\$ 456,603.00	1654	\$ 238,664.00	9060	\$ 1,996,897.00
TOTAL-2017	1758	\$ 753,389.00	2210	\$ 376,979.00	3273	\$ 412,867.25	1485	\$ 219,324.00	8726	\$ 1,762,559.25
TOTAL-2016	1475	\$529,552.24	1992	\$310,463.00	3217	\$383,718.00	1404	\$190,762.00	8088	\$ 1,414,495.24
TOTAL-2015	1510	\$ 665,025.51	1948	\$ 327,865.00	3070	\$ 385,822.30	1361	\$ 216,089.00	7889	\$ 1,594,801.81
TOTAL-2014	1354	\$ 615,191.80	1780	\$ 297,971.00	2860	\$ 359,989.90	1257	\$ 196,553.00	7251	\$ 1,469,705.70
TOTAL-2013	1241	\$644,712.00	1667	\$288,442.06	2583	\$334,045.70	969	\$142,474.00	6460	\$ 1,409,673.76
TOTAL-2012	1,122	\$511,272.00	1,349	\$188,766.99	2,134	\$247,625.30	835	\$118,335.00	5,440	\$ 1,065,999.29
TOTAL-2011	949	\$410,550.75	990	\$148,549.50	1585	\$189,180.10	753	\$111,023.00	4277	\$ 859,303.35
TOTAL-2010	850	\$309,779.00	1330	\$162,994.00	1644	\$188,927.25	625	\$94,790.00	4449	\$ 756,490.25
TOTAL-2009	712	\$222,039.00	875	\$125,848.00	1313	\$149,101.75	554	\$74,397.00	3463	\$ 571,382.75
TOTAL-2008	848	\$582,100.75	1043	\$147,674.00	1348	\$164,271.30	697	\$91,695.00	3933	\$ 951,266.55
TOTAL-2007	1032	\$336,749.55	1069	\$137,857.00	1447	\$151,002.60	778	\$98,270.00	4326	\$ 723,879.15
TOTAL-2006	1181	\$481,673.30	1547	\$215,121.00	2147	\$243,076.90	1243	\$162,020.00	5173	\$ 940,523.41
TOTAL-2005	1032	\$419,355.30	1369	\$191,694.00	1874	\$211,234.15	1111	\$144,926.00	5386	\$ 967,209.45



**CASCADE CONSOLIDATED FEES**

YEAR 2021

MONTH	Building Comm.	Building Residential	Electrical	Mechanical	Plumbing	TOTAL
JANUARY	\$1,005.00	\$4,853.00	\$6,552.00	\$5,952.00	\$2,673.00	\$21,035.00
FEBRUARY	\$2,345.00	\$6,482.00	\$4,979.00	\$6,810.00	\$2,534.00	\$23,150.00
MARCH						
APRIL						
MAY						
JUNE						
JULY						
AUGUST						
SEPTEMBER						
OCTOBER						
NOVEMBER						
DECEMBER						
<b>YEAR END TOTAL</b>	<b>\$3,350.00</b>	<b>\$11,335.00</b>	<b>\$11,531.00</b>	<b>\$12,762.00</b>	<b>\$5,207.00</b>	<b>\$44,185.00</b>
PERMIT # FOR MONTH	4	23	33	59	26	145
PREV PERMIT TOTAL	6	22	37	50	23	138
PERMIT TOTAL FOR YR	10	45	70	109	49	283
YEAR TO DATE	2021	\$44,185.00				
YEAR TO DATE	2020	\$60,977.50				
UNDER	\$16,792.50					

# CASCADE SINGLE FAMILY HOMES

	FEB	YTD 2021	2020	2019	2018
Number of Permits					
New Residential Homes	4	7	55	38	43
VALUE - RESIDENTIAL	\$ 2,267,826.00	\$ 3,178,047.00	\$ 36,322,102.00	\$ 18,187,545.00	\$ 28,327,352.00

# Cascade Twp -Permit Report by Category/ Fe

1/1/2021 12:00:00 to 2/28/2021 12:00:00

Permit	Applicant	Address	Issue Date	Project Value	Permit Fee
Res. Single Family					
PB21000116	HALLAND HOMES LLC	1700 PRESCOTT POINT CT SE	02/04/2021	600,000	999.00
PB21000118	THOMAS MICHAEL HC	6530 ROUND HILL CT SE	02/03/2021	600,000	1,123.00
PB21000119	T BOSGRAAF HOMES I	5827 GOLDEN VIEW CT SE	02/10/2021	387,826	971.00
PB21000120	EPIQUE HOMES INC	5043 HICKORY POINTE WOODS	02/01/2021	680,000	841.00
				<b>2,267,826</b>	<b>3,934.00</b>
<b>4</b>	<b>Permits</b>	<b>Value Total</b>			<b>3,934</b>



## Cascade Charter Township Seminar/Conference Attendance Request Form

*This form must be filled out if the employee is requesting Township payment or reimbursement for the employee's attendance to a seminar or conference.*

### **Conditions:**

1. Cascade Charter Township will reimburse employees for approved registration for work related seminars and conferences. Individual seminars and conferences must be related to the employee's current job duties or a foreseeable-future position in the organization in order to be eligible for
2. Some seminars/conferences that an employee may attend may be unrelated to their particular job or government in general, and are therefore not covered by this assistance policy.
3. Any request that requires an overnight stay or expenditure over \$1,000 requires Township Board approval before the seminar/conference is attended.
4. Under extenuating circumstances, the Township Manager may approve an overnight stay or expenditure over \$1,000 for a conference or seminar prior to Township Board approval. The request must be made before attendance to a seminar/conference. The Township Board will be informed of request at their next scheduled meeting.

*This form must be completed by the employee and approved by the Township Manager and/or Township Board before the seminar/conference is attended.*

Name: Todd Stevenson Application Date: 2-26-2021

Name of Proposed Seminar/Conference: Size Up and Command for the Small Dept.

Seminar/Conference Date(s): 3/20/2021

Location of Seminar/Conference: 10090 E. Lincoln Road, Traverse City, MI 49648

Description of Seminar/Conference: *(may also be attached)*

This class goes over scene size-up on the fire ground and command of those fire scenes. This class is designed for smaller departments so it will actually be more relevant then the many class that seem to be more oriented toward the larger departments.

How will the Seminar/Conference benefit the employee and the township?

It is quite common for officers on the Cascade Fire Dept to be the Incident Commander on emergency calls. We will usually be in charge of the scene until Chief shows up or if he is out of the area, it is our responsibility to run the incident from beginning to end. This class will help me build my skills as an Incident Commander. A strong IC can help bring an incident to conclusion quicker which can keep fire crews and the community safer.

**Cost of the Seminar/Conference:**

Registration \$ 75.00

Lodging \$ approx. 120.00

Travel \$ 302 miles @ 0.56

Account # \_\_\_\_\_

Applicant:   
Signature

**Approvals:**

Department Head:   
Signature

3.1.21  
Date

Township Manager:   
Signature

3.4.21  
Date

Clerk: \_\_\_\_\_  
(Signature Indicates Township Board Approval)

\_\_\_\_\_  
Date

- Original to Personnel File
- 1 Copy to Applicant
- 1 Copy to Accounting

## Course Schedule Details

<b>Course ID</b>	Q66K
<b>Course Acronym</b>	SUCSD
<b>Instruction Hours</b>	6
<b>Funded</b>	Y
<b>Instructor Name</b>	Fire Services, Michigan Bureau of
<b>Instructor Phone #</b>	(517) 241-8847
<b>Instructor Certification Expiration Date</b>	12/31/2038
<b>Instructor Email</b>	LARA-BFS- smoke@michigan.gov
<b>Start Date</b>	3/20/2021
<b>End Date</b>	3/20/2021

<b>Course Name</b>	Size Up and Command for the Small Dept.
<b>Instructor Fee Limit</b>	1800
<b>Status</b>	O
<b>Course Manager Name</b>	Dunklow, Kyle T
<b>Course Manager Phone #</b>	(231) 620-2143
<b>Course Manager Email</b>	kdunklow@hotmail.com
<b>Students</b>	0
<b>Class Time</b>	09:00
<b>Class Days</b>	Sat

### Course and Exam Locations

Elmwood Township Fire Department, 10090 E. Lincoln Road Traverse City, MI 49684

This course is designated for Leelanau County Departments first. For personnel outside of Leelanau County please contact course manager Kyle Dunklow before registering. (kdunklow@hotmail.com)

The course fee for this class is \$75 per student.

**CASCADE CHARTER TOWNSHIP 2020 TAX COLLECTION REPORT**

MARCH COLLECTION	TOTAL ROLL	3/4/2021	%
<b>2020</b>	<b>65,833,678.67</b>	<b>64,876,883.62</b>	<b>98.55%</b>
2019	62,310,818.55	61,540,349.90	98.93%
2018	60,345,253.94	59,581,618.49	98.93%
2017	57,825,775.53	57,204,190.86	98.93%
2016	54,481,024.95	53,813,198.02	98.77%
2015	53,558,009.69	52,179,975.44	97.43%
2014	51,526,241.60	50,381,416.49	97.78%
2013	49,411,512.30	48,291,325.98	97.73%
2012	49,148,430.58	47,871,280.99	97.40%
2011	49,836,936.86	48,262,089.84	96.84%
2010	50,948,225.81	48,633,295.61	95.46%

Taxing Authority	2020 Tax Roll	Taxes Collected	Real Delq (KC)	PP Delinq	IFT	BLL	Total Delq Tax
(S) FOREST HILLS D	4,840,274.55	4,816,891.29	21,262.99	2,120.27			23,383.26
(S) FOREST HILLS O	3,440,902.68	3,428,641.14	10,416.03	1,845.51			12,261.54
(S) FOREST HILLS R	720,707.84	717,226.31	3,165.91	315.62			3,481.53
(S) KENT INTERM SCH	9,677,515.32	9,620,143.06	46,068.88	11,303.38			57,372.26
(S) GR COMMUNITY COL	3,036,704.66	3,018,703.20	14,454.87	3,546.59			18,001.46
(S) STATE EDUCATION	10,352,368.62	10,290,587.46	49,639.73	12,141.43			61,781.16
(S) KENT COUNTY OPER	7,342,037.11	7,298,513.44	34,948.75	8,574.92			43,523.67
(S) LOWELL DEBT	132,625.01	131,853.60	771.41	-			771.41
(S) LOWELL OPER	50,398.50	50,167.00	231.50	-			231.50
(S) LOWELL BLDG/SITE	18,187.18	18,081.40	105.78	-			105.78
(S) CALEDONIA COMM D	855,427.41	844,751.68	5,802.86	4,872.87			10,675.73
(S) CALEDONIA COMM O	1,468,247.71	1,449,397.19	14,673.77	4,176.75			18,850.52
(W) FOREST HILLS D	4,840,274.55	4,709,500.13	126,092.28	4,682.14			130,774.42
(W) FOREST HILLS O	3,408,454.58	3,252,020.27	152,651.46	3,782.85			156,434.31
(W) FOREST HILLS R	720,562.76	701,094.98	18,770.88	696.90			19,467.78
(W) KENT DIS LIBRARY	2,186,341.74	2,127,036.28	55,198.49	4,015.62		91.35	59,305.46
(W) KENT COUNTY JAIL	1,341,222.96	1,304,846.30	33,857.64	2,462.99		56.03	36,376.66
(W) KENT COUNTY SENR	849,405.53	826,364.73	21,445.36	1,559.95		35.49	23,040.80
(W) KENT COUNTY VET	84,568.88	82,274.38	2,135.78	155.19		3.53	2,294.50
(W) KENT COUNTY Z/M	747,201.46	726,927.71	18,869.82	1,372.70		31.23	20,273.75
(W) KENT COUNTY CHLD	428,046.17	416,432.04	10,809.97	786.27		17.89	11,614.13
(W) CAS TWP OPERATIN	1,674,053.68	1,628,649.57	42,259.87	3,074.30		69.94	45,404.11
(W) CAS TWP FIRE	2,266,034.92	2,204,575.06	57,203.73	4,161.46		94.67	61,459.86
(W) CAS TWP POLICE	790,947.37	769,495.24	19,966.68	1,452.41		33.04	21,452.13
(W) CAS TWP LIBRARY	258,395.02	251,391.24	6,518.93	474.06		10.79	7,003.78
(W) CAS TWP PATHWAYS	605,529.47	589,107.18	15,285.14	1,111.86		25.29	16,422.29
(W) CAS TWP OP SPACE	396,235.45	385,488.57	10,002.68	727.65		16.55	10,746.88
(W) LOWELL DEBT	132,625.01	129,367.47	3,187.53	70.00			3,257.53
(W) LOWELL OPER	50,398.50	49,665.01	678.11	55.38			733.49
(W) LOWELL BLDG/SITE	18,187.18	17,740.47	437.11	9.60			446.71
(W) CALEDONIA COMM D	855,427.41	831,353.46	17,646.50	6,173.30		254.15	24,073.95
(W) CALEDONIA COMM O	1,463,395.57	1,419,898.93	37,551.70	5,291.40		653.54	43,496.64
(W) STREETLIGHTING	77,443.99	76,250.49	1,193.50				1,193.50
(W) KENT COUNTY DRAINS	28,148.73	27,889.56	259.17				259.17
(*) SPECIAL ASSESSMENTS	23,805.46	22,453.54	1,351.92				1,351.92
<b>TOTAL TAXES</b>	<b>65,182,102.98</b>	<b>64,234,779.38</b>	<b>854,916.73</b>	<b>91,013.37</b>	-	<b>1,393.49</b>	<b>947,323.59</b>
Admin Fee	651,575.69	642,104.23	8,547.86	909.67		13.93	9,471.46
<b>GRAND TOTALS</b>	<b>65,833,678.67</b>	<b>64,876,883.61</b>	<b>863,464.59</b>	<b>91,923.04</b>	-	<b>1,407.42</b>	<b>956,795.05</b>

**TAXES LEVIED BY CASCADE TWP**

**5,991,195.91**

CASCADE TWP REAL - CHECK FROM KENT CO EXPECTED IN JUNE

162,330.31

CASCADE TWP PERSONAL & BLL - TO BE COLLECTED BY TREASURER

11,252.02

**CASCADE TWP 2020 DELINQUENT TAXES**

**173,582.33**

All Records  
SPEC. POPULATION: AD VALOREM+SPECIAL ACTS  
REAL & PERSONAL PROPERTY  
SUMMER/WINTER BILLING TYPE(S)  
USE CURRENTLY CHARGED INTEREST/PENALTY %

Taxing Authority	Original Roll	+/- Adjustments	Total to Collect	Taxes Collected	Amount Delinquent	Leased Land Delinquent
(S) FOREST HILLS D	4,848,836.30	-8,561.75	4,840,274.55	4,816,891.29	23,383.26	0.00
(S) FOREST HILLS O	3,480,068.49	-39,165.81	3,440,902.68	3,428,641.14	12,261.54	0.00
(S) FOREST HILLS R	721,982.66	-1,274.82	720,707.84	717,226.31	3,481.53	0.00
(S) KENT INTERM SCH	9,693,478.05	-15,962.73	9,677,515.32	9,620,143.06	57,372.26	0.00
(S) GR COMMUNITY COL	3,041,713.28	-5,008.62	3,036,704.66	3,018,703.20	18,001.46	0.00
(S) STATE EDUCATION	10,369,538.68	-17,170.06	10,352,368.62	10,290,587.46	61,781.16	0.00
(S) KENT COUNTY OPER	7,354,146.73	-12,109.62	7,342,037.11	7,298,513.44	43,523.67	0.00
(S) SCHOOL OPER FC	0.00	0.00	0.00	0.00	0.00	0.00
(S) LOWELL DEBT	133,304.53	-679.52	132,625.01	131,853.60	771.41	0.00
(S) LOWELL OPER	50,301.93	96.57	50,398.50	50,167.00	231.50	0.00
(S) LOWELL BLDG/SITE	18,280.37	-93.19	18,187.18	18,081.40	105.78	0.00
(S) CALEDONIA COMM D	855,768.88	-341.47	855,427.41	844,751.68	10,675.73	0.00
(S) CALEDONIA COMM O	1,468,096.97	150.74	1,468,247.71	1,449,397.19	18,850.52	0.00
(W) FOREST HILLS D	4,848,836.30	-8,561.75	4,840,274.55	4,709,500.13	130,774.42	0.00
(W) FOREST HILLS O	3,480,026.70	-71,572.12	3,408,454.58	3,252,020.27	156,434.31	0.00
(W) FOREST HILLS R	721,837.33	-1,274.57	720,562.76	701,094.98	19,467.78	0.00
(W) KENT DIS LIBRARY	2,189,948.28	-3,606.54	2,186,341.74	2,127,036.28	59,214.11	91.35
(W) KENT COUNTY JAIL	1,343,435.12	-2,212.16	1,341,222.96	1,304,846.30	36,320.63	56.03
(W) KENT COUNTY SENR	850,806.71	-1,401.18	849,405.53	826,364.73	23,005.31	35.49
(W) KENT COUNTY VET	84,708.42	-139.54	84,568.88	82,274.38	2,290.97	3.53
(W) KENT COUNTY Z/M	748,434.38	-1,232.92	747,201.46	726,927.71	20,242.52	31.23
(W) KENT COUNTY CHLD	428,752.46	-706.29	428,046.17	416,432.04	11,596.24	17.89
(W) CAS TWP OPERATIN	1,676,814.81	-2,761.13	1,674,053.68	1,628,649.57	45,334.17	69.94
(W) CAS TWP FIRE	2,269,772.42	-3,737.50	2,266,034.92	2,204,575.06	61,365.19	94.67
(W) CAS TWP POLICE	792,251.94	-1,304.57	790,947.37	769,495.24	21,419.09	33.04
(W) CAS TWP LIBRARY	258,820.97	-425.95	258,395.02	251,391.24	6,992.99	10.79
(W) CAS TWP PATHWAYS	606,528.16	-998.69	605,529.47	589,107.18	16,397.00	25.29
(W) CAS TWP OP SPACE	396,888.99	-653.54	396,235.45	385,488.57	10,730.33	16.55
(W) SCHOOL OPER FC	0.00	0.00	0.00	0.00	0.00	0.00
(W) LOWELL DEBT	133,304.53	-679.52	132,625.01	129,367.48	3,257.53	0.00
(W) LOWELL OPER	50,301.93	96.57	50,398.50	49,665.01	733.49	0.00
(W) LOWELL BLDG/SITE	18,280.37	-93.19	18,187.18	17,740.47	446.71	0.00
(W) CALEDONIA COMM D	855,768.88	-341.47	855,427.41	831,353.46	23,819.80	254.15
(W) CALEDONIA COMM O	1,468,096.97	-4,701.40	1,463,395.57	1,419,898.93	42,843.10	653.54
(*) 101650 STREETLIGHTING	77,239.32	-105.33	77,133.99	75,940.49	1,193.50	0.00
(*) 8018138 FASE STREET	2,230.05	0.00	2,230.05	2,179.22	50.83	0.00
(*) PA 105 PA 105 INTEREST	0.00	103.95	103.95	94.29	9.66	0.00
(*) 20 Use 2020 Delq Usage	3,653.20	0.00	3,653.20	3,652.53	0.67	0.00
(*) 8018150 GILLETT	1.70	0.00	1.70	0.00	1.70	0.00
(*) 101636 STREETLIGHTING	310.00	0.00	310.00	310.00	0.00	0.00
(*) 8018186 HUMPHREY	7,080.51	0.00	7,080.51	6,875.42	205.09	0.00
(*) 8018260 OATMAN	16,116.75	0.00	16,116.75	16,116.75	0.00	0.00
(*) 8018012 APPLE HILLS	2,719.72	0.00	2,719.72	2,718.17	1.55	0.00
(*) TRD Sewer 2017 TRD Sew	17,440.67	0.00	17,440.67	16,099.08	1,341.59	0.00
(*) OakTerrace OakTerrace	2,607.64	0.00	2,607.64	2,607.64	0.00	0.00
(S) SubTotals	42,035,516.87	-100,016.33	41,935,500.54	41,685,051.06	250,449.48	0.00
(W) SubTotals	23,353,015.23	-106,412.79	23,246,602.44	22,549,728.33	695,480.62	1,393.49
Grand SubTotals	65,388,532.10	-206,429.12	65,182,102.98	64,234,779.39	945,930.10	1,393.49
(S) Admin Fee	420,215.69	-1,000.12	419,215.57	416,711.56	2,504.01	0.00
(W) Admin Fee	233,424.14	-1,064.02	232,360.12	225,392.67	6,953.52	13.93
(S) Interest					0.00	0.00
(S) Penalty					0.00	0.00
(S) Totals	42,455,732.56	-101,016.45	42,354,716.11	42,101,762.62	252,953.49	0.00
(W) Totals	23,586,439.37	-107,476.81	23,478,962.56	22,775,121.00	702,434.14	1,407.42
Grand Totals	66,042,171.93	-208,493.26	65,833,678.67	64,876,883.62	955,387.63	1,407.42

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MEMORANDUM

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To: Township Board  
From: Steve Peterson, Community Development Director  
Subject: BG equipment replacement purchases 2021  
Date: March 10, 2021

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The Buildings and Grounds Department has some large equipment planned for replacement this year. These items have already been approved in your budgeting process for this year. The items are as follows:

Item	Budgeted amount	Quote
Bobcat	\$61,000	\$60,870.29
Grandstand x2	\$16,000	\$17,930
Groundsmaster	\$20,000	\$17,844.33

These quotes were obtained using the State bid program to obtain the best price possible. Once replaced, the old Bobcat will be given to the Fire Dept and the others will be traded in on the purchases of the new equipment. The price for the grandstands does not reflect the trade in price. The groundsmaster does.

These items were reviewed and recommend for purchase by the Infrastrcutre committee at the March 3, 2021 meeting.

Jim MacDonald, BG Supervisor, will be at the Board meeting should you have any questions.

Attached to this memo are the quotes.



**B&B Truck Equipment**  
 8505 Piedmont Industrial Park Drive SW  
 Byron Center, MI 49315-9356  
 P: (616) 878-1120  
 F: (616) 878-1288

**B & B Truck**  
 8505 Piedmont Industrial Drive SW  
 Byron Center, MI 49315-9356  
 Phone: (616) 878-1120

# PROPOSAL

Proposal ID	Date
4822	2/11/2021
Sales Person	Page
DYONKER	1 of 1

**Proposal To:**

Cascade Charter Township  
 2865 Thornhills SE  
 Grand Rapids, MI 49546  
 Phone: (616) 318-8784  
 Contact: Jason

**Ship To:**

Pickup

Decision Maker	Ship Date	Ship Via	Description	Terms	
		Pickup	Bid Price, Grandstand 25hp Kohler EFI 52" Turbo Fo	Net 30 days	
Quantity	Product ID		Description	Unit	Amount
2.00	TO-72519		Bid Price, Grandstand 25hp Kohler EFI 52" Turbo Force Deck, 5 year warranty or 1200 hours	8,965.00	17,930.00

**ACCEPTANCE OF PROPOSAL**

The above prices, specifications, and conditions are satisfactory and are hereby accepted.

**Proposal is valid until Saturday, March 13, 2021**

Signature \_\_\_\_\_

Date \_\_\_\_\_

<b>Subtotal</b>	17,930.00
<b>Sales Tax</b>	Exempt
<b>TOTAL</b>	<b>17,930.00</b>



January 20, 2021

487 W Division Street  
PO Box 246  
Sparta, MI 49345  
616.887.7301  
Fax: 616.887.6288

1050 Opdyke Road  
Auburn Hills, MI 48326  
248.373.8800  
Fax: 248.373.8899

Cascade Township  
Attn: Jim Macdonald  
3865 Thornhills Dr  
Grand Rapids, MI 49546

We are pleased to provide a quote on the following equipment:

<b>(1) TORO Groundsmaster 3200 4WD (#31901)</b>	<b>\$ 20,102.70</b>
<ul style="list-style-type: none"> <li>• (1) 72" Side Discharge Deck (#31972)</li> <li>• (1) Recycler Kit (#31978)</li> <li>• (1) Air Ride Suspension Seat (#31982)</li> <li>• (2) Weight Kit (42lbs) (#114-4096)</li> </ul>	
<b>Optional Accessories</b>	
<ul style="list-style-type: none"> <li>• (2) 8" Foam Filled Caster Wheel Assembly (#93-5974)</li> </ul>	\$ 241.63
	<b>Less Trade In \$ -2,500.00</b>
<ul style="list-style-type: none"> <li>• (1) Toro Groundsmaster 228-D 4WD w/62" SD Deck</li> </ul>	

Pricing is firm for 30 days from date of quotation.

DELIVERY: As Arranged

TERMS: Net 30 Days

Thank you for your interest in our line of equipment. If you have any questions, please feel free to call me at 800-822-2216.

Sincerely,

*Bob Most*

Bob Most  
Commercial Sales

BM/jgm





# Bobcat

## Product Quotation

Quotation Number: HMM-25012  
Date: 2021-01-19 10:55:18

Customer Name/Address:	Bobcat Delivering Dealer	<b>ORDER TO BE PLACED WITH: Contract Holder/Manufacturer</b>
<b>CASCADE CHARTER TOWNSHIP Attn: JIM MACDONALD 2865 THORNHILLS AVE SE GRAND RAPIDS, MI 49546</b>	<b>Carleton Eq. Bobcat of Grand Rapids, Byron Center, M 343 100TH STREET SW BYRON CENTER MI 49315 Phone: (616) 877-3388 Fax: (616) 877-4737</b>	<b>Clark Equipment Co dba Bobcat Company 250 E Beaton Dr, PO Box 6000 West Fargo, ND 58078 Phone: 701-241-8719 Fax: 855-608-0681 Contact: Heather Messmer Heather.Messmer@doosan.com</b>

Description	Part No	Qty	Price Ea.	Total
<b>Bobcat 5600</b>	M1221	1	\$45,393.40	\$45,393.40
Deluxe Road Package	M1221-P01-C01	1	\$1,973.70	\$1,973.70
Backup Alarm	Side Mirrors			
Turn Signals	Horn			
Flashers	Lower Engine Guard			
Tail Lights	Rear Work Lights			
Brake Lights	Headlights			
Rear View Mirror				
Cab Enclosure with Heater & Air Conditioning	M1221-R02-C03	1	\$4,134.40	\$4,134.40
High Flow Package	M1221-R03-C02	1	\$1,475.60	\$1,475.60
29 X 12.5 Turf Tires	M1221-R05-C05	1	\$668.10	\$668.10
Keyless Ignition	M1221-R06-C02	1	\$285.60	\$285.60
Heavy Duty Battery	M1221-R07-C02	1	\$82.45	\$82.45
Attachment Control	M1221-R08-C02	1	\$200.60	\$200.60
Power Bob-Tach	M1221-R12-C02	1	\$934.15	\$934.15
Radio Option	M1221-R15-C02	1	\$453.05	\$453.05
Traction Control	M1221-R16-C02	1	\$463.25	\$463.25
Engine Block Heater	M1221-A01-C02	1	\$110.50	\$110.50
Interior Trim	M1221-A01-C05	1	\$174.25	\$174.25
SB200 Snowblower - 60" Width	M7001	1	\$3,565.92	\$3,565.92
--- 9.6 Hyd Motor Package (25 - 31 gpm)	M7001-R01-C04	1	\$955.32	\$955.32

<b>Total of Items Quoted</b>	<b>\$60,870.29</b>
<b>Dealer Assembly Charges</b>	<b>\$0.00</b>
<b>Other Charges: Bobcat Material Surcharge</b>	<b>\$0.00</b>
<b>Quote Total - US dollars</b>	<b>\$60,870.29</b>

**Notes:**

**\*Prices per the Michigan State Contract – 071B7700088**  
**\*Terms Net 30 Days. Credit cards accepted.**  
**\*FOB Destination within the 48 Contiguous States.**  
**\*Delivery: 60 to 90 days from ARO.**

**\*State Sales Taxes apply. Must include a Tax Exempt Certificate with order placed.**

**\*TID# 38-0425350**

**\*Orders Must be Placed With: Clark Equipment dba Bobcat Company, Govt Sales, 250 E Beaton Drive, West Fargo, ND 58078.**



# CASCADE CHARTER TOWNSHIP

2865 Thornhills SE Grand Rapids, Michigan 49546-7140

**Date:** March 10, 2021  
**To:** Supervisor Lesperance & Township Board  
**From:** Brian Wilson, Director of Inspections  
Benjamin Swayze, Township Manager  
**Subject:** Server replacement

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## **CURRENT ISSUE:**

As part of the Technology replacement schedule, the exchange and application servers are scheduled to be replaced in 2021.

## **ANALYSIS AND CONCLUSIONS:**

The application (BSA) server is designed to provide performance and reliability for township operations. Total replacement and installation cost is **\$15,700.00**. There are no cloud-based options that will run BSA programs.

The exchange server handles our domain and email functions. Two options were presented. First, a completely online (cloud based) solution. Installation and subscription costs are \$8,874.50 year one and \$4896.00 each (year 2-4). This method is becoming more popular and does allow some additional functions when paired with office 365. Office 365 is a monthly service for Microsoft Office products (excel, word, power point). We currently purchase this software with each new computer (4-year replacement schedule).

The second option is to continue with a local exchange server (current method). Hardware, license and installation costs total **\$18,096.25**. Our IT provider believes that this is the last version of exchange that we will be available for a local server. Future versions will be online only.

The financial considerations below illustrate that an organization our size can take advantage of lower total costs when implementing a local exchange server (as we have always done). We are currently developing a plan to integrate both office and exchange into an online monthly subscription service in anticipation of Microsoft changing available formats in the future.

## **FINANCIAL CONSIDERATIONS:**

Application server has no alternatives at this point. Total Cost \$15,700

Exchange:

Option 1 – online \$8,874.50 initial cost plus \$4,896 yearly

Assuming 4-year life: total cost = \$23,562.50 (\$8874.50 + \$4896 + \$4896 + \$4896)

Option 2 – local exchange \$18,096.25 initial cost (no additional yearly licenses)

$\$23,562.50 - \$18,096.25 = \$5466.25$  cost savings for 4-year life

\*\*Assuming 5-year life: Total savings = \$10,362.25 (\$5466.25 + \$4896)

The Infrastructure Committee reviewed this request and has recommended the Township Board approve the purchase of the replacement of the BSA application server and the local exchange server.

**RECOMMENDED ACTION:**

**Approve the replacement of the application server and local exchange server. Total budgeted cost of approximately \$33,800**



**Information Technology Solutions that  
Work for Local Government**

5815 East Clark Rd Suite G  
Box 160  
48808 Bath  
United States

**Q U O T E**

**Number** ITRQ18154  
**Date** Jan 21, 2021

**Sold To**

**Cascade Township**  
Brian Wilson  
2865 Thornhills SE  
49546 Grand Rapids

**Ship To**

**Cascade Township**  
Brian Wilson  
2865 Thornhills SE  
49546 Grand Rapids

**From The Desk Of**



**R Allen**  
855-487-4448 ext 5  
rallen@itright.com

**Phone** (616) 949-3765  
**Fax**

**Phone** (616) 949-3765  
**Fax**

Terms	P.O. Number	Ship Via
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Line	Qty	Description	Unit Price	Ext. Price
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1 **New Local Exchange Server (rackmount)**

2 1 SuperServer 6019P-WTR \$7,856.25 \$7,856.25

- Supermicro SuperServer 6019P-WTR - 1U - 4x SATA - Dual 1-Gigabit Ethernet - 12x DDR4 - 750W Redundant
- 2 x Intel Xeon Silver 4208 Processor 8-Core 2.1GHz 11MB Cache (85W)
- 12 x 8GB PC4-23400 2933MHz DDR4 ECC RDIMM
- 2 x 960GB Micron 5300 MAX Series 2.5" SATA 6.0Gb/s Solid State Drive
- 2 x 1.92TB Micron 5300 MAX Series 2.5" SATA 6.0Gb/s Solid State Drive
- No Optical Drive Support
- LSI MegaRAID 9341-4i SAS 12Gb/s PCIe 3.0 4-Port Controller
- 2 x IEC320 C13 to C14 Power Cable - 16AWG - 250V/13A - 6ft / 1.8M (TAA Compliant)
- Supermicro Update Manager (SUM) (OOB Management Package)
- Microsoft Windows Server 2019 Standard (16-core)
- 3 Year Advanced Parts Replacement Warranty (Zone 0)
- RAID Configuration
- LSI 3008 [SAS 12, 4 ports]
- RAID 1 (\*OS) -> 2 x 960GB Micron 5300 MAX Series 2.5" SATA 6.0Gb/s Solid State Drive
- RAID 1 (Exchange DB and DC2 VM) -> 2 x 1.92TB Micron 5300 MAX Series 2.5" SATA 6.0Gb/s Solid State Drive
- Config ID # 69177

\* For orders over \$5000, payment for the hardware/software is required prior to processing the order.

Thanks for choosing I.T. Right!

Line	Qty	Description	Unit Price	Ext. Price
3	1	MS MBG EXCH SRV STD 2019....Electronic distribution - NO MEDIA	\$700.00	\$700.00
4	102	MS MBG EXCH STD UCAL 2019..Electronic distribution - NO MEDIA	\$70.00	\$7,140.00
5		<i>* Based on current Mailbox count.</i>		
		<i>** If you feel this count is higher than actual, the helpdesk can send you an email audit so you can review the accounts and we can adjust the quote to actual.</i>		
6		<i>*** Client would need to ensure they are on Outlook 2016 or above. Anyone on Outlook 2013 or older would need upgraded as well.</i>		
7	20	Project Labor for installing, configuring, and implementing new Exchange Server.	\$150.00	\$3,000.00
8		20.0% Loyalty Discount		-\$600.00
9		<i>In this option, we would install DC2 VM on this server, as well. Same as before.</i>		
10		<i>* Payment for the hardware/software is required prior to processing the order.</i>		

<b>SubTotal</b>	\$18,096.25
<b>Tax</b>	\$0.00
<b>Shipping</b>	\$0.00
<b>Total</b>	<b>\$18,096.25</b>

*\* For orders over \$5000, payment for the hardware/software is required prior to processing the order.*

Thanks for choosing I.T. Right!

# I.T. RIGHT

Information Technology Solutions that  
Work for Local Government

5815 East Clark Rd Suite G  
Box 160  
48808 Bath  
United States

QUOTE

*updated for  
new phones*

Number ITRQ18153  
Date Jan 21, 2021

**Sold To**

Cascade Township  
Brian Wilson  
2865 Thornhills SE  
49546 Grand Rapids

**Ship To**

Cascade Township  
Brian Wilson  
2865 Thornhills SE  
49546 Grand Rapids

**From The Desk Of**



R. Allen  
855-487-4448 ext 5  
rallen@itright.com

Phone (616) 949-3765  
Fax

Phone (616) 949-3765  
Fax

Here is the quote you requested.

Terms	P.O. Number	Ship Via
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Line	Qty	Description	Unit Price	Ext. Price
1		New File, BSA and Laserfiche Server		
2	1	SuperServer 6029P-WTR - Supermicro SuperServer 6029P-WTR - 2U - 8x SATA - Dual 1-Gigabit Ethernet - 12x DDR4 - 1200W Redundant - 2 x Intel Xeon Silver 4208 Processor 10-Core 2.2GHz 14MB Cache (85W) - 12 x 16GB PC4-23400 2933MHz DDR4 ECC RDIMM - 2 x 4.0TB SATA 6.0Gb/s 7200RPM - 3.5" - Seagate Exos 7E8 Series (512n) - 2 x 960GB Micron 5300 PRO Series 2.5" SATA 6.0Gb/s Solid State Drive - 4 x 1.92TB Micron 5300 PRO Series 2.5" SATA 6.0Gb/s Solid State Drive - LSI MegaRAID 9341-8i SAS 12Gb/s PCIe 3.0 8-Port Controller - Intel® 1-Gigabit Ethernet Server Adapter I350-T4V2 (4x RJ-45) - 2 x IEC320 C13 to C14 Power Cable - 16AWG - 250V/13A - 6ft / 1.8M (TAA Compliant) - Supermicro Update Manager (SUM) (OOB Management Package)  - Microsoft Windows Server 2019 Standard (24-core)  - 3 Year Advanced Parts Replacement Warranty (Zone 0)  RAID Configuration LSI 3008 [SAS 12, 8 ports] RAID 1 (*OS and 3 x Phone Server Linux VMS) -> 2 x 960GB Micron 5300 PRO Series 2.5" SATA 6.0Gb/s SSD RAID 1 (BS&A SQL DB) -> 2 x 1.92TB Micron 5300 PRO Series 2.5" SATA 6.0Gb/s Solid State Drive	\$9,795.00	\$9,795.00

\* For orders over \$5000, payment for the hardware/software is required prior to processing the order.

Thanks for choosing I.T. Right!

Line	Qty	Description	Unit Price	Ext. Price
		RAID 1 (Laserfiche DB) -> 2 x 1.92TB Micron 5300 PRO Series 2.5" SATA 6.0Gb/s Solid State Drive RAID 1 (Data) -> 2 x 4.0TB SATA 6.0GB/s 7200RPM - 3.5" - Seagate Exos 7E8 Series (512n) ConfigID: 69176		
3	1	Microsoft SQL Server 2019 Standard - License - 2 Core - Volume, Local Government, Microsoft Qualified - Microsoft Open License for Government - English - PC	\$3,503.73	\$3,503.73
4	20	Project Labor for installing, configuring, and implementing the new Server.	\$150.00	\$3,000.00
5		20.0% Loyalty Discount		-\$600.00

<b>SubTotal</b>	\$15,698.73
<b>Tax</b>	\$0.00
<b>Shipping</b>	\$0.00
<b>Total</b>	<b>\$15,698.73</b>

Please contact me if I can be of further assistance.

\* For orders over \$5000, payment for the hardware/software is required prior to processing the order.

Thanks for choosing I.T. Right!



# CASCADE CHARTER TOWNSHIP

2865 Thornhills SE Grand Rapids, Michigan 49546-7140

**Date:** March 10, 2021  
**To:** Supervisor Lesperance & Cascade Township Board  
**From:** Benjamin Swayze, Township Manager  
**Subject:** Kent County Designated Assessor Interlocal Agreement

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## **FACTS:**

In late 2018 the state of Michigan legislature passed Public Act 660 of 2018, commonly referred to as Property Assessing Reform. In its simplest form, P.A. 660 provides a statutory framework to ensure proper assessing in order to guarantee the highest quality assessments for taxpayers as well as local units of governments.

One of the most complex provisions within P.A. 660 is the Designated Assessor. With the current State of Michigan Audit of Minimum Assessing Requirements (AMAR) process, the statute provides for an initial AMAR and a corrective action plan to be approved by the State Tax Commission (STC). The statute then provides for a follow up review to be conducted in accordance with the approved action plan. If after that follow up review the local unit remains in non-compliance then the local unit has two options:

- Employ or contract with a new assessor of record at the Advanced or Master Level
- Contract with the Designated Assessor for the County to serve as the assessor of record

Kent County has gone through the RFP process to select a Kent County Designated Assessor. As dictated by the Act, the County must now enter an interlocal agreement with a majority of the local units. Once the agreement is finalized, it is then sent to the STC for final approval. The STC is responsible for determining if the individual named as the Designated Assessor is capable of ensuring they can achieve and maintain substantial compliance for any local unit that contracts with them.

Attached for your review are:

- Proposed Interlocal Agreement and Designated Assessor Contract
- Property Assessing Reform Informational Document from the State of Michigan Department of Treasury
- Kent County Designated Assessor RFP
- Public Act 660 of 2018

## **ANALYSIS & CONCLUSIONS:**

Through the RFP process, which was done with input from the Kent County Supervisors Association and the Kent County Assessor Association, the County has selected Laurie Spencer (dba NE Michigan Assessing LLC) as the Kent County Designated Assessor. Laurie currently serves as the Equalization Director in Leelanau County and has over 43 years of assessing administration experience.

The initial term of the contract is 5 years. If the Township were to use the services of the designated assessor, the general cost would be \$30 per parcel, as set by the March Board of Review. Other various cost for services would apply as well and can be found on page 7 of the document.

Though required by PA 660, it is highly unlikely the Township would ever be in a position to need to utilize the Designated Assessor. The Township passed our AMAR in 2020 with no corrective action necessary, and will not be scheduled to be reviewed again for 5 years.

**FINANCIAL CONSIDERATIONS:**

There is no cost associated with the Township approving the Interlocal Agreement and Designated Assessor Contract. Should the Township be in a position to need the services, the cost to the Township would be \$30 per parcel. The Township has 9499 parcels for FY2021 (pre Board of Review).

**RECOMMENDED ACTION:**

To approve the Interlocal Agreement and Designated Assessor Contract with Kent County.

# **Interlocal Agreement and Designated Assessor Contract**

## **KENT COUNTY INTERLOCAL AGREEMENT FOR COUNTY DESIGNATED ASSESSOR**

This Interlocal Agreement, by and between the County of Kent, a political subdivision of the State of Michigan (hereinafter referred to as the “County”), and Ada Township, Algoma Township, Alpine Township, Bowne Township, Byron Township, Caledonia Charter Township, Cannon Township, Cascade Charter Township, Courtland Township, Gaines Charter Township, Grand Rapids Charter Township, Grattan Township, Lowell Charter Township, Nelson Township, Oakfield Township, Plainfield Charter Township, Solon Township, Sparta Township, Spencer Township, Tyrone Township, Vergennes Township, City of Cedar Springs, City of East Grand Rapids, City of Grand Rapids, City of Grandville, City of Kentwood, City of Lowell, City of Rockford, City of Walker, City of Wyoming, each a political subdivision of the State of Michigan (each hereinafter referred to as an “Assessing District,” and collectively referred to as the “Assessing Districts”), is entered into pursuant to the Urban Cooperation Act of 1967, Public Act 7 of 1967 (Ex. Sess.), as amended, MCL 124.501 *et seq.*, and the General Property Tax Act, Public Act 206 of 1893, as amended by Public Act 660 of 2018, MCL 211.10g, for the purpose of designating an individual to serve as the County’s Designated Assessor.

**WHEREAS**, the County and above political subdivisions of the State of Michigan, pursuant to MCL 211.10g(4), intend this Agreement to establish a Designated Assessor; and

**WHEREAS**, every County shall have a Designated Assessor on file with the State Tax Commission as of December 31, 2020 (“Designated Assessor”); and

**WHEREAS**, the County Designated Assessor is designated by an Interlocal Agreement executed between the County Board of Commissioners and a majority of the Assessing Districts in the County; and

**WHEREAS**, the individual designated as the County’s Designated Assessor must be approved by the State Tax Commission.

**NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

### **A. Background Information**

#### **1. Name of the County and proposed Designated Assessor:**

This Interlocal Agreement involves the County of Kent, Michigan and all of its local governmental assessing districts. The Kent County Board of Commissioners appoints Laurie Spencer dba NE Michigan Assessing LLC to serve as the Designated Assessor for Kent County.

**2. Identification of all the Assessing Districts within the County:**

Ada Township, Algoma Township, Alpine Township, Bowne Township, Byron Township, Caledonia Charter Township, Cannon Township, Cascade Charter Township, Courtland Township, Gaines Charter Township, Grand Rapids Charter Township, Grattan Township, Lowell Charter Township, Nelson Township, Oakfield Township, Plainfield Charter Township, Solon Township, Sparta Township, Spencer Township, Tyrone Township, Vergennes Township, City of Cedar Springs, City of East Grand Rapids, City of Grand Rapids, City of Grandville, City of Kentwood, City of Lowell, City of Rockford, City of Walker, City of Wyoming constitute the complete roster of assessing districts within the geographic and political boundaries of Kent County.

**3. Current Stated Equalization (“SEV”) values in the County by class, including special act values. Total number of parcels in the County, by classification, including special act rolls, within each Assessing District:**

**(A.) Real Property SEV, as of 2020 March BOR:**

<b>Real Property Class</b>	<b># Parcels</b>	<b>2020 SEV</b>
Agricultural	2,700	408,240,000
Commercial	11,955	6,467,804,433
Industrial	2,733	1,530,251,000
Residential	204,212	21,861,286,615
<b>Total Real Property</b>	<b>221,600</b>	<b>30,267,582,048</b>

**(B.) Personal Property, as of 2020 March BOR:**

<b>Personal Property Class</b>	<b># Parcels</b>	<b>2020 SEV</b>
Agricultural Personal	-	
Commercial Personal	18,744	871,999,600
Industrial Personal	1,191	235,665,400
Utility Personal	256	533,814,841
<b>Total Personal Property</b>	<b>20,191</b>	<b>1,641,479,841</b>

**(C.) Equivalent State Equalized Value of Special Acts as of 2020 March BOR:**

- Industrial Facilities Exemption (Act 198 of 1974) -- \$405,878,200; 599 Parcels
- Commercial Rehabilitation Act Roll (PA 210 of 2005) -- \$1,476,300; 1 Parcel
- Commercial Redevelopment Act Roll (PA 255 of 1978) -- \$1,415,600; 2 Parcels
- DNR-PILT Rolls -- \$13,529,900; 103 Parcels

**4. List of any unique, complex or high value properties within the County:**

- PR Woodland LTD Partnership-Woodland Mall-Kentwood City-3195 28<sup>th</sup> St SE
- Amway Corporation-Manufacturing-Ada Township-7575 Fulton St E
- Rivertown Crossings-Rivertown Mall-Grandville City-3700 Rivertown Pkwy SW
- Amway Hotel Corporation-Amway Grand Plaza Hotel-Grand Rapids City-225 Pearl St NW
- Holland Home-Assisted Living Center-Kentwood City-2500 Breton Woods Dr SE
- Centerpoint Owner LLC-Centerpoint Mall-Grand Rapids City-3665 28<sup>th</sup> St SE
- HP3 LLC-JW Marriott Hotel-Grand Rapids City-235 Louis St NW
- Tanger Grand Rapids LLC-Tanger Outlet Mall-Byron Township-350 84<sup>th</sup> St SW
- DOF V Ramblewood LLC-Ramblewood Apartments-Wyoming City-2557 44<sup>th</sup> St SW
- MI GR LLC-Switch Data Center-Gaines Township-4200 60<sup>th</sup> St SE

**5. Length of the agreement:**

Term of Designation. If approved by the State Tax Commission, the Kent County Designated Assessor shall serve for a minimum of five (5) years from the date of the approved designation. The designation shall not be revoked, and no new designation shall be made earlier than five (5) years following the date of the approved designation, except as otherwise provided in Section 6, below.

Once an Assessing District is under contract with the County for Designated Assessor services, the Designated Assessor will remain in place for a minimum of five (5) years. However, the Assessing District may petition the State Tax Commission to end the contract after the Designated Assessor has been in place for a minimum of three (3) years.

**6. Revocation of Designation by State Tax Commission:**

The State Tax Commission may designate and approve, on an interim basis and pursuant to a formal agreement, an individual to serve as a County Designated Assessor and, if applicable, revoke the approved designation of a current County Designated Assessor under the following circumstances:

- (i) if the County Designated Assessor dies or becomes incapacitated; or
- (ii) if it determines at any time that the County Designated Assessor is not capable of ensuring that contracting Assessing Districts achieve and maintain substantial compliance with the requirements in MCL 211.10g(1).

The State Tax Commission's designation of an interim County Designated Assessor under this Section is effective only until a new County Designated Assessor has been designated in a new Interlocal Agreement under MCL 211.10g(4)(a) and approved by the State Tax Commission.

**7. Agreement effective date:**

January 1, 2021.

**8. Place of performance of duties:**

Performance of duties shall be conducted at the local offices of the Assessing District or a at a location mutually agreed to by the Assessing District and the Designated Assessor.

**B. Qualifications of Proposed Designated Assessor:**

**1. Current assessor certification level and number:**

Michigan Master/Advanced Assessing Officer R-4110

**2. Identification of current employment status and specific assessing or equalization Responsibilities:**

The herein named Designated Assessor, Laurie Spencer dba NE Michigan Assessing LLC is currently employed as Leelanau Equalization Director. In her role as Director, she oversees staff performing appraisals on commercial, industrial, and agricultural properties. She assists with various questions from Leelanau County Assessors and from Leelanau County Equalization Department's employees. She is also currently the assessor of record for Presque Isle Township, Presque Isle County.

**3. Description of prior local unit assessing experience of the proposed Designated Assessor:**

Laurie Spencer has 43 years of assessing administration experience, working as the Equalization Director in Presque Isle County, Grand Travers County and currently at Leelanau County. She has been the assessor of record for Hillman Township in Montmorency County, Wilson Township in Alpena County, East Bay Charter Township in Grand Travers County and currently Presque Isle Township in Presque Isle County. She is also an instructor in the assessing and equalization profession, sharing her wealth of knowledge.

**4. Conflict of interest disclosures:**

None.

**C. Scope of Services Provided by the Kent County Board of Commissioners upon default or surrender of an Assessing District to the Designated Assessor:**

**1. General Agreement:**

Upon default or surrender of an Assessing Districts property assessment program to Kent County's Designated Assessor, the Designated Assessor agrees to provide a property assessment administration program for the Assessing Districts. The program will be administered by the herein named Designated Assessor, who will list, approve and maintain a complete set of records

of all real and personal property subject to ad valorem taxation, specific taxes, in lieu-of-tax agreements and exempt properties within the corporate limits of the local unit.

- a. **Scope of service** – To correct all deficiencies found in the State Tax Commission audit. To classify and appraise accurately, according to the constitution and laws of the State of Michigan, each parcel of real property, which lies within the corporate boundaries of the Assessing District. To process accurately all assessable personal property that is in the Assessing District. To use the methods prescribed by the Michigan State Tax Commission, in the Audit of Minimum Assessing Requirements (AMAR). Approximately twenty percent (20%) of the parcels in the Assessing District will be inspected and reappraised each year, so that each parcel in the Assessing District is inspected and reappraised approximately once every five (5) years. The Designated Assessor will provide an assessment roll as required. The final factor will be determined by the action of the Assessing District's Board of Review, the Kent County Equalization Department and the process of state equalization, as determined by the State Tax Commission.
- b. **Qualified staff** - All Designated Assessor employees engaged in the performance of this Agreement shall be professional in manner and appearance and be trained and qualified in property appraisal techniques. The assessment roll will be certified by the Designated Assessor.
- c. **Equipment and supplies** – The Assessing District will provide all equipment, software, software licenses, remote access capabilities and supplies needed for the routine performance of its duties, except as otherwise set forth herein.
- d. **Maps and records** - The Assessing District shall provide current land use maps, zoning maps, street/centerline maps, plats, topographical maps, sewer and water maps, and shall make available any records or data, which may be of use in making the appraisal, without cost to the Designated Assessor. The Designated Assessor will work with Kent County, which has implemented a GIS system in which mapping data are maintained for all parcels in Kent County, and the Assessing Districts mapping systems.
- e. **Appraisal manuals/schedules** - The current Michigan State Tax Commission Assessor's Manuals shall be the cost schedules used in the appraisal of all properties. All cost schedules shall be indexed to reflect current costs as of Tax Day.
- f. **Record cards** – The master file shall be the property of the Assessing District. The Designated Assessor will maintain the master file at the Assessing District offices with access available to the Assessing District. Real property printed records, if any, will be located at the Assessing District offices. Personal property printed records will be located at the Assessing District offices.
- g. **Conduct of operations** - Both parties recognize that good public relations are vital to the success of the assessment administration program. During the terms of this Agreement, the Designated Assessor shall endeavor to promote understanding and amicable relations with all members of the public. The Designated Assessor will

maintain specified office hours at the Assessing District Offices to conduct their duties, interact with Assessing District staff, attend meetings, promote community relations, and to meet with property owners about assessment issues and questions. The Assessing District will provide adequate office area and operational infrastructure such as telecommunication, data communication, utilities, networking capabilities, and electronic storage capacity, to adequately support required staff activities and necessary ancillary functions. The accommodations shall be safe, modern, and reflect a professional function. All electronic data interfaces shall be compatible with Assessing District and Kent County information protocols and standards.

- h. Property owner notification and official statements** – It shall be the responsibility of the Designated Assessor to notify the property owners of increased assessed and taxable values, as provided by law, as well as distribute personal property statements and other official forms. The Assessing District shall pay charges from the service company for printing these notifications and statements.
- i. Assessment roll** – The Designated Assessor shall prepare the assessment roll and certify it for the Assessing District in a timely manner.
- j. Board of review** – The Designated Assessor will advise and assist the Assessing District’s Board of Review in preparing for, conducting and implementing any changes resulting from the required meeting of the Board.
- k. Appeals** - The Designated Assessor, or representative, shall represent the Assessing District in all property assessment appeals and in proceedings before the Michigan Tax Tribunal concerning properties under this Agreement. The Assessing District shall designate and provide the legal services for such appeals or proceedings; however, costs or expenses, which may be incurred by the Designated Assessor in employing additional counsel, expert appraisers, or performing extraordinary specific appraisal work in connection with such appeals, proceedings, or other functions, shall be paid by the Assessing District provided that the Designated Assessor, seeks and obtains approval from the Assessing District prior to incurring such costs or expenses. Additionally, should this Agreement be terminated, the Designated Assessor shall represent the Assessing District in all property assessment appeals and in proceedings filed during the existence of this Agreement. The fee shall be \$80.00 per hour for preparation, appearance, and travel after termination of the Agreement.
- l. Geographical information systems** – The Designated Assessor and the Assessing District shall utilize Kent County’s geographical information system in conjunction with the local unit geographic information system of record in implementing this Agreement.
- m. Special Assessments** - Special assessment benefit analyses, roll preparation, processing, and related reports will be provided by the Designated Assessor when formally requested at a fee of \$55.00 per hour. This fee will be subject to 5% per year increases through the life of this contract.

- n. **Responsibilities of the Designated Assessor while not acting as an assessor of record of an Assessing District under this contract**-The Designated Assessor shall have no responsibilities during the period in which they are not acting as the Designated Assessor for an assessing district within the county.
- o. **Requirement to remain certified and in good standing** -The Designated Assessor is required to remain certified at the Master Assessing Officer level by the State Tax Commission and in good-standing.

**D. Cost and Compensation for Designated Assessor :**

**1. Payment for Services Provided:**

- a. **General tax roll maintenance services**- Except as otherwise provided, payment by an Assessing District for Designated Assessor services provided under this agreement shall be set at \$30.00 per parcel for 2021 with 5% per year increases through the life of this contract. Parcel count will be determined each year as of the March Board of Review and will include all active parcels. In the unlikely event an immediate reappraisal of a class of property is required, there will be an additional charge of \$60.00 per parcel. The monthly invoices from the Designated Assessor will be processed and paid by the Assessing District in accordance with standard Assessing District procedures.
- b. **Retainer**- There will be no retainer for Designated Assessor Services to Kent County Assessing Districts. Charges will only be incurred once an Assessing District turns over Assessment Administration duties to the Designated Assessor.

**2. Designated Assessor expenses:**

The Designated Assessor will additionally be reimbursed on a monthly basis for the reimbursable expenses related to Designated Assessor Services in a not-to-exceed annual amount of \$10,000.00. All expenses will be billed to the Assessing District in such detail and/or with sufficient supporting documentation, as may be reasonably required by the Assessing District. Reimbursable expenses may include items such as office supplies, assessing forms, printing, publishing, postage, mileage and other costs agreed to prior to invoicing. Reimbursable expenses may also include budgeted certifications, memberships, professional development, mileage. Travel costs as agreed in advance of training will also be reimbursed.

**3. Independent contractor:**

At all times and for all purposes under this Agreement, the relationship of the Designated Assessor to the Assessing District shall be that of an independent contractor. All employees of the Designated Assessor who perform services under this Agreement, shall be and remain employees of the Designated Assessor, subject to the discipline, supervision, direction, policies and control of Designated Assessor.

#### 4. Indemnification and hold harmless:

Each party shall indemnify and hold the other party harmless from claims, which are the result of an alleged error, mistake, negligence or intentional act or omission of the other party, its officers, employees, agents and assigns.

#### 5. Insurance:

If the services of the Designated Assessor are required by an Assessing District the Assessing District will acquire general commercial and professional liability insurance for the Designated Assessor with comprehensive general policy limits of not less than \$1,000,000.

The Designated Assessor is required to maintain motor vehicle liability coverage, including Michigan no-fault coverage, for \$1,000,000 per occurrence combined single limit for bodily injury and property damage for all owned, non-owned and hired vehicles.

#### 6. Term of agreement:

This cost and compensation agreement between the Assessing District and the Designated Assessor for Designated Assessor Services shall be determined by the date the Assessing District's Assessment Administration Services are assumed by the Designated Assessor. This Agreement shall continue in effect for five (5) years from the effective date of this agreement, subject to any conditions identified in Section A.5. Unless earlier times are agreed to by the State Tax Commission and the Designated Assessor, an Assessing District that is under contract with a Designated Assessor under this subsection may petition the State Tax Commission no sooner than three (3) years after commencement of the contract to end its contract with the Designated Assessor and may subsequently terminate the contract, subject to state tax commission approval, no sooner than five (5) years after commencement of the contract. The State Tax Commission shall approve termination of a contract under this subdivision if it determines that the Assessing District can achieve and maintain substantial compliance with the requirements in subsection (1) using a different assessor of record. It may be renewed thereafter for one (1) additional three (3) year term, by mutual written agreement of the parties, entered into not later than February 1, of the fifth year.

#### 7. Miscellaneous:

- a. **Section headings.** The headings of the several sections shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.
- b. **Severability.** If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- c. **Entire agreement and amendment.** In conjunction with matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have

been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded or changed by any oral agreements, course of conduct, waiver or estoppel.

- d. **Successors and assigns.** All representations, covenants and warranties set forth in the Agreement by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.
- e. **Terms and conditions.** The terms and conditions used in this Agreement shall be given their common and ordinary definition and will not be construed against either party.
- f. **Execution of counterparts.** This Agreement may be executed in any number of counterparts and each such counterpart shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.
- g. **No Third Party or Release of Immunity.** This Agreement does not create a joint venture and is not enforceable by third parties, nor does it in any way waive or release the governmental and officer immunities of either the County, Assessing Districts or Designated Assessor, all such rights being reserved.
- h. **Digital and Facsimile Signatures.** This Agreement may be signed digitally or by use of a facsimile signature, and the use of such signature forms will be as valid as if signed in ink.

**Signature of the Designated Assessor, the County Board of Commissioners, Township Supervisors and City Mayors within Kent County**

**IN WITNESS WHEREOF**, the authorized representatives of the Parties hereto have fully executed this instrument.

**DESIGNATED ASSESSOR**

\_\_\_\_\_  
NE Michigan Assessing, LLC  
Designated Assessor

\_\_\_\_\_  
Date

**COUNTY OF KENT**

\_\_\_\_\_  
Mandy Bolter, Chairperson  
County Board of Commissioners

\_\_\_\_\_  
Date

\_\_\_\_\_  
Lisa Posthumus Lyons, County Clerk/Register

\_\_\_\_\_  
Date

**ADA TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**ALGOMA TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**ALPINE TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**BOWNE TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**BYRON TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CALEDONIA CHARTER TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CANNON TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CASCADE CHARTER TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**COURTLAND TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**GAINES CHARTER TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**GRAND RAPIDS CHARTER TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**GRATTAN TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**LOWELL CHARTER TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

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Printed Name

**NELSON TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

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Printed Name

**OAKFIELD TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

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Printed Name

**PLAINFIELD CHARTER TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

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Printed Name

**SOLON TOWNSHIP**

\_\_\_\_\_  
Supervisor

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Date

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Printed Name

**SPARTA TOWNSHIP**

\_\_\_\_\_  
Supervisor

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Date

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Printed Name

**SPENCER TOWNSHIP**

\_\_\_\_\_  
Supervisor

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Date

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Printed Name

**TYRONE TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**VERGENNES TOWNSHIP**

\_\_\_\_\_  
Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CITY OF CEDAR SPRINGS**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CITY OF EAST GRAND RAPIDS**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CITY OF GRAND RAPIDS**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CITY OF GRANDVILLE**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CITY OF KENTWOOD**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

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Printed Name

**CITY OF LOWELL**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CITY OF ROCKFORD**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CITY OF WALKER**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CITY OF WYOMING**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name



# What is Property Assessing Reform?

The Michigan Department of Treasury is pleased to present the first in a series of information materials to assist assessors and local units in understanding the changes enacted in P.A. 660 of 2018, commonly referred to as Property Assessing Reform.

The purpose of this document is to provide a high level overview of P.A. 660 of 2018. In its simplest form, P.A. 660 provides a statutory framework to ensure proper assessing in order to guarantee the highest quality assessments for taxpayers as well as local units. The Act defines the requirements for a local unit to be determined to be in substantial compliance with the General Property Tax Act, provides timetables for audits as well as follow up audits and provides a process for bringing a local unit into compliance if they remain non-compliant after a follow up review (also known as the designated assessor).

The Act also mandates training for local unit Boards of Review and allows for local units to combine Boards of Review for efficiency purposes and provides for a village located within two assessing districts may request that the assessment of property be completed within one of the districts.

What do local units and Assessors need to know now?

1. The majority of the provisions in the Act do not go into place until 2022.
2. Local units can begin to prepare now by ensuring they are meeting the requirements in the current AMAR and if not, that they work to ensure corrections are made to bring them into compliance. This topic will be addressed in more detail in a future presentation.
3. The Designated Assessor provision does not mandate that all assessors be an Advanced or Master Level and it does not mandate Countywide Assessing. More information on the Designated Assessor will be provided in a future presentation.
4. The provision to allow Boards of Review to combine went into effect with the 2019 year. The Cities or Townships that want to combine their Boards of Review must be contiguous and must still meet the statutory provisions regarding size, composition and manner of appointment of the Board of Review.
5. The State Tax Commission will be working to develop rules, guidelines and issue Bulletins to address provisions in the Act.
6. Updates on Property Assessing Reform will be published on the State Tax Commission's website at [www.michigan.gov/statetaxcommission](http://www.michigan.gov/statetaxcommission) and a dedicated email address has also been established for questions regarding Property Assessing reform. Questions on Property Assessing Reform can be emailed to [AssessingReformQuestions@michigan.gov](mailto:AssessingReformQuestions@michigan.gov).



# Property Assessing Reform: Designated Assessor

One of the most complex provisions within P.A. 660 is the Designated Assessor. This document will provide a high level overview of the Designated Assessor requirement and what it is and isn't.

**What is the Designated Assessor?** The Designated Assessor is part of a process to ensure that local units are in compliance with the statutory provisions of the AMAR. In other words it is part of a process to make sure that local units are meeting minimum assessing requirements.

As with the current AMAR process, the statute provides for an initial AMAR and a corrective action plan to be approved by the STC. The statute then provides for a follow up review to be conducted in accordance with the approved corrective action plan. If after that follow up review, the local unit remains in non-compliance then the local unit has two options: they can employ or contract with a new assessor of record at the Advanced or Master Level or they can contract with the Designated Assessor for the County to serve as their assessor of record.

**Who are the Designated Assessors?** The statute provides the process for determining who the Designated Assessors will be. Each County is required to enter into an interlocal agreement that designates the individual who will serve as the County's Designated Assessor. That interlocal agreement must be approved by the County Board and a majority of the assessing districts in the County. Once the interlocal agreement is approved, it is sent to the State Tax Commission for final approval. The STC will determine if the individual named as the Designated Assessor is capable of ensuring they can achieve and maintain substantial compliance for any local unit that contracts with them.

The Designated Assessor is not an automatic requirement for Countywide assessing or for the County Equalization Director to take over assessor for local units. While the County can certainly be named the Designated Assessor, it is not an automatic designation as the Designated Assessor is determined by the approved interlocal agreement.

The Act contains a number of specific detailed provisions regarding the Designated Assessor including how long they serve, what happens in the case of a Designated Assessor that can no longer serve and appeal processes for local units regarding substantial compliance. Those provisions will be discussed in much more detail in future publications and in STC Bulletins, Guidelines and Rules.



# Property Assessing Reform Scenarios

In order to help assessors and local units better understand Property Assessing Reform, we have put together several scenarios that represent various situations that occur within your local unit our County. These scenarios are representative of situations under PA 660 and do not represent all possible outcomes. Specific questions can be directed to the Property Assessing Reform email at [AssessingReformQuestions@michigan.gov](mailto:AssessingReformQuestions@michigan.gov).

## **Scenario 1**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.
- Within 60 days of receiving a notice of noncompliance, the assessing district develops a corrective action plan to address the deficiencies within 1 year.
- Within 60 days of filing the corrective action plan, the STC approves the plan for correcting deficiencies.
- No earlier than May 1<sup>st</sup> and no later than September 1<sup>st</sup> of 2024, the STC conducts an initial follow-up review with the assessing district.
- The deficiencies have been found to be corrected and within 90 days of the follow-up review the STC issues a notice of substantial compliance. No further follow-ups are required.

## **Scenario 2**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.
- Within 60 days of receiving a notice of noncompliance, the assessing district develops a corrective action plan to address the deficiencies that extends beyond one year.
- Within 60 days of filing the corrective action plan, the STC approves the plan for correcting deficiencies.
- No earlier than May 1<sup>st</sup> and no later than September 1<sup>st</sup> of 2025, the STC conducts an initial follow-up review with the assessing district.
- The deficiencies have been found to be corrected and within 90 days of the follow-up review the STC issues a notice of substantial compliance. No further follow-ups are required.

## **Scenario 3**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.

- Within 30 days after receiving a notice of noncompliance, the assessing district files a written petition with the STC challenging the determination.
- The STC arbitrates the dispute based on documented facts.
- The STC finds that the assessing district is substantial compliance. No corrective action plan or follow-up is required.

#### **Scenario 4**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.
- Within 30 days after receiving a notice of noncompliance, the assessing district files a written petition with the STC challenging the determination.
- The STC arbitrates the dispute based on documented facts.
- The STC finds that the assessing district is not in substantial compliance.
- The assessing district files a corrective action plan within 60 days of the notice of the results of arbitration from the STC.
- Within 60 days of filing the corrective action plan, the STC approves the plan for correcting deficiencies.
- No earlier than May 1<sup>st</sup> and no later than September 1<sup>st</sup> of 2024, the STC conducts an initial follow-up review with the assessing district.
- The deficiencies have been found to be corrected and within 90 days of the follow-up review the STC issues a notice of substantial compliance. No further follow-ups are required.

#### **Scenario 5**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.
- Within 60 days of receiving a notice of noncompliance, the assessing district develops a corrective action plan to address the deficiencies within 1 year.
- Within 60 days of filing the corrective action plan, the STC approves the plan for correcting deficiencies.
- No earlier than May 1<sup>st</sup> and no later than September 1<sup>st</sup> of 2024, the STC conducts an initial follow-up review with the assessing district.
- The deficiencies have been found not to be corrected and within 90 days of the follow-up review the STC issues a notice of noncompliance.
- Within 60 days, the assessing district elects to contract with the designated assessor for the county to serve as the district's assessor of record.
- SEE DESIGNATED ASSESSOR SCENARIO.

#### **Scenario 6**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.
- Within 60 days of receiving a notice of noncompliance, the assessing district develops a corrective action plan to address the deficiencies within 1 year.
- Within 60 days of filing the corrective action plan, the STC approves the plan for correcting deficiencies.

- No earlier than May 1<sup>st</sup> and no later than September 1<sup>st</sup> of 2024, the STC conducts an initial follow-up review with the assessing district.
- The deficiencies have been found not to be corrected and within 90 days of the follow-up review the STC issues a notice of noncompliance.
- Within 60 days, the assessing district amends the corrective action plan to provide that the assessing district will employ or contract with a new assessor of record, who is an advanced assessing officer or a master assessing officer.
- Within 60 days of filing the amended corrective action plan, the STC approves the plan for correcting deficiencies.
- No earlier than May 1<sup>st</sup> and no later than September 1<sup>st</sup> of 2025, the STC conducts a second follow-up review with the assessing district.
- The deficiencies have been found to be corrected and within 90 days of the follow-up review the STC issues a notice of substantial compliance. No further follow-ups are required.

### **Scenario 7**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.
- Within 60 days of receiving a notice of noncompliance, the assessing district develops a corrective action plan to address the deficiencies within 1 year.
- Within 60 days of filing the corrective action plan, the STC approves the plan for correcting deficiencies.
- No earlier than May 1<sup>st</sup> and no later than September 1<sup>st</sup> of 2024, the STC conducts an initial follow-up review with the assessing district.
- The deficiencies have been found not to be corrected and within 90 days of the follow-up review the STC issues a notice of noncompliance.
- The STC immediately requires the assessing district to contract with the designated assessor.
- SEE DESIGNATED ASSESSOR SCENARIO

### **Scenario 8**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.
- Within 60 days of receiving a notice of noncompliance, the assessing district develops a corrective action plan to address the deficiencies within 1 year.
- Within 60 days of filing the corrective action plan, the STC approves the plan for correcting deficiencies.
- No earlier than May 1<sup>st</sup> and no later than September 1<sup>st</sup> of 2024, the STC conducts an initial follow-up review with the assessing district.
- The deficiencies have been found not to be corrected and within 90 days of the follow-up review the STC issues a notice of noncompliance.
- Within 60 days, the assessing district amends the corrective action plan to provide that the assessing district will employ or contract with a new assessor of record, who is an advanced assessing officer or a master assessing officer.
- Within 60 days of filing the amended corrective action plan, the STC approves the plan for correcting deficiencies.

- No earlier than May 1<sup>st</sup> and no later than September 1<sup>st</sup> of 2025, the STC conducts a second follow-up review with the assessing district.
- The second follow-up review results in a notice of noncompliance. The STC requires the assessing district to contract with the designated assessor.
- SEE DESIGNATED ASSESSOR SCENARIO

### **Scenario 9**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.
- The assessing district fails to file an acceptable corrective action plan with the STC within 180 days following the notice of noncompliance.
- The STC immediately requires the assessing district to contract with the designated assessor.
- SEE DESIGNATED ASSESSOR SCENARIO

### **Scenario 10**

- STC determines that the assessing district is not in substantial compliance for the 2023 assessment roll. A notice of noncompliance is provided to the assessing district.
- Within 60 days of receiving a notice of noncompliance, the assessing district develops a corrective action plan to address the deficiencies within 1 year.
- Within 60 days of filing the corrective action plan, the STC approves the plan for correcting deficiencies.
- The assessing unit fails to make a good-faith effort to implement the corrective action plan within 240 days of the notice of noncompliance.
- This failure is likely to result in assumption of the assessing district's assessment roll.
- The STC immediately requires the assessing district to contract with the designated assessor.
- SEE DESIGNATED ASSESSOR SCENARIO

### **DESIGNATED ASSESSOR SCENARIO**

- The STC requires the assessing district, or the local unit elects to, contract with the designated assessor.
- The designated assessor is contracted to be the assessor of record for the assessing district.
- Unless earlier times are agreed to by the STC, the designated assessor or the assessing district may petition the STC to end its contract with the designated assessor no sooner than three years after commencement of the contract.
- No sooner than five years after the commencement of the contract, the designated assessor, or the assessing district may terminate the contract, subject to STC approval.
- The STC shall approve termination of a contract if it determines that the assessing district can achieve and maintain substantial compliance using a different assessor of record.



## How are Villages Affected by Property Assessing Reform?

P.A. 660 made the following change to the way Villages are assessed. MCL 211.10d was modified to reflect the following:

(7) Every lawful assessment roll shall have a certificate attached signed by the certified assessor who prepared or supervised the preparation of the roll. A village that is located in more than 1 assessing district may, in a form and manner prescribed by the state tax commission, request state tax commission approval that the assessment of property within the village be combined with the assessment of property in 1 of those assessing districts.

Specifically this change indicates that a Village that is located in more than one assessing district may request the STC to approve that the assessing for the Village be combined with the assessing of property in one of the local units, thereby eliminating the need for the Village to be assessed in two or more different local units and potentially by two or more different assessors.

Does this require Villages to hire their own assessor? No. This change is only for those Villages with property in more than one assessing district and only if the Village wants to make a change. It does not affect a Village with property located solely within one assessing district and again this is not a mandated change.

Can a village located in more than one County take advantage of this? Yes. Please contact the STC for more information on filling out Form 5689 and what documentation must be submitted.

Villages who are interested in making this change must fill out Form 5689 and submit that to the State Tax Commission for their approval. This application must be filled out in its entirety and must include a resolution approved by the receiving assessing district and the village approving the assessment of the village property in one of the assessing districts. The resolution must state the name of the assessing district that will assume responsibility for the assessment of all of the Village property.

Questions can be submitted to the Assessing Reform Email at [AssessingReformQuestions@michigan.gov](mailto:AssessingReformQuestions@michigan.gov).



## What Can Local Units Do to Prepare for Assessing Reform?

As has been discussed in other Topics, P.A. 660 provides a statutory framework to ensure proper assessing in order to guarantee the highest quality assessments for taxpayers as well as local units. The Act defines the requirements for a local unit to be determined to be in substantial compliance with the General Property Tax Act, provides timetables for audits as well as follow up audits and provides a process for bringing a local unit into compliance if they remain non-compliant after a follow up review (also known as the designated assessor).

These statutory changes make it even more important that local unit officials take a proactive role in assessment administration and work with their assessor to ensure proper assessing. The local unit board or council is responsible for making certain the local unit's assessing is meeting state requirements.

Local units can begin to prepare now by ensuring they are meeting the requirements in the current AMAR and if not, that they work to ensure corrections are made to bring them into compliance. The AMAR form is available on the State Tax Commission website ([www.michigan.gov/statetaxcommission](http://www.michigan.gov/statetaxcommission)) under the AMAR tab and provides links to the statutory or STC requirements.

Officials should not wait until they're faced with the audit of their assessing practices to start thinking about assessing and property taxes. Making an effort today will not just give your local unit a better chance of passing the AMAR with flying colors.

Officials must first make sure that their local unit employs an assessor who is certified at the proper level for their unit. Assessors must be certified through the STC and can achieve three levels: Michigan Certified Assessing Officer, Michigan Advanced Assessing Officer and Michigan Master Assessing Officer. The STC requires local units to have assessors at a certain level, based on the state equalized value of their property tax roll. Specific information regarding those levels is available on the STC website.

Some assessors work for multiple local units. While this is a common practice, especially in rural areas, Townships and Cities should monitor how many units their assessors are assessing. Even if they are within the state's limits for units they can assess, Townships and Cities need to ensure you are receiving the highest quality work from your assessor. Quality, thorough work must be the priority in hiring an assessor, not the price.

Once the assessor is employed, make sure they have all of the tools and funding necessary. A local unit must budget for resources to meet all state requirements, as well as a salary high enough to keep a quality assessor.

As the employer, local units should set annual benchmarks with their assessors and make sure they're being met. Officials should ask questions, such as whether the assessor

visited 20% of the local unit's properties this year or if the assessment roll was certified on time. One way to do this is setting aside time at meetings regularly to get reports from the assessor. Townships and Cities should review with their assessor the Supervising Preparation of the Rolls document (found on the STC website) to ensure the requirements are being met. They should also review the AMAR document prior to the audit to ensure all requirements are being met.

If your local unit's elected officials are unfamiliar with the assessing process, invite your assessor to give a presentation at a meeting, which will help gain insights that are valuable to their work for the local unit.



## Combining Boards of Review

As has been discussed in other Topics, P.A. 660 provides a statutory framework to ensure proper assessing in order to guarantee the highest quality assessments for taxpayers as well as local units. The Act defines the requirements for a local unit to be determined to be in substantial compliance with the General Property Tax Act, provides timetables for audits as well as follow up audits and provides a process for bringing a local unit into compliance if they remain non-compliant after a follow up review (also known as the designated assessor).

The Act also made changes to the way Boards of Review operate including requiring training and allows for Boards of Review to be combined across contiguous local units:

The governing bodies of 2 or more contiguous cities or townships may, by agreement, appoint a single board of review to serve as the board of review for each of those cities or townships for purposes of this act. The provisions in subsections (1) to (5) should serve as a guide in determining the size, composition, and manner of appointment of a board of review appointed under this subsection. (MCL 211.28(6))

In order for Boards to combine and act as a single Board of Review, several conditions must be met. First, the local units must be contiguous. Contiguous is defined as local units that touch or abut each other, this can be on the side, top, bottom or corner. Can three local units be “chained” and act as a single Board of Review? Yes, in this situation you may have three local units in this configuration:



The City Council or Township Board of each local unit must agree and take formal action to approve to combine their Boards of Review. As long as all local units involved agree and take formal action to approve, the units can combine to operate as a single Board of Review.

In our three local unit example above, this would require the appointment of a single Board of Review made up of three members. Using the provisions of MCL 211.28(1) to (5) as a guide, at least 2/3 of the members must be taxpayers of local units A, B and/or C. The following three examples are used to demonstrate some, but not all, of the possible scenarios for a single Board of Review:

- Example 1: Combined Board of Review has one member from Township A, one member from City B and one member from Township C
- Example 2: Combined Board of Review has two members from Township A and one member from City B
- Example 3: Combined Board of Review has one member from City B, one member from Township C and one member that is not a taxpayer of any of the combined local units

The combined Board of Review must also follow these requirements:

- Members appointed to the Combined Board of Review shall serve for terms of 2 years beginning at noon on January 1 of each odd-numbered year.
- A member of the township board is not eligible to serve on the board or to fill any vacancy. A spouse, mother, father, sister, brother, son, or daughter, including an adopted child, of the assessor is not eligible to serve on the board or to fill any vacancy.
- At least 2 members of a 3-member board of review shall be present to conduct any business or hearings of the Combined Board of Review.
- If 3, 6, or 9 electors are appointed, the membership of the Combined Board of Review must be divided into Board of Review committees consisting of 3 members each.
- Not more than 2 alternate members may be appointed for the same term as regular members of the Combined Board of Review.

## **Interlocal Agreement and Designated Assessor Contract Checklist**

This Interlocal Agreement and Designated Assessor Contract Checklist is provided to serve as a guide to assist counties in complying with the requirements found in the General Property Tax Act of 1893, as amended by Public Act 660 of 2018, and State Tax Commission guidance. The items below are illustrative of the information the State Commission will review and consider in approving a Designated Assessor. These items should not be considered an exhaustive list.

### **Background Information**

- Name of the county and proposed Designated Assessor
- Identification of all the assessing districts within the county
- Current SEV County totals by class, including special act values
- Total number of parcels, by classification, including special act rolls, within each local unit
- List of any unique, complex or high value properties within the County
- Length of the agreement
- Agreement effective date
- Place of performance of duties
- Signature of the Designated Assessor, the majority of County Board of Commissioners, and a majority of Township Supervisor or City Manager within the county

### **Qualifications of Proposed Designated Assessor**

- Current assessor certification level and number
- Identification of current employment status and specific assessing or equalization responsibilities
- Description of prior local unit assessing experience of the proposed Designated Assessor
- Conflict of interest disclosures

### **Scope of Services Provided by Designated Assessor**

- Preparation of assessment rolls – satisfaction of Supervising Preparation of Assessment Roll
- Plan to correct deficiencies found in audit - timeline for delivery of documents and execution of forms
- Attendance at Boards of Review meetings
- Duties and responsibilities related to property tax appeals, both Small Claims and Entire Tribunal, appeals filed with the Michigan Tax Tribunal
- Reporting requirements and responsibility to meet with local unit officials
- Any and all obligations of local unit assessing staff members
- Responsibilities of Designated Assessor during the period in which they are not acting as an assessor of record for an assessing district within the county
- Requirement to remain certified and in good-standing
- Non-exclusivity of assessing services, if applicable

### **Duties and Responsibilities for Local Unit Contracting with Designated Assessor**

- Providing the Designated Assessor with reasonable access to records, documents, databases and information
- Advise Designated Assessor of any applicable policies and procedures including technology, equipment, facility, etc.

### **Cost and Compensation for Designated Assessor**

- Payment terms and fee structure (i.e., payor, timeline for payment or payments, reimbursement terms if the county pays the retainer upfront, hourly rate, dollar/parcel, amount/assessed value)
- Payment responsibility (i.e., county or assessing district) for when Designated Assessor acting as assessor of record
- Retainer or base rate information, if applicable
- Payment in the event of death or disability of the proposed Designated Assessor
- Cost reimbursement for when the Designated Assessor is acting as assessor of record
- Identification of payment of certain costs including appraisal, expert witness or attorney fees related to MTT appeals, and employing additional assessing staff to bring assessing unit into compliance

Act No. 660  
Public Acts of 2018  
Approved by the Governor  
December 28, 2018  
Filed with the Secretary of State  
December 28, 2018  
EFFECTIVE DATE: December 28, 2018

**STATE OF MICHIGAN  
99TH LEGISLATURE  
REGULAR SESSION OF 2018**

Introduced by Rep. Lower

**ENROLLED HOUSE BILL No. 6049**

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending sections 10d, 10e, and 28 (MCL 211.10d, 211.10e, and 211.28), section 10d as amended by 1984 PA 19, section 10e as added by 1986 PA 223, and section 28 as amended by 2006 PA 143, and by adding section 10g.

*The People of the State of Michigan enact:*

Sec. 10d. (1) The annual assessment of property shall be made by an assessor who has been certified as qualified by the state tax commission as having successfully completed training in a school of assessment practices or by the passage of a test approved by the state tax commission and conducted by the state tax commission or an agency approved by the state tax commission that will enable the individual to properly discharge the functions of the office. The school shall be established by an approved educational institution in conjunction with the state tax commission and be supervised by the state tax commission and its agents and employees. The state tax commission may determine that a director of a county tax or equalization department or an assessor who has not received the training possesses the necessary qualifications for performing the functions of the office by the passage of an approved examination.

(313)

(2) The state tax commission may also grant a conditional 6-month certification to a newly elected assessing officer or an assessing officer appointed to fill an unexpired term if all of the following criteria are met:

(a) The newly elected or appointed assessing officer applies for certification and pays the required filing fee.

(b) The governing body of the assessing district requests the state tax commission to conditionally certify the newly elected or appointed assessing officer.

(c) The newly elected or appointed assessing officer or the governing body of the assessing district submits a statement outlining the course of training he or she plans to pursue.

(d) The period of time for which the conditional certification is requested does not exceed 6 months after the date that he or she assumes office.

(3) Conditional certification under subsection (2) shall not be granted for any assessing district more than once in 4 years.

(4) Conditional certification under subsection (2) shall only be granted to a newly elected or appointed assessing officer in an assessing district that does not exceed a total state equalized valuation of \$125,000,000.00.

(5) Upon presentation of evidence of the successful completion of the qualifications, the assessor shall be certified as qualified by the state tax commission.

(6) An assessing district that does not have an assessor qualified by certification of the state tax commission may employ an assessor so qualified. If an assessing district does not have an assessor qualified by certification of the state tax commission, and has not employed a certified assessor, the assessment shall be made by the county tax or equalization department or the state tax commission and the cost of preparing the rolls shall be charged to the assessing district.

(7) Every lawful assessment roll shall have a certificate attached signed by the certified assessor who prepared or supervised the preparation of the roll. A village that is located in more than 1 assessing district may, in a form and manner prescribed by the state tax commission, request state tax commission approval that the assessment of property within the village be combined with the assessment of property in 1 of those assessing districts. A certificate attached to an assessment roll pursuant to this subsection shall be in the form prescribed by the state tax commission. If after completing the assessment roll the certified assessor for the assessing district dies or otherwise becomes incapable of certifying the assessment roll, the director of the county tax or equalization department or the state tax commission shall certify the completed assessment roll at no cost to the assessing district.

(8) The assessing district shall assume the cost of training, if a certification is awarded, to the extent of course fees and recognized travel expenditures.

(9) An assessor who certifies an assessment roll over which he or she did not have direct supervision is guilty of a misdemeanor.

(10) The state tax commission shall promulgate rules for the issuance or revocation of certification.

(11) The director of a county tax or equalization department required by section 34 of this act shall be certified by the state tax commission at the level determined to be necessary by the state tax commission before being appointed by the county board of commissioners pursuant to section 34 or before performing or, after March 29, 1985, continuing to perform, the functions of the director of a county tax or equalization department. The state tax commission may grant a conditional extension of 12 months to an individual who is serving as the director of a county tax or equalization department on March 29, 1985 if all of the following conditions are satisfied:

(a) At the time of applying for certification the individual is currently certified at not less than 1 level below the level required by the state tax commission for that county.

(b) The individual applies for certification and pays the required fee.

(c) The county board of commissioners requests the state tax commission to grant the extension.

(d) The individual submits a statement to the state tax commission outlining the course of study he or she intends to pursue to obtain certification.

(12) The state tax commission may grant an additional 6-month extension to the conditional extension described in subsection (11) if the extension is requested by the county board of commissioners and the applicant demonstrates satisfactory progress in the course of study outlined to the state tax commission under subsection (11). In a county in which a vacancy has been created in the position of director of a county tax or equalization department and in which the position was previously filled by an individual certified at the level required by the state tax commission pursuant to this subsection, an individual certified at 1 level below the level required by the state tax commission pursuant to this subsection may serve in the position for 12 months after the vacancy has been created.

Sec. 10e. All assessing officials whose duty it is to assess real or personal property on which real or personal property taxes are levied by any taxing unit of the state shall use only the official assessor's manual or a manual approved by the state tax commission consistent with the official assessor's manual, with their latest supplements, as prepared or approved by the state tax commission as a guide in preparing assessments. Beginning with the tax

assessing year 1978, all assessing officials shall maintain records relevant to the assessments, including appraisal record cards, personal property records, historical assessment data, tax maps, and, through calendar year 2018, land value maps, consistent with standards set forth in the assessor's manual published by the state tax commission.

Sec. 10g. (1) Pursuant to subsection (2), on and after December 31, 2021, the state tax commission shall audit the assessing districts in this state to determine if they do all of the following:

(a) Employ or contract with an assessor of record that oversees and administers an annual assessment of all property liable to taxation in the assessing district, as provided in section 10, in accordance with the constitution and laws of this state. For an assessing district that amends its corrective action plan pursuant to subsection (3)(c), its assessor of record must be an advanced assessing officer or a master assessing officer.

(b) Use a computer-assisted mass appraisal system that is approved by the state tax commission as having sufficient software capabilities to meet the requirements of this act and to store and back up necessary data.

(c) Subject to state tax commission guidelines, have and follow a published policy under which its assessor's office is reasonably accessible to taxpayers. A policy under this subdivision must include, at a minimum, the items in subparagraphs (i) to (iv) and should include the item in subparagraph (v) as follows:

(i) A designation, by name, telephone number, and electronic mail address, of at least 1 official or employee in the assessor's office to whom taxpayer inquiries may be submitted directly by telephone or electronic mail.

(ii) An estimated response time for taxpayer inquiries submitted under subparagraph (i), not to exceed 7 business days.

(iii) Information about how a taxpayer may arrange a meeting with an official or employee of the assessor's office for purposes of discussing an inquiry in person.

(iv) Information about how requests for inspection or production of records maintained by the assessor's office should be made by a taxpayer and how those requests will be handled by the assessor's office.

(v) Information about any process that the assessor's office may have to informally hear and resolve disputes brought by taxpayers before the March meeting of the board of review.

(d) If a city or township building within the assessing district is in an area with broadband internet access, provide taxpayers online access to information regarding its assessment services, including, but not limited to, parcel information, land value studies and documentation, and economic condition factors. As used in this subdivision, "area with broadband internet access" means an area determined by the connect Michigan broadband service industry survey to be served by fixed terrestrial service with advertised speeds of at least 25 megabits per second downstream and 3 megabits per second upstream in the most recent survey available.

(e) Include the contact information described in subdivision (c)(i) in notices to taxpayers concerning assessment changes and exemption determinations, including, but not limited to, notices issued under section 24c.

(f) Ensure that its support staff is sufficiently trained to respond to taxpayer inquiries, require that its assessors maintain their certification levels, and require that its board of review members receive board of review training and updates required and approved by the state tax commission.

(g) Comply with section 44(4) with respect to any property tax administration fee collected under section 44.

(h) Have all of the following:

(i) Properly developed and documented land values.

(ii) An assessment database for which not more than 1% of parcels are in override.

(iii) Properly developed and documented economic condition factors.

(iv) An annual personal property canvass and sufficient personal property records according to developed policy and statutory requirements.

(v) A board of review that operates in accordance with this act.

(vi) An adequate process for determining whether to grant or deny exemptions according to statutory requirements.

(vii) An adequate process for meeting the requirements outlined in the state tax commission's publication entitled, "Supervising Preparation of the Assessment Roll", as those requirements existed on October 1, 2018.

(i) Comply with any other requirement that the state tax commission lawfully promulgates under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, in the exercise of its authority under this act that expressly states that it is intended as an additional requirement under this subsection.

(2) The state tax commission shall develop and implement an audit program to determine whether an assessing district is in substantial compliance with the requirements in subsection (1). If, after December 31, 2021, the state tax commission determines that an assessing district is not in substantial compliance with the requirements in subsection (1), the state tax commission may initiate the process described in subsection (3) to ensure that the assessing district achieves and maintains substantial compliance with those requirements.

(3) The state tax commission shall develop and implement a process to ensure that all assessing districts in the state achieve and maintain substantial compliance with the requirements in subsection (1). At a minimum, that process shall include all of the following actions and procedures:

(a) If the state tax commission determines that an assessing district is not in substantial compliance with the requirements in subsection (1) and elects to initiate the process described in this subsection, the commission shall provide the assessing district with a notice of noncompliance setting forth the reasons the assessing district is not in substantial compliance with the requirements in subsection (1) and requesting that the assessing district develop a corrective action plan approved by its governing body to address those deficiencies. Except as otherwise provided in subdivision (g), an assessing district shall file a corrective action plan requested under this subdivision with the state tax commission within 60 days after receipt of the notice of noncompliance. The state tax commission shall approve a corrective action plan filed under this subdivision or request changes to the plan within 60 days after filing.

(b) No earlier than May 1 and no later than September 1 of the calendar year immediately following the year of the notice described in subdivision (a), or, in the case of a corrective action plan approved by the state tax commission that extends beyond 1 year, no earlier than May 1 and no later than September 1 of the calendar year that is the second calendar year following the year of the notice described in subdivision (a), the state tax commission shall conduct an initial follow-up review with the assessing district and, within 90 days following that review, provide the district with an evaluation of its progress in implementing its corrective action plan and a notice of substantial compliance or noncompliance with the requirements in subsection (1).

(c) Except as otherwise provided in subdivisions (g) and (i), an assessing district that has received a notice of noncompliance as part of an initial follow-up review under subdivision (b) shall elect to either contract with the designated assessor for the county to serve as the district's assessor of record or amend its corrective action plan with the approval of the state tax commission to provide that the assessing district will employ or contract with a new assessor of record, who shall be an advanced assessing officer or a master assessing officer, to achieve and maintain substantial compliance with the requirements in subsection (1).

(d) If an assessing district amends its corrective action plan pursuant to subdivision (c), no earlier than May 1 and no later than September 1 of the following calendar year, the state tax commission shall conduct a second follow-up review with the assessing district and, within 90 days following that review, provide the district with an evaluation of its progress in implementing its corrective action plan and a notice of substantial compliance or noncompliance with the requirements in subsection (1).

(e) If the state tax commission, pursuant to subdivision (b) or (d), provides an assessing district a notice of substantial compliance with the requirements in subsection (1), no further follow-up reviews are required under this subsection.

(f) Except as otherwise provided in subdivision (g), if the state tax commission provides an assessing district a notice of noncompliance pursuant to a second follow-up review under subdivision (d) or notifies an assessing district that it has fallen out of substantial compliance less than 5 calendar years after the calendar year a notice of substantial compliance was issued under this subsection, the state tax commission may require the assessing district to contract with the designated assessor for the county to serve as the district's assessor of record. If the state tax commission notifies an assessing district that it has fallen out of substantial compliance with the requirements in subsection (1) more than 4 calendar years after the calendar year a notice of substantial compliance was issued, that notice of noncompliance shall be treated as an initial determination of noncompliance under this subsection.

(g) Within 30 days after receiving a notice of noncompliance under subdivisions (a), (b), (d), or (f), an assessing district may file a written petition with the state tax commission challenging the determination. The state tax commission shall arbitrate the dispute based on the documented facts supporting the notice of noncompliance and the information contained in the written petition and may request additional information as needed from the assessing district. If a petition is properly filed under this subdivision, the requirements applicable to an assessing district under subdivisions (a), (c), and (f) do not apply until the state tax commission notifies the assessing district of the results of the arbitration. With respect to the corrective action plan filing requirement in subdivision (a), the 60-day window for filing the plan will run from the date of this notice.

(h) Unless earlier times are agreed to by the state tax commission and the designated assessor, an assessing district that is under contract with a designated assessor under this subsection may petition the state tax commission no sooner than 3 years after commencement of the contract to end its contract with the designated assessor and may subsequently terminate the contract, subject to state tax commission approval, no sooner than 5 years after commencement of the contract. The state tax commission shall approve termination of a contract under this subdivision if it determines that the assessing district can achieve and maintain substantial compliance with the requirements in subsection (1) using a different assessor of record.

(i) Notwithstanding any other provision of this subsection, the state tax commission may immediately require an assessing district to contract with the designated assessor for the county to serve as the district's assessor of record if after the expiration of 90 days following a second notice of noncompliance under subdivision (b) or the issuance of a notice of arbitration results under subdivision (g), whichever is later, the assessing district has not either contracted

with the designated assessor for the county or employed or contracted with a new assessor of record pursuant to subdivision (c) or if both of the following apply:

(i) The assessing district has failed to file an acceptable corrective action plan with the state tax commission under subdivision (a) within 180 days following an initial notice of noncompliance under subdivision (a) or has failed to make a good-faith effort to implement a corrective action plan approved by the state tax commission under subdivision (a) within 240 days following an initial notice of noncompliance under subdivision (a).

(ii) The failure is likely to result in assumption of the assessing district's assessment roll.

(j) A designated assessor may charge an assessing district that is required to contract with the designated assessor under this subsection, and that assessing district shall pay, for the reasonable costs incurred by the designated assessor in serving as the assessing district's assessor of record, including, but not limited to, the costs of overseeing and administering the annual assessment, preparing and defending the assessment roll, and operating the assessing office. The state tax commission shall develop guidelines, which, at a minimum, shall provide for the ability of an assessing district to protest a charge to the state tax commission and the ability of the state tax commission to resolve disputes between the designated assessor and the assessing district regarding costs and charges.

(k) A designated assessor is a local assessing unit for purposes of the provisions in section 44 concerning the division and use of any collected property tax administration fees.

(4) Beginning December 31, 2020, every county shall have a designated assessor on file with the state tax commission, subject to all of the following:

(a) Subject to subdivision (d), to designate an assessor as a designated assessor, a county shall provide the state tax commission with an interlocal agreement that designates an individual who will serve as the county's designated assessor and shall petition the state tax commission to approve of the individual as the designated assessor for that county. The interlocal agreement must be executed by the board of commissioners for that county, a majority of the assessing districts in that county, and the individual put forth as the proposed designated assessor. For purposes of this subdivision and subsection (5)(d), an assessing district is considered to be in the county where all of, or in the case of an assessing district that has state equalized value in multiple counties, the largest share of, that assessing district's state equalized value is located.

(b) Except as otherwise provided in subdivision (d), if the state tax commission determines that an individual named in a petition submitted under subdivision (a) is capable of ensuring that contracting assessing districts achieve and maintain substantial compliance with the requirements in subsection (1), it shall approve the petition.

(c) Except as otherwise provided in subdivision (d), if the state tax commission determines that an individual named in a petition submitted under subdivision (a) is not capable of ensuring that contracting assessing districts achieve and maintain substantial compliance with the requirements in subsection (1), it shall reject the petition and request the submission of additional interlocal agreements under subdivision (a) until a suitable assessor has been presented.

(d) Except as otherwise provided in subdivision (e), an approved designated assessor designation shall not be revoked and no new designation shall be made under subdivision (a) earlier than 5 years following the date of the approved designation.

(e) The state tax commission may designate and approve, on an interim basis and pursuant to a formal agreement, an individual to serve as a county's designated assessor and, if applicable, revoke the approved designation of the current designated assessor under the following circumstances and subject to the following time limit:

(i) If the designated assessor dies or becomes incapacitated.

(ii) If the designated assessor was designated and approved based on his or her employment status and that status materially changes.

(iii) If it determines at any time that the designated assessor is not capable of ensuring that contracting assessing districts achieve and maintain substantial compliance with the requirements in subsection (1).

(iv) If, as of December 31, 2020, it has not been provided an interlocal agreement, executed as provided in subdivision (a), that presents a suitable individual to serve as the county's designated assessor.

(v) An approved designation under this subdivision is effective only until a new assessor has been designated and approved under subdivisions (a) to (c).

(5) As used in this section:

(a) "Advanced assessing officer" means an individual certified by the state tax commission pursuant to section 10d as a Michigan Advanced Assessing Officer(3) or, if the state tax commission changes its certification designations, an individual certified by the state tax commission to perform functions equivalent in scope, as determined by the state tax commission, to those that previously could have been performed by a Michigan Advanced Assessing Officer(3).

(b) "Assessing district" means a city, township, or joint assessing authority.

(c) "Corrective action plan" means a plan developed by an assessing district that specifically indicates how the assessing district will achieve substantial compliance with the requirements in subsection (1) and when substantial compliance will be achieved.

(d) "Designated assessor" means an individual designated and approved, as provided in subsection (4), to serve a county as the assessor of record for the assessing districts in that county that are required to contract with a designated assessor pursuant to the process specified in subsection (3).

(e) "Master assessing officer" means an individual certified by the state tax commission pursuant to section 10d as a Michigan Master Assessing Officer(4) or, if the state tax commission changes its certification designations, an individual certified by the state tax commission to perform functions equivalent in scope, as determined by the state tax commission, to those that previously could have been performed by a Michigan Master Assessing Officer(4).

(f) "Noncompliance" means that the identified deficiencies, taken together, pose a significant risk that the assessing district is unable to perform the assessing function in conformity with the state constitution and state statute. It is the opposite of substantial compliance and shall be determined based on a holistic evaluation of compliance with the requirements in subsection (1), taking into account the anticipated overall impact of the deficiencies on the assessing district's ability to perform the assessment function. A finding of noncompliance shall not be based on isolated technical deficiencies.

(g) "Substantial compliance" means that any identified deficiencies do not pose a significant risk that the assessing district is unable to perform the assessment function in conformity with the state constitution and state statute. It is the opposite of noncompliance.

(6) Not later than 2 years after the effective date of the amendatory act that added this section, the state tax commission shall adopt and publish guidelines to implement this section. The guidelines shall include, at a minimum, minimum standards and model policies to be followed for substantial compliance with the requirements of subsection (1) and shall identify those deficiencies that may lead to a finding of noncompliance and those deficiencies that are technical. The state tax commission may update the guidelines as needed to implement this section.

Sec. 28. (1) The township board shall appoint those electors of the township who will constitute a board of review for the township. At least 2/3 of the members must be property taxpayers of the township. Members appointed to the board of review shall serve for terms of 2 years beginning at noon on January 1 of each odd-numbered year. Each member of the board of review shall qualify by taking the constitutional oath of office within 10 days after appointment. The township board may fill any vacancy that occurs in the membership of the board of review. A member of the township board is not eligible to serve on the board or to fill any vacancy. A spouse, mother, father, sister, brother, son, or daughter, including an adopted child, of the assessor is not eligible to serve on the board or to fill any vacancy. A majority of the board of review constitutes a quorum for the transaction of business, but a lesser number may adjourn and a majority vote of those present will decide all questions. At least 2 members of a 3-member board of review shall be present to conduct any business or hearings of the board of review.

(2) The township board may appoint 3, 6, or 9 electors of the township, who will constitute a board of review for the township. If 6 or 9 members are appointed as provided in this subsection, the membership of the board of review must be divided into board of review committees consisting of 3 members each for the purpose of hearing and deciding issues protested pursuant to section 30. Two of the 3 members of a board of review committee constitute a quorum for the transaction of the business of the committee. All meetings of the members of the board of review and committees must be held during the same hours of the same day and at the same location.

(3) A township board may appoint not more than 2 alternate members for the same term as regular members of the board of review. Each alternate member must be a property taxpayer of the township. Alternate members shall qualify by taking the constitutional oath of office within 10 days after appointment. The township board may fill any vacancy that occurs in the alternate membership of the board of review. A member of the township board is not eligible to serve as an alternate member or to fill any vacancy. A spouse, mother, father, sister, brother, son, or daughter, including an adopted child, of the assessor is not eligible to serve as an alternate member or to fill any vacancy. An alternate member may be called to perform the duties of a regular member of the board of review in the absence of a regular member. An alternate member may also be called to perform the duties of a regular member of the board of review for the purpose of reaching a decision in issues protested in which a regular member has abstained for reasons of conflict of interest.

(4) The size, composition, and manner of appointment of the board of review of a city may be prescribed by the charter of a city. In the absence of or in place of a charter provision, the governing body of the city, by ordinance, may establish the city board of review in the same manner and for the same purposes as provided by this section for townships.

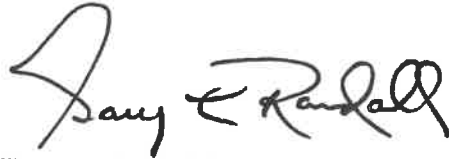
(5) A majority of the entire board of review membership shall indorse the assessment roll as provided in section 30. The duties and responsibilities of the board contained in section 29 shall be carried out by the entire membership of the board of review and a majority of the membership constitutes a quorum for those purposes.

(6) The governing bodies of 2 or more contiguous cities or townships may, by agreement, appoint a single board of review to serve as the board of review for each of those cities or townships for purposes of this act. The provisions in

subsections (1) to (5) should serve as a guide in determining the size, composition, and manner of appointment of a board of review appointed under this subsection.

Enacting section 1. It is the intent of the legislature to appropriate sufficient money to address start-up and training costs associated with this amendatory act, including, but not limited to, necessary costs incurred to train board of review members, increase the number of assessors qualified to serve as assessors of record, facilitate initial designated assessor designations, respond to assessor requests for technical assistance, enhance staff and programming within the state tax commission to improve technical support for assessors of record, and transition some assessment services to designated assessors.

This act is ordered to take immediate effect.



.....  
Clerk of the House of Representatives



.....  
Secretary of the Senate

Approved.....

.....  
Governor

## **Property Assessing Reform Proposal Frequently Asked Questions**

### **General Information:**

#### **What is Property Assessing Reform?**

In its simplest form Property Assessing Reform, P.A. 660, provides a statutory framework to ensure proper assessing in order to guarantee the highest quality assessments for taxpayers as well as local units. The Act defines the requirements for a local unit to be determined to be in substantial compliance with the General Property Tax Act, provides timetables for audits as well as follow up audits and provides a process for bringing a local unit into compliance if they remain non-compliant after a follow up review (also known as the designated assessor).

The Act also mandates training for local unit Boards of Review and allows for local units to combine Boards of Review for efficiency purposes and provides for a village located within two assessing districts may request that the assessment of property be completed within one of the districts.

#### **How does the reform benefit taxpayers, local units, and the state?**

By ensuring accurate, uniform, and equitable assessments across the state, reform will significantly reduce the unnecessary costs associated with incorrect assessments. When errors occur, taxpayers, local units, and the state are all negatively impacted—*in fact, the state's interest is substantial, as roughly half the property tax on non-PRE property (the 24 school mills), and roughly a third of all property taxes, is essentially a state revenue source.*

Not only do errors raise the risk of taxpayers being over-assessed and unfairly taxed or local units and the state having their revenues improperly reduced, but they also often generate litigation expense, as the aggrieved party is forced to appeal simply to enforce constitutional and statutory requirements. Further, by reducing faith in the system, errors create a culture of litigation that forces local units to allocate more resources to defending correct assessments. All of these costs are associated with the quality of the initial assessment. As assessment quality increases, these costs to taxpayers, local units, and the state will drop significantly.

#### **The AMAR audits just started—why aren't we giving them time to work?**

The AMAR reviews are in the 2<sup>nd</sup> five year cycle. What those audits have demonstrated is that while certain individual units may face unique challenges with assessing, there are also some systemic deficiencies with our assessing system that need to be addressed. The minimum quality standards are designed to address those systemic deficiencies, which will allow the AMAR audits to work more effectively on addressing challenges faced by individual local units.

### **Isn't this just county assessing by another name?**

No. While participating in county assessing is always an option, local units can continue to do their own assessing or share an assessor of record with another local unit. The only requirement is that every city, township, and county in the state meet certain specified minimum quality standards. The objective is not to move every local unit to county assessing but to ensure accurate, uniform, and equitable assessments across the state that meet statutory and constitutional requirements.

### **What is an assessing district?**

An assessing district is defined in the statute as City, Township, Or Joint Assessing Authority.

### **Does this force local units to give up their assessing function?**

No. With the changes in P.A. 660, there are also consequences if a local unit does not correct assessing deficiencies identified in the AMAR. As with the current AMAR process, the statute provides for an initial AMAR and a corrective action plan to be approved by the STC. The statute then provides for a follow up review to be conducted in accordance with the approved corrective action plan. If after that follow up review, the local unit remains in non-compliance then the local unit has two options: they can employ or contract with a new assessor of record at the Advanced or Master Level or they can contract with the Designated Assessor for the County to serve as their assessor of record.

### **Does the proposal eliminate all MCAO Assessors?**

No.

### **Local assessing works in my community—why are you asking us to change?**

To the extent a local unit is currently meeting the minimum quality standards, no change is necessary. If a local unit is not meeting the standards, they have options, they can employ or contract with a new assessor of record at the Advanced or Master Level or they can contract with the Designated Assessor for the County to serve as their assessor of record.

## **Designated Assessor**

### **What is a Designated Assessor?**

The Designated Assessor is part of a process to ensure that local units are in compliance with the statutory provisions of the AMAR. In other words it is part of a process to make sure that local units are meeting minimum assessing requirements.

As with the current AMAR process, the statute provides for an initial AMAR and a corrective action plan to be approved by the STC. The statute then provides for a follow up review to be conducted in accordance with the approved corrective action plan. If after that follow up

review, the local unit remains in non-compliance then the local unit has two options: they can employ or contract with a new assessor of record at the Advanced or Master Level or they can contract with the Designated Assessor for the County to serve as their assessor of record.

### **Who are the Designated Assessors?**

The statute provides the process for determining who the Designated Assessors are. Each County is required to enter into an interlocal agreement that designates the individual who will serve as the County's Designated Assessor. That interlocal agreement must be approved by the County Board and a majority of the assessing districts in the County. Once the interlocal agreement is approved, it is sent to the State Tax Commission for final approval. The STC will determine if the individual named as the Designated Assessor is capable of ensuring they can achieve and maintain substantial compliance for any local unit that contracts with them.

### **So, the County will automatically be the Designated Assessor?**

While the County can certainly be named the Designated Assessor, it is not an automatic designation as the Designated Assessor is determined by the approved interlocal agreement.

### **How will locals pay for the Designated Assessor?**

The Designated Assessor will serve in place of the local unit's current assessor. It is expected that using the money from that current salary will help offset the costs of the Designated Assessor. Additionally, as previously mentioned, errors raise the risk of taxpayers being over-assessed and unfairly taxed or local units and the state having their revenues improperly reduced, but they also often generate litigation expense, as the aggrieved party is forced to appeal simply to enforce constitutional and statutory requirements.

### **Boards of Review:**

#### **We heard that Boards of Review are now going to be at the County level and no longer in each local unit?**

While the statute provides that Boards of Review can be combined across two or more contiguous local units, it does not mandate that Boards of Review be combined or that Boards of Review are moving to the County.

#### **Is it true that training is now mandated for Boards of Review?**

P.A. 660 requires that the STC audit to ensure that local units require their Boards of Review to receive training and updates as approved by the STC.

**We can't recruit BOR members now, isn't requiring training going to make things worse?**

The evolving complexity of the property tax has increased the expertise needed to understand and apply the law. While local boards provide the primary quality control check on assessments, board members do not have to possess any knowledge of property tax law or assessing practices. This combination of increasingly complex responsibilities and no expertise requirement often results in misapplication of the law, increasing taxpayer and local unit litigation costs and reducing faith in the system.

The STC will be working with our partner organizations, specifically Michigan Townships Association to ensure easy access to Board of Review training and we will also provide an online option.

**Miscellaneous:**

**I heard that now Villages have to get their own assessor's is that true?**

No. P.A. 660 did make a change to the way Villages are assessed but only in very specific circumstances and if the Village wants to make a change. Specifically the Act indicates that a Village that is located in more than one assessing district, may request the STC to approve that the assessing for the Village be combined with the assessing of property in 1 of the local units, thereby eliminating the need for the Village to be assessed in two different local units and potentially by two different assessors.

**When does this all go into effect?**

While the majority of the reforms do not go into place until 2022, local units can prepare now and put in place processes and procedures to ensure they are meeting the requirements once they "go live" in 2022.

**So what is going to be happening over the next few years until this goes into effect?**

There will be a lot going on at both the State and local levels to prepare for the 2022 implementation. First, the Department of Treasury has implemented a website dedicated to assessing reform. This website will be updated with things local units need to know, required forms and key dates. Second, the Department also has a dedicated email address for anyone who has questions regarding the reform. Finally, we are working with our partner organizations on information sessions and training opportunities.

**What should local units be doing to prepare?**

The most important thing that local units can do now to prepare is to ensure they are meeting the requirements in the current AMAR and if not, that they work to ensure corrections are made to bring them into compliance. Local units should talk to their assessors to ensure they are following the AMAR minimum requirements. Local units can find more information on the AMAR on the STC website under the AMAR tab. This link provides information on

each of the AMAR requirements and the statutory authority or STC policy associated with each requirement.

**What is the STC going to be doing?**

The STC will be working on issuing guidelines, updating their rules and providing formation on the various components of the reform. This includes development of the audit program, implementation of Board of Review training programs, as well as defining key terms such as substantial compliance.



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

**Bulletin 8 of 2020**  
**June 9, 2020**  
**Audit Process and Designated Assessor**

**TO:** Assessors and Equalization Directors  
**FROM:** State Tax Commission  
**SUBJECT:** Overview of Audit Process and Designated Assessor under Public Act 660 of 2018

Public Act 660 of 2018 was approved by Governor Snyder on December 28, 2018 and amended the General Property Tax Act to provide a statutory framework to ensure proper assessing in order to guarantee the highest quality assessments for taxpayers as well as local units. The Act defines the requirements for substantial compliance with the General Property Tax Act, provides timelines for audits and follow-up audits, and details a process for bringing a local unit into compliance if they remain non-compliant after a follow-up review. The Designated Assessor is an integral part of that process.

### **Audit Process Overview**

The Commission will conduct an audit of assessment practices according to a published schedule. If the assessing district (City, Township or Joint Assessing Authority) is determined to be in substantial compliance, the audit process for that five-year cycle is complete and the assessing district is not required to take any additional action.

If the State Tax Commission determines that an assessing district is not in substantial compliance with the General Property Tax Act, the Commission will provide the assessing district with a notice of noncompliance, including the reasons the assessing district is not in substantial compliance.

The assessing district must either appeal the audit determination by filing a written petition to be developed by the State Tax Commission or they must submit a corrective action plan to be approved by the State Tax Commission. "Corrective action plan" is defined in P.A. 660 of 2018 as "a plan developed by an assessing district that specifically indicates *how* the assessing district will achieve substantial compliance . . . and *when* substantial compliance will be achieved." (Emphasis added). Additional information related to the corrective action plan and petition to challenge the audit results will be provided by the State Tax Commission in separate guidance.

In the event the Commission conducts a follow-up review and the assessing district is not in substantial compliance after the follow-up review, the assessing district has three options:

1. The assessing district may hire a new Michigan Advanced Assessing Officer (MAAO) or Michigan Master Assessor Officer (MMAO),

2. The State Tax Commission assumes jurisdiction over the assessment roll in order to bring the roll into substantial compliance, or,
3. The local unit may move directly to the designated assessor.

Regardless of which option is selected, the Commission will conduct a second follow-up review to determine if the assessment roll is in substantial compliance. If, after the second follow-up review the assessing district continues to be in noncompliance, the local unit will move directly to the Designated Assessor process.

As defined in statute **substantial compliance** “means that any identified deficiencies do not pose a significant risk that the assessing district is unable to perform the assessment function in conformity with the state constitution and state statute.”

As defined in statute **noncompliance** “means that the identified deficiencies, taken together, pose a significant risk that the assessing district is unable to perform the assessing function in conformity with the state constitution and state statute.”

At the December 17, 2019 State Tax Commission meeting, the Commission determined “substantial compliance” to mean that the local unit 1) has properly calculated and appropriately documented Economic Condition Factors; 2) has properly calculated and appropriately documented land value determinations; and 3) less than 1% of the record cards are on override and less than 1% of the record cards reflect flat land values. If any of the requirements associated with those items are not met, the local unit will be considered noncompliant and the notice of noncompliance will be issued.

Once the audit is complete, if an assessing district is notified that it has fallen out of substantial compliance prior to the next audit, the State Tax Commission may require the assessing district to contract with the Designated Assessor to serve as their assessor of record. If the assessing district is notified that it has fallen out of substantial compliance more than four years after the initial finding of substantial compliance, then the regular audit process will be followed.

### **What is the Designated Assessor?**

The Designated Assessor is part of a process to ensure that local units are in compliance with the statutory provisions of the General Property Tax Act, meaning that local units are meeting minimum assessing requirements.

The Designated Assessor is the individual selected and agreed to by the County Board of Commissioners and a majority of the assessing districts within that county, subject to final approval of the State Tax Commission.

The Designated Assessor serves as the assessor of record and assumes all duties and responsibilities as the assessor of record for an assessing district that is determined to be non-compliant with an audit.

The Designated Assessor is not an automatic requirement for Countywide assessing or for the County Equalization Director to take over as the assessor for local units. While the County can be named the Designated Assessor, it is not an automatic designation as the Designated Assessor as this is determined by the approved interlocal agreement.

### **Who may be the Designated Assessor?**

Each Assessing District within each County is required to have an assessor of record with a certification level that meets the valuation requirements set forth by the State Tax Commission. Township and City certification levels are adjusted annually and approved by the STC. The individual who will serve as the county's Designated Assessor must be in good standing and be certified, at least, at the highest level required within the County. If the County contains an Assessing District that requires a Michigan Master Assessing Officer (MMAO), the Designated Assessor must then also be certified at the MMAO level. If the County only contains Assessing Districts that require a Michigan Advanced Assessing Officer (MAAO) certification, or a lower certification, the Designated Assessor may be certified at the level of MAAO. A Michigan Certified Assessing Officer (MCAO) may not serve as the Designated Assessor. As part of the annual certification level process, the Commission will review all MAAO Designated Assessors to ensure compliance with certification level requirements. Additionally, the STC will examine and determine a specific process, on a case by case basis, any specific instance of a MAAO that has been assigned multiple units that may place them beyond the certification requirements of a MAAO.

### **Notification of Selected Designated Assessor**

P.A. 660 of 2018 requires that each county notify the State Tax Commission, no later than December 31, 2020, of the individual that will serve as the county's Designated Assessor. In addition, the county must provide the State Tax Commission with the interlocal agreement executed by the County Board of Commissioners, a majority of the assessing districts within that county, and the proposed Designated Assessor for the county. The interlocal agreement must provide enough detail regarding the assessment responsibilities for the designated assessor. The Commission expects the interlocal agreement will include, but not be limited to, the following:

- Information related to the scope of services being provided by the Designated Assessor, including preparation of assessment rolls, timeline for delivery of documents and execution of forms, attendance at Boards of Review meetings, duties and responsibilities related to property tax appeals, both Small Claims and Entire Tribunal, filed with the Michigan Tax Tribunal, responsibility to meet with local unit officials, and obligations of local unit assessing staff members.
- Duties and responsibilities for each local unit within the County, including providing the Designated Assessor with reasonable access to records, documents and information.
- Details relating to cost and compensation for overseeing and administering the annual assessment and operating the assessing office, including payment terms and cost reimbursement.

Failure to timely notify the State Tax Commission of the county's Designated Assessor will result in the State Tax Commission selecting a Designated Assessor for the county.

If the State Tax Commission determines that an individual named as the Designated Assessor is capable of ensuring that the assessing districts within the county will achieve and maintain substantial

compliance, the Commission shall approve that individual as the County's Designated Assessor. Once approved, the designation will not be revoked for at least five years from the approval date.

If the State Tax Commission is unable to approve the individual identified as the county's Designated Assessor because the Commission determines that the proposed Designated Assessor is not capable of ensuring that the assessing districts will achieve and maintain substantial compliance, the county must submit a new Designated Assessor candidate and accompanying interlocal agreement within sixty days of the Commission's determination. The county will be required to repeat the process until a satisfactory Designated Assessor can be approved. The State Tax Commission will appoint an individual to serve as the county's temporary Designated Assessor during this period.

The State Tax Commission will develop a form to be utilized by the County Equalization Departments to notify the Commission of the proposed Designated Assessor. The Designated Assessor form will be available by August 18, 2020. The form must be submitted to the Commission no later than December 31, 2020.

### **Designated Assessor Term**

Once an assessing district is under contract with a Designated Assessor, the Designated Assessor will remain in place for a minimum of five years. Statute does provide for a local unit to petition the Commission to end the contract after the Designated Assessor has been in place for 3 years.

The Commission shall approve termination of a contract if it is determined that the assessing district can *achieve and maintain* substantial compliance with the General Property Tax Act using a different assessor of record other than the Designated Assessor.

The State Tax Commission may revoke the Designated Assessor and provide for an interim designated assessor if:

1. The Designated Assessor dies or becomes incapacitated
2. The Designated Assessor's employment status materially changes or
3. The Designated Assessor is not capable of ensuring that the assessing district is able to achieve and maintain substantial compliance with MCL 211.10g.

The interim Designated Assessor will remain in place until a new Designated Assessor can be selected following the interlocal agreement process.

If the Designated Assessor is serving as an assessor of record for an assessing district that is found to be in noncompliance, the State Tax Commission will appoint an individual to serve as the county's temporary Designated Assessor. The county will utilize the normal process to select and notify the Commission of the new Designated Assessor.

### **Designated Assessor Costs**

The Designated Assessor is permitted to charge an assessing district for the reasonable costs incurred in serving as the assessing district's assessor of record, including, but not limited to, the costs of overseeing and administering the annual assessment, preparing and defending the assessment roll, and operating the assessing office. The assessing district is required to pay these costs in accordance with

the interlocal agreement. The costs and fees agreed to by the county, assessing districts and the Designated Assessor is a local issue and will vary statewide.

The Commission will develop guidelines as required by statute for any local unit to protest charges by the Designated Assessor.

### **Audit Preparation**

While the audit process outlined in P.A. 660 of 2018 will not commence until 2022, assessing districts can prepare for these audits by meeting the requirements of the current Audit of Minimum Assessing Requirements (AMAR) and the “Supervising Preparation of the Assessment Roll”, as those requirements existed on October 1, 2018. Additionally, assessing districts should employ an assessor certified by the State Tax Commission at the proper certification level based on the valuation requirements, adjusted annually, set forth by the State Tax Commission. Additional information about the AMAR, including the AMAR Review Sheet, and certification levels, are available on the State Tax Commission website ([www.michigan.gov/statetaxcommission](http://www.michigan.gov/statetaxcommission)).



**FISCAL SERVICES DEPARTMENT  
PURCHASING DIVISION**

*Kent County Administration Building, 300 Monroe Avenue N.W., Grand Rapids, Michigan 49503-2289  
Phone: (616) 632-7720 • Fax: (616) 632-7715 • Email: [purchasing@kentcountymi.gov](mailto:purchasing@kentcountymi.gov)*

SOLICITATION

Requesting Agencies	Kent County
Solicitation Type	Request for Proposal (RFP)
Solicitation Number	4164
Description	Kent County Designated Assessor
Date of Issuance	11/6/2020
Inquiries Deadline Date & Time (local)	11/23/2020
Due Date & Time (local)	12/4/2020, 2 PM
Buyer Name	Underhill
Purchasing Website	<a href="http://www.accesskent.com/purchasing">www.accesskent.com/purchasing</a>

INTRODUCTION

As required by Michigan Compiled Laws beginning December 31, 2020, every County shall have a Designated Assessor on file with the State Tax Commission. On behalf of its 21 townships and 9 cities, Kent County is seeking a qualified individual to serve as the County Designated Assessor, which will be designated by an Interlocal Agreement executed between the County Board of Commissioners and a majority of the Assessing Districts in the County. The individual designated as the County's Designated Assessor must be approved by the State Tax Commission.

The scope of work is defined in the interlocal agreement attached as Exhibit A.

COVID-19

All persons providing goods and/or services to Kent County shall comply with all applicable local, State and Federal laws, rules, and regulations specifically including, but not limited to, lawful Emergency Orders.

The Kent County Standard Submission Terms posted on the Bid Opportunities page of the Kent County Purchasing Division website are incorporated by reference into the solicitation.

REQUEST FOR PROPOSAL SUBMISSION

Complete submissions must be received in the Kent County Purchasing Division no later than the due date/time specified by the designated clock (local time). Late, faxed, or emailed responses will NOT be considered.

The health and safety of the community is a top priority; therefore, Kent County Purchasing Division is shifting all Solicitations to electronic response only until further notice. Responses may be submitted electronically by selecting the "Submit Online" icon on the Bid Opportunities page of the Kent County Purchasing Division's website. Respondent must include a complete proposal as one (1) non-password protected PDF document, unless otherwise designated by Kent County.

The time required to upload a submission may vary. Respondent assumes all risks associated with electronic submission (including all possible technical issues) and deems the County and its service provider harmless and without fault regardless the reason. Successful electronic submissions are confirmed via Respondent's email. Respondent shall view the link in the confirmation email to determine accuracy prior to due date/time.

Submissions must be in the format outlined below:

- Contact information, including but not limited to applicant's name, address, phone number(s), e-mail address, STC Certification Number, STC Certification Level.
- The proposed location where the primary duties associated with being the assessor of record for an assessing district will be performed. (i.e., administrative offices of the assessing district, designated assessor's office or other location).
- A resume, curriculum vitae, or other documents providing the applicants current employment status as well as additional and specific details regarding the applicants current assessing or equalization responsibilities and local unit assessing experience that Kent County should take into consideration when selecting the best candidate to be submitted for approval as its Designated Assessor.
- Disclosure of any conflicts of interest involving the applicant, the County, or any assessing district, if applicable.
- A proposed description of property tax appeal responsibilities for small claims and entire tribunal appeals the Designated Assessor would have when acting as an assessor of record for an assessing district.
- Proposed schedule of fees, including but not limited to payment terms and payment responsibility while serving as the assessor of record for an assessing district by virtue of being the Designated Assessor for Kent County.
- Proposed schedule of fees, including but not limited to payment terms and payment responsibility for an assessing district while serving as the Designated Assessor for Kent County but not serving as the assessor of record for that assessing district by virtue of being the Designated Assessor for Kent County.
- If a fee from the previous paragraph is proposed, describe any proposed responsibilities, if any that may be associated with the fee and that may subsequently be incorporated into the final agreement.

Kent County is not liable for cost incurred prior to award. A submission shall constitute an irrevocable offer for a period of sixty (60) days from the due date/time. In the event the notification of award is not made within sixty (60) days from the due date/time, the Respondent may withdraw or provide a written extension of their submission.

Submissions may only be withdrawn by written request if the request is received before the due date/time. Withdrawals subsequent to opening shall be subject to Kent County Fiscal Policy – Centralized Purchasing 5(i)(2).

**NO BID**

Please provide feedback if you are electing not to participate in this solicitation.

**Exhibit A**

**Interlocal Agreement for Kent County to Approve the Designated Assessor for the period January 1, 2021 through December 31, 2025**

Public Act 660 of 2018 requires a county to have a Designated Assessor on file with the State Tax Commission as of December 31, 2020. Accordingly, the following interlocal agreement (hereinafter "AGREEMENT") has been executed by the Board of Commissioners for Kent County, a majority of the assessing districts in Kent County, and the individual put forth as the proposed Designated Assessor. Kent County and the Assessing Districts are collectively referred to throughout this AGREEMENT as the "Parties."

**RECITALS**

WHEREAS, The Assessing Districts are Municipal Corporations located within the County of Kent, in the State of Michigan;

WHEREAS, The Michigan Constitution of 1963, Article 7, Section 28 permits a political subdivision to exercise jointly with any other political subdivision any power, privilege or authority which such political subdivisions share in common with each other and which each might exercise separately;

WHEREAS, The Urban Cooperation Act of 1967, being MCL 124.505 *et seq*, and the Intergovernmental Transfer of Functions and Responsibilities Act, give effect to the Constitutional provision by providing that public agencies may enter into interlocal agreements to carry out their respective functions, powers and authority;

WHEREAS, P.A. 660 of 2018 requires each County to enter into an AGREEMENT that designates the individual who will serve as the County's Designated Assessor. That interlocal agreement must be approved by the County Board and a majority of the assessing districts in the County.

WHEREAS, P.A. 660 of 2018 mandates that the Designated Assessor shall be an advanced assessing officer or a master assessing officer.

NOW, THEREFORE, based on the foregoing Recitals, and in consideration of the terms of this Agreement, the Members agree as follows:



# CASCADE CHARTER TOWNSHIP

2865 Thornhills SE Grand Rapids, Michigan 49546-7140

**Date:** March 10, 2021  
**To:** Supervisor Lesperance & Cascade Township Board  
**From:** Benjamin Swayze, Township Manager  
**Subject:** Approval of 2021 Local Road Improvements

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## **FACTS:**

Each year, Cascade Township budgets general fund dollars to go towards the improvement of local roads. The process for identifying local roads for improvement typically begins in late winter and early spring when a list for potential road improvements is developed by Cascade Township staff, and provided to the KCRC for further investigation. The initial list of roads compiled by the Township is developed utilizing resources such as road PASER ratings supplied by the KCRC, complaints and requests by Township resident and businesses, and visual inspections by the Township staff.

The KCRC then takes the possible project list and provides recommendations to the Township on maintenance/repair activities and cost estimates. This list is further reviewed by Township staff to select the highest priority projects, considered within the construct of the budgeted allocation for road repair, and is presented to the Infrastructure Committee and ultimately the Township Board for approval.

Township staff have reviewed several areas that will need to be addressed in the next few years with a complete mill and fill (3.5" depth). This includes several residential areas near Cascade Road in the northwest area of the Township as well as the Centennial Park business/residential areas and the commercial/industrial area of the Foremost Industrial plat (in and around 33<sup>rd</sup>/36<sup>th</sup> Street).

Attached for your review are:

- PASER map of the Cascade Township Local Road System
- Proposed work orders for the 2021 Local Road Improvements Program

## **ANALYSIS & CONCLUSIONS:**

Cascade Township has 73.92 miles of local paved roads. The local paved roads include both neighborhood roads and section-line roads. These are the roads that Cascade Township typically contributes funding towards (the KCRC does do 2-3 miles per year of section line roads that the Township does not contribute towards.) In addition to the local paved roads network, the Township has 40.92 miles of primary roads (federal aid eligible, typically fully funded by the KCRC) and 4.91 miles of local gravel roads.

Of the 73.92 miles of local paved roads, the roads can be divided into 3 categories based on the roads PASER ratings. Before the beginning of the 2018-19 two-year program, the Township had

10.9 miles of local roads rated “GOOD” (10-8 PASER rating), 28.9 miles of local roads rated “FAIR” (7-5 PASER rating), and 34 miles of local roads rated “POOR” (4-1 PASER rating). The KCRC has several repair options that are available for the local paved road system. The repairs range from a full-depth mill and fill (\$300,000 per centerline mile) to micro-surfacing (\$50,000 per centerline mile). Certain treatments are appropriate for certain road conditions. Roads that are in the “Good “ or “Fair” category may be eligible for less intensive treatments, while “Poor” roads often need full depth mill and fill or similar work. It should be noted that there is also diminishing return on investments for certain treatments when they have been applied multiple times. For example, a road that is micro-surfaced may have 7 years added to its useful life. The second time that same treatment is applied to the same road, it may only extend the useful life of the road 3-4 years.

The Township staff have identified 8.1 miles of roads that have been rated poor on the PASER scale that will need to be addressed. The cost of the work is approximately \$3,490,00 of which the Township would be responsible for \$1,745,000.

After initial review by the Infrastructure Committee and Personnel & Finance Committee, the original recommendations included:

- For 2021 complete the proposed residential work (including Beard Farm, Forest Shores, Macnider, Galbraith and Arbortree) utilizing General Fund budgeted allocation and general fund fund balance.
- For 2021 complete the Centennial Park and Foremost Industrial Park work utilizing a combination of General Fund balance and bond proceeds to be issued in 2021 (combined with bond funding for the Fire Station #1 project), payable over 20 years

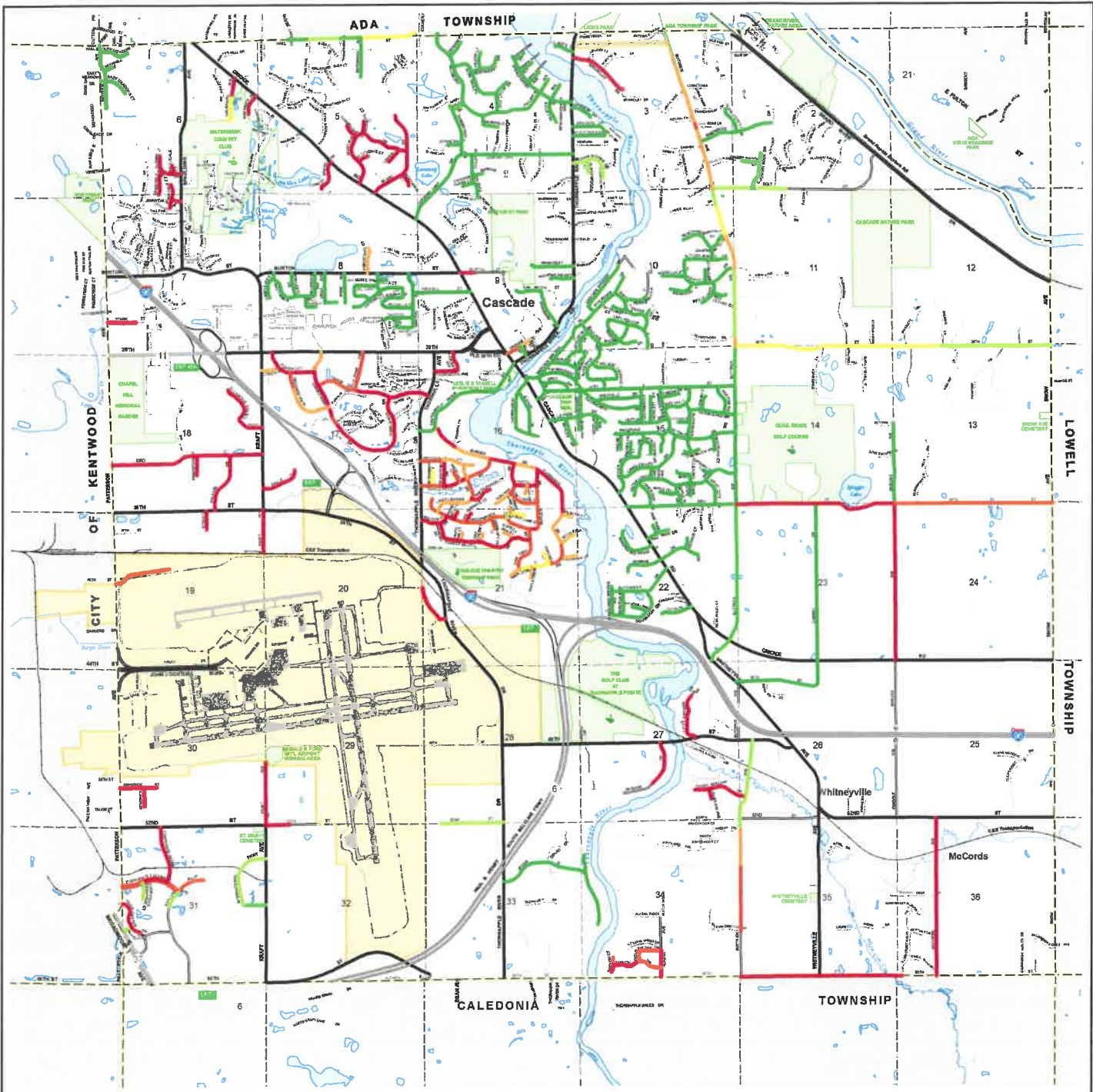
#### **FINANCIAL CONSIDERATIONS:**

The projected cost to the Township for the proposed local road program as recommended is \$1,745,000. In the FY2021 budget, the Township has budgeted \$400,000 for local road maintenance, therefore a budget amendment will be needed for this work.

The Township Board has recommended a mix of general and fire fund balance, as well as bond funding, to pay for major infrastructure projects in 2021 (...and beyond). The recommended bonding level would be between \$4 and \$6 million dollars depending on final costs. Based on those levels, annual debt service can be expected to be between \$270,000 and \$400,000. It is anticipated that the debt service would be paid for through current revenues of the Township.

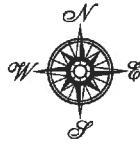
#### **RECOMMENDED ACTION:**

To approve the FY 2021 Cascade Township local road program as recommended by the Infrastructure Committee and Personnel and Finance Committee.



**ROAD CONDITION**

- POOR (1 OR 2)
- POOR (3)
- POOR (4)
- FAIR (5)
- FAIR (6)
- FAIR (7)
- GOOD (8-10)



Updated: 12/11/2020



**CASCADE CHARTER TOWNSHIP**  
 KENT COUNTY, MICHIGAN  
**2020 LOCAL PASER MAP**



KENT COUNTY ROAD COMMISSION  
WORK ORDER

DATE 1/19/2021

WORK ORDER \_\_\_\_\_

PROJECT 2021 Cascade Local Roads Program

MUNICIPALITY Cascade Township IF OTHER: \_\_\_\_\_

ROAD TYPE Local

LENGTH 2.45 Miles

TYPE OF WORK Reconstruction

LOCATION Local Roads In Cascade TWP.

See attached List

CATEGORY Reconstruction

ACTIVITY 489

PROJECT YEAR 2021

UTILITIES No

BUDGET

WORK TYPE 000030 - Full Depth Mill and Fill

WORK TYPE \_\_\_\_\_

WORK TYPE \_\_\_\_\_

WORK TYPE \_\_\_\_\_

WORK TYPE \_\_\_\_\_

WORK TYPE \_\_\_\_\_

WORK TYPE \_\_\_\_\_

TOTAL \$ 1,000,000

ESTIMATED COST VALID UNTIL \_\_\_\_\_

FUNDING

% KCRC 50.00% \$ 500,000

% TOWNSHIP 50.00% \$ 500,000

TOTAL \$ 1,000,000

NOTES \_\_\_\_\_

TOWNSHIP SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

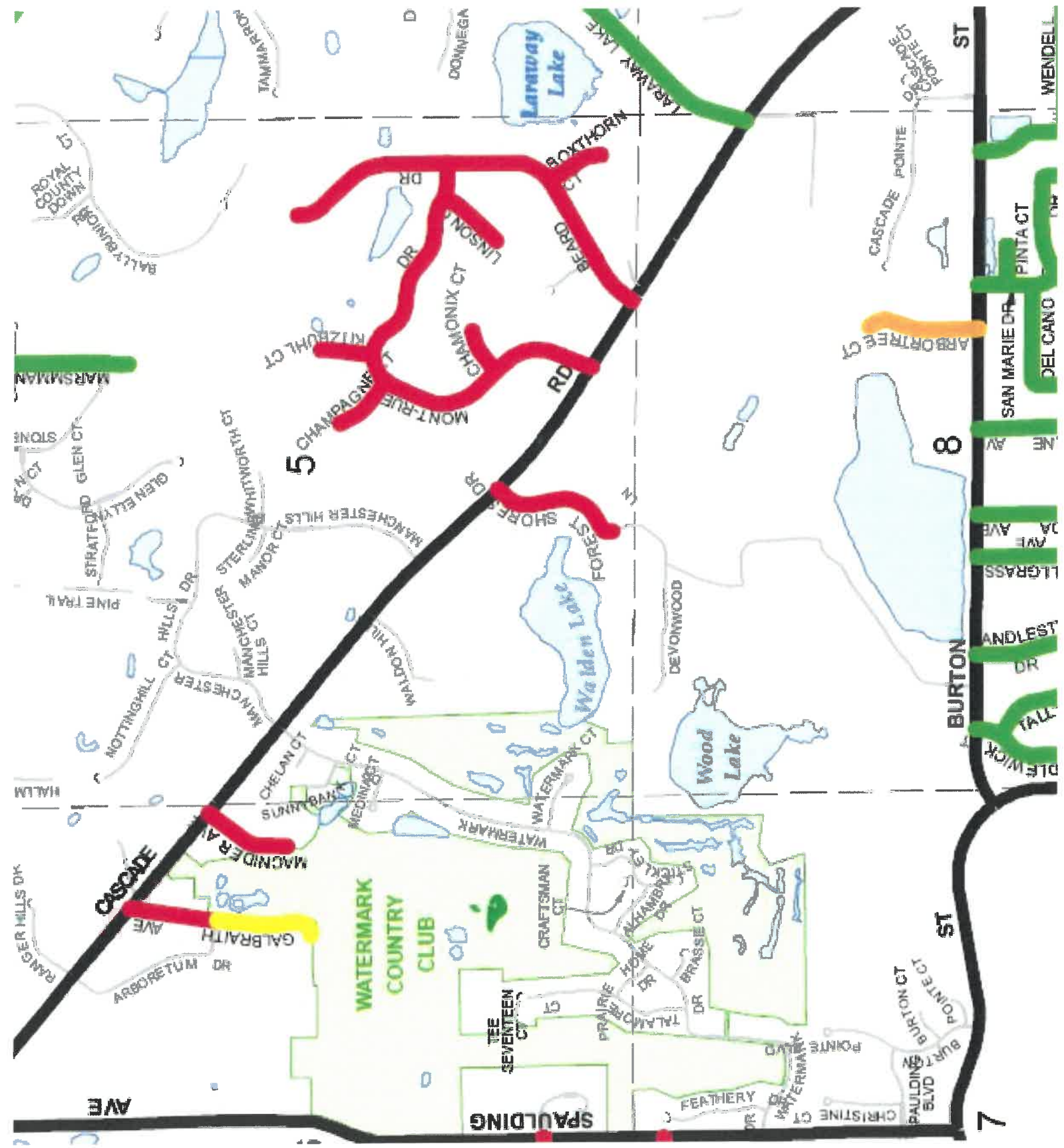
FINANCE USE ONLY

CUSTOMER # \_\_\_\_\_ AR \_\_\_\_\_

PROJECT \_\_\_\_\_ REV \_\_\_\_\_

# 2021 Cascade Township Local Roads -List

LOCATION	LENGTH
<b>Arbor Tree Court: Burton Street to End</b>	850
<b>Beard Drive: Cascade Road to End</b>	3275
<b>Boxthorn Court: Beard Drive to End</b>	420
<b>Chamonix Court: Mont-Rue Drive to End</b>	345
<b>Champagne Court: Mont-Rue Drive to End</b>	495
<b>Forest Shores Drive: Cascade Road to End</b>	985
<b>Galbraith Avenue: Cascade Road to End</b>	1405
<b>Kitzbuhl Court: Mont-Rue Drive to End</b>	420
<b>Linson Court: Mont-Rue Drive to End</b>	490
<b>MacNider Avenue: Cascade Road to End</b>	615
<b>Mont-Rue Drive: Cascade Road to Beard Drive</b>	3645
<b>Total</b>	12945



ROYAL COUNTY DOWN  
BALTBRIDGE

STRATFORD  
GLEN CT  
PINE TRAIL

WATERMARK  
COUNTRY CLUB

SPAULDING  
AVE

Laraway Lake

Walden Lake

Wood Lake

WATERMARK  
COUNTRY CLUB

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KENT COUNTY ROAD COMMISSION  
WORK ORDER

DATE 1/21/2021  
WORK ORDER \_\_\_\_\_  
PROJECT Centennial Park Streets  
MUNICIPALITY Cascade Township IF OTHER: \_\_\_\_\_  
ROAD TYPE Local  
LENGTH 3.12 Miles  
TYPE OF WORK Full Depth Mill & Fill  
LOCATION Local Roads In Cascade TWP.  
See attached List  
CATEGORY Reconstruction  
ACTIVITY 489  
PROJECT YEAR 2021  
UTILITIES No

BUDGET

WORK TYPE 000030 - Full Depth Mill and Fill  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_

TOTAL \$ 1,340,000

ESTIMATED COST VALID UNTIL Dec-21

FUNDING

% KCRC 50.00% \$ 670,000  
% TOWNSHIP 50.00% \$ 670,000  
TOTAL \$ 1,340,000

NOTES \_\_\_\_\_

TOWNSHIP SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

FINANCE USE ONLY

CUSTOMER # \_\_\_\_\_ AR \_\_\_\_\_  
PROJECT \_\_\_\_\_ REV \_\_\_\_\_

# Centennial Park Streets

LOCATION	LENGTH
<b>Coach Road:</b> Kraft Ave to Foremost Dr	535
<b>Foremost Drive:</b> 28th St to Charlevoix Dr	1795
<b>Orchard Vista Drive:</b> Foremost Dr to Charlevoix	2225
<b>Charlevoix Drive:</b> 28th St to Tahoe Dr	6670
<b>Lucerne Drive:</b> Tahoe Dr. to 28th St	1320
<b>Tahoe Drive:</b> Charlevoix Dr to Thornhills Dr	3920
<b>Total</b>	<b>16465</b>

KENT COUNTY ROAD COMMISSION  
WORK ORDER

DATE 1/20/2021  
WORK ORDER \_\_\_\_\_  
PROJECT Kraft Industrial Park Streets  
MUNICIPALITY Cascade Township IF OTHER: \_\_\_\_\_  
ROAD TYPE Local  
LENGTH 2.53 Miles  
TYPE OF WORK Full Depth Mill & Fill  
LOCATION Cascade TWP  
See Attached Street List  
CATEGORY Reconstruction  
ACTIVITY 489  
PROJECT YEAR 2021  
UTILITIES No

BUDGET

WORK TYPE 000030 - Full Depth Mill and Fill  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_  
WORK TYPE \_\_\_\_\_

TOTAL \$ 1,150,000

ESTIMATED COST VALID UNTIL Dec-21

FUNDING

% KCRC	<u>50.00%</u>	<u>\$ 575,000</u>
% TOWNSHIP	<u>50.00%</u>	<u>\$ 575,000</u>
TOTAL		<u>\$ 1,150,000</u>

NOTES \_\_\_\_\_

TOWNSHIP SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

FINANCE USE ONLY

CUSTOMER # \_\_\_\_\_ AR \_\_\_\_\_  
PROJECT \_\_\_\_\_ REV \_\_\_\_\_

# Kraft Industrial Park

LOCATION	LENGTH
<b>Glenwood Hills Parkway: Kraft Avenue to End</b>	2200
<b>Eagle Drive: Kraft to End</b>	1350
<b>33rd Street: Patterson Avenue to Kraft Avenue</b>	5280
<b>Raleigh Drive: 36th Street to 33rd Street</b>	2070
<b>Innovation Court: 33rd Street to End</b>	650
<b>Sysco Court: 36th Street to End</b>	600
<b>Kraft Avenue: 36th Street to End</b>	1210
<b>Total</b>	13360



## CASCADE CHARTER TOWNSHIP

2865 Thornhills SE Grand Rapids, Michigan 49546-7140

**Date:** March 10, 2021  
**To:** Supervisor Lesperance & Cascade Township Board  
**From:** Benjamin Swayze, Township Manager  
**Subject:** Progressive AE Agreement for Station #2 Outbuilding

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### **FACTS:**

At the March 10 Township Board meeting Progressive AE and Township Staff will be giving the final presentation and recommendations for the Township Fire Department and Emergency services facilities. Part of that recommendation will be a recommendation to construct a large storage facility or “outbuilding” on property at Station #2. This facility is needed for both short-term and long-term reasons.

**Short-Term** – The recommendation regarding Fire Station #1 is that a new station be rebuilt on the current Fire Station #1/Township Hall property. During the demolition and construction process the Fire Department will be displaced for 18-24 months. As part of the temporary operations plan the Fire Department has identified a rental property on the grounds of the GRFIA that can be leased and utilized with manageable disruptions to the department. However, the rental facility will not be large enough to house all of the equipment currently housed at Station #1. During the temporary operations plan the Station #2 outbuilding will house displaced equipment that cannot be staged at the temporary facility.

**Long-Term** – As part of the Station #1 study it was determined that the Department is in need of storage space for off-season or reserve apparatus. While initially investigated as part of the Station #1 site plan, it was determined that due to land-use regulations and operating efficiencies the best location for the outbuilding would be Station #2.

Attached for your review is:

- Station #2 Outbuilding Presentation/Review
- Estimate of Probably cost for Station #2 Outbuilding
- Proposed Agreement with Progressive AE for Design/Build Services

### **ANALYSIS & CONCLUSIONS:**

Because of the state of the construction industry, and specifically related to the timeline for building steel, it is anticipated the pre-engineered metal building (PEMB) fabrication could take up to 26 weeks. Because the use of the building effects the timeline of Station #1 construction, timing is of the essence.

Progressive AE was selected through a competitive RFP bid process at the beginning of the Township facilities study. Since then, they have successfully completed that study for the Township, as well as the design/build project for the Township Hall renovation that was delivered on time and on budget. Progressive AE was also selected, in partnership with subject

matter experts Redstone Architects, to conduct the Fire Station #1 study that resulted in the presentation and recommendations being made at the March 10 meeting.

The design/build contract will have 3 phases. Phase 1 would be the final design and construction documents. The proposed fee from Progressive AE for that work is \$27,500. The second phase would be preconstruction bidding, and the proposed fee would be \$5,000. The third phase would be actual construction of the building. As part of the design/build contract Progressive would serve as the general on the project, but all construction activities are bid out. Because activities are bid out on an individual basis rather than in a lump group (...where they are then often subcontracted) the Township can realize better bid prices. For the construction phase, Progressive AE cost would be 6% of the construction value. In addition, the General Conditions and General Requirements portion of the construction project would go to Progressive AE as well. Right now, these are estimated at \$73,900 but would be finalized before the final bids are approved by the Township Board.

The Public Safety Advisory Committee has recommended the Township Board approve proposed agreement with Progressive AE for Design/Build Services

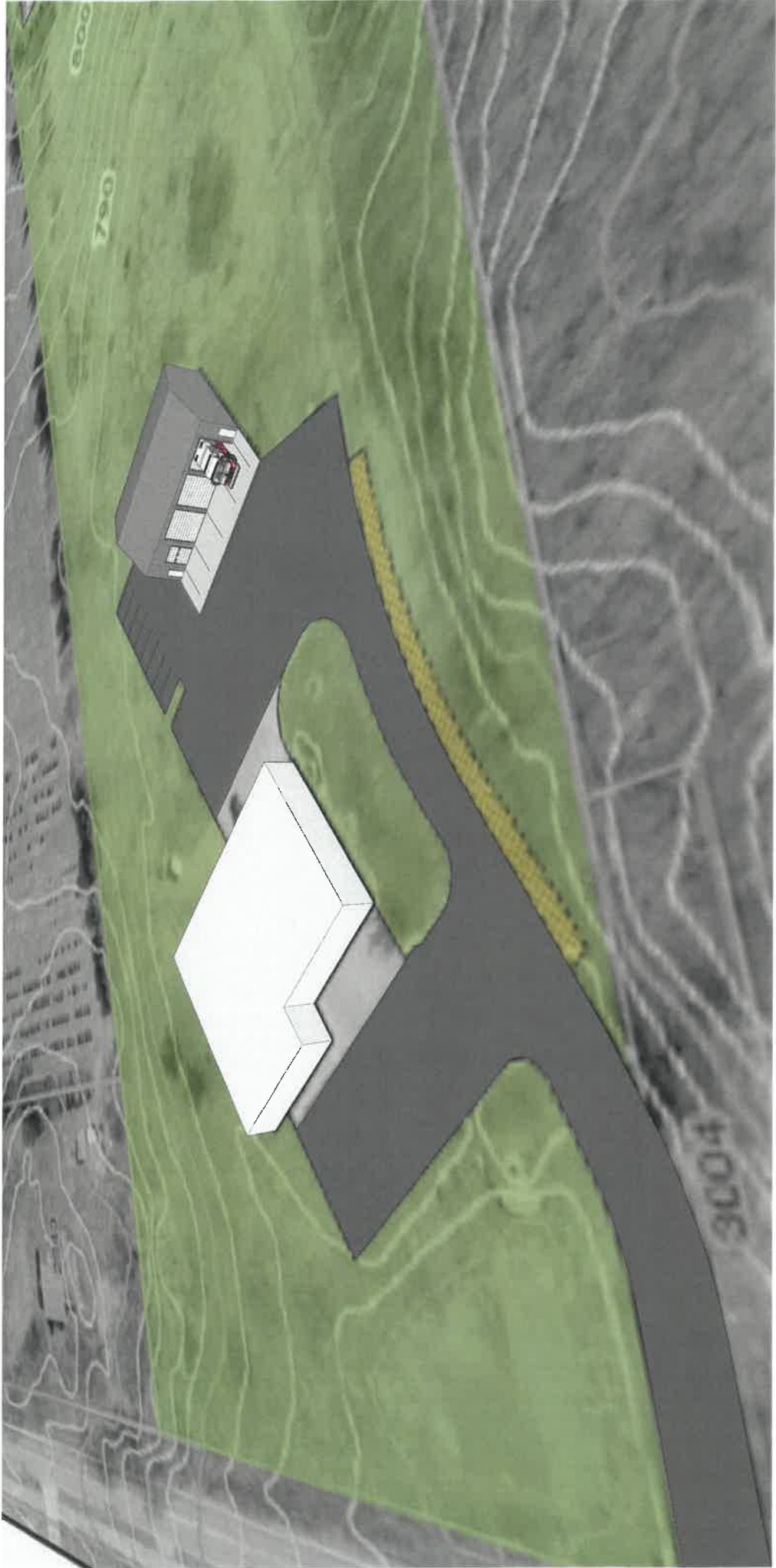
#### **FINANCIAL CONSIDERATIONS:**

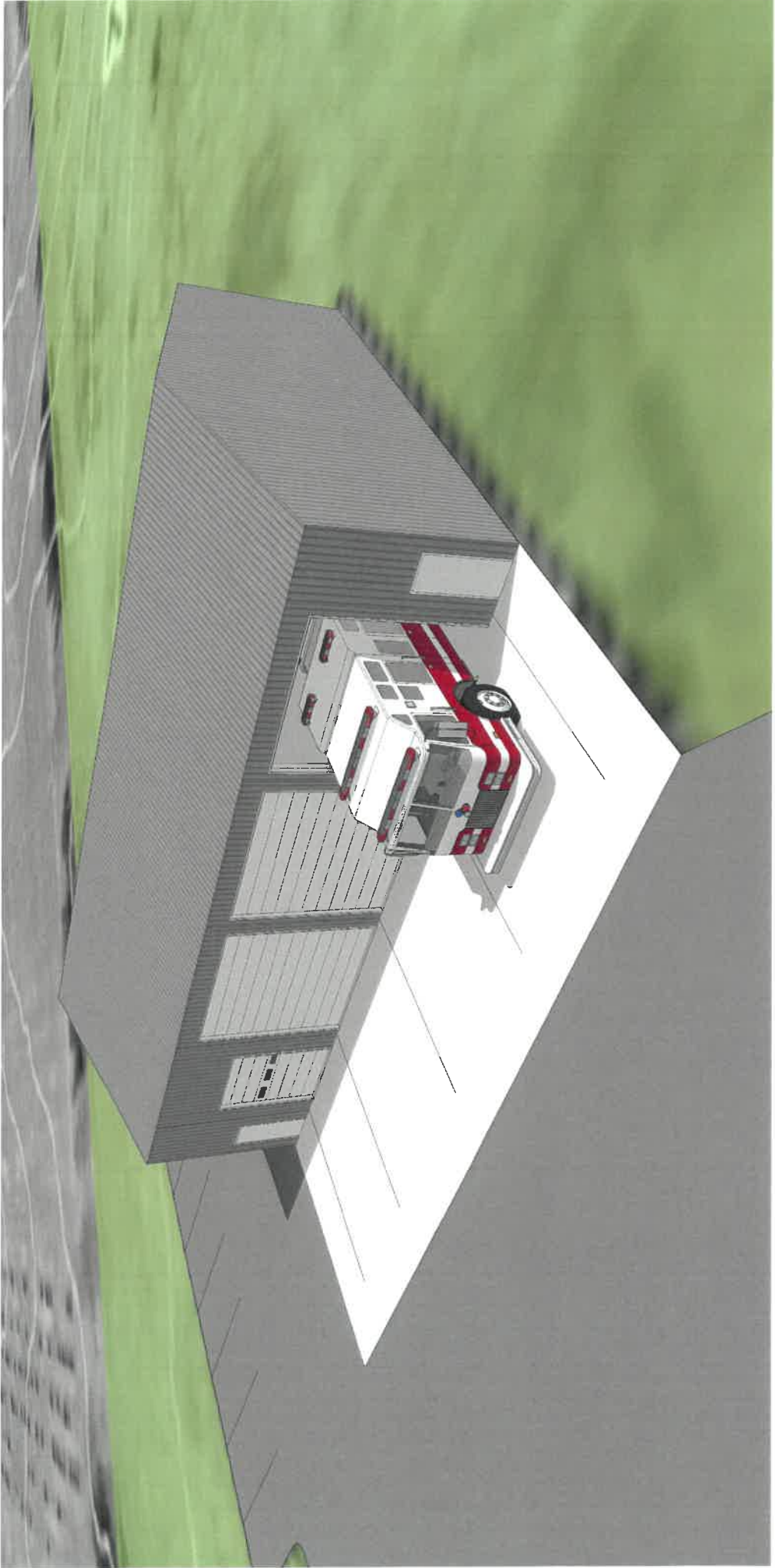
The total estimated construction cost for the Station #2 Outbuilding, including general conditions and general requirements, would be between \$420,000 and \$470,000 and would come from a combination of general and fire fund fund balance as well as bond revenues.

The Personnel and Finance Committee has recommended a mix of general and fire fund balance, as well as bond funding, to pay for major infrastructure projects in 2021 (...and beyond). The recommended bonding level would be between \$4 and \$6 million dollars depending on final costs. Based on those levels, annual debt service can be expected to be between \$270,000 and \$400,000. It is anticipated that the debt service would be paid for through current revenues of the Township.

#### **RECOMMENDED ACTION:**

To approve the proposed Agreement with Progressive AE for Design/Build Services, and authorize the design and bidding phased, contingent on final review and approval of the agreement language from Township legal counsel.





**Conceptual Design Probable Cost**



To: Fire Chief Adam Magers  
 Cc: Ben Swayze, Cascade Township Manager  
 From: Jim Horman  
 Email: hormanj@progressiveae.com

Date: 8/28/2020  
 Project: Cascade Charter Township  
 Location: Grand Rapids, Michigan  
 Project Number: 60846004  
 Estimator: Drew Bergeron

Progressive AE has proposed the following opinion of probable cost for the project listed and the cost associated. This opinion of probable cost is subject to the terms, provisions and scope described herein.

Cascade Charter Township Fire Station Storage Building - Wood Frame Uninsulated		Estimated Square Foot:	3,150	Estimated Site Acreage:	-
		Low Range		High Range	
<b>Construction Cost (Div. 02 through Div. 28)</b>	\$	229,700.00	\$	266,000.00	
<b>Construction Site Development (Div. 31 through Div. 34)</b>	\$	48,300.00	\$	56,000.00	
<b>General Conditions</b>	\$	27,700.00	\$	32,100.00	
<b>General Requirements</b>	\$	34,200.00	\$	39,600.00	
		<b>Potential Construction Cost = \$</b>	<b>339,900.00</b>	<b>\$</b>	<b>393,700.00</b>
		<b>Construction Costs Sqft = \$</b>	<b>107.90</b>	<b>\$</b>	<b>124.98</b>
<b>Contingency</b>					
Contingency - Design	\$	-	\$	-	
Contingency - Construction	\$	17,100.00	\$	19,700.00	
Escalation - Beyond Calendar Year	\$	13,700.00	\$	15,900.00	
		<b>Potential Construction (with Contingency) Cost = \$</b>	<b>370,700.00</b>	<b>\$</b>	<b>429,300.00</b>
		<b>Construction (with Contingency) Costs Sqft = \$</b>	<b>117.68</b>	<b>\$</b>	<b>136.29</b>
<b>Owner Held Contracts</b>					
Hazardous Material	\$	-	\$	-	
Consultant(s)	\$	-	\$	-	
Special Inspections	\$	-	\$	-	
A/E Reimbursable and Expenses	\$	-	\$	-	
A/E Design Services and Fees	\$	-	\$	-	
Security/Access Control Systems	\$	-	\$	-	
Audio/Visual Systems	\$	-	\$	-	
Furniture (Including Sales Tax, Delivery and Installation)	\$	-	\$	-	
		<b>Potential Project Cost = \$</b>	<b>370,700.00</b>	<b>\$</b>	<b>429,300.00</b>
		<b>Project Costs Sqft = \$</b>	<b>117.68</b>	<b>\$</b>	<b>136.29</b>

Alternates (not included in Base Probable Cost)	Low Range	High Range
---	-----------	------------

Breakout Pricing (including General Conditions/Requirements, Contingency, Owner Held Contracts)	Low Range	High Range
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**Project Clarifications**

- The probable cost includes both a 5% Construction Contingency and a 0% Design Contingency. The Design Contingency is to address possible additional costs that have not yet been fully designed, or detailed.
- The probable costs are preliminary and based on Conceptual Design Probable Cost. A thorough investigation and a complete design will be necessary to determine the exact scope of work and associated costs.
- The construction costs presented include construction costs and "soft costs" i.e. General Conditions, Profit, and Permit Fees.
- The probable cost excludes demolition, removal, or disposal of hazardous or contaminated materials.
- The probable cost assumes work to take place during "normal" daylight working hours, excluding weekends and holidays.

**Job Specific Clarifications**

- Probable cost excludes any wayfinding, special inspections, A/E Reimbursables and Expenses, A/E Design Services and Fees, Specialty Equipment, FFE (Furniture, Fixtures and Equipment), Security and AV Equipment.

**General Conditions/General Requirements**

- General Conditions/General Requirements are the costs incurred during a project that typically involve the daily oversight and supervision of Trade Contractors, Material Deliveries and Jobsite Safety and Security. These are typically the costs of managing and running the construction project and include:
  - On-site Superintendent time, estimated up to 20 hours per week during construction (estimated at 10 weeks)
  - Project Manager time, estimated up to 8 hours per week during construction (estimated at 10 weeks)
  - Administrative Assistant during construction, estimated up to 2.4 hours per week during construction (estimated at 10 weeks) - issuing contracts, purchase orders, etc....
  - Plan Reproduction Costs - Blueprints
  - Travel Expenses - fuel/mileage

Progressive AE has prepared the Cost Estimate for this project, and we request that it be treated as "Confidential" and not copied or distributed for any reason other than evaluation for this project. This document has been prepared by Progressive AE as an Instrument of Service, and Progressive AE shall retain all common law, statutory and other reserved rights, including the Copyright thereto.

Conceptual Design Probable Cost



To: Fire Chief Adam Magers  
 Cc: Ben Swayze, Cascade Township Manager  
 From: Jim Horman  
 Email: hormanj@progressiveae.com

Date: 8/31/2020  
 Project: Cascade Charter Township  
 Location: Grand Rapids, Michigan  
 Project Number: 60846004  
 Estimator: Drew Bergeron

Progressive AE has proposed the following opinion of probable cost for the project listed and the cost associated. This opinion of probable cost is subject to the terms, provisions and scope described herein.

Cascade Charter Township Fire Station Storage Building - Steel Frame Insulated		Estimated Square Foot:	3,150
		Estimated Site Acreage:	-
		Low Range	High Range
Construction Cost (Div. 02 through Div. 28)	\$	288,500.00	\$ 317,400.00
Construction Site Development (Div. 31 through Div. 34)	\$	48,300.00	\$ 56,000.00
General Conditions	\$	48,400.00	\$ 56,000.00
General Requirements	\$	35,000.00	\$ 40,500.00
<b>Potential Construction Cost = \$</b>		<b>420,200.00</b>	<b>\$ 469,900.00</b>
<b>Construction Costs Sqft = \$</b>		<b>133.40</b>	<b>\$ 149.17</b>
Contingency	\$	-	\$ -
Contingency - Design	\$	-	\$ -
Contingency - Construction	\$	18,100.00	\$ 20,900.00
Escalation - Beyond Calendar Year	\$	14,500.00	\$ 16,800.00
<b>Potential Construction (with Contingency) Cost = \$</b>		<b>452,800.00</b>	<b>\$ 507,600.00</b>
<b>Construction (with Contingency) Costs Sqft = \$</b>		<b>143.75</b>	<b>\$ 161.14</b>
Owner Held Contracts	\$	-	\$ -
Hazardous Material	\$	-	\$ -
Consultant(s)	\$	-	\$ -
Special Inspections	\$	-	\$ -
A/E Reimbursable and Expenses	\$	-	\$ -
A/E Design Services and Fees	\$	-	\$ -
Security/Access Control Systems	\$	-	\$ -
Audio/Visual Systems	\$	-	\$ -
Furniture (Including Sales Tax, Delivery and Installation)	\$	-	\$ -
<b>Potential Project Cost = \$</b>		<b>452,800.00</b>	<b>\$ 507,600.00</b>
<b>Project Costs Sqft = \$</b>		<b>143.75</b>	<b>\$ 161.14</b>

Alternates (not included in Base Probable Cost)	Low Range	High Range
---	-----------	------------

Breakout Pricing (including General Conditions/Requirements, Contingency, Owner Held Contracts)	Low Range	High Range
---	-----------	------------

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  - Administrative Assistant during construction, estimated up to 2.4 hours per week during construction (estimated at 10 weeks) - issuing contracts, purchase orders, etc....
  - Plan Reproduction Costs - Blueprints
  - Travel Expenses - fuel/mileage

Progressive AE has prepared the Cost Estimate for this project, and we request that it be treated as "Confidential" and not copied or distributed for any reason other than evaluation for this project. This document has been prepared by Progressive AE as an Instrument of Service, and Progressive AE shall retain all common law, statutory and other reserved rights, including the Copyright thereto.



# AIA<sup>®</sup> Document A141™ – 2014

## Standard Form of Agreement Between Owner and Design-Builder

AGREEMENT made as of the Second day of March in the year Two Thousand Twenty-One  
(In words, indicate day, month and year.)

**BETWEEN** the Owner:  
(Name, legal status, address and other information)

Cascade Charter Township  
2865 Thornhills Avenue, SE  
Grand Rapids, MI 49546-7192

and the Design-Builder:  
(Name, legal status, address and other information)

Progressive SPR, LLC.  
1811 4 Mile Road, NE  
Grand Rapids, MI 49525

for the following Project:  
(Name, location and detailed description)

Cascade Charter Township Storage Building  
2990 Buttrick Avenue  
Ada, MI 49301

The Owner and Design-Builder agree as follows.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Consultation with an attorney is also encouraged with respect to professional licensing requirements in the jurisdiction where the Project is located.

Init.

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User Notes:

(1867268982)

## TABLE OF ARTICLES

1	GENERAL PROVISIONS
2	COMPENSATION AND PROGRESS PAYMENTS
3	GENERAL REQUIREMENTS OF THE WORK OF THE DESIGN-BUILD CONTRACT
4	WORK PRIOR TO EXECUTION OF THE DESIGN-BUILD AMENDMENT
5	WORK FOLLOWING EXECUTION OF THE DESIGN-BUILD AMENDMENT
6	CHANGES IN THE WORK
7	OWNER'S RESPONSIBILITIES
8	TIME
9	PAYMENT APPLICATIONS AND PROJECT COMPLETION
10	PROTECTION OF PERSONS AND PROPERTY
11	UNCOVERING AND CORRECTION OF WORK
12	COPYRIGHTS AND LICENSES
13	TERMINATION OR SUSPENSION
14	CLAIMS AND DISPUTE RESOLUTION
15	MISCELLANEOUS PROVISIONS
16	SCOPE OF THE AGREEMENT

## TABLE OF EXHIBITS

A	DESIGN-BUILD AMENDMENT
B	INSURANCE AND BONDS
C	<u>SUSTAINABLE PROJECT SCHEDULE OF INVOICE RATES</u>

### ARTICLE 1 GENERAL PROVISIONS

#### § 1.1 Owner's Criteria

This Agreement is based on the Owner's Criteria set forth in this Section 1.1.

*(Note the disposition for the following items by inserting the requested information or a statement such as "not applicable" or "unknown at time of execution." If the Owner intends to provide a set of design documents, and the requested information is contained in the design documents, identify the design documents and insert "see Owner's design documents" where appropriate.)*

#### § 1.1.1 The Owner's program for the Project:

*(Set forth the program, identify documentation in which the program is set forth, or state the manner in which the program will be developed.)*

As described in the Cascade Township Fire Department New Fire Station 1 Planning Analysis – May 2020.

#### § 1.1.2 The Owner's design requirements for the Project and related documentation:

*(Identify below, or in an attached exhibit, the documentation that contains the Owner's design requirements, including any performance specifications for the Project.)*

As described in the Cascade Township Fire Department New Fire Station 1 Planning Analysis – May 2020.

§ 1.1.3 The Project's physical characteristics:

*(Identify or describe, if appropriate, size, location, dimensions, or other pertinent information, such as geotechnical reports; site, boundary and topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site; etc.)*

As described in the Cascade Township Fire Department New Fire Station 1 Planning Analysis – May 2020.

§ 1.1.4 The Owner's anticipated Sustainable Objective for the Project, if any:

*(Identify the Owner's Sustainable Objective for the Project such as Sustainability Certification, benefit to the environment, enhancement to the health and well-being of building occupants, or improvement of energy efficiency. If the Owner identifies a Sustainable Objective, incorporate AIA Document A141™-2014, Exhibit C, Sustainable Projects, into this Agreement to define the terms, conditions and Work related to the Owner's Sustainable Objective.)*

Not applicable.

§ 1.1.5 Incentive programs the Owner intends to pursue for the Project, including those related to the Sustainable Objective, and any deadlines for receiving the incentives that are dependent on, or related to, the Design-Builder's services, are as follows:

*(Identify incentive programs the Owner intends to pursue for the Project and deadlines for submitting or applying for the incentive programs.)*

Not applicable.

§ 1.1.6 The Owner's budget for the Work to be provided by the Design-Builder is set forth below:

*(Provide total for Owner's budget, and if known, a line item breakdown of costs.)*

As described in the Cascade Township Fire Department New Fire Station 1 Planning Analysis – May 2020, and subsequent Conceptual Design Probable Cost dated November 16, 2020. Final budget will be determined through end of design with Owner decisions on scope of work, and final bid costs determined after bidding.

§ 1.1.7 The Owner's design and construction milestone dates:

.1 Design phase milestone dates:

March 15-April 2, 2021 Preliminary Design

April 5-April 9, 2021 Estimating and Owner Review/Approval to Proceed to CD's

April 12-April 30, 2021 Construction Documentation

.2 Submission of Design-Builder Proposal:

Not applicable.

.3 Phased completion dates:

Not applicable.

.4 Substantial Completion date:

March 2022

.5 Other milestone dates:

May 3-May 28, 2021 Bid & Award/Issue Contracts

<u>May 31-July 2, 2021</u>	<u>Submittals (foundation rebar shops, site utility structures, etc.)</u> <u>(PEMB Drawings 5 weeks)</u>
<u>July 5-Dec 31<sup>st</sup>, 2021</u>	<u>PEMB Fabrication (current estimate 26 weeks)</u>
<u>Aug 2<sup>nd</sup> -Aug 27<sup>th</sup>, 2021</u>	<u>Mobilization, Footings, Foundations, Site Utilities (4-weeks) Note that this date will shift based on weather and final bid schedule from PEMB Contractor</u>

§ 1.1.8 The Owner requires the Design-Builder to retain the following Architect, Consultants and Contractors at the Design-Builder's cost:  
(List name, legal status, address and other information.)

.1 Architect

Progressive AE, Inc.  
1811 4 Mile road, NE  
Grand Rapids, MI 49525

.2 Consultants

Not applicable.

.3 Contractors

To be determined through the bidding process.

§ 1.1.9 Additional Owner's Criteria upon which the Agreement is based:  
(Identify special characteristics or needs of the Project not identified elsewhere, such as historic preservation requirements.)

Not applicable.

§ 1.1.10 The Design-Builder shall confirm that the information included in the Owner's Criteria complies with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public ~~authorities~~authorities, to the extent this can be determined by the information provided.

§ 1.1.10.1 If the Owner's Criteria conflicts with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, the Design-Builder shall notify the Owner of the conflict.

§ 1.1.11 If there is a change in the Owner's Criteria, the Owner and the Design-Builder shall execute a Modification in accordance with Article 6.

§ 1.1.12 If the Owner and Design-Builder intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions. ~~Unless otherwise agreed, the parties will use AIA Document E203™-2013 to establish the protocols for the development, use, transmission, and exchange of digital data and building information modeling.~~

§ 1.2 Project Team

§ 1.2.1 The Owner identifies the following representative in accordance with Section 7.1.1:  
(List name, address and other information.)

Ben Swayze, Township Manager  
Cascade Charter Township  
2865 Thornhills Avenue, SE  
Grand Rapids, MI 49546-7192  
616.949.1500 – Telephone  
616.949-3918 - Fax  
bswayze@cascadetwp.com

§ 1.2.2 The persons or entities, in addition to the Owner's representative, who are required to review the Design-Builder's Submittals are as follows:  
(List name, address and other information.)

Unknown at time of execution.

§ 1.2.3 The Owner will retain the following consultants and separate contractors:  
(List discipline, scope of work, and, if known, identify by name and address.)

Not applicable.

§ 1.2.4 The Design-Builder identifies the following representative in accordance with Section 3.1.2:  
(List name, address and other information.)

Dan Grover  
Progressive SPR, LLC  
1811 4 Mile Road, NE  
Grand Rapids, MI 49525  
616.361.2664 – Telephone  
616.361.1493 - Fax  
616.690-7466 - Mobile  
groverd@progressiveae.com

§ 1.2.5 Neither the Owner's nor the Design-Builder's representative shall be changed without ten days' written notice to the other party.

### § 1.3 Binding Dispute Resolution

For any Claim subject to, but not resolved by, mediation pursuant to Section 14.3, the method of binding dispute resolution shall be the following:

*(Check the appropriate box. If the Owner and Design-Builder do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.)*

As an express condition precedent to arbitration, in an effort to resolve any conflicts that arise during the design or construction of the project, or following the completion of the project, the president, or other duly authorized representative of each company shall meet together in good faith in an attempt to resolve the conflict.

- Arbitration pursuant to Section 14.4
- Litigation in a court of competent jurisdiction
- Other: *(Specify)*

### § 1.4 Definitions

§ 1.4.1 **Design-Build Documents.** The Design-Build Documents consist of this Agreement between Owner and Design-Builder and its attached Exhibits (hereinafter, the "Agreement"); other documents listed in this Agreement; and Modifications issued after execution of this Agreement. A Modification is (1) a written amendment to the Contract signed by both parties, including the Design-Build Amendment, ~~(2) a Change Order, or (3) a Change Directive.~~ or (2) a Change Order.

§ 1.4.2 **The Contract.** The Design-Build Documents form the Contract. The Contract represents the entire and integrated agreement between the parties and supersedes prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Design-Build Documents shall not be construed to create a contractual relationship of any kind between any persons or entities other than the Owner and the Design-Builder.

**§ 1.4.3 The Work.** The term "Work" means the design, construction and related services required to fulfill the Design-Builder's obligations under the Design-Build Documents, whether completed or partially completed, and includes all labor, materials, equipment and services provided or to be provided by the Design-Builder. The Work may constitute the whole or a part of the Project.

**§ 1.4.4 The Project.** The Project is the total design and construction of which the Work performed under the Design-Build Documents may be the whole or a part, and may include design and construction by the Owner and by separate contractors.

**§ 1.4.5 Instruments of Service.** Instruments of Service are representations, in any medium of expression now known or later developed, of the tangible and intangible creative work performed by the Design-Builder, Contractor(s), Architect, and Consultant(s) under their respective agreements. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, digital models and other similar materials.

**§ 1.4.6 Submittal.** A Submittal is any submission to the Owner for review and approval demonstrating how the Design-Builder proposes to conform to the Design-Build Documents for those portions of the Work for which the Design-Build Documents require Submittals. Submittals include, but are not limited to, shop drawings, product data, and samples. Submittals are not Design-Build Documents unless incorporated into a Modification.

**§ 1.4.7 Owner.** The Owner is the person or entity identified as such in the Agreement and is referred to throughout the Design-Build Documents as if singular in number. The term "Owner" means the Owner or the Owner's authorized representative.

**§ 1.4.8 Design-Builder.** The Design-Builder is the person or entity identified as such in the Agreement and is referred to throughout the Design-Build Documents as if singular in number. The term "Design-Builder" means the Design-Builder or the Design-Builder's authorized representative.

**§ 1.4.9 Consultant.** A Consultant is a person or entity providing professional services for the Design-Builder for all or a portion of the Work, and is referred to throughout the Design-Build Documents as if singular in number. To the extent required by the relevant jurisdiction, the Consultant shall be lawfully licensed to provide the required professional services.

**§ 1.4.10 Architect.** The Architect is a person or entity providing design services for the Design-Builder for all or a portion of the Work, and is lawfully licensed to practice architecture in the applicable jurisdiction. The Architect is referred to throughout the Design-Build Documents as if singular in number.

**§ 1.4.11 Contractor.** A Contractor is a person or entity performing all or a portion of the construction, required in connection with the Work, for the Design-Builder. The Contractor shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Contractor is referred to throughout the Design-Build Documents as if singular in number and means a Contractor or an authorized representative of the Contractor.

**§ 1.4.12 Confidential Information.** Confidential Information is information containing confidential or business proprietary information that is clearly marked as "confidential."

**§ 1.4.13 Contract Time.** Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, as set forth in the Design-Build Amendment for Substantial Completion of the Work.

**§ 1.4.14 Day.** The term "day" as used in the Design-Build Documents shall mean calendar day unless otherwise specifically defined.

**§ 1.4.15 Contract Sum.** The Contract Sum is the amount to be paid to the Design-Builder for performance of the Work after execution of the Design-Build Amendment, as identified in Article A.1 of the Design-Build Amendment.

**ARTICLE 2 COMPENSATION AND PROGRESS PAYMENTS**

**§ 2.1 Compensation for Work Performed Prior To Execution of Design-Build Amendment**

§ 2.1.1 Unless otherwise agreed, payments for Work performed prior to Execution of the Design-Build Amendment shall be made monthly. For the Design-Builder’s performance of Work prior to the execution of the Design-Build Amendment, the Owner shall compensate the Design-Builder as follows:

*(Insert amount of, or basis for, compensation, including compensation for any Sustainability Services, or indicate the exhibit in which the information is provided. If there will be a limit on the total amount of compensation for Work performed prior to the execution of the Design-Build Amendment, state the amount of the limit.)*

The following compensation is based on a budget value as indicated in the latest Conceptual Design Probable Cost dated November 16, 2020. If the scope of work, budget and/or schedule for the project substantially changes, the Owner and Design-Builder will work together to renegotiate the compensation as indicated below.

Architectural/Engineering Design Fees are \$27,500 (Twenty-Seven Thousand Five Hundred Dollars).

Professional Design Reimbursable expenses (i.e. printing, mileage, postage, etc.) are in addition to these fees, are estimated to be at \$900.00 (Nine Hundred Dollars) and will be invoiced according to the Schedule of Invoice Rates (Exhibit "C").

Preconstruction bidding fee is \$5,000.00 (Five Thousand Dollars).

General Conditions/General Requirements are projected to be \$73,900 (Seventy-Three Thousand Nine Hundred Dollars) based on a total construction duration of 14 weeks and up to an average of 32 hours of on-site supervision. Construction Fee is an additional 6% markup on all subcontracted Work. These will be finalized with the execution of the Exhibit A after bidding of the work.

§ 2.1.2 The hourly billing rates for services of the Design-Builder and the Design-Builder’s Architect, Consultants and Contractors, if any, are set forth below.

*(If applicable, attach an exhibit of hourly billing rates or insert them below.)*

As stipulated on Progressive AE’s Schedule of Invoice Rates – 2021 (Exhibit "C") for Professional Design Services. As stipulated on Progressive SPR, LLC’s Schedule of Invoice Rates - 2021 (Exhibit "C") for Construction Services.

Individual or Position	Rate
------------------------	------

**§ 2.1.3 Compensation for Reimbursable Expenses Prior To Execution of Design-Build Amendment**

§ 2.1.3.1 Reimbursable Expenses are in addition to compensation set forth in Section 2.1.1 and 2.1.2 and include expenses, directly related to the Project, incurred by the Design-Builder and the Design-Builder’s Architect, Consultants, and Contractors, as follows:

- .1 Transportation and authorized out-of-town travel and subsistence;
- .2 Dedicated data and communication services, teleconferences, Project web sites, and extranets;
- .3 Fees paid for securing approval of authorities having jurisdiction over the Project;
- .4 Printing, reproductions, plots, standard form documents;
- .5 Postage, handling and delivery;
- .6 Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
- .7 Renderings, physical models, mock-ups, professional photography, and presentation materials requested by the Owner;
- .8 All taxes levied on professional services and on reimbursable expenses; and
- .9 Other Project-related expenditures, if authorized in advance by the Owner.

§ 2.1.3.2 For Reimbursable Expenses, the compensation shall be the expenses the Design-Builder and the Design-Builder’s Architect, Consultants and Contractors incurred, plus an administrative fee of zero percent ( 0 %) of the expenses incurred.

**§ 2.1.4 Payments to the Design-Builder Prior To Execution of Design-Build Amendment**

**§ 2.1.4.1** Payments are due and payable upon presentation of the Design-Builder's invoice. Amounts unpaid thirty ( 30 ) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Design-Builder.  
*(Insert rate of monthly or annual interest agreed upon.)*

1 % one, monthly

**§ 2.1.4.2** Records of Reimbursable Expenses and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times for a period of two years following execution of the Design-Build Amendment or termination of this Agreement, whichever occurs first.

**§ 2.2 Contract Sum and Payment for Work Performed After Execution of Design-Build Amendment**

For the Design-Builder's performance of the Work after execution of the Design-Build Amendment, the Owner shall pay to the Design-Builder the Contract Sum in current funds as agreed in the Design-Build Amendment.

**ARTICLE 3 GENERAL REQUIREMENTS OF THE WORK OF THE DESIGN-BUILD CONTRACT**

**§ 3.1 General**

**§ 3.1.1** The Design-Builder shall comply with any applicable licensing requirements in the jurisdiction where the Project is located.

**§ 3.1.2** The Design-Builder shall designate in writing a representative who is authorized to act on the Design-Builder's behalf with respect to the Project.

**§ 3.1.3** The Design-Builder shall perform the Work in accordance with the Design-Build Documents. ~~The Design-Builder shall not be relieved of the obligation to perform the Work in accordance with the Design-Build Documents by the activities, tests, inspections or approvals of the Owner.~~

**§ 3.1.3.1** The Design-Builder shall perform the Work in compliance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities. If the Design-Builder performs Work contrary to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, the Design-Builder shall assume responsibility for such Work and shall bear the costs attributable to correction.

**§ 3.1.3.2** Neither the Design-Builder nor any Contractor, Consultant, or Architect shall be obligated to perform any act which they believe will violate any applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities. If the Design-Builder determines that implementation of any instruction received from the Owner, including those in the Owner's Criteria, would cause a violation of any applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, the Design-Builder shall notify the Owner in writing. Upon verification by the Owner that a change to the Owner's Criteria is required to remedy the violation, the Owner and the Design-Builder shall execute a Modification in accordance with Article 6.

**§ 3.1.4** The Design-Builder shall be responsible to the Owner for negligent acts and omissions of the Design-Builder's employees, Architect, Consultants, Contractors, and their agents and employees, and other persons or entities performing portions of the Work.

**§ 3.1.5 General Consultation.** The Design-Builder shall schedule and conduct periodic meetings with the Owner to review matters such as procedures, progress, coordination, and scheduling of the Work.

**§ 3.1.6** When applicable law requires that services be performed by licensed professionals, the Design-Builder shall provide those services through qualified, licensed professionals. The Owner understands and agrees that the services of the Design-Builder's Architect and the Design-Builder's other Consultants are performed in the sole interest of, and for the exclusive benefit of, the Design-Builder.

**§ 3.1.7** The Design-Builder, with the assistance of the Owner, shall prepare and file documents required to obtain necessary approvals of governmental authorities having jurisdiction over the Project.

### § 3.1.8 Progress Reports

§ 3.1.8.1 The Design-Builder shall keep the Owner informed of the progress and quality of the Work. On a monthly basis, or otherwise as agreed to by the Owner and Design-Builder, the Design-Builder shall submit written progress reports to the Owner, showing estimated percentages of completion and may show other information identified below:

- .1 Work completed for the period;
- .2 Project schedule status;
- .3 Submittal schedule and status report, including a summary of outstanding Submittals;
- .4 Responses to requests for information to be provided by the Owner;
- .5 Approved Change Orders and Change Directives;
- .6 Pending Change Order and Change Directive status reports;
- .7 Tests and inspection reports;
- .8 Status report of Work rejected by the Owner;
- .9 Status of Claims previously submitted in accordance with Article 14;
- .10 Cumulative total of the Cost of the Work to date including the Design-Builder's compensation and Reimbursable Expenses, if any;
- .11 Current Project cash-flow and forecast reports; and
- .12 Additional information as agreed to by the Owner and Design-Builder.

~~§ 3.1.8.2 In addition, where the Contract Sum is the Cost of the Work with or without a Guaranteed Maximum Price, the Design-Builder shall include the following additional information in its progress reports:~~

- ~~.1 Design-Builder's work force report;~~
- ~~.2 Equipment utilization report; and~~
- ~~.3 Cost summary, comparing actual costs to updated cost estimates.~~

### § 3.1.9 Design-Builder's Schedules

§ 3.1.9.1 The Design-Builder, promptly after execution of this Agreement, shall prepare and submit for the Owner's information a schedule for the Work. The schedule, including the time required for design and construction, shall not exceed time limits current under the Design-Build Documents, shall be revised at appropriate intervals as required by the conditions of the Work and Project, shall be related to the entire Project to the extent required by the Design-Build Documents, shall provide for expeditious and practicable execution of the Work, and shall include allowances for periods of time required for the Owner's review and for approval of submissions by authorities having jurisdiction over the Project.

§ 3.1.9.2 The Design-Builder shall perform the Work in general accordance with the most recent schedules submitted to the Owner.

§ 3.1.10 **Certifications.** Upon the Owner's written request, the Design-Builder shall obtain from the Architect, Consultants, and Contractors, and furnish to the Owner, certifications with respect to the documents and services provided by the Architect, Consultants, and Contractors (a) that, to the best of their knowledge, information and belief, the documents or services to which the certifications relate (i) are consistent with the Design-Build Documents, except to the extent specifically identified in the certificate, and (ii) comply with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities governing the design of the Project; and (b) that the Owner and its consultants shall be entitled to rely upon the accuracy of the representations and statements contained in the certifications. The Design-Builder's Architect, Consultants, and Contractors shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of their services.

### § 3.1.11 Design-Builder's Submittals

§ 3.1.11.1 ~~Prior to submission of any Submittals, the Design-Builder shall prepare a Submittal schedule, and shall submit the schedule for the Owner's approval. coordinate with the Owner submittals to be reviewed by the Owner. The Owner's approval shall not unreasonably be delayed or withheld. The Submittal schedule shall (1) be coordinated with the Design-Builder's schedule provided in Section 3.1.9.1, (2) allow the Owner reasonable time to review Submittals, and (3) be periodically updated to reflect the progress of the Work. If the Design-Builder fails to submit a Submittal schedule, the Design-Builder shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of Submittals.~~

§ 3.1.11.2 By providing Submittals the Design-Builder represents to the Owner that it has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will

do so and (3) checked and coordinated the information contained within such Submittals with the requirements of the Work and of the Design-Build Documents.

§ 3.1.11.3 The Design-Builder shall perform no portion of the Work for which the Design-Build Documents require Submittals until the Owner has approved the respective Submittal. Owner will provide a review and approval of all submittals within 5 business days such that the schedule is not impacted by delay and approval of submittals. Design-Builder will not be responsible for schedule delays and costs caused by delayed review by Owner.

§ 3.1.11.4 The Work shall be in accordance with approved Submittals except that the Design-Builder shall not be relieved of its responsibility to perform the Work consistent with the requirements of the Design-Build Documents. The Work may deviate from the Design-Build Documents only if the Design-Builder has notified the Owner in writing of a deviation from the Design-Build Documents at the time of the Submittal and a Modification is executed authorizing the identified deviation. The Design-Builder shall not be relieved of responsibility for errors or omissions in Submittals by the Owner's approval of the Submittals.

§ 3.1.11.5 All professional design services or certifications to be provided by the Design-Builder, including all drawings, calculations, specifications, certifications, shop drawings and other Submittals, shall contain the signature and seal of the licensed design professional preparing them. Submittals related to the Work designed or certified by the licensed design professionals, if prepared by others, shall bear the licensed design professional's written approval. The Owner and its consultants shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals.

§ 3.1.12 **Warranty.** The Design-Builder warrants to the Owner that materials and equipment furnished under the Contract will be of good quality and new unless the Design-Build Documents require or permit otherwise. The Design-Builder further warrants that the Work will conform to the requirements of the Design-Build Documents and will be free from defects, except for those inherent in the quality of the Work or otherwise expressly permitted by the Design-Build Documents. Documents for a period of one year from Substantial Completion of the entire project. Work, materials, or equipment not conforming to these requirements may be considered defective. The Design-Builder's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by the Design-Builder, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by the Owner, the Design-Builder shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

#### § 3.1.13 **Royalties, Patents and Copyrights**

§ 3.1.13.1 The Design-Builder shall pay all royalties and license fees.

§ 3.1.13.2 The Design-Builder shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and its separate contractors and consultants harmless from loss on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by the Owner, or where the copyright violations are required in the Owner's Criteria. However, if the Design-Builder has reason to believe that the design, process or product required in the Owner's Criteria is an infringement of a copyright or a patent, the Design-Builder shall be responsible for such loss unless such information is promptly furnished to the Owner. If the Owner receives notice from a patent or copyright owner of an alleged violation of a patent or copyright, attributable to the Design-Builder, the Owner shall give prompt written notice to the Design-Builder.

#### § 3.1.14 **Indemnification**

§ 3.1.14.1 To the fullest extent permitted by law, the Design-Builder shall indemnify and hold harmless the Owner, including the Owner's agents and employees, from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work, but only to the extent caused by the negligent acts or omissions of the Design-Builder, Architect, a Consultant, a Contractor, or anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to a party or person described in this Section 3.1.14.

§ 3.1.14.2 The indemnification obligation under this Section 3.1.14 shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for Design-Builder, Architect, a Consultant, a Contractor, or

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anyone directly or indirectly employed by them, under workers' compensation acts, disability benefit acts or other employee benefit acts.

#### § 3.1.15 Contingent Assignment of Agreements

- § 3.1.15.1 Each agreement for a portion of the Work is assigned by the Design-Builder to the Owner, provided that
- .1 assignment is effective only after termination of the Contract by the Owner for cause, pursuant to Sections 13.1.4 or 13.2.2, and only for those agreements that the Owner accepts by written notification to the Design-Builder and the Architect, Consultants, and Contractors whose agreements are accepted for assignment; and
  - .2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

When the Owner accepts the assignment of an agreement, the Owner assumes the Design-Builder's rights and obligations under the agreement.

§ 3.1.15.2 Upon such assignment, if the Work has been suspended for more than 30 days, the compensation under the assigned agreement shall be equitably adjusted for increases in cost resulting from the suspension.

§ 3.1.15.3 Upon such assignment to the Owner under this Section 3.1.15, the Owner may further assign the agreement to a successor design-builder or other entity. If the Owner assigns the agreement to a successor design-builder or other entity, the Owner shall nevertheless remain legally responsible for all of the successor design-builder's or other entity's obligations under the agreement.

§ 3.1.16 Design-Builder's Insurance and Bonds. The Design-Builder shall purchase and maintain insurance and provide bonds as set forth in Exhibit B.

### ARTICLE 4 WORK PRIOR TO EXECUTION OF THE DESIGN-BUILD AMENDMENT

#### § 4.1 General

§ 4.1.1 Any information submitted by the Design-Builder, and any interim decisions made by the Owner, shall be for the purpose of facilitating the design process and shall not modify the Owner's Criteria unless the Owner and Design-Builder execute a Modification.

§ 4.1.2 The Design-Builder shall advise the Owner on proposed site use and improvements, selection of materials, and building systems and equipment. The Design-Builder shall also provide the Owner with recommendations, consistent with the Owner's Criteria, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions.

#### ~~§ 4.2 Evaluation of the Owner's Criteria~~

~~§ 4.2.1 The Design Builder shall schedule and conduct meetings with the Owner and any other necessary individuals or entities to discuss and review the Owner's Criteria as set forth in Section 1.1. The Design Builder shall thereafter again meet with the Owner to discuss a preliminary evaluation of the Owner's Criteria. The preliminary evaluation shall address possible alternative approaches to design and construction of the Project and include the Design Builder's recommendations, if any, with regard to accelerated or fast track scheduling, procurement, or phased construction. The preliminary evaluation shall consider cost information, constructability, and procurement and construction scheduling issues.~~

~~§ 4.2.2 After the Design Builder meets with the Owner and presents the preliminary evaluation, the Design Builder shall provide a written report to the Owner, summarizing the Design Builder's evaluation of the Owner's Criteria. The report shall also include~~

- ~~.1 — allocations of program functions, detailing each function and their square foot areas;~~
- ~~.2 — a preliminary estimate of the Cost of the Work, and, if necessary, recommendations to adjust the Owner's Criteria to conform to the Owner's budget;~~
- ~~.3 — a preliminary schedule, which shall include proposed design milestones; dates for receiving additional information from, or for work to be completed by, the Owner; anticipated date for the Design Builder's Proposal; and dates of periodic design review sessions with the Owner; and~~
- ~~.4 — the following:~~

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*(List additional information, if any, to be included in the Design-Builder's written report.)*

~~§ 4.2.3~~ The Owner shall review the Design-Builder's written report and, if acceptable, provide the Design-Builder with written consent to proceed to the development of the Preliminary Design as described in Section 4.3. The consent to proceed shall not be understood to modify the Owner's Criteria unless the Owner and Design-Builder execute a Modification.

#### § 4.3 Preliminary Design

~~§ 4.3.1~~ Upon the Owner's issuance of a written consent to proceed under Section 4.2.3, the Design-Builder shall prepare and submit a Preliminary Design to the Owner. The Preliminary Design shall include a report identifying any deviations from the Owner's Criteria, and shall include the following: the following (if applicable):

- ~~.1~~ Confirmation of the allocations of program functions;
- ~~.2~~ Site plan;
- ~~.3~~ Building plans, sections and elevations;
- ~~.4~~ Structural system;
- ~~.5~~ Selections of major building systems, including but not limited to mechanical, electrical and plumbing systems; and
- ~~.6~~ Outline specifications or sufficient drawing notes describing construction materials.

The Preliminary Design may include some combination of physical study models, perspective sketches, or digital modeling. The Preliminary Design will be presented and agreed upon at the end of Conceptual Design, and will authorize the Design-Builder to proceed with Construction Documents.

~~§ 4.3.2~~ The Owner shall review the Preliminary Design and, if acceptable, provide the Design-Builder with written consent to proceed to development of the Design-Builder's Proposal. The Preliminary Design shall not modify the Owner's Criteria unless the Owner and Design-Builder execute a Modification.

#### § 4.4 Design-Builder's Proposal

~~§ 4.4.1~~ Upon the Owner's issuance of a written consent to proceed under Section 4.3.2, the Design-Builder shall prepare and submit the Design-Builder's Proposal to the Owner. The Design-Builder's Proposal shall include the following:

- ~~.1~~ A list of the Preliminary Design documents and other information, including the Design-Builder's clarifications, assumptions and deviations from the Owner's Criteria, upon which the Design-Builder's Proposal is based;
- ~~.2~~ The proposed Contract Sum, including the compensation method and, if based upon the Cost of the Work plus a fee, a written statement of estimated cost organized by trade categories, allowances, contingencies, Design-Builder's Fee, and other items that comprise the Contract Sum;
- ~~.3~~ The proposed date the Design-Builder shall achieve Substantial Completion;
- ~~.4~~ An enumeration of any qualifications and exclusions, if applicable;
- ~~.5~~ A list of the Design-Builder's key personnel, Contractors and suppliers; and
- ~~.6~~ The date on which the Design-Builder's Proposal expires.

~~§ 4.4.2~~ Submission of the Design-Builder's Proposal shall constitute a representation by the Design-Builder that it has visited the site and become familiar with local conditions under which the Work is to be completed.

~~§ 4.4.3~~ If the Owner and Design-Builder agree on a proposal, the Owner and Design-Builder shall execute the Design-Build Amendment setting forth the terms of their agreement.

### ARTICLE 5 WORK IMMEDIATELY PRIOR TO AND FOLLOWING EXECUTION OF THE DESIGN-BUILD AMENDMENT

#### § 5.1 Construction Documents

~~§ 5.1.1~~ Upon the execution of the Design-Build Amendment, the Design-Builder shall prepare Construction Documents. The Construction Documents shall establish the quality levels of materials and systems required. The Construction Documents shall be consistent with the Design-Build Documents. The Design-Builder shall perform its services consistent with the professional skill and care ordinarily provided by Design-Builders practicing in the same or similar locality under the same or similar circumstances. The Design-Builder shall perform its services as

expeditiously as is consistent with such professional skill and care and the orderly progress of the Project. Owner's approval, acceptance, use of or payment for all or any part of Design-Builder's services shall in no way alter Design-Builder's obligations or Owner's rights hereunder.

§ 5.1.2 The Design-Builder shall provide the Construction Documents to the Owner for the Owner's information. If the Owner discovers any deviations between the Construction Documents and the Design-Build Documents, the Owner shall promptly notify the Design-Builder of such deviations in writing. The Construction Documents shall not modify the Design-Build Documents unless the Owner and Design-Builder execute a Modification. The failure of the Owner to discover any such deviations shall not relieve the Design-Builder of the obligation to perform the Work in accordance with the Design-Build Documents.

§ 5.1.3 Upon completion of the Construction Documents, the Design-Builder shall competitively bid out the subtrades and assemble a bid tab of the cost of the project for review with the Owner. Upon approval of the bid tab costs, the Owner and Design-Builder shall prepare and execute the Design-Build Amendment setting forth the terms of their agreement.

## § 5.2 Construction

§ 5.2.1 **Commencement.** Except as permitted in Section 5.2.2, construction shall not commence prior to execution of the Design-Build Amendment.

§ 5.2.2 If the Owner and Design-Builder agree in writing, construction may proceed prior to the execution of the Design-Build Amendment. However, such authorization shall not waive the Owner's right to reject the Design-Builder's Proposal.

§ 5.2.3 The Design-Builder shall supervise and direct the Work, using the Design-Builder's best skill and attention. The Design-Builder shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures, and for coordinating all portions of the Work under the Contract, unless the Design-Build Documents give other specific instructions concerning these matters.

§ 5.2.4 The Design-Builder shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

## § 5.3 Labor and Materials

§ 5.3.1 Unless otherwise provided in the Design-Build Documents, the Design-Builder shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services, necessary for proper execution and completion of the Work, whether temporary or permanent, and whether or not incorporated or to be incorporated in the Work.

§ 5.3.2 When a material or system is specified in the Design-Build Documents, the Design-Builder may make substitutions only in accordance with Article 6.

§ 5.3.3 The Design-Builder shall enforce strict discipline and good order among the Design-Builder's employees and other persons carrying out the Work. The Design-Builder shall not knowingly permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

## § 5.4 Taxes

The Design-Builder shall pay sales, consumer, use and similar taxes, for the Work provided by the Design-Builder, that are legally enacted when the Design-Build Amendment is executed, whether or not yet effective or merely scheduled to go into effect.

## § 5.5 Permits, Fees, Notices and Compliance with Laws

§ 5.5.1 Unless otherwise provided in the Design-Build Documents, the Design-Builder shall secure and pay for the building permit as well as any other permits, fees, licenses, and inspections by government agencies, necessary for proper execution of the Work and Substantial Completion of the Project.

§ 5.5.2 The Design-Builder shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, applicable to performance of the Work.

**§ 5.5.3 Concealed or Unknown Conditions.** If the Design-Builder encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Design-Build Documents or (2) unknown physical conditions of an unusual nature that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Design-Build Documents, the Design-Builder shall promptly provide notice to the Owner before conditions are disturbed and in no event later than 21 days after first observance of the conditions. ~~The Owner shall promptly investigate such conditions and, if the Owner determines that they differ materially and~~ If such conditions cause an increase or decrease in the Design-Builder's cost of, or time required for, performance of any part of the Work, ~~shall recommend the Design-Builder shall receive~~ an equitable adjustment in the Contract Sum or Contract Time, or both. If the Owner determines that the conditions at the site are not materially different from those indicated in the Design-Build Documents and that no change in the terms of the Contract is justified, the Owner shall promptly notify the Design-Builder in writing, stating the reasons. If the Design-Builder disputes the Owner's determination or recommendation, the Design-Builder may proceed as provided in Article 14.

**§ 5.5.4** If, in the course of the Work, the Design-Builder encounters human remains, or recognizes the existence of burial markers, archaeological sites, or wetlands, not indicated in the Design-Build Documents, the Design-Builder shall immediately suspend any operations that would affect them and shall notify the Owner. Upon receipt of such notice, the Owner shall promptly take any action necessary to obtain governmental authorization required to resume the operations. The Design-Builder shall continue to suspend such operations until otherwise instructed by the Owner but shall continue with all other operations that do not affect those remains or features. Requests for adjustments in the Contract Sum and Contract Time arising from the existence of such remains or features may be made as provided in Article 14.

#### **§ 5.6 Allowances**

**§ 5.6.1** The Design-Builder shall include in the Contract Sum all allowances stated in the Design-Build Documents. Items covered by allowances shall be supplied for such amounts, and by such persons or entities as the Owner may direct, but the Design-Builder shall not be required to employ persons or entities to whom the Design-Builder has reasonable objection.

**§ 5.6.2** Unless otherwise provided in the Design-Build Documents,

- .1 allowances shall cover the cost to the Design-Builder of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- .2 the Design-Builder's costs for unloading and handling at the site, labor, installation costs, overhead, profit, and other expenses contemplated for stated allowance amounts, shall be included in the Contract Sum but not in the allowances; and
- .3 whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 5.6.2.1 and (2) changes in Design-Builder's costs under Section 5.6.2.2.

**§ 5.6.3** The Owner shall make selections of materials and equipment with reasonable promptness for allowances requiring Owner selection.

#### **§ 5.7 Key Personnel, Contractors and Suppliers**

**§ 5.7.1** The Design-Builder shall not employ personnel, or contract with Contractors or suppliers to whom the Owner has made reasonable and timely objection. The Design-Builder shall not be required to contract with anyone to whom the Design-Builder has made reasonable and timely objection.

**§ 5.7.2** If the Design-Builder changes any of the personnel, Contractors or suppliers identified in the Design-Build Amendment, the Design-Builder shall notify the Owner and provide the name and qualifications of the new personnel, Contractor or supplier. The Owner may reply within 14 days to the Design-Builder in writing, stating (1) whether the Owner has reasonable objection to the proposed personnel, Contractor or supplier or (2) that the Owner requires additional time to review. Failure of the Owner to reply within the 14-day period shall constitute notice of no reasonable objection.

§ 5.7.3 Except for those persons or entities already identified or required in the Design-Build Amendment, the Design-Builder, as soon as practicable after execution of the Design-Build Amendment, shall furnish in writing to the Owner the names of persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for each principal portion of the Work. The Owner may reply within 14 days to the Design-Builder in writing stating (1) whether the Owner has reasonable objection to any such proposed person or entity or (2) that the Owner requires additional time for review. Failure of the Owner to reply within the 14-day period shall constitute notice of no reasonable objection.

§ 5.7.3.1 If the Owner has reasonable objection to a person or entity proposed by the Design-Builder, the Design-Builder shall propose another to whom the Owner has no reasonable objection. If the rejected person or entity was reasonably capable of performing the Work, the Contract Sum and Contract Time shall be increased or decreased by the difference, if any, occasioned by such change, and an appropriate Change Order shall be issued before commencement of the substitute person or entity's Work. However, no increase in the Contract Sum or Contract Time shall be allowed for such change unless the Design-Builder has acted promptly and responsively in submitting names as required.

#### § 5.8 Documents and Submittals at the Site

The Design-Builder shall maintain at the site for the Owner one copy of the Design-Build Documents and a current set of the Construction Documents, in good order and marked currently to indicate field changes and selections made during construction, and one copy of approved Submittals. The Design-Builder shall deliver these items to the Owner in accordance with Section 9.10.2 as a record of the Work as constructed.

#### § 5.9 Use of Site

The Design-Builder shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, lawful orders of public authorities, and the Design-Build Documents, and shall not unreasonably encumber the site with materials or equipment.

#### § 5.10 Cutting and Patching

The Design-Builder shall not cut, patch or otherwise alter fully or partially completed construction by the Owner or a separate contractor except with written consent of the Owner and of such separate contractor; such consent shall not be unreasonably withheld. The Design-Builder shall not unreasonably withhold from the Owner or a separate contractor the Design-Builder's consent to cutting or otherwise altering the Work.

#### § 5.11 Cleaning Up

§ 5.11.1 The Design-Builder shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Design-Builder shall remove waste materials, rubbish, the Design-Builder's tools, construction equipment, machinery and surplus materials from and about the Project.

§ 5.11.2 If the Design-Builder fails to clean up as provided in the Design-Build Documents, Documents within five (5) days after receiving written notice from the Owner, the Owner may do so and Owner shall be entitled to reimbursement from the Design-Builder.

#### § 5.12 Access to Work

The Design-Builder shall provide the Owner and its separate contractors and consultants access to the Work in preparation and progress wherever located. The Design-Builder shall notify the Owner regarding Project safety criteria and programs, which the Owner, and its contractors and consultants, shall comply with while at the site.

#### § 5.13 Construction by Owner or by Separate Contractors

##### § 5.13.1 Owner's Right to Perform Construction and to Award Separate Contracts

§ 5.13.1.1 The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces; and to award separate contracts in connection with other portions of the Project, or other construction or operations on the site, under terms and conditions identical or substantially similar to this Contract, including those terms and conditions related to insurance and waiver of subrogation. The Owner shall notify the Design-Builder promptly after execution of any separate contract. If the Design-Builder claims that delay or additional cost is involved because of such action by the Owner, the Design-Builder shall make a Claim as provided in Article 14.

§ 5.13.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Design-Builder" in the Design-Build Documents in each case shall mean the individual or entity that executes each separate agreement with the Owner.

§ 5.13.1.3 The Owner shall provide for coordination of the activities of the Owner's own forces, and of each separate contractor, with the Work of the Design-Builder, who shall cooperate with them. The Design-Builder shall participate with other separate contractors and the Owner in reviewing their construction schedules. The Design-Builder shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Design-Builder, separate contractors and the Owner until subsequently revised.

§ 5.13.1.4 Unless otherwise provided in the Design-Build Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces or separate contractors, the Owner shall be deemed to be subject to the same obligations, and to have the same rights, that apply to the Design-Builder under the Contract.

#### § 5.14 Mutual Responsibility

§ 5.14.1 The Design-Builder shall afford the Owner and separate contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Design-Builder's construction and operations with theirs as required by the Design-Build Documents.

§ 5.14.2 If part of the Design-Builder's Work depends upon construction or operations by the Owner or a separate contractor, the Design-Builder shall, prior to proceeding with that portion of the Work, prepare a written report to the Owner, identifying apparent discrepancies or defects in the construction or operations by the Owner or separate contractor that would render it unsuitable for proper execution and results of the Design-Builder's Work. Failure of the Design-Builder to report shall constitute an acknowledgment that the Owner's or separate contractor's completed or partially completed construction is fit and proper to receive the Design-Builder's Work, except as to defects not then reasonably discoverable.

§ 5.14.3 The Design-Builder shall reimburse the Owner for costs the Owner incurs that are payable to a separate contractor because of the Design-Builder's delays, improperly timed activities or defective construction. The Owner shall be responsible to the Design-Builder for costs the Design-Builder incurs because of a separate contractor's delays, improperly timed activities, damage to the Work or defective construction.

§ 5.14.4 The Design-Builder shall promptly remedy damage the Design-Builder wrongfully causes to completed or partially completed construction or to property of the Owner or separate contractors as provided in Section 10.2.5.

§ 5.14.5 The Owner and each separate contractor shall have the same responsibilities for cutting and patching the Work as the Design-Builder has with respect to the construction of the Owner or separate contractors in Section 5.10.

#### § 5.15 Owner's Right to Clean Up

If a dispute arises among the Design-Builder, separate contractors and the Owner as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up and will allocate the cost among those responsible.

### ARTICLE 6 CHANGES IN THE WORK

#### § 6.1 General

§ 6.1.1 Changes in the Work may be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order or Change Directive, subject to the limitations stated in this Article 6 and elsewhere in the Design-Build Documents. The Owner and Design-Builder acknowledge that changes may be required because of possible omissions, ambiguities or inconsistencies in the plans and specifications. The Owner and Design-Builder agree that a contingency in the amount of three percent (3%) of the cost of the work be established, as required, to pay for any such increased project costs. The Owner further agrees to make no claim by way of direct or third party action against the Design-Builder or his or her subconsultants with respect to any payments within the limit of the contingency reserve made to the construction contractors because of such changes or because of any claims made by the construction contractors relating to such changes. Note that this contingency is part of the contingency noted in Paragraph A.3.1.5.2.

§ 6.1.2 A Change Order shall be based upon agreement between the Owner and Design-Builder. The Owner may issue a Change Directive without agreement by the Design-Builder.

§ 6.1.3 Changes in the Work shall be performed under applicable provisions of the Design-Build Documents, and the Design-Builder shall proceed promptly, unless otherwise provided in the Change Order or Change Directive.

## § 6.2 Change Orders

A Change Order is a written instrument signed by the Owner and Design-Builder stating their agreement upon all of the following:

- .1 The change in the Work;
- .2 The amount of the adjustment, if any, in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation; and
- .3 The extent of the adjustment, if any, in the Contract Time.

## § 6.3 Change Directives

§ 6.3.1 A Change Directive is a written order signed by the Owner directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, or Contract Time. The Owner may by Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions, the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, and Contract Time being adjusted accordingly.

§ 6.3.2 A Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 6.3.3 If the Change Directive provides for an adjustment to the Contract Sum or, if prior to execution of the Design-Build Amendment, an adjustment in the Design-Builder's compensation, the adjustment shall be based on one of the following methods:

- .1 Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation;
- .2 Unit prices stated in the Design-Build Documents or subsequently agreed upon;
- .3 Cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or
- .4 As provided in Section 6.3.7.

§ 6.3.4 If unit prices are stated in the Design-Build Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed in a proposed Change Order or Change Directive so that application of such unit prices to quantities of Work proposed will cause substantial inequity to the Owner or Design-Builder, the applicable unit prices shall be equitably adjusted.

§ 6.3.5 Upon receipt of a Change Directive, the Design-Builder shall promptly proceed with the change in the Work involved and advise the Owner of the Design-Builder's agreement or disagreement with the method, if any, provided in the Change Directive for determining the proposed adjustment in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, or Contract Time.

§ 6.3.6 A Change Directive signed by the Design-Builder indicates the Design-Builder's agreement therewith, including adjustment in Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 6.3.7 If the Design-Builder does not respond promptly or disagrees with the method for adjustment in the Contract Sum or, if prior to execution of the Design-Build Amendment, the method for adjustment in the Design-Builder's compensation, the Owner shall determine the method and the adjustment on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase, an amount for overhead and profit as set forth in the Agreement, or if no such amount is set forth in the Agreement, a reasonable amount. In such case, and also under Section 6.3.3.3, the Design-Builder shall keep and present, in such form as the Owner may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Design-Build Documents, costs for the purposes of this Section 6.3.7 shall be limited to the following:

- .1 Additional costs of professional services;
- .2 Costs of labor, including social security, unemployment insurance, fringe benefits required by agreement or custom, and workers' compensation insurance;
- .3 Costs of materials, supplies and equipment, including cost of transportation, whether incorporated or consumed;
- .4 Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Design-Builder or others;
- .5 Costs of premiums for all bonds and insurance, permit fees, and sales, use or similar taxes related to the Work; and
- .6 Additional costs of supervision and field office personnel directly attributable to the change.

§ 6.3.8 The amount of credit to be allowed by the Design-Builder to the Owner for a deletion or change that results in a net decrease in the Contract Sum or, if prior to execution of the Design-Build Amendment, in the Design-Builder's compensation, shall be actual net cost. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.

§ 6.3.9 Pending final determination of the total cost of a Change Directive to the Owner, the Design-Builder may request payment for Work completed under the Change Directive in Applications for Payment. The Owner will make an interim determination for purposes of certification for payment for those costs deemed to be reasonably justified. The Owner's interim determination of cost shall adjust the Contract Sum or, if prior to execution of the Design-Build Amendment, the Design-Builder's compensation, on the same basis as a Change Order, subject to the right of Design-Builder to disagree and assert a Claim in accordance with Article 14.

§ 6.3.10 When the Owner and Design-Builder agree with a determination concerning the adjustments in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Owner and Design-Builder shall execute a Change Order. Change Orders may be issued for all or any part of a Change Directive.

## ARTICLE 7 OWNER'S RESPONSIBILITIES

### § 7.1 General

§ 7.1.1 The Owner shall designate in writing a representative who shall have express authority to bind the Owner with respect to all Project matters requiring the Owner's approval or authorization.

§ 7.1.2 The Owner shall render decisions in a timely manner and in accordance with the Design-Builder's schedule agreed to by the Owner. The Owner shall furnish to the Design-Builder, within 15 days after receipt of a written request, information necessary and relevant for the Design-Builder to evaluate, give notice of or enforce mechanic's lien rights. Such information shall include a correct statement of the record legal title to the property on which the Project is located, usually referred to as the site, and the Owner's interest therein.

### § 7.2 Information and Services Required of the Owner

§ 7.2.1 The Owner shall furnish information or services required of the Owner by the Design-Build Documents with reasonable promptness.

§ 7.2.2 The Owner shall provide, to the extent under the Owner's control and if not required by the Design-Build Documents to be provided by the Design-Builder, the results and reports of prior tests, inspections or investigations conducted for the Project involving structural or mechanical systems; chemical, air and water pollution; hazardous materials; or environmental and subsurface conditions and information regarding the presence of pollutants at the Project site. Upon receipt of a written request from the Design-Builder, the Owner shall also provide surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site under the Owner's control.

§ 7.2.3 The Owner shall promptly obtain easements, zoning variances, and legal authorizations or entitlements regarding site utilization where essential to the execution of the Project.

§ 7.2.4 The Owner shall cooperate with the Design-Builder in securing building and other permits, licenses and inspections.

§ 7.2.5 The services, information, surveys and reports required to be provided by the Owner under this Agreement, shall be furnished at the Owner's expense, and except as otherwise specifically provided in this Agreement or elsewhere in the Design-Build Documents or to the extent the Owner advises the Design-Builder to the contrary in writing, the Design-Builder shall be entitled to rely upon the accuracy and completeness thereof. In no event shall the Design-Builder be relieved of its responsibility to exercise proper precautions relating to the safe performance of the Work.

§ 7.2.6 If the Owner observes or otherwise becomes aware of a fault or defect in the Work or non-conformity with the Design-Build Documents, the Owner shall give prompt written notice thereof to the Design-Builder.

§ 7.2.7 Prior to the execution of the Design-Build Amendment, the Design-Builder may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Design-Build Documents and the Design-Builder's Proposal. Thereafter, the Design-Builder may only request such evidence if (1) the Owner fails to make payments to the Design-Builder as the Design-Build Documents require; (2) a change in the Work materially changes the Contract Sum; or (3) the Design-Builder identifies in writing a reasonable concern regarding the Owner's ability to make payment when due. The Owner shall furnish such evidence as a condition precedent to commencement or continuation of the Work or the portion of the Work affected by a material change. After the Owner furnishes the evidence, the Owner shall not materially vary such financial arrangements without prior notice to the Design-Builder.

§ 7.2.8 Except as otherwise provided in the Design-Build Documents or when direct communications have been specially authorized, the Owner shall communicate through the Design-Builder with persons or entities employed or retained by the Design-Builder.

§ 7.2.9 Unless required by the Design-Build Documents to be provided by the Design-Builder, the Owner shall, upon request from the Design-Builder, furnish the services of geotechnical engineers or other consultants for investigation of subsurface, air and water conditions when such services are reasonably necessary to properly carry out the design services furnished by the Design-Builder. In such event, the Design-Builder shall specify the services required. Such services may include, but are not limited to, test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, ground corrosion and resistivity tests, and necessary operations for anticipating subsoil conditions. The services of geotechnical engineer(s) or other consultants shall include preparation and submission of all appropriate reports and professional recommendations.

§ 7.2.10 The Owner shall purchase and maintain insurance as set forth in Exhibit B.

### § 7.3 Submittals

§ 7.3.1 The Owner ~~shall~~ may review and approve or take other appropriate action on ~~Submittals~~ Submittals if requested by the Design-Builder per 3.1.11. Review of Submittals is not conducted for the purpose of determining the accuracy and completeness of other details, such as dimensions and quantities; or for substantiating instructions for installation or performance of equipment or systems; or for determining that the Submittals are in conformance with the Design-Build Documents, all of which remain the responsibility of the Design-Builder as required by the Design-Build Documents. The Owner's action will be taken in accordance with the submittal schedule approved by the Owner or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Owner's judgment to permit adequate review. The Owner's review of Submittals shall not relieve the Design-Builder of the obligations under Sections 3.1.11, 3.1.12, and 5.2.3. The Owner's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Owner, of any construction means, methods, techniques, sequences or procedures. The Owner's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 7.3.2 Upon review of the Submittals required by the Design-Build Documents, the Owner shall notify the Design-Builder of any non-conformance with the Design-Build Documents the Owner discovers.

§ 7.4 Visits to the site by the Owner shall not be construed to create an obligation on the part of the Owner to make on-site inspections to check the quality or quantity of the Work. The Owner shall neither have control over or charge

of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, because these are solely the Design-Builder's rights and responsibilities under the Design-Build Documents.

§ 7.5 The Owner shall not be responsible for the Design-Builder's failure to perform the Work in accordance with the requirements of the Design-Build Documents. The Owner shall not have control over or charge of, and will not be responsible for acts or omissions of the Design-Builder, Architect, Consultants, Contractors, or their agents or employees, or any other persons or entities performing portions of the Work for the Design-Builder.

§ 7.6 The Owner has the authority to reject Work that does not conform to the Design-Build Documents. The Owner shall have authority to require inspection or testing of the Work in accordance with Section 15.5.2, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Owner nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Owner to the Design-Builder, the Architect, Consultants, Contractors, material and equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 7.7 The Owner shall determine the date or dates of Substantial Completion in accordance with Section 9.8 and the date of final completion in accordance with Section 9.10.

#### § 7.8 Owner's Right to Stop Work

If the Design-Builder fails to correct Work which is not in accordance with the requirements of the Design-Build Documents as required by Section 11.2 or persistently fails to carry out Work in accordance with the Design-Build Documents, the Owner may issue a written order to the Design-Builder to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Design-Builder or any other person or entity, except to the extent required by Section 5.13.1.3.

#### § 7.9 Owner's Right to Carry Out the Work

If the Design-Builder defaults or neglects to carry out the Work in accordance with the Design-Build Documents and fails within a ten-day period after receipt of written notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, correct such deficiencies. In such case, an appropriate Change Order shall be issued deducting from payments then or thereafter due the Design-Builder the reasonable cost of correcting such deficiencies. If payments then or thereafter due the Design-Builder are not sufficient to cover such amounts, the Design-Builder shall pay the difference to the Owner.

### ARTICLE 8 TIME

#### § 8.1 Progress and Completion

§ 8.1.1 Time limits stated in the Design-Build Documents are ~~of the essence of important to~~ the Contract. By executing the Design-Build Amendment the Design-Builder confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.1.2 The Design-Builder shall not, except by agreement of the Owner in writing, commence the Work prior to the effective date of insurance, other than property insurance, required by this Contract. The Contract Time shall not be adjusted as a result of the Design-Builder's failure to obtain insurance required under this Contract.

§ 8.1.3 The Design-Builder shall proceed expeditiously with adequate forces and shall use its best efforts to achieve Substantial Completion within the Contract Time.

#### § 8.2 Delays and Extensions of Time

§ 8.2.1 If the Design-Builder is delayed at any time in the commencement or progress of the Work by an act or neglect of the Owner or of a consultant or separate contractor employed by the Owner; or by changes ordered in the Work by the Owner; or by labor disputes, fire, unusual delay in deliveries, unavoidable ~~casualties-casualties~~, epidemics, pandemics, public health emergencies, quarantine restrictions, COVID-19 related delays, or other causes beyond the Design-Builder's control; or by delay authorized by the Owner pending mediation and binding dispute resolution or by other causes that the Owner determines may justify delay, then the Contract Time shall be extended by Change Order ~~for such reasonable time as the Owner may determine.~~ Order.

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§ 8.2.2 Claims relating to time shall be made in accordance with applicable provisions of Article 14.

§ 8.2.3 This Section 8.2 does not preclude recovery of damages for delay by either party under other provisions of the Design-Build Documents.

## ARTICLE 9 PAYMENT APPLICATIONS AND PROJECT COMPLETION

### § 9.1 Contract Sum

The Contract Sum is stated in the Design-Build Amendment.

### § 9.2 Schedule of Values

~~Where the Contract Sum is based on a stipulated sum or Guaranteed Maximum Price, the~~ The Design-Builder, prior to the first Application for Payment after execution of the Design-Build Amendment shall submit to the Owner a schedule of values allocating the entire Contract Sum to the various portions of the Work and prepared in such form and supported by such data to substantiate its accuracy as the Owner may require. This schedule, unless objected to by the Owner, shall be used as a basis for reviewing the Design-Builder's Applications for Payment.

### § 9.3 Applications for Payment

§ 9.3.1 At least ten days before the date established for each progress payment, the Design-Builder ~~shall~~ may submit to the Owner an itemized Application for Payment for completed portions of the Work. The application shall be notarized, if required, and supported by data substantiating the Design-Builder's right to payment as the Owner may require, such as copies of requisitions from the Architect, Consultants, Contractors, and material suppliers, and shall reflect retainage if provided for in the Design-Build Documents.

§ 9.3.1.1 As provided in Section 6.3.9, Applications for Payment may include requests for payment on account of changes in the Work that have been properly authorized by Change Directives, or by interim determinations of the Owner, but not yet included in Change Orders.

§ 9.3.1.2 Applications for Payment shall not include requests for payment for portions of the Work for which the Design-Builder does not intend to pay the Architect, Consultant, Contractor, material supplier, or other persons or entities providing services or work for the Design-Builder, unless such Work has been performed by others whom the Design-Builder intends to pay.

§ 9.3.2 Unless otherwise provided in the Design-Build Documents, payments shall be made for services provided as well as materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Design-Builder with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage and transportation to the site for such materials and equipment stored off the site.

§ 9.3.3 The Design-Builder warrants that title to all Work, other than Instruments of Service, covered by an Application for Payment will pass to the Owner no later than the time of payment. The Design-Builder further warrants that, upon submittal of an Application for Payment, all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Design-Builder's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of the Design-Builder, Architect, Consultants, Contractors, material suppliers, or other persons or entities entitled to make a claim by reason of having provided labor, materials and equipment relating to the Work.

### § 9.4 Certificates for Payment

The Owner ~~shall~~ may, within seven days after receipt of the Design-Builder's Application for Payment, issue to the Design-Builder a Certificate for Payment indicating the amount the Owner determines is properly due, and notify the Design-Builder in writing of the Owner's reasons for withholding certification in whole or in part as provided in Section 9.5.1. If no Certificate for Payment is issued within seven (7) days, the Owner shall make payment in accordance with Section 9.6 Progress Payments.

## § 9.5 Decisions to Withhold Certification

§ 9.5.1 The Owner may withhold a Certificate for Payment in whole or in part to the extent reasonably necessary to protect the Owner due to the Owner's reasonable determination that the Work has not progressed to the point indicated in the Design-Builder's Application for Payment, or the quality of the Work is not materially in accordance with the Design-Build Documents. If the Owner is unable to certify payment in the amount of the Application, the Owner will notify the Design-Builder as provided in Section 9.4. If the Design-Builder and Owner cannot agree on a revised amount, the Owner will promptly issue a Certificate for Payment for the amount that the Owner deems to be due and owing. The Owner may also withhold a Certificate for Payment or, because of subsequently discovered evidence, may nullify the whole or a part of a Certificate for Payment previously issued to such extent as may be necessary to protect the Owner from loss for which the Design-Builder is responsible because of

- .1 defective Work, including design and construction, not remedied;
- .2 third party claims filed or reasonable evidence indicating probable filing of such claims unless security acceptable to the Owner is provided by the Design-Builder;
- .3 failure of the Design-Builder to make payments properly to the Architect, Consultants, Contractors or others, for services, labor, materials or equipment;
- .4 reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Sum;
- .5 damage to the Owner or a separate contractor;
- .6 reasonable evidence that the Work will not be completed within the Contract Time, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or
- .7 repeated failure to carry out the Work in accordance with the Design-Build Documents-~~Documents~~ causing material delay.

§ 9.5.2 When the above reasons for withholding certification are removed, certification will be made for amounts previously withheld.

§ 9.5.3 If the Owner withholds certification for payment under Section 9.5.1.3, the Owner may, at its sole option, issue joint checks to the Design-Builder and to the Architect or any Consultants, Contractor, material or equipment suppliers, or other persons or entities providing services or work for the Design-Builder to whom the Design-Builder failed to make payment for Work properly performed or material or equipment suitably delivered.

## § 9.6 Progress Payments

§ 9.6.1 After the Owner has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Design-Build Documents.

§ 9.6.2 The Design-Builder shall pay each Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder no later than the time period required by applicable law, but in no event more than seven days after receipt of payment from the Owner the amount to which the Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder is entitled, reflecting percentages actually retained from payments to the Design-Builder on account of the portion of the Work performed by the Architect, Consultant, Contractor, or other person or entity. The Design-Builder shall, by appropriate agreement with each Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder, require each Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder to make payments to subconsultants and subcontractors in a similar manner.

§ 9.6.3 The Owner will, on request and if practicable, furnish to the Architect, a Consultant, Contractor, or other person or entity providing services or work for the Design-Builder, information regarding percentages of completion or amounts applied for by the Design-Builder and action taken thereon by the Owner on account of portions of the Work done by such Architect, Consultant, Contractor or other person or entity providing services or work for the Design-Builder.

§ 9.6.4 The Owner has the right to request written evidence from the Design-Builder that the Design-Builder has properly paid the Architect, Consultants, Contractors, or other person or entity providing services or work for the Design-Builder, amounts paid by the Owner to the Design-Builder for the Work. If the Design-Builder fails to furnish such evidence within seven days, the Owner shall have the right to contact the Architect, Consultants, and Contractors to ascertain whether they have been properly paid. The Owner shall have no obligation to pay or to see to the payment of money to a Consultant or Contractor, except as may otherwise be required by law.

§ 9.6.5 Design-Builder payments to material and equipment suppliers shall be treated in a manner similar to that provided in Sections 9.6.2, 9.6.3 and 9.6.4.

§ 9.6.6 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the Design-Build Documents.

§ 9.6.7 Unless the Design-Builder provides the Owner with a payment bond in the full penal sum of the Contract Sum, payments received by the Design-Builder for Work properly performed by the Architect, Consultants, Contractors and other person or entity providing services or work for the Design-Builder, shall be held by the Design-Builder for the Architect and those Consultants, Contractors, or other person or entity providing services or work for the Design-Builder, for which payment was made by the Owner. Nothing contained herein shall require money to be placed in a separate account and not commingled with money of the Design-Builder, shall create any fiduciary liability or tort liability on the part of the Design-Builder for breach of trust or shall entitle any person or entity to an award of punitive damages against the Design-Builder for breach of the requirements of this provision.

### § 9.7 Failure of Payment

If the Owner does not issue a Certificate for ~~Payment~~, Payment or make payments within the timeframes in Section A.1.5.1.3, through no fault of the Design-Builder, within the time required by the Design-Build Documents, then the Design-Builder may, upon seven additional days' written notice to the Owner, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Design-Builder's reasonable costs of shut-down, delay and start-up, plus interest as provided for in the Design-Build Documents.

### § 9.8 Substantial Completion

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Design-Build Documents so that the Owner can occupy or utilize the Work for its intended use. The date of Substantial Completion is the date certified by the Owner in accordance with this Section 9.8.

§ 9.8.2 When the Design-Builder considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Design-Builder shall prepare and submit to the Owner a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Design-Builder to complete all Work in accordance with the Design-Build Documents.

§ 9.8.3 Upon receipt of the Design-Builder's list, the Owner shall make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Owner's inspection discloses any item, whether or not included on the Design-Builder's list, which is not sufficiently complete in accordance with the Design-Build Documents so that the Owner can occupy or utilize the Work or designated portion thereof for its intended use, the Design-Builder shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Owner. In such case, the Design-Builder shall then submit a request for another inspection by the Owner to determine Substantial Completion.

§ 9.8.4 Prior to issuance of the Certificate of Substantial Completion under Section 9.8.5, the Owner and Design-Builder shall discuss and then determine the parties' obligations to obtain and maintain property insurance following issuance of the Certificate of Substantial Completion.

§ 9.8.5 When the Work or designated portion thereof is substantially complete, the Design-Builder will prepare for the Owner's signature a Certificate of Substantial Completion that shall, upon the Owner's signature, establish the date of Substantial Completion; establish responsibilities of the Owner and Design-Builder for security, maintenance, heat, utilities, damage to the Work and insurance; and fix the time within which the Design-Builder shall finish all items on the list accompanying the Certificate. Warranties required by the Design-Build Documents shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion.

§ 9.8.6 The Certificate of Substantial Completion shall be submitted by the Design-Builder to the Owner for written acceptance of responsibilities assigned to it in the Certificate. Upon the Owner's acceptance, and consent of surety, if

any, the Owner shall make payment of retainage applying to the Work or designated portion thereof. Payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Design-Build Documents.

#### **§ 9.9 Partial Occupancy or Use**

**§ 9.9.1** The Owner may occupy or use any completed or partially completed portion of the Work at any stage when such portion is designated by separate agreement with the Design-Builder, provided such occupancy or use is consented to, by endorsement or otherwise, by the insurer providing property insurance and authorized by public authorities having jurisdiction over the Project. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Owner and Design-Builder have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Design-Build Documents. When the Design-Builder considers a portion substantially complete, the Design-Builder shall prepare and submit a list to the Owner as provided under Section 9.8.2. Consent of the Design-Builder to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Design-Builder.

**§ 9.9.2** Immediately prior to such partial occupancy or use, the Owner and Design-Builder shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

**§ 9.9.3** Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Design-Build Documents.

#### **§ 9.10 Final Completion and Final Payment**

**§ 9.10.1** Upon receipt of the Design-Builder's written notice that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Owner will promptly make such inspection. When the Owner finds the Work acceptable under the Design-Build Documents and the Contract fully performed, the Owner will, subject to Section 9.10.2, promptly issue a final Certificate for Payment.

**§ 9.10.2** Neither final payment nor any remaining retained percentage shall become due until the Design-Builder submits to the Owner (1) an affidavit that payrolls, bills for materials and equipment, and other indebtedness connected with the Work, for which the Owner or the Owner's property might be responsible or encumbered, (less amounts withheld by Owner) have been paid or otherwise satisfied, (2) a certificate evidencing that insurance required by the Design-Build Documents to remain in force after final payment is currently in effect, (3) a written statement that the Design-Builder knows of no substantial reason that the insurance will not be renewable to cover the period required by the Design-Build Documents, (4) consent of surety, if any, to final payment, (5) as-constructed record copy of the Construction Documents marked to indicate field changes and selections made during construction, (6) manufacturer's warranties, product data, and maintenance and operations manuals, and (7) if reasonably and timely required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts, or releases and waivers of liens, claims, security interests, or encumbrances, arising out of the Contract, to the extent and in such form as may be designated by the Owner. If an Architect, a Consultant, or a Contractor, or other person or entity providing services or work for the Design-Builder, refuses to furnish a release or waiver required by the Owner, the Design-Builder may furnish a bond satisfactory to the Owner to indemnify the Owner against such liens, claims, security interests, or encumbrances. If such liens, claims, security interests, or encumbrances remain unsatisfied after payments are made, the Design-Builder shall refund to the Owner all money that the Owner may be compelled to pay in discharging such liens, claims, security interests, or encumbrances, including all costs and reasonable attorneys' fees.

**§ 9.10.3** If, after Substantial Completion of the Work, final completion thereof is materially delayed through no fault of the Design-Builder or by issuance of Change Orders affecting final completion, the Owner shall, upon application by the Design-Builder, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Design-Build Documents, and if bonds have been furnished, the written consent of surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Design-Builder to the Owner prior to issuance of payment. Such payment shall be made under terms and conditions governing final payment, except that it shall not constitute a waiver of claims.

**§ 9.10.4** The making of final payment shall constitute a waiver of Claims by the Owner except those arising from

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- .1 liens, Claims, security interests or encumbrances arising out of the Contract and unsettled;
- .2 failure of the Work to comply with the requirements of the Design-Build Documents; or
- .3 terms of special warranties required by the Design-Build Documents.

§ 9.10.5 Acceptance of final payment by the Design-Builder shall constitute a waiver of claims by the Design-Builder except those previously made in writing and identified by the Design-Builder as unsettled at the time of final Application for Payment.

**ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY**

**§ 10.1 Safety Precautions and Programs**

The Design-Builder shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Contract.

**§ 10.2 Safety of Persons and Property**

§ 10.2.1 The Design-Builder shall be responsible for precautions for the safety of, and reasonable protection to prevent damage, injury or loss to

- .1 employees on the Work and other persons who may be affected thereby;
- .2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody or control of the Design-Builder or the Architect, Consultants, or Contractors, or other person or entity providing services or work for the Design-Builder; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, or structures and utilities not designated for removal, relocation or replacement in the course of construction.

§ 10.2.2 The Design-Builder shall comply with, and give notices required by, applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, bearing on safety of persons or property, or their protection from damage, injury or loss.

§ 10.2.3 The Design-Builder shall implement, erect, and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations, and notify owners and users of adjacent sites and utilities of the safeguards and protections.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment, or unusual methods, are necessary for execution of the Work, the Design-Builder shall exercise utmost care, and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Design-Builder shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Design-Build Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3, caused in whole or in part by the Design-Builder, the Architect, a Consultant, a Contractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Design-Builder is responsible under Sections 10.2.1.2 and 10.2.1.3; except damage or loss attributable to acts or omissions of the Owner, or anyone directly or indirectly employed by the Owner, or by anyone for whose acts the Owner may be liable, and not attributable to the fault or negligence of the Design-Builder. The foregoing obligations of the Design-Builder are in addition to the Design-Builder's obligations under Section 3.1.14.

§ 10.2.6 The Design-Builder shall designate a responsible member of the Design-Builder's organization, at the site, whose duty shall be the prevention of accidents. This person shall be the Design-Builder's superintendent unless otherwise designated by the Design-Builder in writing to the Owner.

§ 10.2.7 The Design-Builder shall not permit any part of the construction or site to be loaded so as to cause damage or create an unsafe condition.

§ 10.2.8 **Injury or Damage to Person or Property.** If the Owner or Design-Builder suffers injury or damage to person or property because of an act or omission of the other, or of others for whose acts such party is legally responsible, written notice of the injury or damage, whether or not insured, shall be given to the other party within a reasonable

time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the other party to investigate the matter.

### § 10.3 Hazardous Materials

§ 10.3.1 The Design-Builder is responsible for compliance with any requirements included in the Design-Build Documents regarding hazardous materials. If the Design-Builder encounters a hazardous material or substance not addressed in the Design-Build Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including but not limited to asbestos or polychlorinated biphenyl (~~PCB~~), (~~PCB~~) or mold, encountered on the site by the Design-Builder, the Design-Builder shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Owner in writing.

§ 10.3.2 Upon receipt of the Design-Builder's written notice, the Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Design-Builder and, in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Design-Build Documents, the Owner shall furnish in writing to the Design-Builder the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of such material or substance or who are to perform the task of removal or safe containment of such material or substance. ~~The Design-Builder will promptly reply to the Owner in writing stating whether or not the Design-Builder has reasonable objection to the persons or entities proposed by the Owner. If the Design-Builder has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Design-Builder has no reasonable objection.~~ remediation of all hazardous material shall be the responsibility of the Owner and provide the Design-Builder all documentation showing that all of the materials have been removed and/or contained/encapsulated and properly disposed of in accordance with all federal, state and local requirements prior to returning to work. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Design-Builder. By Change Order, the Contract Time shall be extended appropriately and the Contract Sum shall be increased in the amount of the Design-Builder's reasonable additional costs of shut-down, delay and start-up.

§ 10.3.3 To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Design-Builder, the Architect, Consultants, and Contractors, and employees of any of them, from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work in the affected area, if in fact the material or substance presents the risk of bodily injury or death as described in Section 10.3.1 and has not been rendered harmless, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to, or destruction of, tangible property (other than the Work itself), except to the extent that such damage, loss or expense is due to the fault or negligence of the party seeking indemnity.

§ 10.3.4 The Owner shall not be responsible under this Section 10.3 for materials or substances the Design-Builder brings to the site unless such materials or substances are required by the Owner's Criteria. The Owner shall be responsible for materials or substances required by the Owner's Criteria, except to the extent of the Design-Builder's fault or negligence in the use and handling of such materials or substances.

§ 10.3.5 The Design-Builder shall indemnify the Owner for the cost and expense the Owner incurs ~~(1) for (1) for~~ remediation of a material or substance the Design-Builder brings to the site and negligently handles, or ~~(2) where (2)~~ where the Design-Builder fails to perform its obligations under ~~Section 10.3.1, Section 10.3.1,~~ except to the extent that the cost and expense are due to the Owner's fault or negligence.

§ 10.3.6 ~~If, without negligence on the part of the Design-Builder,~~ If the Design-Builder is held liable by a government agency for the cost of remediation of a hazardous material or substance solely by reason of performing Work as required by the Design-Build Documents, the Owner shall indemnify the Design-Builder for all cost and expense thereby incurred.

### § 10.4 Emergencies

In an emergency affecting safety of persons or property, the Design-Builder shall act, at the Design-Builder's discretion, to prevent threatened damage, injury or loss.

## ARTICLE 11 UNCOVERING AND CORRECTION OF WORK

### § 11.1 Uncovering of Work

The Owner may request to examine a portion of the Work that the Design-Builder has covered to determine if the Work has been performed in accordance with the Design-Build Documents. If such Work is in accordance with the Design-Build Documents, the Owner and Design-Builder shall execute a Change Order to adjust the Contract Time and Contract Sum, as appropriate. If such Work is not in accordance with the Design-Build Documents, the costs of uncovering and correcting the Work shall be at the Design-Builder's expense and the Design-Builder shall not be entitled to a change in the Contract Time unless the condition was caused by the Owner or a separate contractor in which event the Owner shall be responsible for payment of such costs and the Contract Time will be adjusted as appropriate.

### § 11.2 Correction of Work

**§ 11.2.1 Before or After Substantial Completion.** The Design-Builder shall promptly correct Work rejected by the Owner or failing to conform to the requirements of the Design-Build Documents, whether discovered before or after Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for any design consultant employed by the Owner whose expenses and compensation were made necessary thereby, shall be at the Design-Builder's expense.

### § 11.2.2 After Substantial Completion

**§ 11.2.2.1** In addition to the Design-Builder's obligations under Section 3.1.12, if, within one year after the date of Substantial Completion of the Work or designated portion thereof or after the date for commencement of warranties established under Section 9.9.1, or by terms of an applicable special warranty required by the Design-Build Documents, any of the Work is found not to be in accordance with the requirements of the Design-Build Documents, the Design-Builder shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Design-Builder a written acceptance of such condition. The Owner shall give such notice promptly after discovery of the condition. During the one-year period for correction of the Work, if the Owner fails to notify the Design-Builder and give the Design-Builder an opportunity to make the correction, the Owner waives the rights to require correction by the Design-Builder and to make a claim for breach of warranty. If the Design-Builder fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Owner, the Owner may correct it in accordance with Section 7.9.

~~§ 11.2.2.2 The one year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the Work.~~

~~§ 11.2.2.3 The one year period for correction of Work shall not be extended by corrective Work performed by the Design Builder pursuant to this Section 11.2.~~

**§ 11.2.3** The Design-Builder shall remove from the site portions of the Work that are not in accordance with the requirements of the Design-Build Documents and are neither corrected by the Design-Builder nor accepted by the Owner.

**§ 11.2.4** The Design-Builder shall bear the cost of correcting destroyed or damaged construction of the Owner or separate contractors, whether completed or partially completed, caused by the Design-Builder's correction or removal of Work that is not in accordance with the requirements of the Design-Build Documents.

**§ 11.2.5** Nothing contained in this Section 11.2 shall be construed to establish a period of limitation with respect to other obligations the Design-Builder has under the Design-Build Documents. Establishment of the one-year period for correction of Work as described in Section 11.2.2 relates only to the specific obligation of the Design-Builder to correct the Work, and has no relationship to the time within which the obligation to comply with the Design-Build Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Design-Builder's liability with respect to the Design-Builder's obligations other than specifically to correct the Work.

### § 11.3 Acceptance of Nonconforming Work

If the Owner prefers to accept Work that is not in accordance with the requirements of the Design-Build Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

## ARTICLE 12 COPYRIGHTS AND LICENSES

§ 12.1 Drawings, specifications, and other documents furnished by the Design-Builder, including those in electronic form, are Instruments of Service. The Design-Builder, and the Architect, Consultants, Contractors, and any other person or entity providing services or work for any of them, shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements, or for similar purposes in connection with the Project, is not to be construed as publication in derogation of the reserved rights of the Design-Builder and the Architect, Consultants, and Contractors, and any other person or entity providing services or work for any of them.

§ 12.2 The Design-Builder and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project. If the Owner and Design-Builder intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Design-Builder and the Design-Builder's consultants.

12.2.1 Drawings, specifications and other documents, including those in electronic form, prepared by the Design-Builder and the Design-Builder's consultants are Instruments of Service for use solely with respect to this Project or future expansions or modifications. All rights, title and interest, including, without limitation, manufacturing, development and exploitation rights in and to all plans, data, drawings, specifications, ideas, data, scripts, sketches, designs, concepts, reports, documentation, and/or other work product (whether tangible or intangible), produced by the Design-Builder or the Design-Builder's consultants in connection with the Work or otherwise communication by the Design-Builder to Owner pursuant to this Agreement ("Instruments of Service") (excluding such portions as are part of and incorporated in the Design-Builder's standard specifications and standard construction details, which portions of the Instruments of Service are not specific to this Project) shall at all times be and remain vested in Owner. For those documents which contain the Design-Builder's or the Design-Builder's consultants' standard specifications and standard construction details, the Owner shall have a limited use license which will be limited only to the particular Project covered by this Agreement and future expansions and modifications to this Project. As long as the Owner uses the documents containing the Design-Builder's or the Design-Builder's consultants' standard specifications and standard construction details solely for this Project, that use shall not be limited in any other manner. In the event the Design-Builder performed any work for the Project prior to the execution of this Agreement, or without any written agreement, whatsoever, then all such work shall also be included within the definition of Instruments of Services as defined herein.

12.2.2 The Design-Builder shall insure that all rights, title and interest, including, without limitation, manufacturing, development and exploitation rights in the Instruments of Service being provided by the Design-Builder's consultants shall at all times be and remain vested in Owner. Upon any termination of this Agreement prior to completion of the Project, the Design-Builder and the Design-Builder's consultants shall deliver all applicable hard-copy and electronic files to the Owner, permitting the Owner to authorize other similarly credentialed design professionals to reproduce and, where permitted by law, to make changes, corrections or additions to the Instruments of Service.

12.2.3 Except for the licenses granted in Article 12, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Design-Builder. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Design-Builder and the Design-Builder's consultants. In addition, the Owner shall be permitted to authorize the Construction Manager, Contractor, Subcontractors, Sub-subcontractors and material or equipment suppliers to use, reproduce and augment applicable portions of the Instruments of Service in both hard-copy and electronic form, as appropriate to and for use in their execution and coordination of the Work.

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12.2.4 Unless otherwise provided in this Agreement, if CADD technology is used by the Design-Builder in connection with this Project, Design-Builder shall retain all rights, title and interest in the CADD applications programs, electronic tapes, and disks related to the CADD applications programs. If Owner wishes to obtain a copy of any compact disk ("CD") containing portions of Design-Builder's design database pertaining to this Project for any reason, then Design-Builder shall prepare a duplicate disk and deliver the same to Owner at no additional cost. Owner shall provide any necessary copies of CADD applications programs. Uses by the Owner include but are not limited to backgrounds for Contractor or subcontractor shop drawings, as-built drawings, Owner marketing and other Owner promotional materials.

12.2.5 If the Owner takes steps to terminate the Design-Builder's right to perform services under this Agreement as a result of the Design-Builder's default hereunder, as provided in Article 14, provided the Design-Builder has been paid in accordance with Section 13.2.2, the Design-Builder shall cooperate fully with the Owner by immediately turning over possession and control to the Owner of all work papers, work product and the digital and reproducible copies of the Instruments of Service either stored for use on computers or in any other type of media and otherwise assist the Owner's successor designers to complete the design or perform redesign work. The only charges that may be assessed by the Design-Builder for the turnover of possession and control of all Project documentation are the direct cost of reproduction by photocopying, or other data duplication methods selected by the Owner at its sole discretion. However, no charges for services may be imposed or required as a condition of turning over possession and control of all work papers, work product and the Instruments of Service related to the Project.

12.2.6 Design-Builder shall not use or disclose any portion of the Instruments of Service (excluding such portions as are part of and incorporated in Design-Builder's standard specifications and standard construction details, which portions of the Instruments of Service are not specific to this Project) without Owner's prior written consent, which consent Owner may grant or withhold in Owner's sole and absolute discretion. Design-Builder may not utilize any of the copyrightable or patentable programs, materials, designs and/or other Instruments of Service (or any portions thereof), without the Owner's prior written permission. In addition, Design-Builder agrees not to recreate any designs or any other tangible Instruments of Service, or any portions thereof, which, if constructed or otherwise materialized, would be reasonably identifiable with the Instruments of Services produced by Design-Builder pursuant to this Agreement, without the Owner's prior, written permission.

**§ 12.3** Upon execution of the Agreement, the Design-Builder grants to the Owner a limited, irrevocable and non-exclusive license to use the Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations, including prompt payment of all sums when due, under the Design-Build Documents. The license granted under this section permits the Owner to authorize its consultants and separate contractors to reproduce applicable portions of the Instruments of Service solely and exclusively for use in performing services or construction for the Project. If the Design-Builder rightfully terminates this Agreement for cause as provided in Section 13.1.4 or 13.2.1 the license granted in this Section 12.3 shall terminate.

**§ 12.3.1** The Design-Builder shall obtain non-exclusive licenses from the Architect, Consultants, and Contractors, that will allow the Design-Builder to satisfy its obligations to the Owner under this Article 12. The Design-Builder's licenses from the Architect and its Consultants and Contractors shall also allow the Owner, in the event this Agreement is terminated for any reason other than the default of the Owner or in the event the Design-Builder's Architect, Consultants, or Contractors terminate their agreements with the Design-Builder for cause, to obtain a limited, irrevocable and non-exclusive license solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner (1) agrees to pay to the Architect, Consultant or Contractor all amounts due, and (2) provide the Architect, Consultant or Contractor with the Owner's written agreement to indemnify and hold harmless the Architect, Consultant or Contractor from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's alteration or use of the Instruments of Service.

**§ 12.3.2** In the event the Owner alters the Instruments of Service without the author's written authorization or uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Design-Builder, Architect, Consultants, Contractors and any other person or entity providing services or work for any of them, from all claims and causes of action arising from or related to such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Design-Builder, Architect, Consultants, Contractors and any other person or entity providing services or work for any of them, from all costs and expenses, including the cost of

defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's alteration or use of the Instruments of Service under this Section 12.3.2. The terms of this Section 12.3.2 shall not apply if the Owner rightfully terminates this Agreement for cause under Sections 13.1.4 or 13.2.2.

## ARTICLE 13 TERMINATION OR SUSPENSION

### § 13.1 Termination or Suspension Prior to Execution of the Design-Build Amendment

§ 13.1.1 If the Owner fails to make payments to the Design-Builder for Work prior to execution of the Design-Build Amendment in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Design-Builder's option, cause for suspension of performance of services under this Agreement. If the Design-Builder elects to suspend the Work, the Design-Builder shall give seven days' written notice to the Owner before suspending the Work. In the event of a suspension of the Work, the Design-Builder shall have no liability to the Owner for delay or damage caused by the suspension of the Work. Before resuming the Work, the Design-Builder shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Design-Builder's Work. The Design-Builder's compensation for, and time to complete, the remaining Work shall be equitably adjusted.

§ 13.1.2 If the Owner suspends the Project, the Design-Builder shall be compensated for the Work performed prior to notice of such suspension. When the Project is resumed, the Design-Builder shall be compensated for expenses incurred in the interruption and resumption of the Design-Builder's Work. The Design-Builder's compensation for, and time to complete, the remaining Work shall be equitably adjusted.

§ 13.1.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Design-Builder, the Design-Builder may terminate this Agreement by giving not less than seven days' written notice.

§ 13.1.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 13.1.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Design-Builder for the Owner's convenience and without cause.

§ 13.1.6 In the event of termination not the fault of the Design-Builder, the Design-Builder shall be compensated for Work performed prior to termination, together with Reimbursable Expenses then ~~due due~~, reasonable profit and overhead on remaining uncompleted work and any other expenses directly attributable to termination for which the Design-Builder is not otherwise compensated. In no event shall the Design-Builder's compensation under this Section 13.1.6 be greater than the compensation set forth in Section 2.1. If the Agreement is terminated for any reason not the fault of the Owner, Design-Builder will not be compensated for any lost profit or overhead on the remaining uncompleted Work.

### § 13.2 Termination or Suspension Following Execution of the Design-Build Amendment

#### § 13.2.1 Termination by the Design-Builder

§ 13.2.1.1 The Design-Builder may terminate the Contract if the Work is stopped for a period of 30 consecutive days through no act or fault of the Design-Builder, the Architect, a Consultant, or a Contractor, or their agents or employees, or any other persons or entities performing portions of the Work under direct or indirect contract with the Design-Builder, for any of the following reasons:

- .1 Issuance of an order of a court or other public authority having jurisdiction that requires all Work to be stopped;
- .2 An act of government, such as a declaration of national emergency that requires all Work to be stopped;
- .3 Because the Owner has not issued a Certificate for Payment and has not notified the Design-Builder of the reason for withholding certification as provided in Section 9.5.1, or because the Owner has not made payment on a Certificate for Payment within the time stated in the Design-Build Documents; or
- .4 The Owner has failed to furnish to the Design-Builder promptly, upon the Design-Builder's request, reasonable evidence as required by Section 7.2.7.

§ 13.2.1.2 The Design-Builder may terminate the Contract if, through no act or fault of the Design-Builder, the Architect, a Consultant, a Contractor, or their agents or employees or any other persons or entities performing portions

of the Work under direct or indirect contract with the Design-Builder, repeated suspensions, delays or interruptions of the entire Work by the Owner as described in Section 13.2.3 constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less.

§ 13.2.1.3 If one of the reasons described in Section 13.2.1.1 or 13.2.1.2 exists, the Design-Builder may, upon seven days' written notice to the Owner, terminate the Contract and recover from the Owner payment for Work executed, including reasonable overhead and profit, costs incurred by reason of such termination, and damages.

§ 13.2.1.4 If the Work is stopped for a period of 60 consecutive days through no act or fault of the Design-Builder or any other persons or entities performing portions of the Work under contract with the Design-Builder because the Owner has repeatedly failed to fulfill the Owner's obligations under the Design-Build Documents with respect to matters important to the progress of the Work, the Design-Builder may, upon seven additional days' written notice to the Owner, terminate the Contract and recover from the Owner as provided in Section 13.2.1.3.

### § 13.2.2 Termination by the Owner For Cause

§ 13.2.2.1 The Owner may terminate the Contract if the Design-Builder

- .1 fails to submit the Proposal by the date required by this Agreement, or if no date is indicated, within a reasonable time consistent with the date of Substantial Completion;
- .2 repeatedly refuses or fails to supply an Architect, or enough properly skilled Consultants, Contractors, or workers or proper materials;
- .3 fails to make payment to the Architect, Consultants, or Contractors for services, materials or labor in accordance with their respective agreements with the Design-Builder;
- .4 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or
- .5 is otherwise guilty of substantial breach of a provision of the Design-Build Documents.

§ 13.2.2.2 When any of the above reasons exist, the Owner may without prejudice to any other rights or remedies of the Owner and after giving the Design-Builder and the Design-Builder's surety, if any, seven days' written notice, terminate employment of the Design-Builder and may, subject to any prior rights of the surety:

- .1 Exclude the Design-Builder from the site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Design-Builder;
- .2 Accept assignment of the Architect, Consultant and Contractor agreements pursuant to Section 3.1.15; and
- .3 Finish the Work by whatever reasonable method the Owner may deem expedient. Upon written request of the Design-Builder, the Owner shall furnish to the Design-Builder a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 13.2.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 13.2.2.1, the Design-Builder shall not be entitled to receive further payment until the Work is finished.

§ 13.2.2.4 If the unpaid balance of the Contract Sum exceeds costs of finishing the Work and other damages incurred by the Owner and not expressly waived, such excess shall be paid to the Design-Builder. If such costs and damages exceed the unpaid balance, the Design-Builder shall pay the difference to the Owner. The obligation for such payments shall survive termination of the Contract.

### § 13.2.3 Suspension by the Owner for Convenience

§ 13.2.3.1 The Owner may, without cause, order the Design-Builder in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the Owner may determine.

§ 13.2.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay or interruption as described in Section 13.2.3.1. Adjustment of the Contract Sum shall include profit. No adjustment shall be made to the extent

- .1 that performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Design-Builder is responsible; or
- .2 that an equitable adjustment is made or denied under another provision of the Contract.

**§ 13.2.4 Termination by the Owner for Convenience**

**§ 13.2.4.1** The Owner may, at any time, terminate the Contract for the Owner's convenience and without cause.

**§ 13.2.4.2** Upon receipt of written notice from the Owner of such termination for the Owner's convenience, the Design-Builder shall

- .1 cease operations as directed by the Owner in the notice;
- .2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and,
- .3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing Project agreements, including agreements with the Architect, Consultants, Contractors, and purchase orders, and enter into no further Project agreements and purchase orders.

**§ 13.2.4.3** In case of such termination for the Owner's convenience, the Design-Builder shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, along with reasonable overhead and profit on the Work not executed.

**ARTICLE 14 CLAIMS AND DISPUTE RESOLUTION**

**§ 14.1 Claims**

**§ 14.1.1 Definition.** A Claim is a demand or assertion by one of the parties seeking, as a matter of right, payment of money, or other relief with respect to the terms of the Contract. The term "Claim" also includes other disputes and matters in question between the Owner and Design-Builder arising out of or relating to the Contract. The responsibility to substantiate Claims shall rest with the party making the Claim.

**§ 14.1.2 Time Limits on Claims.** The Owner and Design-Builder shall commence all claims and causes of action, whether in contract, tort, breach of warranty or otherwise, against the other, arising out of or related to the Contract in accordance with the requirements of the binding dispute resolution method selected in Section 1.3, within the time period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Design-Builder waive all claims and causes of action not commenced in accordance with this Section 14.1.2.

**§ 14.1.3 Notice of Claims**

**§ 14.1.3.1 Prior To Final Payment.** Prior to Final Payment, Claims by either the Owner or Design-Builder must be initiated by written notice to the other party within 21 days after occurrence of the event giving rise to such Claim or within 21 days after the claimant first recognizes the condition giving rise to the Claim, whichever is later.

**§ 14.1.3.2 Claims Arising After Final Payment.** After Final Payment, Claims by either the Owner or Design-Builder that have not otherwise been waived pursuant to Sections 9.10.4 or 9.10.5, must be initiated by prompt written notice to the other party. The notice requirement in Section 14.1.3.1 and the Initial Decision requirement as a condition precedent to mediation in Section 14.2.1 shall not apply.

**§ 14.1.4 Continuing Contract Performance.** Pending final resolution of a Claim, except as otherwise agreed in writing or as provided in Section 9.7 and Article 13, the Design-Builder shall proceed diligently with performance of the Contract and the Owner shall continue to make payments in accordance with the Design-Build Documents.

**§ 14.1.5 Claims for Additional Cost.** If the Design-Builder intends to make a Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the portion of the Work that relates to the Claim. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.4.

**§ 14.1.6 Claims for Additional Time**

**§ 14.1.6.1** If the Design-Builder intends to make a Claim for an increase in the Contract Time, written notice as provided herein shall be given. The Design-Builder's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

**§ 14.1.6.2** If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated, and had an adverse effect on the scheduled construction.

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### § 14.1.7 Claims for Consequential Damages

The Design-Builder and Owner waive Claims against each other for consequential damages arising out of or relating to this Contract. This mutual waiver includes

- .1 damages incurred by the Owner for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and
- .2 damages incurred by the Design-Builder for principal office expenses including the compensation of personnel stationed there, for losses of financing, business and reputation, and for loss of profit except anticipated profit arising directly from the Work.

This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with Article 13. ~~Nothing contained in this Section 14.1.7 shall be deemed to preclude an award of liquidated damages, when applicable, in accordance with the requirements of the Design-Build Documents.~~

### § 14.2 Initial Decision

§ 14.2.1 An initial decision shall be required as a condition precedent to mediation of all Claims between the Owner and Design-Builder initiated prior to the date final payment is due, excluding those arising under Sections 10.3 and 10.4 of the Agreement and Sections B.3.2.9 and B.3.2.10 of Exhibit B to this Agreement, unless 30 days have passed after the Claim has been initiated with no decision having been rendered. Unless otherwise mutually agreed in writing, the Owner shall render the initial decision on Claims.

#### § 14.2.2 Procedure

§ 14.2.2.1 **Claims Initiated by the Owner.** If the Owner initiates a Claim, the Design-Builder shall provide a written response to Owner within ten days after receipt of the notice required under Section 14.1.3.1. Thereafter, the Owner shall render an initial decision within ten days of receiving the Design-Builder's response: (1) withdrawing the Claim in whole or in part, (2) approving the Claim in whole or in part, or (3) suggesting a compromise.

§ 14.2.2.2 **Claims Initiated by the Design-Builder.** If the Design-Builder initiates a Claim, the Owner will take one or more of the following actions within ten days after receipt of the notice required under Section 14.1.3.1: (1) request additional supporting data, (2) render an initial decision rejecting the Claim in whole or in part, (3) render an initial decision approving the Claim, (4) suggest a compromise or (5) indicate that it is unable to render an initial decision because the Owner lacks sufficient information to evaluate the merits of the Claim.

§ 14.2.3 In evaluating Claims, the Owner may, but shall not be obligated to, consult with or seek information from persons with special knowledge or expertise who may assist the Owner in rendering a decision. The retention of such persons shall be at the Owner's expense.

§ 14.2.4 If the Owner requests the Design-Builder to provide a response to a Claim or to furnish additional supporting data, the Design-Builder shall respond, within ten days after receipt of such request, and shall either (1) provide a response on the requested supporting data, (2) advise the Owner when the response or supporting data will be furnished or (3) advise the Owner that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Owner will either reject or approve the Claim in whole or in part.

§ 14.2.5 The Owner's initial decision shall (1) be in writing; (2) state the reasons therefor; and (3) identify any change in the Contract Sum or Contract Time or both. The initial decision shall be final and binding on the parties but subject to mediation and, if the parties fail to resolve their dispute through mediation, to binding dispute resolution.

§ 14.2.6 Either party may file for mediation of an initial decision at any time, subject to the terms of Section 14.2.6.1.

§ 14.2.6.1 Either party may, within 30 days from the date of an initial decision, demand in writing that the other party file for mediation within 60 days of the initial decision. If such a demand is made and the party receiving the demand fails to file for mediation within the time required, then both parties waive their rights to mediate or pursue binding dispute resolution proceedings with respect to the initial decision.

§ 14.2.7 In the event of a Claim against the Design-Builder, the Owner may, but is not obligated to, notify the surety, if any, of the nature and amount of the Claim. If the Claim relates to a possibility of a Design-Builder's default, the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

§ 14.2.8 If a Claim relates to or is the subject of a mechanic's lien, the party asserting such Claim may proceed in accordance with applicable law to comply with the lien notice or filing deadlines.

#### § 14.3 Mediation

§ 14.3.1 Claims, disputes, or other matters in controversy arising out of or related to the Contract, except those waived as provided for in Sections 9.10.4, 9.10.5, and 14.1.7, shall be subject to mediation as a condition precedent to binding dispute resolution.

§ 14.3.2 The parties shall endeavor to resolve their Claims by mediation which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of the Agreement. A request for mediation shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of binding dispute resolution proceedings but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this Section 14.3.2, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 14.3.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction.

#### § 14.4 Arbitration

§ 14.4.1 If the parties have selected arbitration as the method for binding dispute resolution in Section 1.3, any Claim subject to, but not resolved by, mediation shall be subject to arbitration which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of the Agreement. A demand for arbitration shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the arbitration. The party filing a notice of demand for arbitration must assert in the demand all Claims then known to that party on which arbitration is permitted to be demanded. Prior to arbitration, in an effort to resolve any conflicts that arise during the design or construction of the project, or following the completion of the project, the president, or other duly authorized representative of each organization shall meet together in good faith in an attempt to resolve the conflict.

§ 14.4.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the Claim would be barred by the applicable statute of limitations or statute of repose. For statute of limitations or statute of repose purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the Claim.

§ 14.4.2 The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction.

§ 14.4.3 The foregoing agreement to arbitrate, and other agreements to arbitrate with an additional person or entity duly consented to by parties to the Agreement, shall be specifically enforceable under applicable law in any court having jurisdiction thereof.

#### § 14.4.4 Consolidation or Joinder

§ 14.4.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation, (2) the arbitrations to be consolidated substantially involve common questions of law or fact, and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 14.4.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 14.4.4.3 The Owner and Design-Builder grant to any person or entity made a party to an arbitration conducted under this Section 14.4, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Design-Builder under this Agreement.

## ARTICLE 15 MISCELLANEOUS PROVISIONS

### § 15.1 Governing Law

The Contract shall be governed by the law of the place where the Project is located except that, if the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 14.4.

### § 15.2 Successors and Assigns

§ 15.2.1 The Owner and Design-Builder, respectively, bind themselves, their partners, successors, assigns and legal representatives to the covenants, agreements and obligations contained in the Design-Build Documents. Except as provided in Section 15.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 15.2.2 The Owner may, without consent of the Design-Builder, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Design-Build Documents. The Design-Builder shall execute all consents reasonably required to facilitate such assignment.

§ 15.2.3 If the Owner requests the Design-Builder, Architect, Consultants, or Contractors to execute certificates, other than those required by Section 3.1.10, the Owner shall submit the proposed language of such certificates for review at least 14 days prior to the requested dates of execution. If the Owner requests the Design-Builder, Architect, Consultants, or Contractors to execute consents reasonably required to facilitate assignment to a lender, the Design-Builder, Architect, Consultants, or Contractors shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to them for review at least 14 days prior to execution. The Design-Builder, Architect, Consultants, and Contractors shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of their services.

### § 15.3 Written Notice

Written notice shall be deemed to have been duly served if delivered in person to the individual, to a member of the firm or entity, or to an officer of the corporation for which it was intended; or if delivered at, or sent by registered or certified mail or by courier service providing proof of delivery to, the last business address known to the party giving notice.

### § 15.4 Rights and Remedies

§ 15.4.1 Duties and obligations imposed by the Design-Build Documents, and rights and remedies available thereunder, shall be in addition to and not a limitation of duties, obligations, rights and remedies otherwise imposed or available by law.

§ 15.4.2 No action or failure to act by the Owner or Design-Builder shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing.

### § 15.5 Tests and Inspections

§ 15.5.1 Tests, inspections and approvals of portions of the Work shall be made as required by the Design-Build Documents and by applicable laws, statutes, ordinances, codes, rules and regulations or lawful orders of public authorities. Unless otherwise provided, the Design-Builder shall make arrangements for such tests, inspections and approvals with an independent testing laboratory or entity acceptable to the Owner, or with the appropriate public authority, and shall bear all related costs of tests, inspections and approvals. The Design-Builder shall give the Owner timely notice of when and where tests and inspections are to be made so that the Owner may be present for such

procedures. The Owner shall bear costs of (1) tests, inspections or approvals that do not become requirements until after bids are received or negotiations concluded, and (2) tests, inspections or approvals where building codes or applicable laws or regulations prohibit the Owner from delegating their cost to the Design-Builder.

§ 15.5.2 If the Owner determines that portions of the Work require additional testing, inspection or approval not included under Section 15.5.1, the Owner will instruct the Design-Builder to make arrangements for such additional testing, inspection or approval by an entity acceptable to the Owner, and the Design-Builder shall give timely notice to the Owner of when and where tests and inspections are to be made so that the Owner may be present for such procedures. Such costs, except as provided in Section 15.5.3, shall be at the Owner's expense.

§ 15.5.3 If such procedures for testing, inspection or approval under Sections 15.5.1 and 15.5.2 reveal failure of the portions of the Work to comply with requirements established by the Design-Build Documents, all costs made necessary by such failure shall be at the Design-Builder's expense.

§ 15.5.4 Required certificates of testing, inspection or approval shall, unless otherwise required by the Design-Build Documents, be secured by the Design-Builder and promptly delivered to the Owner.

§ 15.5.5 If the Owner is to observe tests, inspections or approvals required by the Design-Build Documents, the Owner will do so promptly and, where practicable, at the normal place of testing.

§ 15.5.6 Tests or inspections conducted pursuant to the Design-Build Documents shall be made promptly to avoid unreasonable delay in the Work.

#### § 15.6 Confidential Information

If the Owner or Design-Builder transmits Confidential Information, the transmission of such Confidential Information constitutes a warranty to the party receiving such Confidential Information that the transmitting party is authorized to transmit the Confidential Information. If a party receives Confidential Information, the receiving party shall keep the Confidential Information strictly confidential and shall not disclose it to any other person or entity except as set forth in Section 15.6.1.

§ 15.6.1 A party receiving Confidential Information may disclose the Confidential Information as required by law or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity. A party receiving Confidential Information may also disclose the Confidential Information to its employees, consultants or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of Confidential Information as set forth in this Contract.

#### § 15.7 Capitalization

Terms capitalized in the Contract include those that are (1) specifically defined, (2) the titles of numbered articles or (3) the titles of other documents published by the American Institute of Architects.

#### § 15.8 Interpretation

§ 15.8.1 In the interest of brevity the Design-Build Documents frequently omit modifying words such as "all" and "any" and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

§ 15.8.2 Unless otherwise stated in the Design-Build Documents, words which have well-known technical or construction industry meanings are used in the Design-Build Documents in accordance with such recognized meanings.

### ARTICLE 16 SCOPE OF THE AGREEMENT

§ 16.1 This Agreement is comprised of the following documents listed below:

- 1 AIA Document A141™-2014, Standard Form of Agreement Between Owner and Design-Builder
- 2 AIA Document A141™-2014, Exhibit A, Design-Build Amendment, if executed
- 3 AIA Document A141™-2014, Exhibit B, Insurance and Bonds
- 4 AIA Document A141™-2014, Exhibit C, Sustainable Projects, if completed

~~.5 AIA Document E203™ 2013, Building Information Modeling and Digital Data Exhibit, if completed, or the following: Progressive AE's Schedule of Invoice Rates – 2021 (Exhibit "C") for Professional Design Services, and~~  
Progressive SPR, LLC's Schedule of Invoice Rates - 2021 (Exhibit "C") for construction services.

.5  
.6 Other:

This Agreement entered into as of the day and year first written above.

**Cascade Charter Township**

**Progressive SPR, LLC**

\_\_\_\_\_  
OWNER (Signature)

\_\_\_\_\_  
DESIGN-BUILDER (Signature)

Brendon P. Ouzoonian  
Construction Services Manager

\_\_\_\_\_  
(Printed name and title)

\_\_\_\_\_  
(Printed name and title)

## **Certification of Document's Authenticity**

**AIA® Document D401™ – 2003**

I, Brendon P. Ouzoonian, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with this certification at 10:29:03 ET on 03/03/2021 under Order No. 1379365907 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document A141™ – 2014, Standard Form of Agreement Between Owner and Design-Builder, as published by the AIA in its software, other than changes shown in the attached final document by underscoring added text and striking over deleted text.

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*(Signed)*

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*(Title)*

---

*(Dated)*

# AIA<sup>®</sup> Document A141™ – 2014 Exhibit B

## **Insurance and Bonds**

### **for the following PROJECT:**

*(Name and location or address)*

Cascade Charter Township Storage Building  
2990 Buttrick Avenue  
Ada, MI 49301

### **THE OWNER:**

*(Name, legal status and address)*

Cascade Charter Township  
2865 Thornhills Avenue, SE  
Grand Rapids, MI 49546-7192

### **THE DESIGN-BUILDER:**

*(Name, legal status and address)*

Progressive SPR, LLC  
1811 4 Mile Road, NE  
Grand Rapids, MI 49525

### **THE AGREEMENT**

This Insurance Exhibit is part of the accompanying agreement for the Project, between the Owner and the Design-Builder (hereinafter, the Agreement), dated the Second day of March in the year Two Thousand Twenty-One.

*(In words, indicate day, month and year.)*

### **TABLE OF ARTICLES**

- B.1 GENERAL**
- B.2 DESIGN BUILDER'S INSURANCE AND BONDS**
- B.3 OWNER'S INSURANCE**
- B.4 SPECIAL TERMS AND CONDITIONS**

### **ARTICLE B.1 GENERAL**

The Owner and Design-Builder shall purchase and maintain insurance and provide bonds as set forth in this Exhibit B. Where a provision in this Exhibit conflicts with a provision in the Agreement into which this Exhibit is incorporated, the provision in this Exhibit will prevail.

### **ARTICLE B.2 DESIGN BUILDER'S INSURANCE AND BONDS**

§ **B.2.1** The Design-Builder shall purchase and maintain the following types and limits of insurance from a company or companies lawfully authorized to do business in the jurisdiction where the Project is located. The Design-Builder shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 11.2.2.1 of the Agreement, unless a different duration is stated below:

*(If the Design-Builder is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)*

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Init.

§ B.2.1.1 Commercial General Liability with policy limits of not less than six million dollars (\$ 6,000,000.00 ) for each occurrence and (~~\$~~) six million dollars (\$ 6,000,000.00) in the aggregate providing coverage for claims including

- .1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- .2 personal injury;
- .3 damages because of injury to or destruction of tangible property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 contractual liability applicable to the Design-Builder's obligations under Section 3.1.14 of the Agreement.

§ B.2.1.2 Automobile Liability covering vehicles owned by the Design-Builder and non-owned vehicles used by the Design-Builder with policy limits of not less than one million dollars (\$ 1,000,000.00 ) per claim and ( \$ ) in the aggregate for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles specified in this Section B.2.1.2, along with any other statutorily required automobile coverage.

§ B.2.1.3 The Design-Builder may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess liability insurance, provided such primary and excess insurance policies result in the same or greater coverage as those required under Sections B.2.1.1 and B.2.1.2.

§ B.2.1.4 Workers' Compensation at statutory limits.

§ B.2.1.5 Employers' Liability with policy limits as provided below:

\$500,000 – Each Accident

\$500,000 – Disease, Policy Limit

\$500,000 – Disease, Each Employee

§ B.2.1.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than two million dollars (\$ 2,000,000.00 ) per claim and two million dollars (\$ 2,000,000.00 ) in the aggregate.

§ B.2.1.7 Pollution Liability covering performance of the Work, with policy limits of not less than one million dollars (\$ 1,000,000.00 ) per claim and one million dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.2.1.7.1 The Design-Builder may obtain a combined Professional Liability and Pollution Liability policy to satisfy the requirements set forth in Sections B.2.1.6 and B.2.1.7, with combined policy limits that are not less than two million dollars (\$ 2,000,000 ) per claim and two million dollars (\$ 2,000,000 ) in the aggregate.

§ B.2.1.8 The Design-Builder shall provide written notification to the Owner of the cancellation or expiration of any insurance required by this Article B.2. The Design-Builder shall provide such written notice within five (5) business days of the date the Design-Builder is first aware of the cancellation or expiration, or is first aware that the cancellation or expiration is threatened or otherwise may occur, whichever comes first.

§ B.2.1.9 **Additional Insured Obligations.** The Owner and its consultants and contractors shall be additional insureds on the Design-Builder's primary and excess insurance policies for Commercial General Liability, ~~Automobile Liability and Pollution~~ and Automobile Liability. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies. The additional insured coverage shall apply to both ongoing operations and completed operations. The policy limits applicable to the additional insureds shall be the same amount applicable to the named insured or, if the policy provides otherwise, policy limits not less than the amounts required under this Agreement.

§ B.2.1.10 **Certificates of Insurance.** The Design-Builder shall provide certificates of insurance acceptable to the Owner evidencing compliance with the requirements in this Article B.2: (1) prior to commencement of the Work;

(2) upon renewal or replacement of each required policy of insurance; and (3) upon Owner's written request. An additional certificate evidencing continuation of liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment as required by Section 9.10.2 of the Agreement and thereafter upon renewal or replacement of such coverage until the expiration of the time required by Section B.2.1. The certificates will show the Owner and its consultants and contractors as additional insureds on the Design-Builder's primary and excess insurance policies for Commercial General Liability, ~~Automobile Liability, and Pollution and Automobile Liability~~. Information concerning reduction of coverage (~~\$250,000 or greater~~) on account of revised limits, claims paid under the General Aggregate or both, shall be furnished by the Design-Builder with reasonable promptness.

**§ B.2.2 Performance Bond and Payment Bond**

The Design-Builder shall provide surety bonds as follows:  
*(Specify type and penal sum of bonds.)*

Type	Penal Sum (\$0.00)
<u>Performance and Payment Bonds</u>	<u>Full amount of contract upon execution of Exhibit A.</u>

§ B.2.2.1 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Agreement, the Design-Builder shall promptly furnish a copy of the bonds or shall permit a copy to be made.

**ARTICLE B.3 OWNER'S INSURANCE**

**§ B.3.1 Owner's Liability Insurance**

The Owner shall be responsible for purchasing and maintaining the Owner's usual liability ~~insurance, insurance, and~~ shall at the very least meet the limits the Design-Builder is required to carry per this agreement. Any consultants and separate contractors retained by the Owner shall maintain insurance that meets or exceeds all coverages, limits, indemnification, waivers of subrogation and shall list Design-Builder as an additional insured.

**§ B.3.2 Property Insurance**

§ B.3.2.1 Unless otherwise provided, at the time of execution of the Design-Build Amendment, the Owner shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction where the Project is located, property insurance written on a builder's risk "all-risk" or equivalent policy form in the amount of the initial Contract Sum, plus the value of subsequent Modifications and cost of materials supplied or installed by others, comprising the total value for the entire Project at the site on a replacement cost basis without optional deductibles. If any construction that is part of the Work shall commence prior to execution of the Design-Build Amendment, the Owner shall, prior to commencement of construction, purchase and maintain property insurance as described above in an amount sufficient to cover the total value of the Work at the site on a replacement cost basis without optional deductibles. The insurance required under this section shall include interests of the Owner, Design-Builder, Architect, Consultants, Contractors, and Subcontractors in the Project. The property insurance shall be maintained, unless otherwise provided in the Design-Build Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of the insurance, until the Owner has issued a Certificate of Substantial Completion in accordance with Section 9.8 of the Agreement. Unless the parties agree otherwise, upon issuance of a Certificate of Substantial Completion, the Owner shall replace the insurance policy required under this Section B.3.2 with another property insurance policy written for the total value of the Project that shall remain in effect until expiration of the period for correction of the Work set forth in Section 11.2.2 of the Agreement.

§ B.3.2.1.1 The insurance required under Section B.3.2.1 shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for the Design-Builder's services and expenses required as a result of such insured loss.

§ B.3.2.1.2 If the insurance required under Section B.3.2.1 requires deductibles, the Owner shall pay costs not covered because of such deductibles.

Init.

§ B.3.2.1.3 The insurance required under Section B.3.2.1 shall cover portions of the Work stored off the site, and also portions of the Work in transit.

§ B.3.2.1.4 Partial occupancy or use in accordance with Section 9.9 of the Agreement shall not commence until the insurance company or companies providing the insurance required under Section B.3.2.1 have consented to such partial occupancy or use by endorsement or otherwise. The Owner and the Design-Builder shall take reasonable steps to obtain consent of the insurance company or companies and shall, without mutual written consent, take no action with respect to partial occupancy or use that would cause cancellation, lapse or reduction of insurance.

§ B.3.2.2 **Boiler and Machinery Insurance.** The Owner shall purchase and maintain boiler and machinery insurance, which shall specifically cover commissioning, testing, or breakdown of equipment required by the Work, if not covered by the insurance required in Section B.3.2.1. This insurance shall include the interests of the Owner, Design-Builder, Architect, Consultants, Contractor and Subcontractors in the Work, and the Owner and Design-Builder shall be named insureds.

§ B.3.2.3 If the Owner does not intend to purchase the insurance required under Sections B.3.2.1 and B.3.2.2 with all of the coverages in the amounts described above, the Owner shall inform the Design-Builder in writing prior to any construction that is part of the Work. The Design-Builder may then obtain insurance that will protect the interests of the Owner, Design-Builder, Architect, Consultants, Contractors, and Subcontractors in the Work. The cost of the insurance shall be charged to the Owner by an appropriate Change Order. If the Owner does not provide written notice, and the Design-Builder is damaged by the failure or neglect of the Owner to purchase or maintain insurance as described above, the Owner shall bear all reasonable costs and damages attributable thereto.

§ B.3.2.4 **Loss of Use Insurance.** At the Owner's option, the Owner may purchase and maintain insurance to insure the Owner against loss of use of the Owner's property due to fire or other hazards, however caused. The Owner waives all rights of action against the Design-Builder for loss of use of the Owner's property, including consequential losses due to fire or other hazards covered under the property insurance required under this Exhibit B to the Agreement.

§ B.3.2.5 If during the Project construction period the Owner insures properties, real or personal or both, at or adjacent to the site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance is to be provided on the completed Project through a policy or policies other than those insuring the Project during the construction period, the Owner shall waive all rights in accordance with the terms of Section B.3.2.7 for damages caused by fire or other causes of loss covered by this separate property insurance. All separate policies shall provide this waiver of subrogation by endorsement or otherwise.

§ B.3.2.6 Before an exposure to loss may occur, the Owner shall file with the Design-Builder a copy of each policy that includes insurance coverages required by this Section B.3.2. Each policy shall contain all generally applicable conditions, definitions, exclusions and endorsements related to this Project. The Owner shall provide written notification to the Design-Builder of the cancellation or expiration of any insurance required by this Article B.3. The Owner shall provide such written notice within five (5) business days of the date the Owner is first aware of the cancellation or expiration, or is first aware that the cancellation or expiration is threatened or otherwise may occur, whichever comes first.

§ B.3.2.7 **Waivers of Subrogation.** The Owner and Design-Builder waive all rights against (1) each other and any of their consultants, subconsultants, contractors and subcontractors, agents and employees, each of the other, and (2) any separate contractors described in Section 5.13 of the Agreement, if any, and any of their subcontractors, sub-subcontractors, agents and employees, for damages caused by fire or other causes of loss to the extent covered by property insurance obtained pursuant to Section B.3.2 or other property insurance applicable to the Work and completed construction, except such rights as they have to proceeds of such insurance held by the Owner as fiduciary. The Owner or Design-Builder, as appropriate, shall require of the separate contractors described in Section 5.13 of the Agreement, if any, and the subcontractors, sub-subcontractors, agents and employees of any of them, by appropriate agreements, written where legally required for validity, similar waivers each in favor of the other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

§ B.3.2.8 A loss insured under the Owner's property insurance shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of Section B.3.2.10. The Design-Builder shall pay the Architect, Consultants and Contractors their just shares of insurance proceeds received by the Design-Builder, and by appropriate agreements, written where legally required for validity, the Design-Builder shall require the Architect, Consultants and Contractors to make payments to their consultants and subcontractors in similar manner.

§ B.3.2.9 If required in writing by a party in interest, the Owner as fiduciary shall, upon occurrence of an insured loss, give bond for proper performance of the Owner's duties. The cost of required bonds shall be charged against proceeds received as fiduciary. The Owner shall deposit in a separate account proceeds so received, which the Owner shall distribute in accordance with such agreement as the parties in interest may reach, or as determined in accordance with the method of binding dispute resolution selected in the Agreement between the Owner and Design-Builder. If after such loss no other special agreement is made and unless the Owner terminates the Contract for convenience, replacement of damaged property shall be performed by the Design-Builder after notification of a Change in the Work in accordance with Article 6 of the Agreement.

§ B.3.2.10 The Owner as fiduciary shall have power to adjust and settle a loss with insurers unless one of the parties in interest shall object in writing within five days after occurrence of a loss to the Owner's exercise of this power. If an objection is made, the dispute shall be resolved in the manner selected by the Owner and Design-Builder as the method of binding dispute resolution in the Agreement. If the Owner and Design-Builder have selected arbitration as the method of binding dispute resolution, the Owner as fiduciary shall make settlement with insurers or, in the case of a dispute over distribution of insurance proceeds, in accordance with the directions of the arbitrators.

#### ARTICLE B.4 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

Not applicable.

## Schedule of Invoice Rates - 2021

### Hourly Staff Charges

Class 9 Personnel:	Principals	\$225/hour
Class 8 Personnel:	Principals and Senior Project Managers	\$190/hour
Class 7 Personnel:	Senior Project Managers, Architects, Engineers, Landscape Architects, Senior Interior Designers, Environmental Analysts and Construction Administrators	\$165/hour
Class 6 Personnel:	Senior Project Managers, Architects, Engineers, Landscape Architects, Senior Interior Designers, Environmental Analysts and Construction Administrators	\$145/hour
Class 5 Personnel:	Project Managers, Architects, Engineers, Landscape Architects, Environmental Analysts, Construction Administrators, Designers, Interior Designers and Surveyors	\$130/hour
Class 4 Personnel:	Project Managers, Intermediate Architects, Engineers, Designers, Interior Designers, Landscape Architects, Environmental Analysts, Construction Administrators and Surveyors	\$115/hour
Class 3 Personnel:	Graduate Architects, Engineers, Designers, Interior Designers, Environmental Analysts, Construction Administrators, Technicians, Project Assistants and Surveyors	\$100/hour
Class 2 Personnel:	Technicians, Interior Designers, Project Assistants, Graduate Architects and Surveyors	\$85/hour
Class 1 Personnel:	Project Assistants and Technicians	\$70/hour

### Reimbursable Expenses

1. Fees for Program, Financial or Procurement Management services when the Owner has engaged a supplier and Architect is subject to a fee.
2. Building permit fees and plan review fees as required by the authorities having jurisdiction over projects at cost plus 10%.
3. Outside services, consultants, travel and lodging at cost plus 10%.
4. Copies, telephone, cell phone voice and data charges and office supplies will be charged through a \$25 per month Misc. Office Expense charge. This charge will not be applied to invoices under \$1,000.
5. CAD black/white plotting at 15¢ per square foot; CAD color plotting at 25¢ per square foot; CAD low density color images at 30¢ each; CAD high density color images at 50¢ each; large-format color plotting at \$9 per square foot. Postage, shipping, and lab tests at cost. Files written to CD will be minimum \$100 per drawing or \$500 maximum. Passenger vehicle mileage on projects at the IRS Standard Rate (currently 56¢ per mile). Lodging, meals, and airfare at cost. Machine rental GPS at \$250 per day. Traffic Counters at \$60 per count. Surveying supplies at 50¢ per stake.
6. Overtime expenses requiring higher than normal rates if authorized by owner.

#### Notes:

1. Invoices are due upon receipt. Unpaid invoices shall bear interest at a rate of 1 percent per month if not paid within 30 days of the date of the invoice.
2. Special media requests may be at higher rate.
3. Hourly staff charges and expenses subject to change annually.

STD RATE

January 19, 2021



BUILD.PROCURE. **Exhibit C**

## Schedule of Invoice Rates - 2021

### Hourly Staff Charges

Class 9 Personnel:	Principals	\$145/hour
Class 8 Personnel:	Principals and Senior Project Managers	\$120/hour
Class 7 Personnel:	Senior Project Managers, Architects, Engineers, Landscape Architects, Senior Interior Designers, Environmental Analysts and Construction Administrators	\$105/hour
Class 6 Personnel:	Senior Project Managers, Architects, Engineers, Landscape Architects, Senior Interior Designers, Environmental Analysts and Construction Administrators	\$90/hour
Class 5 Personnel:	Project Managers, Architects, Engineers, Landscape Architects, Environmental Analysts, Construction Administrators, Designers, Interior Designers and Surveyors	\$85/hour
Class 4 Personnel:	Project Managers, Intermediate Architects, Engineers, Designers, Interior Designers, Landscape Architects, Environmental Analysts, Construction Administrators and Surveyors	\$75/hour
Class 3 Personnel:	Graduate Architects, Engineers, Designers, Interior Designers, Environmental Analysts, Construction Administrators, Technicians, Project Assistants and Surveyors	\$65/hour
Class 2 Personnel:	Technicians, Interior Designers, Project Assistants, Graduate Architects and Surveyors	\$55/hour
Class 1 Personnel:	Project Assistants and Technicians	\$45/hour

### Reimbursable Expenses (unless otherwise described in the agreement)

1. Fees for Program, Financial or Procurement Management services when the Owner has engaged a supplier and Architect is subject to a fee.
2. Building permit fees and plan review fees as required by the authorities having jurisdiction over projects at cost plus 10%.
3. Outside services, consultants, travel and lodging at cost plus 10%.
4. Copies, telephone, cell phone voice and data charges and office supplies will be charged through a \$25 per month Misc. Office Expense charge. This charge will not be applied to invoices under \$1,000.
5. CAD black/white plotting at 15¢ per square foot; CAD color plotting at 25¢ per square foot; CAD low density color images at 30¢ each; CAD high density color images at 50¢ each; large-format color plotting at \$9 per square foot. Postage, shipping, and lab tests at cost. Files written to CD will be minimum \$100 per drawing or \$500 maximum. Passenger vehicle mileage on projects at the IRS Standard Rate (currently 56¢ per mile). Lodging, meals, and airfare at cost. Machine rental GPS at \$250 per day. Traffic Counters at \$60 per count. Surveying supplies at 50¢ per stake.
6. Overtime expenses requiring higher than normal rates if authorized by owner.

#### Notes:

1. Invoices are due upon receipt. Unpaid invoices shall bear interest at a rate of 1 percent per month if not paid within 30 days of the date of the invoice.
2. Special media requests may be at higher rate.
3. Hourly staff charges and expenses subject to change annually.

STD RATE

January 19, 2021



# CASCADE CHARTER TOWNSHIP

2865 Thornhills SE Grand Rapids, Michigan 49546-7140

**Date:** March 10, 2021  
**To:** Supervisor Lesperance and Township Board Members  
**From:** Benjamin Swayze, Township Manager  
**Subject:** 123.Net, Inc. METRO Act Right of Way Permit Renewal

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## **FACTS:**

The METRO Act (Public Act 48 of 2002) was enacted as a means to provide state-wide oversight (through the Michigan Public Service Commission), and uniformity to the permitted use of local public right-of-ways for telecommunication infrastructure. We have received a METRO Act Permit Bilateral Form renewal from 123.Net, Inc. The initial term of the request was 5 years, in 2016. The bilateral form renewal term would be 15 years.

Typically, the Township receives in the neighborhood of \$12,000 in METRO Act permit fees from the MPSC. These funds are used for right-of-way maintenance activities.

Attached for your review are:

- METRO Act Permit Bilateral Form from 123.Net, Inc
- Liability Insurance Certificate and System Map from 123.Net, Inc

## **ANALYSIS & CONCLUSIONS:**

The passage of the METRO Act provided uniformity to right-of-way permit applications for telecommunication providers and, as such, there is very little opportunity for the Township to request modifications to the permit. State records indicate no issues with 123.Net, Inc as a METRO permit entity. In our communication with the Kent County Road Commission, who will be responsible for permitting any work allowed by the METRO Act Permit being approved, and they indicate they have worked with 123.Net in the past with no issues.

## **FINANCIAL CONSIDERATIONS:**

There are no expenditures related to the approval of the request from 123.Net. Granting the renewal will ensure the Township continues to receive METRO Act monies from the State related to 123.Net telecommunication infrastructure.

## **RECOMMENDED ACTION:**

Approve the METRO Act Right-of-Way Bilateral Permit renewal request from 123.Net, Inc. and authorize the Township Manager to execute the agreement on behalf of the Township.

**METRO Act Permit  
Bilateral Form  
Revised 12/06/02**

**RIGHT-OF-WAY  
TELECOMMUNICATIONS PERMIT**

TERMS AND CONDITIONS

1 Definitions

- 1.1 Company shall mean **123.Net, Inc.**, a corporation organized under the laws of the State of Michigan whose address is **24700 Northwestern Hwy. Ste. 700 Southfield, MI 48075**.
- 1.2 Effective Date shall mean the date set forth in Part 13.
- 1.3 Manager shall mean Municipality's [Mayor/Manager/Supervisor/Village President] or his or her designee.
- 1.4 METRO Act shall mean the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act, Act No. 48 of the Public Acts of 2002, as amended.
- 1.5 Municipality shall mean Cascade Charter Township, a Michigan municipal corporation.
- 1.6 Permit shall mean this document.
- 1.7 Public Right-of-Way shall mean the area on, below, or above a public roadway, highway, street, alley, easement, or waterway, to the extent Municipality has the ability to grant the rights set forth herein. Public right-of-way does not include a federal, state, or private right-of-way.
- 1.8 Telecommunication Facilities or Facilities shall mean the Company's equipment or personal property, such as copper and fiber cables, lines, wires, switches, conduits, pipes, and sheaths, which are used to or can generate, receive, transmit, carry, amplify, or provide telecommunication services or signals. Telecommunication Facilities or Facilities do not include antennas, supporting structures for antennas, equipment shelters or houses, and any ancillary equipment and miscellaneous hardware used to provide federally licensed commercial mobile service as defined in Section 332(d) of Part I of Title III of the Communications Act of 1934, Chapter 652, 48 Stat. 1064, 47 U.S.C. 332 and further defined as commercial mobile radio service in 47 CFR 20.3, and service provided by any wireless, 2-way communications device.
- 1.9 Term shall have the meaning set forth in Part 7.

2 Grant

- 2.1 Municipality hereby grants a permit under the METRO Act to Company for access to and ongoing use of the Public Right-of-Way to construct, install and maintain Telecommunication Facilities in those portions of the Public Right-of-Way identified on Exhibit A on the terms set forth herein.
- 2.1.1 Exhibit A may be modified by written request by Company and approval by Manager.
- 2.1.2 Manager shall not unreasonably condition or deny any request for a modification of Exhibit A. Any decision of Manager on a request for a modification may be appealed by Company to Municipality's legislative body.
- 2.2 Overlapping. Company shall not allow the wires or any other facilities of a third party to be overlapped to the Telecommunication Facilities without Municipality's prior written consent. Municipality's right to withhold written consent is subject to the authority of the Michigan Public Service Commission under Section 361 of the Michigan Telecommunications Act, MCL § 484.2361.
- 2.3 Nonexclusive. The rights granted by this Permit are nonexclusive. Municipality reserves the right to approve, at any time, additional permits for access to and ongoing usage of the Public Right-of-Way by telecommunications providers and to enter into agreements for use of the Public Right-of-Way with and grant franchises for use of the Public Right-of-Way to telecommunications providers, cable companies, utilities and other providers.

3 Contacts, Maps and Plans

- 3.1 Company Contacts. The names, addresses and the like for engineering and construction related information for Company and its Telecommunication Facilities are as follows:
- 3.1.1 The address, e-mail address, phone number and contact person (title or name) at Company's local office (in or near Municipality) is
- 24700 Northwestern Hwy, Suite 700, Southfield MI, 48075**  
**Permitting Department**  
**permits@123.net**  
**248-228-8286**
- 3.1.2 If Company's engineering drawings, as-built plans and related records for the Telecommunication Facilities will not be located at the preceding local

office, the location address, phone number and contact person (title or department) for them is:

**123Net, Inc.  
24700 Northwestern Hwy, Suite  
700 Southfield, MI 48075  
Permitting Department  
permits@123.net  
248-228-8286**

3.1.3 The name, title, address, e-mail address and telephone numbers of Company's engineering contact person(s) with responsibility for the design, plans and construction of the Telecommunication Facilities

is: **123Net, Inc.  
24700 Northwestern Hwy, Suite  
700 Southfield, MI 48075  
Permitting Department  
permits@123.net  
248-228-8286**

3.1.4 The address, phone number and contact person (title or department) at Company's home office/regional office with responsibility for engineering and construction related aspects of the Telecommunication Facilities is:

**123Net, Inc.  
24700 Northwestern Hwy, Suite  
700 Southfield, MI 48075  
Permitting Department  
permits@123.net  
248-228-8286**

3.1.5 Company shall at all times provide Manager with the phone number at which a live representative of Company (not voice mail) can be reached 24 hours a day, seven (7) days a week, in the event of a public emergency.

**888-440-0123**

3.1.6 The preceding information is accurate as of the Effective Date. Company shall notify Municipality in writing as set forth in Part 12 of any changes in the preceding information.

3.2 Route Maps. Within ninety (90) days after the substantial completion of construction of new Facilities in a Municipality, a provider shall submit route maps showing the location of the Telecommunication Facilities to both the Michigan Public Service Commission and to the Municipality, as required under Section 6(7) of the METRO Act, MCLA 484.3106(7).

- 3.3 As-Built Records. Company, without expense to Municipality, shall, upon forty-eight (48) hours notice, give Municipality access to all "as-built" maps, records, plans and specifications showing the Telecommunication Facilities or portions thereof in the Public Right-of-Way. Upon request by Municipality, Company shall inform Municipality as soon as reasonably possible of any changes from previously supplied maps, records, or plans and shall mark up maps provided by Municipality so as to show the location of the Telecommunication Facilities.

4 Use of Public Right-of-Way

- 4.1 No Burden on Public Right-of-Way. Company, its contractors, subcontractors, and the Telecommunication Facilities shall not unduly burden or interfere with the present or future use of any of the Public Right-of-Way. Company's aerial cables and wires shall be suspended so as to not endanger or injure persons or property in or about the Public Right-of-Way. If Municipality reasonably determines that any portion of the Telecommunication Facilities constitutes an undue burden or interference, due to changed circumstances, Company, at its sole expense, shall modify the Telecommunication Facilities or take such other actions as Municipality may determine is in the public interest to remove or alleviate the burden, and Company shall do so within a reasonable time period. Municipality shall attempt to require all occupants of a pole or conduit whose facilities are a burden to remove or alleviate the burden concurrently.
- 4.2 No Priority. This Permit does not establish any priority of use of the Public Right-of-Way by Company over any present or future permittees or parties having agreements with Municipality or franchises for such use. In the event of any dispute as to the priority of use of the Public Right-of-Way, the first priority shall be to the public generally, the second priority to Municipality, the third priority to the State of Michigan and its political subdivisions in the performance of their various functions, and thereafter as between other permit, agreement or franchise holders, as determined by Municipality in the exercise of its powers, including the police power and other powers reserved to and conferred on it by the State of Michigan.
- 4.3 Restoration of Property. Company, its contractors and subcontractors shall immediately (subject to seasonal work restrictions) restore, at Company's sole expense, in a manner approved by Municipality, any portion of the Public Right-of-Way that is in any way disturbed, damaged, or injured by the construction, installation, operation, maintenance or removal of the Telecommunication Facilities to a reasonably equivalent (or, at Company's option, better) condition as that which existed prior to the disturbance. In the event that Company, its contractors or subcontractors fail to make such repair within a reasonable time, Municipality may make the repair and Company shall pay the costs Municipality incurred for such repair.

- 4.4 Marking. Company shall mark the Telecommunication Facilities as follows: Aerial portions of the Telecommunication Facilities shall be marked with a marker on Company's lines on alternate poles which shall state Company's name and provide a toll-free number to call for assistance. Direct buried underground portions of the Telecommunication Facilities shall have (1) a conducting wire placed in the ground at least several inches above Company's cable (if such cable is nonconductive); (2) at least several inches above that, a continuous colored tape with a statement to the effect that there is buried cable beneath; and (3) stakes or other appropriate above ground markers with Company's name and a toll-free number indicating that there is buried telephone cable below. Bored underground portions of the Telecommunication Facilities shall have a conducting wire at the same depth as the cable and shall not be required to provide the continuous colored tape. Portions of the Telecommunication Facilities located in conduit, including conduit of others used by Company, shall be marked at its entrance into and exit from each manhole and handhole with Company's name and a toll-free telephone number.
- 4.5 Tree Trimming. Company may trim trees upon and overhanging the Public Right-of-Way so as to prevent the branches of such trees from coming into contact with the Telecommunication Facilities, consistent with any standards adopted by Municipality. Company shall dispose of all trimmed materials. Company shall minimize the trimming of trees to that essential to maintain the integrity of the Telecommunication Facilities. Except in emergencies, all trimming of trees in the Public Right-of-Way shall have the advance approval of Manager.
- 4.6 Installation and Maintenance. The construction and installation of the Telecommunication Facilities shall be performed pursuant to plans approved by Municipality. The open cut of any Public Right-of-Way shall be coordinated with the Manager or his designee. Company shall install and maintain the Telecommunication Facilities in a reasonably safe condition. If the existing poles in the Public Right-of-Way are overburdened or unavailable for Company's use, or the facilities of all users of the poles are required to go underground then Company shall, at its expense, place such portion of its Telecommunication Facilities underground, unless Municipality approves an alternate location. Company may perform maintenance on the Telecommunication Facilities without prior approval of Municipality, provided that Company shall obtain any and all permits required by Municipality in the event that any maintenance will disturb or block vehicular traffic or are otherwise required by Municipality.
- 4.7 Pavement Cut Coordination. Company shall coordinate its construction and all other work in the Public Right-of-Way with Municipality's program for street construction and rebuilding (collectively "Street Construction") and its program for street repaving and resurfacing (except seal coating and patching) (collectively, "Street Resurfacing").

- 4.7.1 The goals of such coordination shall be to encourage Company to conduct all work in the Public Right-of-Way in conjunction with or immediately prior to any Street Construction or Street Resurfacing planned by Municipality.
- 4.8 Compliance with Laws. Company shall comply with all laws, statutes, ordinances, rules and regulations regarding the construction, installation, and maintenance of its Telecommunication Facilities, whether federal, state or local, now in force or which hereafter may be promulgated. Before any installation is commenced, Company shall secure all necessary permits, licenses and approvals from Municipality or other governmental entity as may be required by law, including, without limitation, all utility line permits and highway permits. Municipality shall not unreasonably delay or deny issuance of any such permits, licenses or approvals. Company shall comply in all respects with applicable codes and industry standards, including but not limited to the National Electrical Safety Code (latest edition adopted by Michigan Public Service Commission) and the National Electric Code (latest edition). Company shall comply with all zoning and land use ordinances and historic preservation ordinances as may exist or may hereafter be amended. This section does not constitute a waiver of Company's right to challenge laws, statutes, ordinances, rules or regulations now in force or established in the future.
- 4.9 Street Vacation. If Municipality vacates or consents to the vacation of Public Right-of-Way within its jurisdiction, and such vacation necessitates the removal and relocation of Company's Facilities in the vacated Public Right-of-Way, Company shall, as a condition of this Permit, consent to the vacation and remove its Facilities at its sole cost and expense when ordered to do so by Municipality or a court of competent jurisdiction. Company shall relocate its Facilities to such alternate route as Municipality and Company mutually agree, applying reasonable engineering standards.
- 4.10 Relocation. If Municipality requests Company to relocate, protect, support, disconnect, or remove its Facilities because of street or utility work, or other public projects, Company shall relocate, protect, support, disconnect, or remove its Facilities, at its sole cost and expense, including where necessary to such alternate route as Municipality and Company mutually agree, applying reasonable engineering standards. The work shall be completed within a reasonable time period.
- 4.11 Public Emergency. Municipality shall have the right to sever, disrupt, dig-up or otherwise destroy Facilities of Company if such action is necessary because of a public emergency. If reasonable to do so under the circumstances, Municipality shall attempt to provide notice to Company. Public emergency shall be any condition which poses an immediate threat to life, health, or property caused by

any natural or man-made disaster, including, but not limited to, storms, floods, fire, accidents, explosions, water main breaks, hazardous material spills, etc. Company shall be responsible for repair at its sole cost and expense of any of its Facilities damaged pursuant to any such action taken by Municipality.

- 4.12 Miss Dig. If eligible to join, Company shall subscribe to and be a member of "MISS DIG," the association of utilities formed pursuant to Act 53 of the Public Acts of 1974, as amended, MCL § 460.701 et seq., and shall conduct its business in conformance with the statutory provisions and regulations promulgated thereunder.
- 4.13 Underground Relocation. If Company has its Facilities on poles of Consumers Energy, Detroit Edison or another electric or telecommunications provider and Consumers Energy, Detroit Edison or such other electric or telecommunications provider relocates its system underground, then Company shall relocate its Facilities underground in the same location at Company's sole cost and expense.
- 4.14 Identification. All personnel of Company and its contractors or subcontractors who have as part of their normal duties contact with the general public shall wear on their clothing a clearly visible identification card bearing Company's name, their name and photograph. Company shall account for all identification cards at all times. Every service vehicle of Company and its contractors or subcontractors shall be clearly identified as such to the public, such as by a magnetic sign with Company's name and telephone number.

## 5 Indemnification

- 5.1 Indemnity. Company shall defend, indemnify, protect, and hold harmless Municipality, its officers, agents, employees, elected and appointed officials, departments, boards, and commissions from any and all claims, losses, liabilities, causes of action, demands, judgments, decrees, proceedings, and expenses of any nature (collectively "claim" for this Part 5) (including, without limitation, attorneys' fees) arising out of or resulting from the acts or omissions of Company, its officers, agents, employees, contractors, successors, or assigns, but only to the extent such acts or omissions are related to the Company's use of or installation of facilities in the Public Right-of-Way and only to the extent of the fault or responsibility of Company, its officers, agents, employees, contractors, successors and assigns.
- 5.2 Notice, Cooperation. Municipality shall notify Company promptly in writing of any such claim and the method and means proposed by Municipality for defending or satisfying such claim. Municipality shall cooperate with Company in every reasonable way to facilitate the defense of any such claim. Municipality shall consult with Company respecting the defense and satisfaction of such claim, including the selection and direction of legal counsel.

- 5.3 Settlement. Municipality shall not settle any claim subject to indemnification under this Part 5 without the advance written consent of Company, which consent shall not be unreasonably withheld. Company shall have the right to defend or settle, at its own expense, any claim against Municipality for which Company is responsible hereunder.

## 6 Insurance

- 6.1 Coverage Required. Prior to beginning any construction in or installation of the Telecommunication Facilities in the Public Right-of-Way, Company shall obtain insurance as set forth below and file certificates evidencing same with Municipality. Such insurance shall be maintained in full force and effect until the end of the Term. In the alternative, Company may satisfy this requirement through a program of self-insurance, acceptable to Municipality, by providing reasonable evidence of its financial resources to Municipality. Municipality's acceptance of such self-insurance shall not be unreasonably withheld.
- 6.1.1 Commercial general liability insurance, including Completed Operations Liability, Independent Contractors Liability, Contractual Liability coverage, railroad protective coverage and coverage for property damage from perils of explosion, collapse or damage to underground utilities, commonly known as XCU coverage, in an amount not less than Five Million Dollars (\$5,000,000).
- 6.1.2 Liability insurance for sudden and accidental environmental contamination with minimum limits of Five Hundred Thousand Dollars (\$500,000) and providing coverage for claims discovered within three (3) years after the term of the policy.
- 6.1.3 Automobile liability insurance in an amount not less than One Million Dollars (\$1,000,000).
- 6.1.4 Workers' compensation and employer's liability insurance with statutory limits, and any applicable Federal insurance of a similar nature.
- 6.1.5 The coverage amounts set forth above may be met by a combination of underlying (primary) and umbrella policies so long as in combination the limits equal or exceed those stated. If more than one insurance policy is purchased to provide the coverage amounts set forth above, then all policies providing coverage limits excess to the primary policy shall provide drop down coverage to the first dollar of coverage and other contractual obligations of the primary policy, should the primary policy carrier not be able to perform any of its contractual obligations or not be collectible for any of its coverages for any reason during the Term, or

(when longer) for as long as coverage could have been available pursuant to the terms and conditions of the primary policy.

- 6.2 Additional Insured. Municipality shall be named as an additional insured on all policies (other than worker's compensation and employer's liability). All insurance policies shall provide that they shall not be canceled, modified or not renewed unless the insurance carrier provides thirty (30) days prior written notice to Municipality. Company shall annually provide Municipality with a certificate of insurance evidencing such coverage. All insurance policies (other than environmental contamination, workers' compensation and employer's liability insurance) shall be written on an occurrence basis and not on a claims made basis.
- 6.3 Qualified Insurers. All insurance shall be issued by insurance carriers licensed to do business by the State of Michigan or by surplus line carriers on the Michigan Insurance Commission approved list of companies qualified to do business in Michigan. All insurance and surplus line carriers shall be rated A+ or better by A.M. Best Company.
- 6.4 Deductibles. If the insurance policies required by this Part 6 are written with retainages or deductibles in excess of \$50,000, they shall be approved by Manager in advance in writing. Company shall indemnify and save harmless Municipality from and against the payment of any deductible and from the payment of any premium on any insurance policy required to be furnished hereunder.
- 6.5 Contractors. Company's contractors and subcontractors working in the Public Right-of-Way shall carry in full force and effect commercial general liability, environmental contamination liability, automobile liability and workers' compensation and employer liability insurance which complies with all terms of this Part 6. In the alternative, Company, at its expense, may provide such coverages for any or all its contractors or subcontractors (such as by adding them to Company's policies).
- 6.6 Insurance Primary. Company's insurance coverage shall be primary insurance with respect to Municipality, its officers, agents, employees, elected and appointed officials, departments, boards, and commissions (collectively "them"). Any insurance or self-insurance maintained by any of them shall be in excess of Company's insurance and shall not contribute to it (where "insurance or self-insurance maintained by any of them" includes any contract or agreement providing any type of indemnification or defense obligation provided to, or for the benefit of them, from any source, and includes any self-insurance program or policy, or self-insured retention or deductible by, for or on behalf of them).

## 7 Term

- 7.1 Term. The term ("Term") of this Permit shall be until the earlier of:

- 7.1.1 Fifteen years (15) from the Effective Date; provided, however, that following such initial term there shall be three subsequent renewal terms of five (5) years. Each renewal term shall be automatic unless Municipality notifies Company in writing, at least twelve (12) months prior to the end of any term then in effect, that due to changed circumstances a need exists to negotiate the subsequent renewal with Company. Municipality shall not unreasonably deny a renewal term; or
- 7.1.2 When the Telecommunication Facilities have not been used to provide telecommunications services for a period of one hundred and eighty (180) days by the Company or a successor of an assign of the Company; or
- 7.1.3 When Company, at its election and with or without cause, delivers written notice of termination to Municipality at least one-hundred and eighty (180) days prior to the date of such termination; or
- 7.1.4 Upon either Company or Municipality giving written notice to the other of the occurrence or existence of a default by the other party under Sections 4.8, 6, 8 or 9 of this Permit and such defaulting party failing to cure, or commence good faith efforts to cure, such default within sixty (60) days (or such shorter period of time provided elsewhere in this Permit) after delivery of such notice; or
- 7.1.5 Unless Manager grants a written extension, one year from the Effective Date if prior thereto Company has not started the construction and installation of the Telecommunication Facilities within the Public Right-of-Way and two years from the Effective Date if by such time construction and installation of the Telecommunication Facilities is not complete.

8 Performance Bond or Letter of Credit

- 8.1 Municipal Requirement. Municipality may require Company to post a bond (or letter of credit) as provided in Section 15(3) of the METRO Act, as amended [MCL § 484.3115(3)].

9 Fees

- 9.1 Establishment; Reservation. The METRO Act shall control the establishment of right-of-way fees. The parties reserve their respective rights regarding the nature and amount of any fees which may be charged by Municipality in connection with the Public Right-of-Way.

10 Removal

- 10.1 Removal: Underground. As soon as practicable after the Term, Company or its successors and assigns shall remove any underground cable or other portions of the Telecommunication Facilities from the Public Right-of-Way which has been installed in such a manner that it can be removed without trenching or other opening of the Public Right-of-Way. Company shall not remove any underground cable or other portions of the Telecommunication Facilities which requires trenching or other opening of the Public Right-of-Way except with the prior written approval of Manager. All removals shall be at Company's sole cost and expense.
- 10.1.1 For purposes of this Part 10, "cable" means any wire, coaxial cable, fiber optic cable, feed wire or pull wire.
- 10.2 Removal: Above Ground. As soon as practicable after the Term, Company, or its successor or assigns at its sole cost and expense, shall, unless waived in writing by Manager, remove from the Public Right-of-Way all above ground elements of its Telecommunication Facilities, including but not limited to poles, pedestal mounted terminal boxes, and lines attached to or suspended from poles.
- 10.3 Schedule. The schedule and timing of removal shall be subject to approval by Manager. Unless extended by Manager, removal shall be completed not later than twelve (12) months following the Term. Portions of the Telecommunication Facilities in the Public Right-of-Way which are not removed within such time period shall be deemed abandoned and, at the option of Municipality exercised by written notice to Company as set forth in Part 12, title to the portions described in such notice shall vest in Municipality.
- 11 Assignment. Company may assign or transfer its rights under this Permit, or the persons or entities controlling Company may change, in whole or in part, voluntarily, involuntarily, or by operation of law, including by merger or consolidation, change in the ownership or control of Company's business, or by other means, subject to the following:
- 11.1 No such transfer or assignment or change in the control of Company shall be effective under this Permit, without Municipality's prior approval (not to be unreasonably withheld), during the time period from the Effective Date until the completion of the construction of the Telecommunication Facilities in those portions of the Public Right-of-Way identified on Exhibit A.
- 11.2 After the completion of such construction, Company must provide notice to Municipality of such transfer, assignment or change in control no later than thirty (30) days after such occurrence; provided, however,
- 11.2.1 Any transferee or assignee of this Permit shall be qualified to perform under its terms and conditions and comply with applicable law; shall be subject to the obligations of this Permit, including responsibility for any

defaults which occurred prior to the transfer or assignment; shall supply Municipality with the information required under Section 3.1; and shall comply with any updated insurance and performance bond requirements under Sections 6 and 8 respectively, which Municipality reasonably deems necessary, and

11.2.2 In the event of a change in control, it shall not be to an entity lacking the qualifications to assure Company's ability to perform under the terms and conditions of this Permit and comply with applicable law; and Company shall comply with any updated insurance and performance bond requirements under Sections 6 and 8 respectively, which Municipality reasonably deems necessary.

11.3 Company may grant a security interest in this Permit, its rights thereunder or the Telecommunication Facilities at any time without notifying Municipality.

## 12 Notices

12.1 Notices. All notices under this Permit shall be given as follows:

12.1.1 If to Municipality, to Cascade Charter Township with a copy to [address] 2865 Thornhills Avenue SE, Grand Rapids, MI 49546

12.1.2 If to Company, to **24700 Northwestern Hwy, Suite 700, Southfield, MI 48075**

12.2 Change of Address. Company and Municipality may change its address or personnel for the receipt of notices at any time by giving notice thereof to the other as set forth above.

## 13 Other items

13.1 No Cable, OVS. This Permit does not authorize Company to provide commercial cable type services to the public, such as "cable service" or the services of an "open video system operator" (as such terms are defined in the Federal Communications Act of 1934 and implementing regulations, currently 47 U.S.C. §§ 522 (6), 573 and 47 CFR § 76.1500).

13.2 Duties. Company shall faithfully perform all duties required by this Permit.

13.3 Effective Date. This Permit shall become effective when issued by Municipality and Company has provided any insurance certificates and bonds required in Parts 6 and 8, and signed the acceptance of the Permit.

- 13.4 Authority. This Permit satisfies the requirement for a permit under Section 5 of the METRO Act [MCL 484.3105].
- 13.5 Amendment. Except as set forth in Section 2.1 this Permit may be amended by the written agreement of Municipality and Company.
- 13.6 Interpretation and Severability. The provisions of this Permit shall be liberally construed to protect and preserve the peace, health, safety and welfare of the public, and should any provision or section of this Permit be held unconstitutional, invalid, overbroad or otherwise unenforceable, such determination/holding shall not be construed as affecting the validity of any of the remaining conditions of this Permit. If any provision in this Permit is found to be partially overbroad, unenforceable, or invalid, Company and Municipality may nevertheless enforce such provision to the extent permitted under applicable law.
- 13.7 Governing Law. This Permit shall be governed by the laws of the State of Michigan.

**Cascade Charter Township**

Attest:

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

“Company accepts the Permit granted by Municipality upon the terms and conditions contained therein.”

123.Net, Inc.

By: Olivia Graumann

Printed: Olivia Graumann

Its: Permit Coordinator

Date: 01/29/2021

::ODMA\PCDOCS\GRR\759319\6

# 123Net Metro Act

Exhibit A Map  
2.19.2021



Google Earth

2 mi





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
2/19/2021

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

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

PRODUCER VTC Insurance Group Troy Office 1175 W. Long Lake Ste. 200 Troy MI 48098-4960	CONTACT NAME: Kathleen Wasen
	PHONE (A/C, No, Ext): (248) 828-3377 FAX (A/C, No): (248) 828-3741
	E-MAIL ADDRESS: kwasen@vtcins.com
	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A: Zurich American Ins. Co. 16535
	INSURER B: American Guarantee & Liability 26247
	INSURER C: Westchester Surplus Lines Insurance Co 10172
	INSURER D:
	INSURER E:
	INSURER F:

COVERAGES CERTIFICATE NUMBER: 20-21 Master REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$ 2,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input checked="" type="checkbox"/> XCU Included	X	Y	GL01861025-01	8/30/2020	8/30/2021	MED EXP (Any one person) \$ 10,000
	<input checked="" type="checkbox"/> Contract Liab.						PERSONAL & ADV INJURY \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 4,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ 4,000,000
	OTHER:						\$
A	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS	X	Y	BAP1862597-01	8/30/2020	8/30/2021	PROPERTY DAMAGE (Per accident) \$
						\$	
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR						EACH OCCURRENCE \$ 9,000,000
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$ 9,000,000
	DED <input checked="" type="checkbox"/> RETENTION \$ 0	X	Y	AUC1853074-01	8/30/2020	8/30/2021	\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)		Y/N				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	Y	WC1861027-01	8/30/2020	8/30/2021	E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Contractors Pollution	X	Y	G4682474A004	8/30/2020	8/30/2021	Limit \$1,000,000 Ded \$2,500
A	Leased/Rented Equipment			GL01861025-01	8/30/2020	8/30/2021	Limit \$50,000 Ded \$2,500

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Where required by written contract Cascade Charter Township, MI is additional insured for General Liability (GL) as respects to ongoing & completed operations on a primary and non-contributory basis and additional insured with respects to Automobile Liability & Pollution Liability. GL, Auto, Pollution & Workers Comp policies include waiver of subrogation on behalf of the certificate holder as required by written contract and where allowed by law. Umbrella/Excess liability coverages follows form over GL, Auto and Employers Liability. Insurer will endeavor to mail 30 days written notice of cancellation to the certificate holder, however, failure to do so will impose no liability of any kind upon the insurer

CERTIFICATE HOLDER Cascade Charter Township, MI 2865 Thornhills Avenue SE Grand Rapids, MI 49546-7192	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE Alan Chandler/KJW <i>Alan P. Chandler</i>

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# CASCADE CHARTER TOWNSHIP

2865 Thornhills SE Grand Rapids, Michigan 49546-7140

**Date:** March 5, 2021  
**To:** Cascade Charter Township Board  
**From:** Supervisor Grace Lesperance  
**Subject:** **2021 Appointments to Planning Commission and Grand Valley Metro Counsel**

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## **Regular Planning Commission Member Appointment**

I recommend that this Board:

1. **Accept the resignation of Commissioner Lisa Krieter**, whose term expires 12/31/21; and
2. **Appoint resident Windy Korstange to fill Commissioner Krieter's unexpired term.**

**Background:** Ms. Korstange has lived in Cascade for fifteen years with her husband and four children (ages 12, 21, 22, and 25). She loves Cascade's sense of community, access to services, local trails and parks, and its neighborhood feel. Her brother is a full-time professional planner in Colorado, and she appreciates how thoughtful planning can have a huge impact on enhancing a community. She currently works at Spectrum Health as a nurse. Over her 25-year career in nursing, she has served on various leadership boards and committees, including the Board of Directors and Quality Improvement/Process Improvement and Operations. Ms. Korstange's enthusiasm for and love of Cascade, combined with her leadership experience makes her an excellent appointment to the Planning Commission.

## **Grand Valley Metro Counsel**

Supervisor Lesperance is appointed as the Cascade Representative to the Grand Valley Metro Counsel. Supervisor Lesperance will replace former Supervisor Robert Beahan as Cascade Township's representative to the Grand Valley Metro Counsel.

**From:** [Grace Lesperance](#)  
**To:** [Padley Gallagher](#); [Ben Swayze](#)  
**Subject:** FW: Resignation  
**Date:** Friday, March 5, 2021 11:29:25 AM

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Please attach this to the previously sent memo re appointments. Thanks

-----Original Message-----

From: Steve <[Steve@cascadetwp.com](mailto:Steve@cascadetwp.com)>  
Sent: Tuesday, February 23, 2021 1:58 PM  
To: Lisa Krieter <[lisa.krieter@gmail.com](mailto:lisa.krieter@gmail.com)>; Scott Rissi ([Scott@thornappleinc.com](mailto:Scott@thornappleinc.com)) <[Scott@thornappleinc.com](mailto:Scott@thornappleinc.com)>  
Cc: Ben Swayze <[bswayze@cascadetwp.com](mailto:bswayze@cascadetwp.com)>; Brian Hilbrands <[bhilbrands@cascadetwp.com](mailto:bhilbrands@cascadetwp.com)>; Grace Lesperance <[glesperance@cascadetwp.com](mailto:glesperance@cascadetwp.com)>  
Subject: RE: Resignation

Thanks for the note Lisa, you may consider it effective immediately. Thanks again for your willingness to serve the community. Good luck with your new job.

Steve

-----Original Message-----

From: Lisa Krieter <[lisa.krieter@gmail.com](mailto:lisa.krieter@gmail.com)>  
Sent: Tuesday, February 23, 2021 1:46 PM  
To: Scott Rissi ([Scott@thornappleinc.com](mailto:Scott@thornappleinc.com)) <[Scott@thornappleinc.com](mailto:Scott@thornappleinc.com)>; Steve <[Steve@cascadetwp.com](mailto:Steve@cascadetwp.com)>  
Subject: Resignation

Good afternoon,

I hope you both are well. I have just recently started a new job, and with my other current obligations and new work commitments, I will no longer be able to give the Planning Commission the time that it deserves.

I thereby give my resignation. If needed, I can attend the March 1st meeting, but if my presence is not needed, my resignation can be effective immediately.

It has been great working with you both. I appreciate the opportunity to be part of our township's growth.

Thank you,

--

Lisa Krieter



# CASCADE CHARTER TOWNSHIP

2865 Thornhills SE Grand Rapids, Michigan 49546-7140

**Date:** March 5, 2021  
**To:** Cascade Charter Township Board  
**From:** Supervisor Grace Lesperance  
**Subject:** **Resolution Establishing a Citizen PFAS Advisory Committee**

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## CASCADE CHARTER TOWNSHIP (Resolution No \_\_\_\_\_ )

### A RESOLUTION ESTABLISHING A CITIZENS PFAS ADVISORY COMMITTEE.

Minutes of a March 10, 2021 meeting of the Township Board of Trustees of Cascade Charter Township, Kent County, Michigan, held via the remote conferencing app Zoom, in accordance with Public Act 228 of 2020 , on March 10 , 2021 at 7:00 p.m local time.

PRESENT: \_\_\_\_\_

ABSENT: \_\_\_\_\_

The following Resolution was offered for adoption by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_.

WHEREAS; A substantial number of residents and residences within Cascade Charter Township are adversely impacted by Per- and polyfluoroalkyl (PFAS) groundwater contamination and, concurrently, significant concern and interest exists among said residents regarding current and potential future remediation initiatives, and;

WHEREAS; The advice, commentary and active participation of PFAS-impacted residents regarding remediation initiatives is valuable and a Township-sanctioned vehicle to facilitate and structure citizen advisory commentary appropriate.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the Cascade Charter Township Citizens PFAS Advisory Committee is hereby established. Said Committee shall function solely as an ad hoc advisory body to facilitate residents' advisory commentary relevant to Township PFAS remediation activities and initiatives.

2. The Cascade Charter Township Citizen PFAS Advisory Committee membership shall be as follows:

- One (1) member of the Cascade Charter Township Board of Trustees.
- One (1) member of the Cascade Charter Township Planning Commission.
- Five (5) At-large members who are residents and owners of residential property in PFAS impacted neighborhoods within Cascade Charter Township.

3. The Committee is task specific and shall serve until the Committee has completed its task or until March 10, 2024 or is otherwise disbanded. The Township Board reserves the right to remove any Committee member at any time without cause.

4. All meetings of the Committee shall be duly posted and open to the public. The public shall have at least one opportunity at every meeting to address the Committee. Meeting minutes shall be taken and transmitted to the Township Clerk.

YEAS:

Members \_\_\_\_\_

NAYS:

Members \_\_\_\_\_

ABSENT:

Members \_\_\_\_\_

RESOLUTION DECLARED ADOPTED

\_\_\_\_\_  
Susan Slater, Township Clerk