



## City Council

**Mayor:** Chris Emerick  
**Mayor Pro-Tem:** Sandy Szeliga  
**Council:** Dan Elliott  
Sean Duffy  
Matt Hildebrand  
**City Clerk:** Kathy Fiebig  
**City Manager:** Sarah Dvoracek

**City of Evart**  
**5814 100<sup>th</sup> Avenue**  
**Evart, MI 49631**  
**(231) 734-2181**

Sarah Dvoracek  
c: (231) 580-6516

[www.evart.org](http://www.evart.org)

### CITY OF EVART REGULAR VIRTUAL COUNCIL MEETING AGENDA Monday, March 1, 2021 @ 8:00PM

**Before each regular virtual council meeting there will be a standing pre-council work session from 7:30PM to 8:00PM. Steps for accessing Zoom follow the Agenda.**

1. **Call to Order: 8:00PM**
2. **Roll Call**
3. **Citizens' Comments** – *limited to 3-4 minutes per individual*
4. **Approval of Agenda**
5. **Consent Agenda**  
*The purpose of the Consent Agenda is to expedite business by grouping non-controversial items together to be dealt with by one Board motion (roll-call vote) without discussion. Any person, whether Board Member, staff or public may ask that item be removed from the Consent Agenda to be placed elsewhere on the regular agenda for discussion. All such requests will be granted.*
  - B. Regular Virtual Council Minutes – February 16, 2021
  - C. Vendor's List \$300,594.73
6. **Unfinished Business**
  - D. Draft Ordinance – Housing Code (*Public Hearing March 22, 2021 @ 6:30 pm*)
  - E. Riverside Park Improvements (*postpone*)
  - F. Appointments to Boards and Commissions (*postpone*)
7. **New Business**  
**Items for Action:**
  - G. Requesting Appointment of Emily Duffy to Cemetery Commission
  - H. Requesting Appointment of Emily Duffy to Historic District Study Commission
  - I. Requesting Appointment of Ralph Carlson to Board of Review
  - J. Requesting Appointment of Ralph Carlson to Local Compensation Commission
  - K. Requesting Appointment of Ralph Carlson to Planning Commission
  - L. Resolution 2021-03 to Approve Amendment to MDOT Contract 2020-0863/A1 (Runway Rehab)
  - M. Eric Kehoe, Downtown Development Authority Contract Extension
8. **Department/Informational Reports (No Action Needed)**
  - N. Accounts Payable Report (2/17/2021 – 3/1/2021)
  - O. Payroll Reports (2/17/2021 – 3/1/2021)

P. Revenue & Expense Report – February 2021 *(will email before meeting on 3/1/21)*

Q. Fire Department Minutes – February 2021

**9. City Attorney Report/Comment**

**10. City Clerk Report/Comment**

**11. City Manager Report/Comment**

**12. Finance Director Report/Comment**

R. FYI – Department of Treasury Corrective Action Plan

**13. Department of Public Works Report/Comment**

**14. Police Department Report/Comment**

**15. Downtown Development Authority Report/Comment**

**16. Citizens' Comments** – *limited to 3-4 minutes per individual*

**17. Adjournment**

Documents to be signed after council meeting:

**Resolution 2021-03:** to Approve Amendment to MDOT Contract 2020-0863/A1  
(Runway Rehab)

# Zoom Virtual Meeting: How to Join In

## Join Using a Link

1. Open your web browser
2. Type in the url:

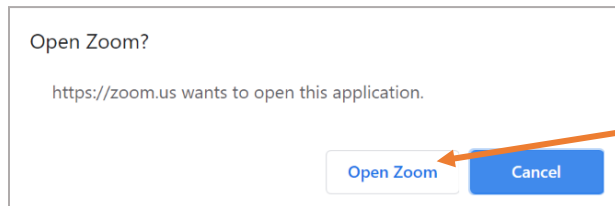
### ***To be announced the day of the council meeting***

This will open the meeting prompt loading page for the meeting

## Entering the Meeting

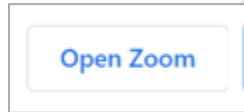
Once you have accessed the meeting using your web browser

1. You will be asked to **Open Zoom**

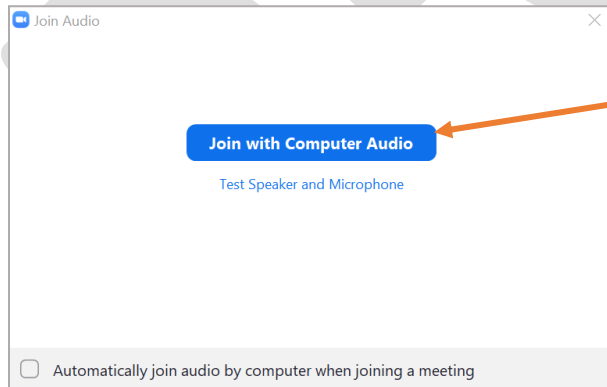


*The language of this pop up notification may be different depending on your browser*

2. Click **Open Zoom**



3. Click **Join with Computer Audio**



- a. You can test the audio before joining by clicking **Test Speaker and Microphone**

You are now in the meeting. If you join prior to the start time you will be in a digital waiting room. Five minutes prior to the start of the meeting, the moderator will grant you access.

### *Join via Phone*

1. On your phone, dial the teleconferencing number provided in your invite Dial **1-888-788-0099**
2. Enter the **Meeting ID** number when prompted using your key/dial pad **Meeting Id: to be announced**

You will be prompted to enter your unique participant ID. This only applies if you have joined on the computer or mobile device or are a panelist in a webinar. **Press #** to skip.

You are now in the meeting. If you join prior to the start time you will put on hold. Five minutes prior to the start of the meeting, the moderator will grant you access.

## **To Participate in Public Commentary**

### **Viewing via URL link**

- For those watching our virtual meeting on their device, if you wish to ask a question or make a statement, please type your question in the Chat provided. It will then be read to the council.
- If you wish to speak a statement or question via your device's microphone or audio, please indicate so in the chat window. The moderator will unmute your audio when it is your turn to speak.
- Video questions, at this time, are not available.

### **Teleconferencing**

- If you wish to speak during public comment please press \*9 on your telephone keypad, which will alert the moderator of your desire to speak.
- Please ensure you are in a quiet location and mute any video streams so all will be able to hear your comments.
- When it is your turn to speak, the moderator will identify you by the last four digits of your phone number.



**CITY OF EVART  
VIRTUAL REGULAR COUNCIL MEETING  
Tuesday, February 16, 2021 @ 8:00PM**

The meeting was called to order at 8:00pm by Mayor Chris Emerick.

**Present (via roll call):** Sean Duffy, City of Evert, Osceola County MI attending remotely  
Dan Elliott, City of Evert, Osceola County MI attending remotely  
Mayor Emerick, City of Evert, Osceola County MI attending remotely  
Matt Hildebrand, City of Evert, Osceola County MI attending remotely  
Sandra Szeliga, City of Evert, Osceola County MI attending remotely

**Present:** City Manager Sarah Dvoracek, Assistant City Manager/Director of Public Works Mark Wilson (Meeting Co-Host), Finance Director/Treasurer Pepper Lockhart (Meeting Co-Host), Chief of Police John Beam, City Attorney James White, City Assessor David Kirwin, City Clerk Kathy Fiebig

**Guests (per Zoom ID):** Cathie Crew, Annette Walters, Evert Farmers Market, Ralph Carlson, Laurie Chase, Janet's iPad, Nadia Lake, Emily Oldenburg, Katie Reed, 1231\*\*\*\*815, Roger Elkins

**Citizens' Comments:** none

**Approval of Agenda**

Ms. Dvoracek added the DDA report to Item 15. Motion by Mayor Emerick to approve the agenda with this change. Support by Mr. Duffy. Motion passed with a roll call vote; all were in favor.

**Consent Agenda**

- B.** Regular Virtual Council Minutes – February 1, 2021
- C.** Planning Commission Minutes – December 28, 2020
- D.** Special Planning Commission Minutes – February 3, 2021
- E.** Vendor's List \$33,825.35

Motion by Mr. Hildebrand to approve the Consent Agenda as presented. Support by Ms. Szeliga. Motion passed with a roll call vote; all were in favor.

**Unfinished Business**

- F.** Draft Ordinance – Housing Code (*Public Hearing March 22, 2021 @ 6:30pm*)
- G.** Riverside Park Improvements (*postponed*)
- H.** Appointments to Boards and Commissions (*postponed*)

**New Business**

- I.** City Assessor 2021 Assessment Roll Presentation – David Kirwin

Mr. Kirwin shared a PowerPoint presentation with council. Despite the pandemic, the real estate market was not impacted. Cost of construction is high, but interest rates are low and the housing inventory (houses on the market) is historically low. City of Evert's current assessed value is \$37,657,100 while the previous assessed value was \$35,780,700. The current taxable value increased to \$31,097,847 from \$30,062,247. Industrial assessments were expected to decrease but increased due to Lume's grow facility expansion. Real estate sale prices in 2019 averaged \$65,000 and in 2020 averaged \$76,000. The number of sales have dropped but prices have risen substantially. Due to the current trend of

residential sales coupled with the recent sale of the Pittsburg Glass Building, Mr. Kirwin anticipates another significant increase in assessed values this year.

**J. Requesting Approval of the Planning Commission 2020 Annual Report**

Motion by Mr. Duffy to accept the Planning Commission's 2020 Annual Report as presented. Support by Mr. Hildebrand. Motion passed with a roll call vote; all were in favor.

**K. Requesting Approval of Strategic Plan and Goals for 2021**

Ms. Dvoracek has revised this document to reflect council's input during the Special Meeting on January 25, 2021 addressing strategic planning. Motion by Mr. Hildebrand to approve the Strategic Plan and Goals for 2021 as presented. Support by Mayor Emerick. Motion passed with a roll call vote; all were in favor.

**L. Requesting Approval of the Evert Historic District Commission Bylaws**

The Historic District Commission (HDC) drafted and passed bylaws on October 14, 2020. However, it was deemed necessary to strengthen the conflict-of-interest clause to better support the City's Certified Local Government application. The bylaws were revised and passed by the HDC on February 10, 2021. A two-hour annual training requirement was also added. Motion by Mr. Elliott to pass the Evert Historic District Bylaws as presented. Support by Mr. Duffy. Motion passed with a roll call vote; all were in favor.

**M. Requesting Approval of Resolution 2021-02 – Creating and Adopting a Budget for the Evert Historic District Commission**

Due to the lack of an architect on the HDC, as is required, Ms. Dvoracek recommended allowing the Commission to hire one as a consultant if needed. These funds will also cover any training expenses for the HDC. Motion by Mr. Hildebrand to approve Resolution 2021-02. Support by Mayor Emerick. Motion passed with a roll call vote; all were in favor.

**N. Requesting Approval of Point Broadband's Metro Act Permit Application**

Point Broadband, formerly Casair, has applied for a METRO Acts Permit to install fiber optic cable throughout the City of Evert. Ms. Dvoracek noted that the application does not include servicing the industrial park, and she intends to ask them to do so. She believes this project will benefit all city residents, offering another internet option and improved internet quality. Motion by Mr. Duffy to approve the Permit Application. Support by Mr. Hildebrand. Motion passed with a roll call vote; all were in favor.

**Department/Informational Reports (No Action Needed)**

**O. Accounts Payable Report (2/2/2021 – 2/16/2021)**

**P. Payroll Reports (2/2/2021 – 2/16/2021)**

**Q. Summary of All Funds – January 2021**

**R. Fire Department Minutes – January 11, 2021 & January 12, 2021**

**City Attorney Report/Comments**

Mr. White has reviewed the Housing Code and believes that it will work well. He has reviewed the Point Broadband permit application, as well as the contract between the Downtown Development Authority (DDA) and the Farmers Market Manager. He also reviewed the DDA's lease agreement for the pop-up space on Main Street.

**City Clerk Report/Comments – none**

**City Manager Report/Comment**

**S. City Manager Monthly Report – January 2021**

Ms. Dvoracek noted that Municode will be submitting the final draft of the recodification document shortly.

**T. Board of Review Training 2021 – FYI**

Ms. Dvoracek invited any interested city officials or residents to attend this training on February 25 from 1-4pm. She noted that there is one vacancy on the Board of Review.

**Finance Director Report/Comment**

**U. Finance Director's Monthly Report – January 2021**

**Department of Public Works Report/Comment**

**V. DPW Monthly Report – January 2021**

Mr. Wilson will be attending the virtual Michigan Airport Conference this week.

**W. RCB Contracting Evaluation**

Mr. Wilson remarked that this is the first evaluation of a contractor (per council's previous instruction) and that he is pleased with the process. He believes it would be useful to use this for short term contracts as well.

**Police Department Report/Comment**

**X. Police Department Report/Comment**

**Downtown Development Authority Report/Comment**

Ms. Dvoracek reminded council that this report was emailed to them earlier today.

***Citizens' Comments: none***

Motion by Mayor Emerick to adjourn the meeting. Support by Mr. Hildebrand. Motion passed with a roll call vote; all were in favor.

The meeting was adjourned at 8:58pm.

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Kathy Fiebig  
City Clerk

02/25/2021 04:51 PM  
User: JENNIE  
DB: CITY OF EVART

CHECK REGISTER FOR CITY OF EVART  
CHECK DATE FROM 02/17/2021 - 03/01/2021

Page: 1/1

| Check Date      | Bank | Check   | Vendor | Vendor Name                       | Amount     |
|-----------------|------|---------|--------|-----------------------------------|------------|
| Bank 751 VENDOR |      |         |        |                                   |            |
| 02/22/2021      | 751  | 38305   | 0028   | CITY OF EVART                     | 1,632.00   |
| 02/22/2021      | 751  | 38306   | 0653   | EVART PUBLIC LIBRARY              | 104.02     |
| 02/22/2021      | 751  | 38307   | 0229   | OSCEOLA COUNTY TREASURER          | 669.02     |
| 02/22/2021      | 751  | 38308   | 0229   | OSCEOLA COUNTY TREASURER          | 627.30     |
| 02/22/2021      | 751  | 38309   | 0028   | CITY OF EVART                     | 20,169.15  |
| 02/22/2021      | 751  | 38310   | 0051   | EVART FIRE DEPARTMENT             | 19,601.55  |
| 02/22/2021      | 751  | 38311   | 0045   | EVART PUBLIC SCHOOLS              | 150,882.77 |
| 02/22/2021      | 751  | 38312   | 1047   | MECOSTA OSCEOLA TRANSIT AUTHORITY | 4,892.86   |
| 02/22/2021      | 751  | 38313   | 0668   | MECOSTA-OSCEOLA INTERMEDIATE      | 49,768.56  |
| 02/22/2021      | 751  | 38314   | 0229   | OSCEOLA COUNTY TREASURER          | 26,943.82  |
| 03/01/2021      | 751  | 38315   | 342    | AUTOMATED BUSINESS EQUIPMENT      | 800.00     |
| 03/01/2021      | 751  | 38316   | 1182   | BARNETT'S AUTO REPAIR             | 321.22     |
| 03/01/2021      | 751  | 38317   | 1048   | CHROUCH COMMUNICATIONS            | 4,123.00   |
| 03/01/2021      | 751  | 38318   | 1122   | CLEAR GOV INC                     | 2,000.00   |
| 03/01/2021      | 751  | 38319   | 0024   | CONSUMERS ENERGY                  | 9,231.92   |
| 03/01/2021      | 751  | 38320   | 1035   | DICKINSON WRIGHT PLLC             | 1,440.00   |
| 03/01/2021      | 751  | 38321   | 0576   | DTE ENERGY                        | 1,136.20   |
| 03/01/2021      | 751  | 38322   | 1211   | FASTENAL COMPANY                  | 178.33     |
| 03/01/2021      | 751  | 38323   | 1025   | FILE SAFE, INC                    | 53.50      |
| 03/01/2021      | 751  | 38324   | 1119   | KUBE PROPANE, LLC                 | 1,234.64   |
| 03/01/2021      | 751  | 38325   | 439    | LERMA                             | 60.00      |
| 03/01/2021      | 751  | 38326   | 723    | MEDLER ELECTRONIC CO              | 101.34     |
| 03/01/2021      | 751  | 38327   | 472    | ROTARY MULTIFORMS, INC            | 94.15      |
| 03/01/2021      | 751  | 38328   | 0903   | STANDARD INSURANCE CO.            | 517.00     |
| 03/01/2021      | 751  | 38329   | 1161   | STAPLES CREDIT PLAN               | 109.03     |
| 03/01/2021      | 751  | 38330   | 1784   | VERIZON WIRELESS                  | 289.55     |
| 03/01/2021      | 751  | 38331   | 1803   | XEROX CORPORATION                 | 281.64     |
| 03/01/2021      | 751  | 529 (A) | 1978   | DVORACEK, SARAH                   | 40.00      |
| 03/01/2021      | 751  | 530 (A) | 994    | FLACHS, MICHAEL                   | 40.00      |
| 03/01/2021      | 751  | 531 (A) | 1821   | I.T. RIGHT                        | 55.49      |
| 03/01/2021      | 751  | 532 (A) | 1419   | JOHN BEAM JR.                     | 40.00      |
| 03/01/2021      | 751  | 533 (A) | 1330   | MARTIN, DALE                      | 40.00      |
| 03/01/2021      | 751  | 534 (A) | 1501   | MUCZYNSKI, PATRICK                | 40.00      |
| 03/01/2021      | 751  | 535 (A) | 1069   | PEPPER LOCKHART                   | 40.00      |
| 03/01/2021      | 751  | 536 (A) | 2048   | SWIFT ECKERT, TERESA              | 40.00      |
| 03/01/2021      | 751  | 537 (A) | 0221   | WHITE LAW OFFICE                  | 2,916.67   |
| 03/01/2021      | 751  | 538 (A) | 1970   | WILSON, MARK                      | 40.00      |
| 03/01/2021      | 751  | 539 (A) | 469    | ZINGER, ADAM                      | 40.00      |

751 TOTALS:

|                            |            |
|----------------------------|------------|
| Total of 38 Checks:        | 300,594.73 |
| Less 0 Void Checks:        | 0.00       |
| Total of 38 Disbursements: | 300,594.73 |

## AGENDA REPORT

To: Honorable Mayor Emerick & Council Members  
From: Sarah Dvoracek, City Manager & Chris Emerick, City Mayor  
Date: February 24, 2021  
Re: Appointment of Mrs. Emily Duffy to Cemetery Commission

For the Agenda of March 1, 2021

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Background. On February 1, 2021, city council approved the Standard Operating Procedures for Boards and Commissions Policy No. 2021-01. The policy requires city staff to interview interested appointees and review the requirements of each board. The interview includes reviewing the public act, the city ordinance, the city charter, FOIA, and the Open Meetings Act.

Issues & Questions Specified. On February 24, 2021, Mayor Emerick, Assistant City Manager Wilson, and I interviewed Mrs. Duffy.

Per our Charter, Section 4.27, "There shall be a cemetery commission consisting of at least three (3) members, one of whom shall be a member of the council. The council shall have power to enact all ordinances deemed necessary for the establishment, maintenance, and protection of all cemeteries, together with the improvements thereon and appurtenances thereto, owned or hereafter acquired by the city either within or without its corporate limits. All ordinances pertaining to public health and welfare in the regulation and protection of public cemeteries shall apply equally to all cemeteries within the city belonging to, or under control of, any church or religious society, or any corporation, company, or association. In any cemetery established or owned by the city, a plan for the perpetual care of all lots, plots, and lands therein shall be established."

Alternatives.

1. Do nothing

Financial Impact. na

Recommendation. It is our recommendation Mrs. Duffy be appointed to the cemetery commission effective immediately for a three-year term.

Attachments.

1. na

## AGENDA REPORT

To: Honorable Mayor Emerick & Council Members  
From: Sarah Dvoracek, City Manager & Chris Emerick, City Mayor  
Date: February 24, 2021  
Re: Appointment of Mrs. Emily Duffy to Historic District Study Committee

For the Agenda of March 1, 2021

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Background. On February 1, 2021, city council approved the Standard Operating Procedures for Boards and Commissions Policy No. 2021-01. The policy requires city staff to interview interested appointees and review the requirements of each board. The interview includes reviewing the public act, the city ordinance, the city charter, FOIA, and the Open Meetings Act.

Issues & Questions Specified. On February 24, 2021, Mayor Emerick, Assistant City Manager Wilson, and I interviewed Mrs. Duffy.

Per our Historic District Ordinance, "before establishing a historic district(s), the City Council shall appoint a Historic District Study Committee. A majority of the persons appointed to the Study Committee shall have a clearly demonstrated interest in or knowledge of historic preservation. The Study Committee shall contain representation of at least one member appointed from one or more duly organized local historic preservation organizations."

Alternatives.

1. Do nothing

Financial Impact. na

Recommendation. It is our recommendation Mrs. Duffy be appointed to the historic district study committee effective immediately.

Attachments.

1. na

## AGENDA REPORT

To: Honorable Mayor Emerick & Council Members  
From: Sarah Dvoracek, City Manager & Chris Emerick, City Mayor  
Date: February 24, 2021  
Re: Appointment of Mr. Ralph Carlson to Board of Review

For the Agenda of March 1, 2021

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Background. On February 1, 2021, city council approved the Standard Operating Procedures for Boards and Commissions Policy No. 2021-01. The policy requires city staff to interview interested appointees and review the requirements of each board. The interview includes reviewing the public act, the city ordinance, the city charter, FOIA, and the Open Meetings Act.

Issues & Questions Specified. On February 24, 2021, Mayor Emerick, Assistant City Manager Wilson, and I interviewed Mr. Carlson. We reviewed the requirements of the Board of Review including the required (4) hours of continuing education which must be completed annually. Mr. Carlson agreed to attend the virtual Board of Review Training on February 25, 2021.

Per our City Charter, Section 8.6 (a) "The Board of Review shall consist of three (3) city residents who are electors of the city but not city officers or employees. The assessor is to be the clerk of the board of review and nonvoting. The board shall be entitled to such remuneration as shall be determined by the council."

Alternatives.

1. Do nothing

Financial Impact. na

Recommendation. It is our recommendation that Mr. Carlson be appointed to the Board of Review effective immediately for a three year term.

Attachments.

1. na

## AGENDA REPORT

To: Honorable Mayor Emerick & Council Members  
From: Sarah Dvoracek, City Manager & Chris Emerick, City Mayor  
Date: February 24, 2021  
Re: Appointment of Mr. Ralph Carlson to Local Compensation Commission

For the Agenda of March 1, 2021

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Background. On February 1, 2021, city council approved the Standard Operating Procedures for Boards and Commissions Policy No. 2021-01. The policy requires city staff to interview interested appointees and review the requirements of each board. The interview includes reviewing the public act, the city ordinance, the city charter, FOIA, and the Open Meetings Act.

Issues & Questions Specified. On February 24, 2021, Mayor Emerick, Assistant City Manager Wilson, and I interviewed Mr. Carlson.

Per our city charter, Section 4.10 (a) Each member of the council and the city clerk shall receive as remuneration for his service to the city, a sum designated under the provisions of the local Compensation Commission Act for all regular or special city council meetings, payable quarterly. The local Compensation Commission shall provide for either an annual salary or for a per-meeting rate and specify it be only for actual attendance at meetings. The mayor shall receive an additional stipend, also designated by the local Compensation Commission, payable annually. (b) Provisions of this section shall be subject to the periodic review of the local Compensation Commission now established by ordinance in accordance with statute."

Per the Home Rule City Act 279 of 1909, (a) "A local officers compensation commission is created which shall determine the salaries of each local elected official. The commission shall consist of 5 members in a city of 20,000 population or less and 7 members in a city of over 20,000 population. The members shall be registered electors of the city, appointed by the mayor subject to confirmation by a majority of the members elected and serving in the legislative body."

Alternatives.

1. Do nothing

Financial Impact. na

Recommendation. Mayor Emerick is requesting appointment of Mr. Carlson to the local compensation commission for a five year term.

Attachments.

1. na



## AGENDA REPORT

To: Honorable Mayor Emerick & Council Members  
From: Sarah Dvoracek, City Manager & Chris Emerick, City Mayor  
Date: February 24, 2021  
Re: Appointment of Mr. Ralph Carlson to Planning Commission

For the Agenda of March 1, 2021

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Background. On February 1, 2021, city council approved the Standard Operating Procedures for Boards and Commissions Policy No. 2021-01. The policy requires city staff to interview interested appointees and review the requirements of each board. The interview includes reviewing the public act, the city ordinance, the city charter, FOIA, and the Open Meetings Act.

Issues & Questions Specified. On February 24, 2021, Mayor Emerick, Assistant City Manager Wilson, and I interviewed Mr. Carlson. When Mr. Carlson was sitting on the planning commission as a council member, he obtained his Citizen Planner Certificate.

Per our City Charter, Section 6.11, "The council shall provide for and maintain a city planning commission which shall possess all of the powers and perform the functions of planning commissions as set forth by statute. The citizen members of the planning commissions shall be appointed by the mayor subject to confirmation by the council."

Alternatives.

1. Do nothing

Financial Impact. na

Recommendation. Mayor Emerick is requesting appointment of Mr. Carlson to the planning commission for a three year term.

Attachments.

1. na

## AGENDA REPORT

To: Honorable Mayor Emerick & Council Members  
From: Sarah Dvoracek  
Date: February 25, 2021  
Re: Resolution 2021-03 to Approve Amendment to MDOT Contract 2020-0863/A1  
(Runway Rehab)

For the Agenda of March 1, 2021

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**Background.** On September 29, 2020, council approved MDOT Contract No. 2020-0863, see attachment 1. The project was 100% federally funded for \$29,556 for airport runway improvements, the breakdown is as follows: 33,000 LFT of crack sealing, 16,000 SFT of solid white painting, and 24,800 SFT of solid yellow painting.

The project started late last fall and MDOT soon discovered the cracks in our runway were wider than anticipated and asked us if we would be interested in contributing \$4,000 and the state would contribute \$4,000 so that a mastic crack filler could be used. Mastic is polymer modified asphalt engineered to fill cracks and defects and helps prevent water infiltration.

Last fall, MDOT needed a verbal confirmation from the city stating they would contribute \$4,000 towards the project, this is the documentation needed to make the local contribution official. MDOT requires the city approve the amendatory contract by resolution, please see attachment 2.

**Issues & Questions Specified.** Utilizing the mastic crack sealer will improve the service life of the runway. While the city did not budget for this cost it would be very beneficial to invest in our airport.

**Financial Impact.** The amendatory contract will require the city to contribute \$4,000 towards runway rehabilitation, which would require a budget amendment from the general fund.

**Recommendation.** Please approve Resolution 2021-03 and approve the amendatory contract as presented, see attachment 3.

**Attachments.**

1. Contract No. 2020-0863 (Original Contract)
2. Resolution 2021-03 Approving Amendatory Contract
3. Contract No. 2020-0863/A1 (Amendatory Contract)

**MICHIGAN DEPARTMENT OF TRANSPORTATION**

**CITY OF EVART**

**CONTRACT FOR A FEDERAL/STATE/LOCAL**

**AIRPORT PROJECT**

**UNDER THE BLOCK GRANT PROGRAM**

This Contract is made and entered into this date of 10/1/20 by and between the Michigan Department of Transportation (MDOT) and City of Evart (SPONSOR) for the purpose of fixing the rights and obligations of the parties in agreeing to the following undertaking at the Evart Municipal Airport, whose associated city is Evart , Michigan, such undertaking (PROJECT) estimated in detail in Exhibit 1, dated August 10, 2020 attached hereto and made a part hereof.

**PROJECT DESCRIPTION: REHABILITATE RUNWAY - AIRFIELD CRACK SEALING & PAINT MARKING - CONSTRUCTION.**

**Recitals:**

The PROJECT is eligible for federal funding under the federal Airport Improvement Program, pursuant to 49 USC 47101 *et seq.*, including 47128; and

MDOT has received a block grant from the Federal Aviation Administration (FAA) for airport development projects; and

MDOT is responsible for the allocation and management of block grant funds pursuant to the above noted act; and

Information required by 2 CFR Part 200 is attached to this Contract as Attachment X.

The parties agree that:

1. The term "PROJECT COST," as used herein, is defined in Attachment(s) 6, attached hereto and made a part hereof. The PROJECT COST will also include administrative costs incurred by MDOT in connection with the PROJECT. Administrative costs incurred by the SPONSOR are not eligible PROJECT COSTS.



THE SPONSOR WILL:

2. Enter into a contract with a consultant for each element of the PROJECT that requires expertise. The consultant will be selected in conformity with FAA Advisory Circular 150/5100-14. MDOT will select the consultant for each element of the PROJECT that involves preparation of environmental documentation. The SPONSOR will select the consultant for all other aspects of the PROJECT. All consultant contracts will be submitted to MDOT for review and approval. Any such approvals will not be construed as a warranty of the consultant's qualifications, professional standing, ability to perform the work being subcontracted, or financial integrity. The SPONSOR will neither award a consultant contract nor authorize the consultant to proceed prior to receiving written approval of the contract from MDOT. Any change to the consultant contract will require prior written approval from MDOT. In the event that the consultant contract is terminated, the SPONSOR will give immediate written notice to MDOT.
3. Make payment to MDOT for the SPONSOR's share of the PROJECT COSTS within thirty (30) days of the billing date. MDOT will not make payments for any PROJECT work prior to receipt of payment from the SPONSOR for the SPONSOR's share of that item of the PROJECT work.

Eligible PROJECT COSTS that are paid by the SPONSOR may be submitted for credit toward the SPONSOR's share of the PROJECT COST provided that they are submitted within one hundred eighty (180) days of the date the costs were incurred or within one hundred eighty (180) days of the date of award of this Contract by the parties, whichever is later. Documentation of the PROJECT COST will include copies of the invoices on which the SPONSOR will write the amounts paid, the check numbers, the voucher numbers, and the dates of the checks. Each invoice will be signed by an official of the SPONSOR as proof of payment. The amount of the SPONSOR billing will be reduced by the amount of the eligible credit, based on documentation submitted, provided it is submitted prior to the date of the billing. Should it be determined that the SPONSOR has been given credit for payment of ineligible items of work, the SPONSOR will be billed an amount to ensure that the SPONSOR share of PROJECT COSTS is covered.

The SPONSOR pledges sufficient funds to meet its obligations under this Contract.

4. With regard to audits and record-keeping:
  - a. The SPONSOR will establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this Contract (RECORDS). Separate accounts will be established and maintained for all costs incurred under this Contract.
  - b. The SPONSOR will maintain the RECORDS for at least six (6) years from the date of final payment made by MDOT under this Contract. In the event of a dispute with regard to allowable expenses or any other issue under this Contract,



the SPONSOR will thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

- c. MDOT or its representative may inspect, copy, scan, or audit the RECORDS at any reasonable time after giving reasonable notice.
  - d. If any part of the work is subcontracted, the SPONSOR will assure compliance with subsections (a), (b), and (c) above for all subcontracted work.
5. Provide and will require its subcontractors to provide access by MDOT or its representatives to all technical data, accounting records, reports, and documents pertaining to this Contract. Copies of technical data, reports, and other documents will be provided by the SPONSOR or its subcontractors to MDOT upon request. The SPONSOR agrees to permit representatives of MDOT to inspect the progress of all PROJECT work at any reasonable time. Such inspections are for the exclusive use of MDOT and are not intended to relieve or negate any of the SPONSOR's obligations and duties contained in this Contract. All technical data, reports, and documents will be maintained for a period of six (6) years from the date of final payment.
6. In the performance of the PROJECT herein enumerated, by itself, by a subcontractor, or by anyone acting on its behalf, comply with any and all applicable state, federal, and local statutes, ordinances, and regulations. The SPONSOR further agrees to obtain all permits that are applicable to the entry into and the performance of this Contract.
- The SPONSOR agrees to comply with the General Conditions and Special Conditions set forth in Appendix F, attached hereto and made a part hereof.
- In addition, the SPONSOR agrees to accomplish the PROJECT in compliance with all applicable FAA Assurances, Advisory Circulars, and Certifications.
7. The SPONSOR agrees that the costs reported to MDOT for this Contract will represent only those items that are properly chargeable in accordance with this Contract. The SPONSOR also certifies that it has read the Contract terms and has made itself aware of the applicable laws, regulations, and terms of this Contract that apply to the reporting of costs incurred under the terms of this Contract.

MDOT WILL:

- 8. Bill the SPONSOR for the SPONSOR's share of the estimated PROJECT COST. MDOT will bill the SPONSOR for the SPONSOR's share of additional estimated PROJECT COSTS for changes approved in accordance with Section 13 at the time of award of the amendment for approved work.
- 9. Upon receipt of payment requests approved by the SPONSOR, make payment for eligible PROJECT COSTS. MDOT will seek reimbursement from the FAA through the block grant issued to MDOT for funds expended on eligible PROJECT COSTS.



MDOT will not make payment for any PROJECT work prior to receipt of payment from the SPONSOR for the SPONSOR's share of that item of PROJECT work.

10. Make final accounting to the SPONSOR upon completion of the PROJECT, payment of all PROJECT COSTS, and completion of necessary audits. Any excesses or deficiencies will be returned or billed to the SPONSOR.

IT IS FURTHER AGREED THAT:

11. The PROJECT COST participation is estimated to be as shown below and as shown in the attached Exhibit 1. The PROJECT COST participation shown in Exhibit 1 is to be considered an estimate. The actual MDOT, FAA, and SPONSOR shares of the PROJECT COST will be determined at the time of financial closure of the FAA grant.

|                                     |             |
|-------------------------------------|-------------|
| Federal Share .....                 | \$29,556.00 |
| Maximum MDOT Share .....            | \$0.00      |
| SPONSOR Share .....                 | \$0.00      |
| <i>Estimated</i> PROJECT COST ..... | \$29,556.00 |

12. The PROJECT COST will be met in part with federal funds granted to MDOT by the FAA through the block grant program and in part with MDOT funds. Upon final settlement of cost, the federal funds will be applied to the federally-funded parts of this Contract at a rate not to exceed ninety-five percent (95%) up to and not to exceed the maximum federal obligations shown in Section 11 or as revised in a budget letter, as set forth in Section 13. Those parts beyond the federal funding maximum may be eligible for state funds at a rate not to exceed ninety percent (90%) up to and not to exceed the maximum MDOT obligation shown in Section 11.

For portions of the PROJECT for which only MDOT and SPONSOR funds will be applied to the final settlement, MDOT funds will be at a rate not to exceed ninety percent (90%), and the total MDOT funds applied toward the PROJECT COST may be up to but will not exceed the maximum MDOT obligations shown in Section 11 or as revised in a budget letter, as set forth in Section 13. Any items of PROJECT COST not funded by FAA or MDOT funds will be the sole responsibility of the SPONSOR.

MDOT funds in this Contract made available through legislative appropriation are based on projected revenue estimates. MDOT may reduce the amount of this Contract if the revenue actually received is insufficient to support the appropriation under which this Contract is made.

13. The PROJECT COST shown in Section 11 is the maximum obligation of MDOT and federal funds under this Contract. The maximum obligation of MDOT and federal funds may be adjusted to an amount less than the maximums shown in Section 11 through a budget letter issued by MDOT. A budget letter will be used when updated cost estimates for the PROJECT reflect a change in the amount of funds needed to fund all PROJECT

COSTS. The budget letter will be signed by the Administrator of the Airports Division of the Office of Aeronautics.

A budget letter will also be used to add or delete work items from the PROJECT description, provided that the costs do not exceed the maximum obligations of Section 11. If the total amount of the PROJECT COST exceeds the maximum obligations shown in Section 11, the PROJECT scope will have to be reduced or a written amendment to this Contract to provide additional funds will have to be awarded by the parties before the work is started.

14. In the event it is determined by MDOT that there will be either insufficient funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, MDOT, prior to advertising or authorizing work performance, may cancel the PROJECT or any portion thereof by giving written notice to the SPONSOR. In the event this occurs, this Contract will be void and of no effect with respect to the canceled portion of the PROJECT. Any SPONSOR deposits on the canceled portion less PROJECT COSTS incurred on the canceled portions will be refunded following receipt of a letter from the SPONSOR requesting that excess funds be returned or at the time of financial closure, whichever comes first.
15. In the event that an audit performed by or on behalf of MDOT indicates an adjustment to the costs reported under this Contract or questions the allowability of an item of expense, MDOT will promptly submit to the SPONSOR a Notice of Audit Results and a copy of the audit report, which may supplement or modify any tentative findings verbally communicated to the SPONSOR at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the SPONSOR will (a) respond in writing to the responsible Bureau of MDOT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense, and (c) submit to MDOT a written explanation as to any questioned or no opinion expressed item of expense (RESPONSE). The RESPONSE will be clearly stated and will provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the SPONSOR may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by MDOT. The RESPONSE will refer to and apply the language of the Contract. The SPONSOR agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes MDOT to finally disallow any items of questioned or no opinion expressed cost.

MDOT will make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If MDOT determines that an overpayment has been made to the SPONSOR, the SPONSOR will repay that amount to MDOT or reach agreement with MDOT on a repayment schedule within thirty (30) days after the date of an invoice from MDOT. If



the SPONSOR fails to repay the overpayment or reach agreement with MDOT on a repayment schedule within the thirty (30) day period, the SPONSOR agrees that MDOT will deduct all or a portion of the overpayment from any funds then or thereafter payable by MDOT to the SPONSOR under this Contract or any other agreement or payable to the SPONSOR under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by MDOT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The SPONSOR expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest MDOT's decision only as to any item of expense the disallowance of which was disputed by the SPONSOR in a timely filed RESPONSE.

16. Failure on the part of the SPONSOR to comply with any of the conditions of this Contract may be considered cause for placing the SPONSOR in a state of noncompliance, thereby making the SPONSOR ineligible for future federal and/or state funds until such time as the noncompliance issues are resolved. In addition, this failure may constitute grounds for cancellation of the PROJECT and/or repayment of all grant amounts on a pro rata basis, if the PROJECT has begun. In this section, pro rata means proration of the cost of the PROJECT over twenty (20) years, if the PROJECT has not yet begun.
17. Any approvals, acceptances, reviews, and inspections of any nature by MDOT will not be construed as a warranty or assumption of liability on the part of MDOT. It is expressly understood and agreed that any such approvals, acceptances, reviews, and inspections are for the sole and exclusive purposes of MDOT, which is acting in a governmental capacity under this Contract, and that such approvals, acceptances, reviews, and inspections are a governmental function incidental to the PROJECT under this Contract.

Any approvals, acceptances, reviews, and inspections by MDOT will not relieve the SPONSOR of its obligations hereunder, nor are such approvals, acceptances, reviews, and inspections by MDOT to be construed as a warranty as to the propriety of the SPONSOR's performance, but are undertaken for the sole use and information of MDOT.

18. In connection with the performance of PROJECT work under this Contract, the SPONSOR (hereinafter in Appendix A referred to as the "contractor") agrees to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix A, dated June 2011, attached hereto and made a part hereof. The SPONSOR (hereinafter in Appendix B referred to as the "contractor") further agrees to comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 USC Sections 1971, 1975a-1975d, and 2000a-2000h-6, and the Regulations of the United States Department of Transportation (49 CFR Part 21) issued pursuant to said Act, including Appendix B, attached hereto and made a part hereof. These provisions will be included in all subcontracts relating to this Contract.



The SPONSOR will carry out the applicable requirements of MDOT's Disadvantaged Business Enterprise (DBE) program and 49 CFR Part 26, including, but not limited to, those requirements set forth in Appendix C, dated October 2, 2014, attached hereto and made a part hereof.

19. The SPONSOR agrees to require all prime contractors to pay each subcontractor for the satisfactory completion of work associated with the subcontract no later than ten (10) calendar days from the receipt of each payment the prime contractor receives from MDOT or the SPONSOR. The prime contractor also is required to return retainage payments to each subcontractor within ten (10) calendar days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from these time frames may occur only upon receipt of written approval from MDOT. These requirements are also applicable to all sub-tier subcontractors and will be made a part of all subcontract agreements.

This prompt payment provision is a requirement of 49 CFR, Part 26, as amended, and does not confer third-party beneficiary right or other direct right to a subcontractor against MDOT. This provision applies to both DBE and non-DBE subcontractors.

The SPONSOR further agrees that it will comply with 49 CFR, Part 26, as amended, and will report any and all DBE subcontractor payments to MDOT semi-annually in the format set forth in Appendix G, dated September 2015, attached hereto and made a part hereof, or any other format acceptable to MDOT.

20. In accordance with 1980 PA 278, MCL 423.321 *et seq.*, the SPONSOR, in the performance of this Contract, will not enter into a contract with a subcontractor, manufacturer, or supplier listed in the register maintained by the United States Department of Labor of employers who have been found in contempt of court by a federal court of appeals on not less than three (3) separate occasions involving different violations during the preceding seven (7) years for failure to correct an unfair labor practice, as prohibited by Section 8 of Chapter 372 of the National Labor Relations Act, 29 USC 158. MDOT may void this Contract if the name of the SPONSOR or the name of a subcontractor, manufacturer, or supplier utilized by the SPONSOR in the performance of this Contract subsequently appears in the register during the performance period of this Contract.
21. With regard to claims based on goods or services that were used to meet the SPONSOR's obligation to MDOT under this Contract, the SPONSOR hereby irrevocably assigns its right to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or MDOT due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - 445.788, excluding Section 4a, to the State of Michigan or MDOT.

The SPONSOR shall require any subcontractors to irrevocably assign their rights to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or MDOT with regard to claims based on goods or services that were used to meet the SPONSOR's obligation to MDOT under this Contract due to any violation of 15

USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - 445.788, excluding Section 4a, to the State of Michigan or MDOT as a third-party beneficiary.

The SPONSOR shall notify MDOT if it becomes aware that an antitrust violation with regard to claims based on goods or services that were used to meet the SPONSOR's obligation to MDOT under this Contract may have occurred or is threatened to occur. The SPONSOR shall also notify MDOT if it becomes aware of any person's intent to commence, or of commencement of, an antitrust action with regard to claims based on goods or services that were used to meet the SPONSOR's obligation to MDOT under this Contract.

22. In any instance of dispute and/or litigation concerning the PROJECT, the resolution thereof will be the sole responsibility of the party/parties to the contract that is/are the subject of the controversy. It is understood and agreed that any legal representation of the SPONSOR in any dispute and/or litigation will be the financial responsibility of the SPONSOR.
23. MDOT and the FAA will not be subject to any obligations or liabilities by contractors of the SPONSOR or their subcontractors or any other person not a party to this Contract without its specific consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or the solicitation thereof.
24. Each party to this Contract will remain responsible for any claims arising out of that party's performance of this Contract as provided by this Contract or by law.


This Contract is not intended to increase or decrease either party's liability for or immunity from tort claims.

This Contract is not intended to nor will it be interpreted as giving either party a right of indemnification, either by Contract or at law, for claims arising out of the performance of this Contract.
25. This Contract will be in effect from the date of award through twenty (20) years .
26. In case of any discrepancies between the body of this Contract and any exhibit hereto, the body of the Contract will govern.



27. This Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of the SPONSOR and MDOT and upon adoption of a resolution approving said Contract and authorizing the signature(s) thereto of the respective representative(s) of the SPONSOR, a certified copy of which resolution will be sent to MDOT with this Contract, as applicable.

CITY OF EVART

By:  Sarah J. Dvoracek  
Sep 22 2020 7:08 PM  
Title: \_\_\_\_\_

MICHIGAN DEPARTMENT OF TRANSPORTATION

By: Bryan Budds Digitally signed by Bryan Budds  
Date: 2020.10.01 08:19:14  
-04'00'  
Title: \_\_\_\_\_



# EXHIBIT 1

## EVART MUNICIPAL AIRPORT EVART, MICHIGAN

Project No. I-26-0141-1520  
Job No. 210965

August 10, 2020

|   | Federal         | State      | Local      | Total           |
|---|-----------------|------------|------------|-----------------|
| PLANNING  | \$0             | \$0        | \$0        | \$0             |
| DESIGN  | \$0             | \$0        | \$0        | \$0             |
| CONSTRUCTION  | \$29,556        | \$0        | \$0        | \$29,556        |
| Rehabilitate Runway - Airfield<br>Crack Sealing & Paint Marking<br>FY 20 AIP @ 100% | \$29,556        | \$0        | \$0        | \$29,556        |
| <b>TOTAL PROJECT BUDGET</b>   | <b>\$29,556</b> | <b>\$0</b> | <b>\$0</b> | <b>\$29,556</b> |

### Federal Billing Breakdown:

Bill #1      \$29,556      SBGP 12020      Grant Award Date: Pending

Letting Information:      7/28/20 &  
7/29/20      MDOT Small Procurement

Period of Performance End Date:      07/01/21

MAC Approval:      07/29/20

### Quantity Breakdown:

|               |        |     |
|---------------|--------|-----|
| Crack Sealing | 33,000 | LFT |
| Solid White   | 16,000 | SFT |
| Solid Yellow  | 24,800 | SFT |

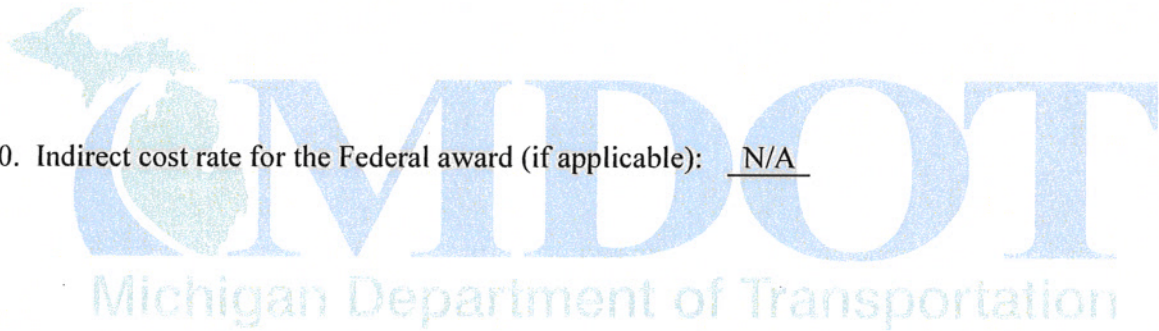
ATTACHMENT X

**REQUIRED FOR ALL PROJECTS**  
**Notification of Required Federal Program Information to**  
**Sub-recipients for Federal Funding**

1. Does this project receive Federal funds? Yes
2. Recipient's Name: City of Ewart
3. Recipient's DUNS Number: 10-916-6566
4. Amount of Federal funds: \$29,556.00
5. Federal Grant Number(s): 12020
6. Grant Award Date(s): 9/24/20
7. MDOT Project Number: I-26-0141-1520
8. Project Description: Rehabilitate Runway - Airfield Crack Sealing & Paint Marking -  
Consruction.
9. CFDA Number, Federal Agency, Program Title: CFDA 20.106  
Federal Aviation Administration  
Airport Improvement Program
10. Federal Award Identification Number (FAIN): 3-26-SBGP-120-2020
11. Federal Award Date: 9/24/20
12. Period of Performance Start Date: Award Date of MDOT Contract
13. Period of Performance End Date: 07/01/21
14. Amount of Federal Funds obligated by this action: \$29,556.00
15. Total amount of Federal Funds obligated: \$29,556.00
16. Total amount of the Federal award: \$29,556.00
17. Budget Approved Cost sharing or matching, where applicable: N/A
18. Name of Federal awarding agency and contact information for awarding official:  
Director Paul C. Ajegba, P.E.  
Michigan Department of Transportation  
425 West Ottawa Street  
Lansing, MI 48909
19. Is this a Research and Development award? No



20. Indirect cost rate for the Federal award (if applicable): N/A



## **ATTACHMENT 6**

### **SUPPLEMENTAL PROVISIONS FOR CONTRACTS INVOLVING CONSTRUCTION WORK AT ALL CLASSIFICATIONS OF AIRPORTS WITH BID OPENINGS HANDLED BY THE SPONSOR**

1. The "PROJECT COST" is defined as the cost of all work necessary to complete the items identified in the body of this Contract as the PROJECT, including the costs of preliminary engineering, design engineering, construction engineering and supervision, architectural work, surveying, environmental studies and reports, airport layout plan updates relating to the PROJECT, and advertising for and receiving bids.
2. The SPONSOR will select a consultant to perform each element of the PROJECT that requires expertise. All consultant contracts will be between the SPONSOR and the consultant. Consultant contracts will be submitted to the DEPARTMENT for review and approval. Any such approvals will not be construed as a warranty of the consultant's qualifications, professional standing, ability to perform the work being contracted, or financial integrity. The SPONSOR will not execute a consultant contract nor authorize the consultant to proceed prior to receiving written approval of the contract from the DEPARTMENT. Any change to the consultant contract will require prior written approval from the DEPARTMENT. In the event the consultant contract is terminated, the DEPARTMENT will be given immediate written notice by the SPONSOR.
3. The SPONSOR is responsible for obtaining bids for the PROJECT work and will make a recommendation to the DEPARTMENT to award a contract. The recommendation to award a contract will include a summary of all bids received. If the SPONSOR recommends awarding a contract to other than the lowest bidder, a written explanation detailing the SPONSOR's rationale will be provided.
4. The SPONSOR will have the contract between the SPONSOR and the successful contractor approved by the DEPARTMENT prior to executing said contract.
5. Payment of all PROJECT COSTS will be made by the DEPARTMENT upon receipt of an invoice from the SPONSOR. The vendor's invoice must be for eligible PROJECT work and signed and dated noting the SPONSOR's approval.
6. Any changes to the PROJECT plans and specifications made after receipt of bids will require prior written approval from the DEPARTMENT and the FAA, if applicable. The SPONSOR or its representative may request such changes by initiating a contract modification to the construction contract in accordance with the "General Provisions for Construction of Airports" and the DEPARTMENT's "Project Engineer's Manual" for airport construction. Any contract modifications determined to be significant by the DEPARTMENT will require a prior written amendment to this Contract.



In the event that during the course of PROJECT construction it becomes necessary to exceed estimated quantities of materials or labor, and it is not reasonable to obtain prior consent from the DEPARTMENT without interrupting an ongoing construction activity, the SPONSOR's on-site supervisor may approve such overruns and the DEPARTMENT may share in the costs of such overruns only if all of the following conditions are met:

- a. The construction, including such overruns, remains in conformity with the PROJECT plans and specifications as revised.
  - b. Such overruns do not exceed ten percent (10%) of that category within the PROJECT plans and specifications as revised.
  - c. The SPONSOR or its representative immediately notifies the DEPARTMENT of such overruns and the estimated cost thereof.
  - d. Such on-site approval is necessary for continuity in construction, and obtaining approval prior to proceeding would cause a material interruption in the PROJECT that would result in a significant increase in costs.
7. Any work or material that is determined by the DEPARTMENT not to be in conformity with the plans, specifications, and contract documents will be ineligible for reimbursement with federal and state participating funds or will be subject to a price adjustment approved by the DEPARTMENT and the FAA, if applicable.
  8. Upon completion of the work in each construction contract and acceptance thereof by the SPONSOR, the SPONSOR or its designated representative will give immediate written notice to the DEPARTMENT.
  9. The SPONSOR will operate and maintain in a safe and serviceable condition the airport and all facilities thereon and connected therewith that are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States or the State of Michigan, for a period of twenty (20) years from the effective date of this Contract and will not permit any activity thereon that would interfere with its use for airport purposes, provided, however, that nothing herein will be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility that is substantially damaged or destroyed due to any act of God or other condition or circumstance beyond the control of the SPONSOR.

The airport will be maintained in full operating condition on a year-round basis, in accordance with the general utility licensing requirements set forth by the Michigan Aeronautics Commission in its rules and regulations. During this period, the airport will not be abandoned or permanently closed without the express written permission of the DEPARTMENT.



10. Should the SPONSOR desire to abandon, close, sell, or otherwise divest itself of the airport or any portion thereof, the SPONSOR agrees to provide to the DEPARTMENT a prior written notice of such intent giving the DEPARTMENT, for a period of one hundred eighty (180) days after receipt of such notice, a first right to purchase at fair market value the airport and all facilities thereon. Fair market value will be determined by an independent appraisal of such properties.

The notice of intent and first right to purchase will be provided via registered or certified mail, return receipt, postage prepaid, addressed to the Executive Administrator of the Office of Aeronautics, Michigan Department of Transportation.

11. In accordance with the DEPARTMENT's administrative guidelines regarding airspace requirements for state-funded airports, the SPONSOR will either acquire and retain easements or other interests in or rights for the use of land or airspace or adopt and enforce zoning regulations to prevent the construction, erection, alteration, or growth of any structure, tree, or other object in the airport's approach area.
12. For a period of twenty (20) years, the SPONSOR will make the airport available as an airport for public use for all types, kinds, and classes of aeronautical use on fair and reasonable terms and without unjust discrimination. Rates charged to aeronautical users will be determined based on the cost to the SPONSOR of providing the facility. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or engage in an approved non-aeronautical activity, the SPONSOR will charge fair market value for the right to conduct such activity. During this period, all revenues generated by the airport for aeronautical and non-aeronautical activities will be expended for the capital or operating costs of the airport, the local airport system, or other local facilities that are owned or operated by the SPONSOR and that are directly and substantially related to the actual air transportation of passengers or property.
13. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or engage in any aeronautical activity for furnishing services to the public at the airport, the SPONSOR will insert and enforce provisions requiring the contractor to:
  - a. Furnish said services on a fair, reasonable, and not unjustly discriminatory basis to all users thereof; and
  - b. Charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

14. If PROJECT COSTS are related to a fuel facility, the SPONSOR will assure that aviation fuel will be available at the airport on a year-round basis for a period of not less than ten (10) years from the effective date of this Contract.

The SPONSOR will obtain from the installer and provide to the DEPARTMENT a certification that the tank(s) were installed in accordance with federal and state requirements.







**APPENDIX A**  
**PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS**

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.



7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011



**Appendix B**  
*(Aeronautics)*

**CIVIL RIGHTS ACT OF 1964, TITLE VI - 49 CFR PART 21  
CONTRACTUAL REQUIREMENTS**

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations.** The contractor will comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination.** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor will not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
3. **Solicitation for Subcontracts, Including Procurement of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports.** The contractor will provide all information and reports required by the Regulations or directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor will so certify to the sponsor of the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance.** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
  - b. Cancellation, termination, or suspension of the contract, in whole or in part.
6. **Incorporation of Provisions.** The contractor will include the provisions of paragraphs 1 through 5 in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directive issued pursuant thereto. The contractor will take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.





(Revised October 2, 2014)

**APPENDIX C**  
**Assurances that Recipients and Contractors Must Make**  
**(Excerpts from US DOT Regulation 49 CFR § 26.13)**

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanction;
- (3) Liquidated damages; and/or
- (4) Disqualifying the contractor from future bidding as non-responsible.



# APPENDIX F

## GENERAL CONDITIONS

1. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the FAA/MDOT has determined to be ineligible or unallowable.
2. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with the regulations, policies and procedures of the Secretary. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
3. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this agreement, and the regulations, policies and procedures of the Secretary. The Sponsor also agrees to comply with the assurances which are part of this agreement.
4. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.
5. **United States Not Liable for Damage or Injury.** The United States is not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this subgrant agreement.
6. **Air and Water Quality.** The Sponsor is required to comply with all applicable air and water quality standards for all projects in this subgrant. If the Sponsor fails to comply with this requirement, the FAA/MDOT may suspend, cancel, or terminate this subgrant.
7. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
8. **Buy American.** Unless otherwise approved in advance by the FAA/MDOT, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for which funds are provided under this subgrant. The Sponsor will include a provision implementing Buy American in every contract.

## APPENDIX F

### 9. Suspension or Debarment.

The State must:

- A. Immediately disclose to the FAA whenever the State:
  - 1. Learns a sub-recipient has entered into a covered transaction with an ineligible entity;
  - 2. Suspends or debars a contractor, person or entity.

The Subgrantee must:

- B. When entering into “covered transactions”, as defined by 2 CFR 180.200:
  - 1. Verify the non-federal entity is eligible to participate in this Federal program by:
    - a. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if non-federal entity is excluded or disqualified; or
    - b. Collecting a certification statement from the non-federal entity attesting they are not excluded or disqualified from participating; or
    - c. Adding a clause or condition to covered transactions attesting individual or firm are not excluded or disqualified from participating.
  - 2. Require prime contractors to comply with 2 CFR 180.330 when entering into lower-Tier transactions (e.g. Sub-contracts).

### 10. Ban on Texting When Driving.

- a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
  - i. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.
  - ii. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
    - 1. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
    - 2. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- b. The Sponsor must insert the substance of this clause on banning texting when driving in all subgrants, contracts and subcontracts.

## APPENDIX F

### **11. Trafficking in Persons.**

- a. Prohibitions: The prohibitions against trafficking in persons (Prohibitions) that apply to any entity other than a State, local government, Indian tribe, or foreign public entity. This includes private Sponsors, public Sponsor employees, subrecipients of private or public Sponsors (private entity) are:
  1. Engaging in severe forms of trafficking in persons during the period of time that the agreement is in effect;
  2. Procuring a commercial sex act during the period of time that the agreement is in effect; or
  3. Using forced labor in the performance of the agreement, including subcontracts or subagreements under the agreement.
- b. In addition to all other remedies for noncompliance that are available to the FAA, Section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), allows the FAA/MDOT to unilaterally terminate this agreement, without penalty, if a private entity –
  - i. Is determined to have violated the Prohibitions; or
  - ii. Has an employee who the FAA/MDOT determines has violated the Prohibitions through conduct that is either—
    1. Associated with performance under this agreement; or
    2. Imputed to the Sponsor or subrecipient using 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by the FAA at 49 CFR Part 29.

- 12. Exhibit A Included with Grant Application.** The Exhibit "A" updated 5/1/11, submitted with the project application is made a part of this grant agreement.

### **13. Co-Sponsor.**

The Co-Sponsors understand and agree that they jointly and severally adopt and ratify the representations and assurances contained therein and that the word "Sponsor" as used in the application and other assurances is deemed to include all co-sponsors.

### **14. Audits for Public Sponsors.**

A subgrantee expending \$750,000 or more of Federal awards in a fiscal year must conduct a single or program specific audit in accordance with 2 CFR part 200 part 200.

## APPENDIX F

### **15. System for Award Management (SAM) Registration and Universal Identifier.**

A. Requirement for System for Award Management (SAM): Unless the subgrantee is exempted from this requirement under 2 CFR 25.110, the subgrantee must maintain the currency of its information in the SAM until the State submits the final financial report required under this grant, or receives the final payment, whichever is later. This requires that the State review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).

B. Requirement for Data Universal Numbering System (DUNS) Numbers:

1. The State must notify a potential subrecipient that it cannot receive a subgrant unless it has provided its DUNS number to the State.
2. The State may not make a subgrant to a subrecipient unless the subrecipient has provided its DUNS number to the State.
3. Data Universal Numbering System: DUNS number means the nine-digit number Established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (866-606-8220) or on the web at <http://fedgov.dnb.com/webform>).

### **16. Employee Protection from Reprisal.**

A. Prohibition of Reprisals-

1. In accordance with 41U.S.C. § 4712, an employee of a grantee or subgrantee may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (A)(2), information that the employee reasonably believes is evidence of:
  - i. Gross mismanagement of a Federal grant;
  - ii. Gross waste of Federal funds;
  - iii. An abuse of authority relating to implementation or use of Federal funds;
  - iv. A substantial and specific danger to public health or safety; or v. A violation of law, rule, or regulation related to a Federal grant.
2. Persons and bodies covered: The persons and bodies to which a disclosure by an employee is covered are as follows:
  - i. A member of Congress or a representative of a committee of Congress;
  - ii. An Inspector General;
  - iii. The Government Accountability Office;
  - iv. A Federal office or employee responsible for oversight of a grant program;
  - v. A court or grand jury;
  - vi. A management office of the grantee or subgrantee; or vii. A Federal or State regulatory enforcement agency.

## APPENDIX F

- B. Submission of Complaint- A person who believes that they have been subjected to a reprisal prohibited by paragraph A of this grant term may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.
- C. Time Limitation for Submittal of a Complaint- A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
- D. Required Actions of the Inspection General- Actions, limitations and exceptions of the Inspector General's office are established under 41U.S.C. § 4712{b}.
- E. Assumption of Rights to Civil Remedy- Upon receipt of an explanation of a decision not to conduct or continue an investigation by the Office of Inspector General, the person submitting a complaint assumes the right to a civil remedy under 41U.S.C. § 4712(c).

### **17. Land Acquisition.**

- A. "The Sponsor agrees that no payments will be made on the grant until the Sponsor has presented evidence to the State that it has recorded the grant agreement, including the grant assurances, in the public land records of the county courthouse. The Sponsor understands and agrees that recording the grant agreement legally enforces these requirements, encumbrances and restrictions on the obligated land."



# APPENDIX F

## Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project                            | Special Conditions   |
|---------------------------|--|--|
| Airport                   | ARFF and SRE- Equipment Acquisition        | <b><u>ARFF and SRE EQUIPMENT AND VEHICLES:</u></b> The Sponsor agrees that it will:<br>1) house and maintain the equipment in a state of operational readiness on and for the airport;<br>2) provide the necessary staffing and training to maintain and operate the vehicle and equipment;<br>3) restrict the vehicle to on-airport use only;<br>4) restrict the vehicle to the use for which it was intended; and<br>5) amend the Airport Emergency Plan and/or Snow and Ice Control Plan to reflect the acquisition of the vehicle and equipment. (Applicable only for Part 139 Airports).  |
| Airport                   | Equipment Replacement such as ARFF and SRE | <b><u>EQUIPMENT OR VEHICLE REPLACEMENT:</u></b> The Sponsor agrees that because the Fair Market Value is \$5,000 or more and the equipment/vehicle will not be retained by the Sponsor for airport purposes (or donated to another eligible/justified Sponsor), the Sponsor will use the Fair Market Value of equipment being replaced by this project to reduce the total project costs.  |
| Airport                   | ARFF Equipment - Off-Airport Storage       | <b><u>OFF-AIRPORT STORAGE OF ARFF VEHICLE:</u></b> The Sponsor agrees that it will:<br>1) house and maintain the vehicle in a state of operational readiness for the airport;<br>2) provide the necessary staffing and training to maintain and operate the vehicle;<br>3) restrict the vehicle to airport use only;<br>4) amend the Airport Emergency Plan to reflect the acquisition of the vehicle ;<br>5) within 60 days, execute an agreement with local government including the above provisions and a provision that violation of agreement could require repayment of subgrant funding; and<br>6) submit a copy of the executed agreement to the FAA. |
| Airport                   | AWOS                                       | <b><u>AUTOMATED WEATHER OBSERVING SYSTEMS (AWOS):</u></b> The Sponsor agrees that it will:<br>1) within 60 calendar days of subgrant acceptance, establish a Memorandum of Agreement (MOA) with the FAA;<br>2) develop an Operations Maintenance Manual to more specifically describe the operational, maintenance, and documentation  |

<sup>1</sup> Sponsor types include Airport Sponsor (Public and Private), Airport Sponsor (Private Only), Noise, and State or Local Government

## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project                                   | Special Conditions  |
|---------------------------|---|---|
|                           |   | <p>requirements for the AWOS;<br/>           3) within 60 calendar days of installation, take the necessary actions to initiate the AWOS commissioning by the FAA; and<br/>           4) provide for the installation, commissioning, continuous operation, and maintenance of any Non-Federal AWOS funded under this grant for the useful life of the equipment.</p> <p>The Sponsor further understands that the FAA will not take over the ownership, operation, or maintenance of any Sponsor-acquired equipment.</p>  |
| Airport                   | ALP & AIP Funded Construction                     | <p><b>AIRPORT LAYOUT PLAN:</b> The Sponsor understands and agrees to update the Airport Layout Plan to reflect the construction to standards satisfactory to the FAA and submit it in final form to the FAA. It is further mutually agreed that the reasonable cost of developing said Airport Layout Plan Map is an allowable cost within the scope of this project.</p>   |
| Airport                   | Lighting - Operation and Maintenance              | <p><b>LIGHTING:</b> The Sponsor must operate and maintain the lighting system during the useful life of the system in accordance with applicable FAA standards.</p>   |
| Airport                   | Temporary NAVAIDS                                 | <p><b>TEMPORARY NAVAIDS:</b> The Sponsor agrees that this equipment is being acquired for temporary use to minimize disruptions to the airport during construction. The Sponsor further agrees that upon construction completion of this project or at the point when this equipment is no longer needed for its intended use (but no later than the construction completion of the project), that the Sponsor will house this equipment in an interior enclosure. The Sponsor further agrees to make this equipment available, without cost, to be transferred to another airport or as directed by the FAA.</p> |
| Airport                   | Construction on land not yet acquired/ Good Title | <p><b>NOTICE TO PROCEED - PROPERTY INTEREST ACQUIRED:</b> The Sponsor understands and agrees that the FAA authorization for the Sponsor to issue a notice to proceed with construction work will not be given until the Sponsor has adequately certified that good title will be acquired on the land on which construction is to be performed.</p>   |
| Airport                   | Construction on land not yet acquired/ Good Title | <p><b>TITLE EVIDENCE:</b> The Sponsor understands and agrees that the FAA will not make nor be obligated to make any payments involving Parcel(s) <u>N/A</u> until title evidence has been submitted to, and found satisfactory by the FAA, subject to no liens, encumbrances, reservations or exceptions which in the opinion of the FAA might create an undue risk or interference with the use and operation of the airport.</p>   |



# APPENDIX F

## Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project  | Special Conditions  |
|---------------------------|--|---|
| Airport                   | DBE Plan   | <b>DBE PLAN:</b> The Sponsor understands and agrees that the FAA will not make nor be obligated to make any payments on this subgrant until the Sponsor has received approval of its DBE Plan from the FAA Office of Civil Rights.  |
| Airport                   | Environmental<br>(Required for All Projects)   | <b>ENVIRONMENTAL:</b> The environmental approval for this project was issued on <a href="#">1/22/18</a> . This project includes the following mitigation measures:<br><br><a href="#">N/A</a><br><br>The Sponsor understands and agrees to complete the above-listed mitigation measures to standards satisfactory to the FAA. It is further mutually agreed that the reasonable cost of completing these mitigation measures is an allowable cost within the scope of this project.  |
| Airport                   | EMAS   | <b>EMAS BLOCK PRE-PURCHASE:</b> The Sponsor understands that it may request reimbursement for payment made by the Sponsor to the EMAS manufacturer for up to 90% of the cost of EMAS block manufacturing costs of EMAS blocks that remain in the manufacturer's care, custody and control provided that the Sponsor has provided a certification to the FAA as to quantity and condition of the EMAS blocks.<br><br>The remaining payment may be made after delivery to the Sponsor's location and acceptance by the Sponsor. |
| Airport                   | Equipment  | <b>EQUIPMENT ACQUISITION:</b> The Sponsor understands and agrees that any equipment acquired through this subgrant is considered a <i>facility</i> as that term is used in the Grant Assurances. Further, the equipment must be only operated by the Sponsor. The Sponsor agrees that it will maintain the equipment and use it exclusively at the airport for airport purposes.  |
| Airport                   | Equipment - Friction Measuring Device  | <b>FRICTION MEASURING DEVICES:</b> The Sponsor agrees that it will properly calibrate, operate, and maintain the friction measuring equipment. The friction measuring equipment and tow vehicle (if applicable) must not be used for any other purpose other than for conducting friction measuring tests on airport pavement surfaces and directly related activities.   |
| Airport                   | NAVAIDS - ILS<br><br>Note that in general, Category I ILS are no longer being installed. | <b>INSTRUMENT LANDING SYSTEM AND ASSOCIATED EQUIPMENT IN PROJECT:</b> The Sponsor agrees that it will:<br>1) Prior to commissioning, assure the equipment meets the FAA's standards; and  |



## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project   | Special Conditions   |
|---------------------------|---|--|
|                           | Instead, RNAV approaches provide equivalent approach minima. Installation of a new ILS must follow the ILS policy and must have APP-1 approval. | 2) Remove, relocate, lower, mark, or light each obstruction to obtain a clear approach as indicated in the 14 CFR part 77 aeronautical survey.   |
| Airport                   | Fence - Wildlife  | <b>WILDLIFE FENCE:</b> The Sponsor understands that the fence is being installed to prevent wildlife from entering the airfield. The Sponsor agrees that it will maintain the integrity of the fence for its useful life, but no less than 20 years from the date of the subgrant was issued. The Sponsor understands that maintenance of the fence includes repair of damage to the fence or gates due to any purpose.  |
| Airport                   | Land - Revise Exhibit "A" Property Map  | <b>UPDATE APPROVED EXHIBIT "A" PROPERTY MAP FOR LAND IN PROJECT:</b> The Sponsor understands and agrees to update the Exhibit "A" Property Map to standards satisfactory to the FAA and submit it in final form to the FAA. It is further mutually agreed that the reasonable cost of developing said Exhibit "A" Property Map is an allowable cost within the scope of this project.  |
| Airport                   | Land acquisition -Future Land   | <b>FUTURE DEVELOPMENT LAND:</b> The Sponsor agrees to perform the airport development which requires this land acquisition within 10 years of this subgrant agreement, and further agrees not to dispose of the land by sale or lease without prior consent and approval of the FAA. In the event the land is not used within 10 years for the purpose for which it was acquired, the Sponsor will refund the Federal and State share of acquisition cost or the current fair market value of the land, whichever is greater.                        |
| Airport                   | Master Plan - Coordination  | <b>COORDINATION:</b> The Sponsor agrees to coordinate this master planning study with the metropolitan planning organizations, other local planning agencies, and with the State Airport System Plan prepared by the State's Department of Transportation and consider any pertinent information, data, projections, and forecasts which are currently available or as will become available. The Sponsor agrees to consider any State Clearinghouse comments and to furnish a copy of the final report to the State's Department of Transportation. |
| Airport                   | NAVAIDS -Operations and maintenance   | <b>AIRPORT-OWNED VISUAL OR ELECTRONIC NAVIGATION AIDS IN PROJECT:</b> The Sponsor agrees that it will:<br>1) Provide for the continuous operation and maintenance of any navigational aid funded under this subgrant agreement during the  |

## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project   | Special Conditions   |
|---------------------------|---|--|
|                           |   | <p>useful life of the equipment;</p> <p>2) Prior to commissioning, assure the equipment meets the FAA's standards; and</p> <p>3) Remove, relocate, lower, mark, or light each obstruction to obtain a clear approach as indicated in the 14 CFR part 77 aeronautical survey.</p>   |
| Airport                   | New or Replacement Airport  | <b>SITE SELECTION:</b> The Sponsor understands and agrees that the Project cannot proceed beyond the site selection study until the Sponsor has received formal approval from the FAA to proceed.  |
| Airport                   | Non-AIP Utility Proration<br>(Refer to AIP Handbook –Ch. 3, Sec. 11, Par. 3-98) | <b>UTILITIES PRORATION:</b> For purposes of computing the United States' share of the allowable project costs, the allowable cost of the <u>N/A</u> included in the project must not exceed <u>N/A</u> percent.  |
| Airport                   | Utility Relocation  | <p><b>UTILITY RELOCATION IN PROJECT:</b> The Sponsor understands and agrees that:</p> <p>1) the United States will not participate in the cost of any utility relocation unless and until the Sponsor has submitted evidence satisfactory to the FAA that the Sponsor is legally responsible for payment of such costs;</p> <p>2) FAA participation is limited to those utilities located on-airport or off-airport only where the Sponsor has an easement for the utility; and</p> <p>3) the utilities exclusively serve the Airport;</p>   |
| Airport                   | Obstruction Removal   | <b>OBSTRUCTION REMOVAL:</b> The Sponsor agrees to clear Parcel(s) <u>N/A</u> , as shown on Exhibit "A" Property Map, of the following obstructions: <u>N/A</u> prior to final payment under the project. The Sponsor also agrees that it will not erect, nor permit the erection of any permanent structures or obstructions on the airport except those required for aids to air navigation or those which have been specifically approved by the FAA.  |
| Airport                   | Pavement  | <p><b>PAVEMENT MAINTENANCE MANAGEMENT PROGRAM:</b> The Sponsor agrees that it will implement an effective airport pavement maintenance management program as required by Subgrant Assurance Pavement Preventive Management. The Sponsor agrees that it will use the program for the useful life of any pavement constructed, reconstructed, or repaired with federal financial assistance at the airport. The Sponsor further agrees that the program will</p> <ol style="list-style-type: none"> <li>1. follow FAA Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements,</li> </ol> |



# APPENDIX F

## Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project | Special Conditions  |
|---------------------------|-----------------|---|
|                           |                 | <p>establishing an effective maintenance program, specific types of distress and its probable cause, inspection guidelines, and recommended methods of repair;</p> <ol style="list-style-type: none"> <li>2. detail the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed;</li> <li>3. include a Pavement Inventory, Inspection Schedule, Record Keeping, Information Retrieval, and Reference, meeting the following requirements:               <ol style="list-style-type: none"> <li>a. Pavement Inventory. The following must be depicted in an appropriate form and level of detail:                   <ol style="list-style-type: none"> <li>1) location of all runways, taxiways, and aprons;</li> <li>2) dimensions;</li> <li>3) type of pavement, and;</li> <li>4) year of construction or most recent major rehabilitation.</li> </ol> </li> <li>b. Inspection Schedule.                   <ol style="list-style-type: none"> <li>1) Detailed Inspection. A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in the Advisory Circular 150/5380-6, the frequency of inspections may be extended to three years.</li> <li>2) Drive-By Inspection. A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition. For drive-by inspections, the date of inspection and any maintenance performed must be recorded.</li> </ol> </li> </ol> </li> <li>4. Record Keeping. Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The type of distress, location, and remedial action, scheduled or performed, must be documented. The minimum information is:               <ol style="list-style-type: none"> <li>a. inspection date;</li> <li>b. location;</li> <li>c. distress types; and</li> <li>d. maintenance scheduled or performed.</li> </ol> </li> </ol> <p>Information Retrieval System. The Sponsor must be able to retrieve the information and records produced by the pavement survey to provide a report to the FAA as may be required.</p> |



## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project              | Special Conditions   |
|---------------------------|------------------------------|--|
| Airport                   | Pavement Exceeding \$500,000 | <p><b><u>PROJECTS WHICH CONTAIN PAVING WORK IN EXCESS OF \$500,000:</u></b></p> <p>The Sponsor agrees to:</p> <ul style="list-style-type: none"> <li>a. Furnish a construction management program to the FAA prior to the start of construction which details the measures and procedures to be used to comply with the quality control provisions of the construction contract, including, but not limited to, all quality control provisions and tests required by the Federal and State specifications. The program must include as a minimum: <ul style="list-style-type: none"> <li>(1) The name of the person representing the Sponsor who has overall responsibility for contract administration for the project and the authority to take necessary actions to comply with the contract.</li> <li>(2) Names of testing laboratories and consulting engineer firms with quality control responsibilities on the project, together with a description of the services to be provided.</li> <li>(3) Procedures for determining that the testing laboratories meet the requirements of the American Society of Testing and Materials standards on laboratory evaluation referenced in the contract specifications (D 3666, C 1077).</li> <li>(4) Qualifications of engineering supervision and construction inspection personnel.</li> <li>(5) A listing of all tests required by the contract specifications, including the type and frequency of tests to be taken, the method of sampling, the applicable test standard, and the acceptance criteria or tolerances permitted for each type of test.</li> <li>(6) Procedures for ensuring that the tests are taken in accordance with the program, that they are documented daily, and that the proper corrective actions, where necessary, are undertaken.</li> </ul> </li> <li>b. Submit at completion of the project, a final test and quality control report documenting the results of all tests performed, highlighting those tests that failed or that did not meet the applicable test standard. The report must include the pay reductions applied and the reasons for accepting any out-of-tolerance material. An interim test and quality control report must be submitted, if requested by the FAA.</li> </ul> |

## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project      | Special Conditions   |
|---------------------------|----------------------|--|
|                           |                      | <p>c. Failure to provide a complete report as described in paragraph b, or failure to perform such tests, will, absent any compelling justification; result in a reduction in Federal participation for costs incurred in connection with construction of the applicable pavement. Such reduction will be at the discretion of the FAA and will be based on the type or types of required tests not performed or not documented and will be commensurate with the proportion of applicable pavement with respect to the total pavement constructed under the subgrant agreement.</p> <p>d. The FAA, at its discretion, reserves the right to conduct independent tests and to reduce subgrant payments accordingly if such independent tests determine that sponsor test results are inaccurate.</p> |
| Airport                   | Pavement maintenance | <p><b><u>MAINTENANCE PROJECT LIFE:</u></b> The Sponsor agrees that pavement maintenance is limited to those aircraft pavements that are in sufficiently sound condition that they do not warrant more extensive work, such as reconstruction or overlays in the immediate or near future. The Sponsor further agrees that AIP funding for the pavements maintained under this project will not be requested for more substantial type rehabilitation (more substantial than periodic maintenance) for a 5-year period following the completion of this project unless the FAA determines that the rehabilitation or reconstruction is required for safety reasons.</p>   |
| Airport                   | RPZ Acquisition      | <p><b><u>PROTECTION OF RUNWAY PROTECTION ZONE:</u></b> The Sponsor agrees to prevent the erection or creation of any structure, place of public assembly, or other use in the runway protection zone, as depicted on the Exhibit "A": Property Map, except for NAVAIDS that are fixed by their functional purposes or any other structure permitted by the FAA. The Sponsor further agrees that any existing structures or uses within the Runway Protection Zone will be cleared or discontinued by the Sponsor unless approved by the FAA.</p>   |
| Airport                   | RPZ Acquisition      | <p><b><u>PROTECTION OF RUNWAY PROTECTION ZONE:</u></b> The Sponsor agrees to take any and all steps necessary to ensure that the owner of the land within the designated Runway Protection Zone will not build any structure in the Runway Protection Zone that is an airport hazard or which might create glare or misleading lights or lead to the construction of residences, fuel handling and storage facilities, smoke generating activities, or places of public assembly, such as churches, schools, office buildings, shopping centers, and stadiums.</p>   |



## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project   | Special Conditions  |
|---------------------------|---|---|
| Airport                   | RPZ Future Acquisition<br><br>(This special condition should be used if any of the following items are part of the grant: 1) An airfield project that impacts the runway threshold, 2) A change in the design critical aircraft that increases the RPZ dimensions, or 3) A new or revised instrument approach procedure that increases the RPZ dimensions). | <b>ACQUISITION OF THE RUNWAY PROTECTION ZONE:</b> Future Interest in the Runway Protection Zone: The Sponsor agrees that it will acquire <u>N/A</u> in the Runway Protection Zones for runways that presently are not under its control within <u>N/A</u> years of this Subgrant Agreement. The Sponsor further agrees to prevent the erection or creation of any structure or place of public assembly in the Runway Protection Zone, except for NAVAIDS that are fixed by their functional purposes or any other structure approved by the FAA. The Sponsor further agrees that any existing structures or uses within the Runway Protection Zone will be cleared or discontinued by the Sponsor unless approved by the FAA.  |
| Airport                   | VALE equipment  | <b>LOW EMISSION SYSTEMS:</b> The Sponsor agrees that vehicles and equipment included in this subgrant:<br>1) will be maintained and used at the airport for which they were purchased ;<br>2) will not be transferred, relocated, or used at another airport without the advance consent of the FAA;<br>3) will be clearly labeled using the FAA-designed VALE program emblem;<br>4) will be replaced, at the Sponsor's own cost, any disabled or seriously damaged vehicle or equipment at any time during its useful life, with an equivalent vehicle or unit that produces an equal or lower level of emissions for the useful life of the vehicle or equipment, or life of Airport Emission Reduction Credits, whichever is longer.<br>The Sponsor further agrees that it will maintain annual records on individual vehicles and equipment, project expenditures, cost effectiveness, and emission reductions. |
| Airport                   | VALE Recharging System  | <b>RECHARGING SYSTEM VALE– USE AND OPERATION REQUIREMENTS:</b><br>The Sponsor understands that it is obligated to earn emissions credits from the state air quality agency on a yearly basis for the use of this recharging system and the use of electric ground support equipment at the airport. The Sponsor understands and agrees that the Sponsor may be obligated to repay to the FAA some or all of the federal share of the recharging project if Sponsor does not earn the emissions credits that the Sponsor estimated in the project application.   |



## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project                         | Special Conditions  |
|---------------------------|---|---|
| Airport or Noise          | Building Allowable Costs (Prorate)      | <b>BUILDING AIP PRORATION:</b> For purposes of computing the United States' share of the allowable project costs of the project, the allowable cost of the <u>N/A</u> included in the project must not exceed <u>N/A</u> percent of the actual cost of the entire building.   |
| Airport or Noise          | Noise Land                              | <b>ACQUISITION OF NOISE LAND:</b> The Sponsor agrees that as part of the land acquisition in this project, it will prepare or update a Noise Land Inventory Map and Reuse Plan to standards satisfactory to the FAA and submit said documentation in final form to the FAA. It is further mutually agreed that the reasonable cost of developing or updating a Noise Land Inventory Map and Disposal Plan is an allowable cost within the scope of this project.  |
| Airport or Noise          | Noise - Annual Report                   | <b>ANNUAL NOISE REPORT:</b> As a condition of this Airport Improvement Program (AIP) subgrant, the Sponsor agrees to provide to the FAA, an annual report of funds expended and actions associated with this subgrant within 90 days following the end of each Federal fiscal year the subgrant remains open. The report must provide the following information:<br><b>1)</b> Total noise subgrant funds expended during the fiscal year.<br><b>2)</b> Amount of funds expended by Program Element(s) as identified in the Sponsor's Noise Compatibility Program (NCP).<br><b>3)</b> Number of parcels mitigated by DNL contour and Program Element as identified in the Sponsor's NCP.<br><b>4)</b> Total number of people impacted by the Sponsor's NCP (by DNL contour) and total number of people mitigated during the fiscal year by DNL contour and Program Element as identified in the Sponsor's NCP.<br><b>5)</b> A graphic (map) depicting DNL contours and the location of mitigation action as defined by the Program Element(s) of the Sponsor's NCP, including a list by address for mitigation actions shown on the map.<br><b>6)</b> A written plan outlining actions being planned for the next year based on the Sponsor's priorities and the NCP.<br><b>7)</b> Other information as required by the FAA. |
| All Sponsor Types         | Plans and Specifications                | <b>PLANS AND SPECIFICATIONS PRIOR TO BIDDING:</b> The Sponsor agrees that it will submit plans and specifications for FAA review and approval prior to advertising for bids.  |
| All Sponsor Types         | Plans and Specification s Certification | <b>PLANS &amp; SPECIFICATIONS APPROVAL BASED UPON CERTIFICATION:</b> The FAA and the Sponsor agree that the FAA approval of the Sponsor's Plans and Specification is based primarily upon the Sponsor's certification to carry out the project in accordance with policies,   |

# APPENDIX F

## Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project                               | Special Conditions  |
|---------------------------|---|---|
|                           |   | standards, and specifications approved by the FAA. The Sponsor understands that:<br>1)The Sponsor's certification does not relieve the Sponsor of the requirement to obtain prior FAA approval for modifications to any AIP standards or to notify the FAA of any limitations to competition within the project;<br>2)The FAA's acceptance of a Sponsor's certification does not limit the FAA from reviewing appropriate project documentation for the purpose of validating the certification statements;<br>3) if the FAA determines that the Sponsor has not complied with their certification statements, the FAA will review the associated project costs to determine whether such costs are allowable under AIP.  |
| All Sponsor Types         | Design-Only Subgrants                         | <b>DESIGN SUBGRANT:</b> This subgrant agreement is being issued in order to complete the design of the project. The Sponsor understands and agrees that within 2 years after the design is completed that the Sponsor will accept, subject to the availability of the amount of federal funding identified in the Airport Capital Improvement Plan (ACIP), a subgrant to complete the construction of the project in order to provide a useful and useable unit of work. The Sponsor also understands that if the FAA has provided federal funding to complete the design for the project, and the Sponsor has not completed the design within <b>four (4)</b> years from the execution of this subgrant agreement, the FAA may suspend or terminate subgrants related to the design. |
| All Sponsor Types         | Force account                                 | <b>FORCE ACCOUNT:</b> The Sponsor agrees that proposals to accomplish construction or engineering with the Sponsor's own personnel must receive approval from the FAA prior to Sponsor incurring costs and that no reimbursement payments will be made on that portion of this subgrant until the Sponsor has received FAA approval for the force account information.  |
| All Sponsor Types         | Land Acquisition - Revenue and Program Income | <b>PROGRAM INCOME AND REVENUE FROM REAL PROPERTY:</b> The Sponsor understands that all program income produced from real property purchased in part with Federal funds in this subgrant received while the subgrant is open will be deducted from the total cost of that project for determining the net costs on which the maximum United States' obligation will be based. The Sponsor further agrees that once the subgrant is closed, all net revenues produced from real property purchased in part with Federal funds in this subgrant must be used on the airport for airport planning, development, or operating expenses. This income may not be used for the Sponsor's matching share of any  |



## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project                 | Special Conditions  |
|---------------------------|---------------------------------|---|
|                           |                                 | subgrant. The Sponsor's fiscal and accounting records must clearly identify actual sources and uses of these funds.   |
| All Sponsor Types         | Land acquisition - Relocation   | <b>UNIFORM RELOCATION ACT:</b> The Sponsor understands and agrees that all acquisition of real property under this project will be in accordance with the 49 Code of Federal Regulations Part 24, Uniform Relocation Assistance And Real Property Acquisition For Federal And Federally Assisted Programs.  |
| All Sponsor Types         | Noise - mitigation              | <b>INELIGIBILITY OF PREVIOUSLY INSULATED STRUCTURES:</b> The Sponsor understands and agrees that AIP funds may only be applied to noise insulate structures under 14 Code of Federal Regulations Part 150 one single time and that no structures in this subgrant have been previously noise insulated using AIP funds.   |
| All Sponsor Types         | Noise Mitigation – Private Land | <p><b>NOISE PROJECTS ON PRIVATELY OWNED PROPERTY:</b> The Sponsor understands and agrees that no payment will be made under the terms of this Subgrant Agreement for work accomplished on privately owned land until the Sponsor submits the agreement with the owner of the property required by the Subgrant Assurance Number 5: Preserving Rights and Powers, and the FAA has determined that the agreement is satisfactory. As a minimum, the agreement with the private owner must contain the following provisions:</p> <ol style="list-style-type: none"> <li>1) The property owner must inspect and approve or disapprove the work on the project during and after completion of the measures as the FAA or Sponsor reasonably requests.</li> <li>2) The property owner is responsible for maintenance and operation of the items installed, purchased, or constructed under this Subgrant Agreement. Neither the FAA nor the Sponsor bears any responsibility for the maintenance, operation, or replacement of these items.</li> <li>3) If the Sponsor transfers Federal funds for the noise compatibility measures to a private property owner or agent, the property owner must agree to keep records and make those records available to the FAA and the Sponsor about the amount of funds received and the disposition of the funds.</li> <li>4) The property owner's right to sue for adverse noise impacts will be abrogated if the property owner deliberately or willfully reduces the effectiveness of the noise compatibility measures during the useful life of such measures. This obligation will remain in effect throughout the useful life of the noise compatibility measures, but not to exceed 20</li> </ol> |



## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project         | Special Conditions  |
|---------------------------|-------------------------|---|
|                           |                         | years from the date of the Sponsor's acceptance of federal aid for the project.   |
| All Sponsor Types         | Non AIP work in project | <p><b><u>NON-AIP WORK IN APPLICATION:</u></b> The Sponsor understands and agrees that:</p> <ol style="list-style-type: none"> <li>1) the Project includes the planning and/or construction of <u>N/A</u> that is not being funded with any Federal funding in this project ;</li> <li>2) although the Sponsor has estimated a total project cost of \$<u>N/A</u>, the total allowable cost for purposes of determining federal participation will not exceed \$<u>N/A</u>;</li> <li>3) it must maintain separate cost records for the AIP and non-AIP work;</li> <li>4) all cost records must be made available for inspection and audit by the FAA;</li> <li>5) the Sponsor understands that all non-AIP work is the sole responsibility of the Sponsor; and</li> <li>6) the amount of allowable cost that will be used for purposes of determining an increase in the maximum obligation of the United States will not exceed \$<u>N/A</u>, which is the total allowable cost for purposes of determining federal participation in 2) of this special condition.</li> </ol> |
| All Sponsor Types         | Planning Scope of Work  | <p><b><u>PRELIMINARY SCOPE OF WORK:</u></b> This Subgrant is made and accepted upon the basis of a <b>preliminary scope of work</b>. The parties agree that within 30 days from the date of acceptance of this Subgrant Offer, the Sponsor will furnish a final scope of work to the FAA and that no work will commence, nor will there be any contract signed for accomplishment of such work, until the final scope of work has been approved by the FAA. The Sponsor and the FAA further agree that any reference to the scope of work made in the Subgrant Offer or in the project application is in respect to the final scope of work.</p>  |
| Airport - Non-primary     | Fuel farms              | <p><b><u>FUELING SYSTEM – USE AND OPERATION REQUIREMENTS:</u></b> This project includes the installation of a new aviation fuel system. All revenue generated by this fueling system must be used for the operation and maintenance of the Airport in accordance with the subgrant assurances. The fueling system established under this subgrant, will be operated solely by the Sponsor and/or the Sponsor's employees. The Sponsor is further obligated to operate and maintain the fueling system</p>   |

## APPENDIX F

### Special Conditions

Note: Any reference to FAA includes MDOT, where applicable.

| Sponsor Type <sup>1</sup> | Type of Project           | Special Conditions   |
|---------------------------|---------------------------|--|
|                           |                           | for the 20-year subgrant expected life, including meeting all local, state, and federal regulations related to the fuel system.  |
| Airport - Non-primary     | Revenue Producing Project | <b>REVENUE PRODUCING PROJECT:</b> The Sponsor agrees and understands that the Sponsor has certified to the FAA that it has made adequate provisions for financing its airside needs. Further, the Sponsor agrees it will not seek AIP discretionary subgrant funds for the airside needs of the airport for the three fiscal years following the fiscal year in which this subgrant is issued. All revenue generated by this project must be used for the operation and maintenance of the Airport in accordance with the subgrant assurances. |
| Airport                   | Land Acquisition          | <b>LAND ACQUISITION:</b> The Sponsor agrees that no payments will be made on the subgrant until the Sponsor has presented evidence to the FAA that it has recorded the subgrant agreement, including the subgrant assurances in the public land records of the county courthouse. The Sponsor understands and agrees that recording the subgrant agreement legally enforces these requirements, encumbrances and restrictions on the obligated land.   |







## INSTRUCTIONS

### PRIME CONSULTANT OR AUTHORIZED REPRESENTATIVE:

This statement reports the actual dollar amounts of the project cost earned by and paid to DBE subconsultants. Complete and submit to the Payment Analyst with each billing and within 20 days of receipt of final payment. Some forms may be blank if no payment was made since the previous billing.

For "Contract No., Authorization No.," and "Job No.," as appropriate, use the numbers assigned by MOOT.

For "Period Covered," report the calendar days covered by the billing.

For "Services Work Performed" report the main service performed by the subconsultant during the reporting period.

For "Total Contract Amount" report the total amount of the contract between the prime consultant and the subconsultant.

For "Cumulative Dollar Value of Services Completed" report the total amount the subconsultant has earned since beginning this project.

For "Deductions," report deductions made by the prime consultant to the subconsultant's "Cumulative Dollar Value of Services Completed" for retainage, bond or other fees, materials, services or equipment provided to the subconsultant according to mutual, prior agreement (documentation of such agreement may be required by MDOT).

For "Actual Amount Paid to Date," report cumulative actual payments made to the subconsultant for services completed.

For "Actual Amount Paid During this Report Period" report actual payments made to the subcontractor for services during this reporting period.

"Provide "DBE Authorized Signature" for final payment only.

Be sure to sign, title and date this statement.

### MDOT PAYMENT ANALYST:

Complete "Comments" if necessary, sign date and forward to the Office of Business Development within seven (7) days of receipt.

MDOT Office of Business Development  
P.O. Box 30050  
Lansing, Michigan 48909  
Questions about this form? Call Toll-free, 1-866-DBE-1264

**CITY COUNCIL**  
**CITY OF EVART**  
**County of Osceola, Michigan**

**RESOLUTION NO. 2021-03**

**A RESOLUTION APPROVING THE AMENDATORY CONTRACT BETWEEN THE  
CITY OF EVART AND THE MICHIGAN DEPARTMENT OF TRANSPORTATION  
AND AUTHORIZING THE CITY MANAGER TO SIGN THE AMENDATORY  
CONTRACT**

**WHEREAS**, on September 29, 2020, the Evart City Council approved the Contract (see attached **Exhibit A**) for our local municipal airport with the Michigan Department of Transportation (MDOT) for the Airport Project, Contract No. 2020-0863/A1, Federal Project No. I-26-0141-1520 under the Block Grant Program; and

**WHEREAS**, the parties desire to amend the Contract to increase the amount in order to cover higher than anticipated costs associated with the project (see attached **Exhibit B**); and

**WHEREAS**, the Project Description is defined as Rehabilitate Runway-Airfield Crack Sealing & Paint Marking-Construction, **Revised Quantity Breakdown: Original: Crack Sealing 33,000 LFT Amendment: Crack Sealing & Mastic 35,000 & 1,400 LFT**, Solid White 16,000 SFT, and Solid Yellow 24,800 SFT; and

**WHEREAS**, the Amount of Federal Funds obligated by this action totals, **Original: Federal Funds \$29,556 Amendment: Federal Funds \$29,556 State Funds \$4,000, and Local Funds \$4,000**; and

**WHEREAS**, the Project is eligible for federal funding under the federal Airport Improvement Program, pursuant to 49 USC 47101 *et seq.*, including 47128; and

**WHEREAS**, MDOT has received a block grant from the Federal Aviation Administration (FAA) for airport development projects; and

**WHEREAS**, MDOT is responsible for the allocation and management of block grant funds pursuant to the above noted act; and

**WHEREAS**, this Amendatory Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representative of the SPONSER (City of Evart) and MDOT and upon adoption of a resolution approving said Amendatory Contract and authorizing the signature thereto of the respective representative of the SPONSER, a certified copy of which resolution will be returned to MDOT with this Amendatory Contract, as applicable.



**NOW, THEREFORE, BE IT HEREBY RESOLVED** as follows:

The Amendatory Contract between the City of Evart and the Michigan Department of Transportation is approved in substantially the form attached as **Exhibit B**. Sarah Dvoracek, City Manager is authorized and directed to sign the Amendatory Contract for and on behalf of the City.

The above resolution was offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_.

YEAS: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\* \* \* \* \*

**RESOLUTION DECLARED ADOPTED.**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Kathy Fiebig, City Clerk

### **CERTIFICATION**

I, the undersigned duly qualified and acting Clerk of the City of Evart (the "City"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City at a regular meeting held on \_\_\_\_\_, 2021, the original of which is on file in my office and that public notice of said meeting was given pursuant to and in compliance with Act 267, Public Acts of Michigan, 1976, as amended.

\_\_\_\_\_  
Kathy Fiebig, City Clerk

**MICHIGAN DEPARTMENT OF TRANSPORTATION**

**CITY OF EVART**

**AMENDMENT**

This Amendatory Contract is made and entered into this date of \_\_\_\_\_ by and between the Michigan Department of Transportation (MDOT) and the City of Evart (SPONSOR) for the purpose of amending Contract No. 2020-0863, dated October 1, 2020 (CONTRACT).

**Recitals:**

The CONTRACT provides for the undertaking of the following project at the Evart Municipal Airport in Evart, Michigan: Rehabilitate Runway – Airfield Crack Sealing & Paint Marking - Construction; and

The parties desire to amend the CONTRACT to increase the amount in order to cover higher than anticipated costs associated with the project.

The parties agree that the CONTRACT be and that the same is amended as follows:

1. In order to set forth the revised amount, Exhibit 1 of the CONTRACT, dated August 10, 2020, is replaced with Revised Exhibit 1, dated February 4, 2021, attached hereto and made a part hereof, and all references in the CONTRACT to Exhibit 1 will be construed to mean Revised Exhibit 1, dated February 4, 2021.
2. In order to increase the CONTRACT amount by Eight Thousand Dollars (\$8,000.00), for a revised total CONTRACT amount of Thirty-Seven Thousand Five Hundred Fifty-Six Dollars (\$37,556.00), Section 11 of the CONTRACT is amended to read as follows:

“11. The PROJECT COST participation is estimated to be as shown below and as shown in Revised Exhibit 1. The PROJECT COST participation shown in Revised Exhibit 1 is to be considered an estimate. The actual MDOT, FAA, and SPONSOR shares of the PROJECT COST will be determined at the time of financial closure of the FAA grant.

|                        |                    |
|------------------------|--------------------|
| Federal Share          | \$29,556.00        |
| Maximum MDOT Share     | \$ 4,000.00        |
| SPONSOR Share          | <u>\$ 4,000.00</u> |
| Estimated PROJECT COST | \$37,556.00”       |



3. All other provisions of the CONTRACT, except as herein amended, remain in full force and effect as originally set forth.
4. The SPONSOR agrees that the compensation noted above represents payment in full for all services requested by MDOT and waives any and all claims it has or may have against MDOT that arise out of the need to amend the CONTRACT.
5. This Amendatory Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of the SPONSOR and MDOT and upon adoption of a resolution approving said Amendatory Contract and authorizing the signature(s) thereto of the respective representatives(s) of the SPONSOR, a certified copy of which resolution will be returned to MDOT with this Amendatory Contract, as applicable.

CITY OF EVART

By: \_\_\_\_\_  
Authorized Signer

MICHIGAN DEPARTMENT OF TRANSPORTATION

By: \_\_\_\_\_  
Authorized Signer



**REVISED EXHIBIT 1****EVART MUNICIPAL AIRPORT  
EVART, MICHIGAN**Project No. I-26-0141-1520  
Job No. 210965

February 4, 2021

|  | Federal         | State          | Local          | Total           |
|--|-----------------|----------------|----------------|-----------------|
| PLANNING   | \$0             | \$0            | \$0            | \$0             |
| DESIGN   | \$0             | \$0            | \$0            | \$0             |
| CONSTRUCTION   | \$29,556        | \$4,000        | \$4,000        | \$37,556        |
| Rehabilitate Runway - Airfield Crack Sealing & Paint Marking FY 20 AIP @ 100%                          | \$29,556        | \$0            | \$0            | \$29,556        |
| <b>AMENDMENT Rehabilitate Runway - Airfield Crack Sealing &amp; Paint Marking @ 50/50% State/Local</b> | <b>\$0</b>      | <b>\$4,000</b> | <b>\$4,000</b> | <b>\$8,000</b>  |
| ORIGINAL PROJECT BUDGET  | \$29,556        | \$0            | \$0            | \$29,556        |
| INCREASE TO BUDGET   | \$0             | \$4,000        | \$4,000        | \$8,000         |
| <b>TOTAL PROJECT BUDGET</b>  | <b>\$29,556</b> | <b>\$4,000</b> | <b>\$4,000</b> | <b>\$37,556</b> |

## Federal Billing Breakdown:

Bill #1 \$29,556 SBGP 12020 Grant Award Date: 9/25/20

Letting Information: 7/28/20 &amp; 7/29/20 MDOT Small Procurement

Period of Performance End Date: 07/01/21

MAC Approval: 07/29/20  
Supplemental MAC Approval: 01/21/21**ORIGINAL Quantity Breakdown:**

|               |        |     |
|---------------|--------|-----|
| Crack Sealing | 33,000 | LFT |
| Solid White   | 16,000 | SFT |
| Solid Yellow  | 24,800 | SFT |

**AMENDED Quantity Breakdown:**

|                        |              |     |
|------------------------|--------------|-----|
| Crack Sealing & Mastic | 35000 & 1400 | LFT |
| Solid White            | 16,000       | SFT |
| Solid Yellow           | 24,800       | SFT |

## AGENDA REPORT

To: Honorable Mayor Emerick & Council Members  
From: Sarah Dvoracek, City Manager  
Date: February 25, 2021  
Re: Eric Kehoe, Downtown Development Authority Director's Contract Extension

For the Agenda of March 1, 2021

**Background.** Per MCL 125.4205, the (DDA) board may employ and fix the compensation of a director, subject to the approval of the governing body of the municipality. On August 27, 2020, city council approved Eric Kehoe's employment contract, see attachment 1. Mr. Kehoe's contract was for a six-month period. The DDA Board is seeking to modify and extend his contract, please see attachment 2. The changes to the contract are in bold and underlined.

**Issues & Questions Specified.** Mr. Kehoe is an asset to our community. His expertise in planning and economic development has been extremely beneficial to our downtown. He is a true professional. While his contract terms are unconventional to most, the arrangement has been a very positive experience and should continue. The pandemic has forced our community to embrace change, our DDA Board has done this exceptionally well by being open to new ideas and creative thinking.

**Alternatives.**

1. Not approve

**Financial Impact.** na

**Recommendation.** Please approve Mr. Kehoe's contract as presented.

**Attachments.**

1. Kehoe's previous employment contract
2. Kehoe's proposed employment contract



**Evart Main Street/Downtown Development Authority  
Executive Director Employment Agreement**

This Agreement, made and entered into at Evart, Michigan this \_\_\_\_ day of August, 2020 by and between the City of Evart Main Street/DDA (hereinafter called the "DDA"), and Eric Kehoe, (hereinafter called the "Director").

1. Director shall perform the duties of DDA Director as prescribed by the DDA Board of Directors (hereinafter called the "Board") and as approved by the City Council of the City of Evart (hereinafter the "City Council"), pursuant to Public Act 57 of 2018, and as may be established, modified, and/or amended from time to time by the Board and approved by the City Council. Director acknowledges the authority of the Board and City Council with respect to their responsibilities and directions related thereto.
2. Director agrees to devote their talents, skills, efforts, and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. Director agrees to faithfully perform those duties assigned by the Board and to comply with the directives of the Board with respect thereto. The Director agrees not to take on any conflicts of interest while employed by the DDA.
3. Director understands and acknowledges that the DDA is a public body corporate, funded with public tax dollars, and that as such, the documents that Director is privy to are generally going to fall within the category of public records as defined by the Freedom of Information Act, Public Act 442 of 1976, as amended, subject to transparency and disclosure. Director also recognizes that the business and operations of the DDA are subject to the requirements of the Open Meetings Act, Public Act 267 of 1976, as amended, and meetings shall be noticed and held accordingly. Furthermore, all public records shall remain the property of the DDA and the City of Evart and shall be retained in such a way that they are accessible to the public and kept safely in accordance with a State of Michigan approved record retention schedule as required by law.
4. The Director agrees to devote full time to the performance of the services required in this Agreement. The Director shall receive training from Michigan Main Street in order to fulfill the duties of the Main Street program. This will include mandatory training sessions hosted by the Main Street program at the state and national level. The Director shall also strive to maintain a consistent schedule and to provide the DDA with a satisfactory plan to contact business owners in the Main Street/DDA district. The DDA acknowledges that the Director's regular office will be remote. Such office hours devoted to serving the City of Evart shall be posted and accessible to the public.
5. For all services rendered by the Director, the DDA shall pay to the Director an annual salary of thirty thousand dollars (\$30,000) payable in twenty-six (26) equal installments.
6. Annually, a portion or all of one Board Meeting shall be used for the following purposes:
  - a. evaluating the Director and to discuss the working relationships between the Director and the Board,
  - b. consideration of renewal/nonrenewal of the Director's contract, and

- c. consideration of adjustments to compensation levels, all subject to approval by the City Council, in accordance with Public Act 57 of 2018, as amended.
- 7. Director understands and agrees that he is an "at will" employee and may be terminated at any time for any reason subject to thirty (30) days written notice. Director may also terminate this Agreement for any reason by providing thirty (30) days written notice. .
- 8. DDA and Director agrees to the following terms under this Agreement:
  - a. Unless terminated, Agreement shall be in effect from this date until February \_\_, 2021 and thereafter is subject to annual renewal as approved by the Board and as ratified by City Council. A positive drug test nullifies this entire agreement.
  - b. Director may, at any time, and with thirty (30) days written notice, terminate this Contract.
  - c. DDA may, at any time, and with thirty (30) days written notice terminate this Agreement.
- 9. Fringe benefits:
  - a. Effective after continued employment of one calendar year, the Board will match up to a three (3) percent salary contribution to a retirement plan or IRA designated by the Director.
  - b. The Board shall pay unemployment insurance and workers compensation insurance premiums on behalf of the Director.
  - c. Effective the effective date of this Agreement, 2020, the Director shall have fifteen (15) paid days available annually for use as sick days and/or vacation days. Additional days, without pay, will only be granted at the discretion of the Board.
  - d. Board shall pay, or reimburse the director for, reasonable expenses related to the performance of their duties. Eligible expenses must be documented in detail by Director prior to reimbursement and may include travel expenses including mileage, meals, parking, and lodging. Alcoholic beverages will not be paid for, nor reimbursed, by the Board. Mileage reimbursement will be made at the current IRS rate and shall be only for mileage traveled to conduct DDA business when using the Director's personal vehicle. The parties agree that reimbursable expenses will be vouchered and paid monthly, and shall not exceed \$800.00 per month.
  - e. The Director understands that they will be required to travel to Evert regularly as required by the duties of the job. The director shall be expected to spend five (5) days physically present in Evert each month in accordance with a regular schedule which shall be posted. Any change to this requirement must be approved by the Board.
  - f. The parties agree that this Agreement will not be interpreted or enforced in such a manner which discriminates on the basis of race, color, creed, religion, sex, age, national origin, or disability.
- 10. In the event the parties enter into an Agreement for less than a full year, it is understood that compensation shall be prorated based on the length of the signed agreement
- 11. This Agreement constitutes the sole and only Agreement of the parties and supersedes

any prior understandings, oral, or written Agreement between the Parties respecting the subject matters contained. The Parties understand and agree that this Agreement shall be construed under and in accordance with the laws of the State of Michigan, that the Agreement may not be modified unless in writing, approved by City Council, and signed by both Parties. The Parties agree that any waiver of any part of this Agreement shall not be a waiver of any part or part of the whole, nor shall any waiver of a breach of this Agreement in whole or in part constitute a waiver of any other succeeding breach. In case any one or more of the provisions in this Agreement shall be held to be invalid, illegal, or unenforceable for any reason, the invalidity, illegality, or unenforceability of any provisions shall not affect any other provision, but this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in the Agreement.

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Alan Bengry, President  
Evert Main Street/DDA Board of Directors

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Eric Kehoe, Director  
Evert Main Street/DDA

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Molly Cataldo, Secretary  
Evert Main Street/DDA Board of Directors

Dated: \_\_\_\_\_

4816-8031-5849 v2 [89551-3]  
4816-8031-5849 v3 [89551-3]



**Evart Main Street/Downtown Development Authority  
Executive Director Employment Agreement**

This Agreement, made and entered into at Evart, Michigan this **1<sup>st</sup> day of March, 2021** by and between the City of Evart Main Street/DDA (hereinafter called the "DDA"), and Eric Kehoe, (hereinafter called the "Director").

1. Director shall perform the duties of DDA Director as prescribed by the DDA Board of Directors (hereinafter called the "Board") and as approved by the City Council of the City of Evart (hereinafter the "City Council"), pursuant to Public Act 57 of 2018, and as may be established, modified, and/or amended from time to time by the Board and approved by the City Council. Director acknowledges the authority of the Board and City Council with respect to their responsibilities and directions related thereto.
1. Director agrees to devote their talents, skills, efforts, and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. Director agrees to faithfully perform those duties assigned by the Board and to comply with the directives of the Board with respect thereto. The Director agrees not to take on any conflicts of interest while employed by the DDA.
2. Director understands and acknowledges that the DDA is a public body corporate, funded with public tax dollars, and that as such, the documents that Director is privy to are generally going to fall within the category of public records as defined by the Freedom of Information Act, Public Act 442 of 1976, as amended, subject to transparency and disclosure. Director also recognizes that the business and operations of the DDA are subject to the requirements of the Open Meetings Act, Public Act 267 of 1976, as amended, and meetings shall be noticed and held accordingly. Furthermore, all public records shall remain the property of the DDA and the City of Evart and shall be retained in such a way that they are accessible to the public and kept safely in accordance with a State of Michigan approved record retention schedule as required by law.
3. The Director agrees to devote full time to the performance of the services required in this Agreement. The Director shall receive training from Michigan Main Street in order to fulfill the duties of the Main Street program. This will include mandatory training sessions hosted by the Main Street program at the state and national level. The Director shall also strive to maintain a consistent schedule and to provide the DDA with a satisfactory plan to contact business owners in the Main Street/DDA district. The DDA acknowledges that the Director's regular office will be remote. Such office hours devoted to serving the City of Evart shall be posted and accessible to the public.
4. For all services rendered by the Director, the DDA shall pay to the Director an annual salary of **thirty-three thousand five hundred dollars (\$33,500)** payable in twenty-six (26) equal installments.
5. Annually, a portion or all of one Board Meeting shall be used for the following purposes:
  - a. evaluating the Director and to discuss the working relationships between the Director and the Board,

- b. consideration of renewal/nonrenewal of the Director's contract, and
  - c. consideration of adjustments to compensation levels, all subject to approval by the City Council, in accordance with Public Act 57 of 2018, as amended.
6. Director understands and agrees that he is an "at will" employee and may be terminated at any time for any reason subject to thirty (30) days written notice. Director may also terminate this Agreement for any reason by providing thirty (30) days written notice. .
7. DDA and Director agrees to the following terms under this Agreement:
- a. Unless terminated, Agreement shall be in effect from this date until **February 28, 2023 and thereafter is subject to renewal** as approved by the Board and as ratified by City Council. A positive drug test nullifies this entire agreement.
  - b. Director may, at any time, and with thirty (30) days written notice, terminate this Contract.
  - c. DDA may, at any time, and with thirty (30) days written notice terminate this Agreement.
8. Fringe benefits:
- a. The Board shall pay unemployment insurance and workers compensation insurance premiums on behalf of the Director.
  - b. Effective the effective date of this Agreement, 2020, the Director shall have fifteen (15) paid days available annually for use as sick days and/or vacation days. Additional days without pay, **including up to two weeks for parental leave**, will only be granted at the discretion of the Board.
  - c. Board shall pay, or reimburse the director for, reasonable expenses related to the performance of their duties. Eligible expenses must be documented in detail by Director prior to reimbursement and may include travel expenses including mileage, meals, parking, and lodging. Alcoholic beverages will not be paid for, nor reimbursed, by the Board. Mileage reimbursement will be made at the current IRS rate and shall be only for mileage traveled to conduct DDA business when using the Director's personal vehicle. The parties agree that reimbursable expenses will be vouchered and paid monthly, and shall not exceed \$800.00 per month.
  - d. The Director understands that they will be required to travel to Evert regularly as required by the duties of the job. The director shall be expected to spend a **minimum of three (3) days** physically present in Evert each month in accordance with a regular schedule which shall be posted. Any change to this requirement must be approved by the Board.
  - e. The parties agree that this Agreement will not be interpreted or enforced in such a manner which discriminates on the basis of race, color, creed, religion, sex, age, national origin, or disability.
9. In the event the parties enter into an Agreement for less than a full year, it is understood that compensation shall be prorated based on the length of the signed agreement
10. This Agreement constitutes the sole and only Agreement of the parties and supersedes any prior understandings, oral, or written Agreement between the Parties respecting the

subject matters contained. The Parties understand and agree that this Agreement shall be construed under and in accordance with the laws of the State of Michigan, that the Agreement may not be modified unless in writing, approved by City Council, and signed by both Parties. The Parties agree that any waiver of any part of this Agreement shall not be a waiver of any part or part of the whole, nor shall any waiver of a breach of this Agreement in whole or in part constitute a waiver of any other succeeding breach. In case any one or more of the provisions in this Agreement shall be held to be invalid, illegal, or unenforceable for any reason, the invalidity, illegality, or unenforceability of any provisions shall not affect any other provision, but this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in the Agreement.

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Alan Bengry, President  
Evert Main Street/DDA Board of Directors

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Eric Kehoe, Director  
Evert Main Street/DDA

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June Essner, Secretary  
Evert Main Street/DDA Board of Directors

Dated: \_\_\_\_\_



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| 02/22/2021 | 751  | 38305   | CITY OF EVART                     | DUE TO GENL - PROPERTY TAX    | 703-000-214.102 | 1,465.55         |
|            |      | 38305   |                                   | INTEREST & PENALTY            | 703-000-214.103 | 125.30           |
|            |      | 38305   |                                   | DUE TO GENL-ADMIN FEE         | 703-000-214.104 | 10.59            |
|            |      | 38305   |                                   | DUE TO S. HEMLOCK ASSESSMENT  | 703-000-214.325 | 12.53            |
|            |      | 38305   |                                   | DUE TO NORTH OAK ASSESSMENT   | 703-000-214.326 | 18.03            |
|            |      |         |                                   |                               |                 | <hr/> 1,632.00   |
| 02/22/2021 | 751  | 38306   | EVART PUBLIC LIBRARY              | DUE TO LIBRARY                | 703-000-214.223 | 97.77            |
|            |      | 38306   |                                   | DUE TO LIBRARY - INTEREST     | 703-000-223.100 | 6.25             |
|            |      |         |                                   |                               |                 | <hr/> 104.02     |
| 02/22/2021 | 751  | 38307   | OSCEOLA COUNTY TREASURER          | DUE TO COUNTY                 | 703-000-214.222 | 644.35           |
|            |      | 38307   |                                   | DUE TO LIBRARY - INTEREST     | 703-000-223.100 | 24.67            |
|            |      |         |                                   |                               |                 | <hr/> 669.02     |
| 02/22/2021 | 751  | 38308   | OSCEOLA COUNTY TREASURER          | DUE TO STATE EDUCATION TAX    | 703-000-214.221 | 604.18           |
|            |      | 38308   |                                   | STATE ED TAX INTEREST         | 703-000-222.110 | 23.12            |
|            |      |         |                                   |                               |                 | <hr/> 627.30     |
| 02/22/2021 | 751  | 38309   | CITY OF EVART                     | DUE TO GENL-ADMIN FEE         | 704-000-214.104 | 2,527.97         |
|            |      | 38309   |                                   | DUE TO GEN PUBLIC SAFETY MILL | 704-000-214.480 | 17,641.18        |
|            |      |         |                                   |                               |                 | <hr/> 20,169.15  |
| 02/22/2021 | 751  | 38310   | EVART FIRE DEPARTMENT             | DUE TO FIRE DIST MILLAGE      | 704-000-214.481 | 19,601.55        |
| 02/22/2021 | 751  | 38311   | EVART PUBLIC SCHOOLS              | DUE TO SCH NEW-DEBT           | 704-000-214.226 | 21,757.49        |
|            |      | 38311   |                                   | DUE TO SCHOOL OPERATION       | 704-000-214.229 | 129,125.28       |
|            |      |         |                                   |                               |                 | <hr/> 150,882.77 |
| 02/22/2021 | 751  | 38312   | MECOSTA OSCEOLA TRANSIT AUTHORITY | DUE TO MOTA                   | 704-000-214.230 | 4,892.86         |
| 02/22/2021 | 751  | 38313   | MECOSTA-OSCEOLA INTERMEDIATE      | DUE TO INTERM SCHOOL          | 704-000-214.227 | 49,768.56        |
| 02/22/2021 | 751  | 38314   | OSCEOLA COUNTY TREASURER          | DUE TO COA                    | 704-000-214.224 | 9,800.44         |
|            |      | 38314   |                                   | DUE TO ROAD PATROL            | 704-000-214.228 | 9,793.33         |
|            |      | 38314   |                                   | DUE TO EMS                    | 704-000-214.231 | 7,350.05         |
|            |      |         |                                   |                               |                 | <hr/> 26,943.82  |
| 03/01/2021 | 751  | 38315   | AUTOMATED BUSINESS EQUIPMENT      | PROFESSIONAL SERVICES         | 101-265-801.000 | 266.66           |
|            |      | 38315   |                                   | PROFESSIONAL SERVICES         | 590-537-801.000 | 266.67           |
|            |      | 38315   |                                   | PROFESSIONAL SERVICES         | 591-545-801.000 | 266.67           |
|            |      |         |                                   |                               |                 | <hr/> 800.00     |
| 03/01/2021 | 751  | 38316   | BARNETT'S AUTO REPAIR             | PROFESSIONAL SERVICES         | 101-301-801.000 | 65.00            |
|            |      | 38316   |                                   | REPAIRS AND MAINTENANCE       | 101-301-930.000 | 256.22           |
|            |      |         |                                   |                               |                 | <hr/> 321.22     |

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| 03/01/2021 | 751  | 38317   | CHROUCH COMMUNICATIONS | VEHICLE REPAIR & MAINTENANCE | 101-301-931.000 | 4,123.00       |
| 03/01/2021 | 751  | 38318   | CLEAR GOV INC          | COMPUTERS/EQUIPMENT/IT       | 101-203-932.000 | 400.00         |
|            |      | 38318   |                        | PROFESSIONAL SERVICES        | 202-454-801.000 | 400.00         |
|            |      | 38318   |                        | PROFESSIONAL SERVICES        | 203-454-801.000 | 400.00         |
|            |      | 38318   |                        | COMPUTERS/EQUIPMENT/IT       | 590-537-932.000 | 400.00         |
|            |      | 38318   |                        | COMPUTERS/EQUIPMENT/IT       | 591-545-932.000 | 400.00         |
|            |      |         |                        |                              |                 | <hr/> 2,000.00 |
| 03/01/2021 | 751  | 38319   | CONSUMERS ENERGY       | UTILITIES                    | 590-538-921.000 | 3,588.00       |
|            |      | 38319   |                        | UTILITIES                    | 591-546-921.000 | 5,643.92       |
|            |      |         |                        |                              |                 | <hr/> 9,231.92 |
| 03/01/2021 | 751  | 38320   | DICKINSON WRIGHT PLLC  | Attorney Fees - Police       | 101-301-801.301 | 1,440.00       |
| 03/01/2021 | 751  | 38321   | DTE ENERGY             | UTILITIES                    | 101-301-921.000 | 245.95         |
|            |      | 38321   |                        | UTILITIES                    | 101-440-921.000 | 358.59         |
|            |      | 38321   |                        | UTILITIES                    | 590-538-921.000 | 531.66         |
|            |      |         |                        |                              |                 | <hr/> 1,136.20 |
| 03/01/2021 | 751  | 38322   | FASTENAL COMPANY       | OPERATING SUPPLIES           | 101-441-740.000 | 178.33         |
| 03/01/2021 | 751  | 38323   | FILE SAFE, INC         | PROFESSIONAL SERVICES        | 101-265-801.000 | 17.84          |
|            |      | 38323   |                        | PROFESSIONAL SERVICES        | 590-537-801.000 | 17.83          |
|            |      | 38323   |                        | PROFESSIONAL SERVICES        | 591-545-801.000 | 17.83          |
|            |      |         |                        |                              |                 | <hr/> 53.50    |
| 03/01/2021 | 751  | 38324   | KUBE PROPANE, LLC      | UTILITIES                    | 101-441-921.000 | 580.64         |
|            |      | 38324   |                        | UTILITIES                    | 101-442-921.000 | 654.00         |
|            |      |         |                        |                              |                 | <hr/> 1,234.64 |
| 03/01/2021 | 751  | 38325   | LERMA                  | MEMBERSHIP AND DUES          | 101-301-807.000 | 60.00          |
| 03/01/2021 | 751  | 38326   | MEDLER ELECTRONIC CO   | REPAIRS AND MAINTENANCE      | 590-538-930.000 | 101.34         |
| 03/01/2021 | 751  | 38327   | ROTARY MULTIFORMS, INC | COMMUNICATIONS               | 101-301-850.000 | 94.15          |
| 03/01/2021 | 751  | 38328   | STANDARD INSURANCE CO. | OTHER FRINGE BENEFITS        | 101-301-719.000 | 180.95         |
|            |      | 38328   |                        | OTHER FRINGE BENEFITS        | 101-850-719.000 | 129.25         |
|            |      | 38328   |                        | OTHER FRINGE BENEFITS        | 202-850-719.000 | 15.51          |
|            |      | 38328   |                        | OTHER FRINGE BENEFITS        | 203-850-719.000 | 10.34          |
|            |      | 38328   |                        | OTHER FRINGE BENEFITS        | 590-850-719.000 | 98.23          |
|            |      | 38328   |                        | OTHER FRINGE BENEFITS        | 591-850-719.000 | 82.72          |
|            |      |         |                        |                              |                 | <hr/> 517.00   |
| 03/01/2021 | 751  | 38329   | STAPLES CREDIT PLAN    | OPERATING SUPPLIES           | 101-265-740.000 | 27.25          |
|            |      | 38329   |                        | OPERATING SUPPLIES           | 101-301-740.000 | 27.26          |
|            |      | 38329   |                        | OPERATING SUPPLIES           | 590-537-740.000 | 27.26          |

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|            |      | 38329   |                      | OPERATING SUPPLIES     | 591-545-740.000 | 27.26          |
|            |      |         |                      |                        |                 | <hr/> 109.03   |
| 03/01/2021 | 751  | 38330   | VERIZON WIRELESS     | COMMUNICATIONS         | 101-265-850.000 | 50.41          |
|            |      | 38330   |                      | COMMUNICATIONS         | 101-301-850.000 | 138.30         |
|            |      | 38330   |                      | COMMUNICATIONS         | 590-537-850.000 | 50.42          |
|            |      | 38330   |                      | COMMUNICATIONS         | 591-546-850.000 | 50.42          |
|            |      |         |                      |                        |                 | <hr/> 289.55   |
| 03/01/2021 | 751  | 38331   | XEROX CORPORATION    | PUBLISHING/PRINTING    | 101-265-900.000 | 78.95          |
|            |      | 38331   |                      | COMPUTERS/EQUIPMENT/IT | 101-301-932.000 | 44.85          |
|            |      | 38331   |                      | PUBLISHING/PRINTING    | 590-537-900.000 | 78.92          |
|            |      | 38331   |                      | PUBLISHING/PRINTING    | 591-545-900.000 | 78.92          |
|            |      |         |                      |                        |                 | <hr/> 281.64   |
| 03/01/2021 | 751  | 529 (A) | DVORACEK, SARAH      | COMMUNICATIONS         | 101-172-850.000 | 40.00          |
| 03/01/2021 | 751  | 530 (A) | FLACHS, MICHAEL      | COMMUNICATIONS         | 590-537-850.000 | 20.00          |
|            |      | 530 (A) |                      | COMMUNICATIONS         | 591-545-850.000 | 20.00          |
|            |      |         |                      |                        |                 | <hr/> 40.00    |
| 03/01/2021 | 751  | 531 (A) | I.T. RIGHT           | COMPUTERS/EQUIPMENT/IT | 101-265-932.000 | 18.50          |
|            |      | 531 (A) |                      | COMPUTERS/EQUIPMENT/IT | 590-537-932.000 | 18.50          |
|            |      | 531 (A) |                      | COMPUTERS/EQUIPMENT/IT | 591-545-932.000 | 18.49          |
|            |      |         |                      |                        |                 | <hr/> 55.49    |
| 03/01/2021 | 751  | 532 (A) | JOHN BEAM JR.        | COMMUNICATIONS         | 101-301-850.000 | 40.00          |
| 03/01/2021 | 751  | 533 (A) | MARTIN, DALE         | COMMUNICATIONS         | 590-537-850.000 | 20.00          |
|            |      | 533 (A) |                      | COMMUNICATIONS         | 591-545-850.000 | 20.00          |
|            |      |         |                      |                        |                 | <hr/> 40.00    |
| 03/01/2021 | 751  | 534 (A) | MUCZYNSKI, PATRICK   | COMMUNICATIONS         | 590-537-850.000 | 20.00          |
|            |      | 534 (A) |                      | COMMUNICATIONS         | 591-545-850.000 | 20.00          |
|            |      |         |                      |                        |                 | <hr/> 40.00    |
| 03/01/2021 | 751  | 535 (A) | PEPPER LOCKHART      | COMMUNICATIONS         | 101-203-850.000 | 40.00          |
| 03/01/2021 | 751  | 536 (A) | SWIFT ECKERT, TERESA | COMMUNICATIONS         | 101-301-850.000 | 40.00          |
| 03/01/2021 | 751  | 537 (A) | WHITE LAW OFFICE     | PROFESSIONAL SERVICES  | 101-210-801.000 | 729.17         |
|            |      | 537 (A) |                      | Attorney Fees - Police | 101-301-801.301 | 729.16         |
|            |      | 537 (A) |                      | PROFESSIONAL SERVICES  | 590-538-801.000 | 729.17         |
|            |      | 537 (A) |                      | PROFESSIONAL SERVICES  | 591-546-801.000 | 729.17         |
|            |      |         |                      |                        |                 | <hr/> 2,916.67 |
| 03/01/2021 | 751  | 538 (A) | WILSON, MARK         | COMMUNICATIONS         | 590-537-850.000 | 20.00          |



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|            |      | 538 (A) |                   | COMMUNICATIONS     | 591-545-850.000 | 20.00      |
|            |      |         |                   |                    |                 | 40.00      |
| 03/01/2021 | 751  | 539 (A) | ZINGER, ADAM      | COMMUNICATIONS     | 590-537-850.000 | 20.00      |
|            |      | 539 (A) |                   | COMMUNICATIONS     | 591-545-850.000 | 20.00      |
|            |      |         |                   |                    |                 | 40.00      |
|            |      |         | TOTAL - ALL FUNDS | TOTAL OF 38 CHECKS |                 | 300,594.73 |

--- GL TOTALS ---

|                 |                              |          |
|-----------------|------------------------------|----------|
| 101-172-850.000 | COMMUNICATIONS               | 40.00    |
| 101-203-850.000 | COMMUNICATIONS               | 40.00    |
| 101-203-932.000 | COMPUTERS/EQUIPMENT/IT       | 400.00   |
| 101-210-801.000 | PROFESSIONAL SERVICES        | 729.17   |
| 101-265-740.000 | OPERATING SUPPLIES           | 27.25    |
| 101-265-801.000 | PROFESSIONAL SERVICES        | 284.50   |
| 101-265-850.000 | COMMUNICATIONS               | 50.41    |
| 101-265-900.000 | PUBLISHING/PRINTING          | 78.95    |
| 101-265-932.000 | COMPUTERS/EQUIPMENT/IT       | 18.50    |
| 101-301-719.000 | OTHER FRINGE BENEFITS        | 180.95   |
| 101-301-740.000 | OPERATING SUPPLIES           | 27.26    |
| 101-301-801.000 | PROFESSIONAL SERVICES        | 65.00    |
| 101-301-801.301 | Attorney Fees - Police       | 2,169.16 |
| 101-301-807.000 | MEMBERSHIP AND DUES          | 60.00    |
| 101-301-850.000 | COMMUNICATIONS               | 312.45   |
| 101-301-921.000 | UTILITIES                    | 245.95   |
| 101-301-930.000 | REPAIRS AND MAINTENANCE      | 256.22   |
| 101-301-931.000 | VEHICLE REPAIR & MAINTENANCE | 4,123.00 |
| 101-301-932.000 | COMPUTERS/EQUIPMENT/IT       | 44.85    |
| 101-440-921.000 | UTILITIES                    | 358.59   |
| 101-441-740.000 | OPERATING SUPPLIES           | 178.33   |
| 101-441-921.000 | UTILITIES                    | 580.64   |
| 101-442-921.000 | UTILITIES                    | 654.00   |
| 101-850-719.000 | OTHER FRINGE BENEFITS        | 129.25   |
| 202-454-801.000 | PROFESSIONAL SERVICES        | 400.00   |
| 202-850-719.000 | OTHER FRINGE BENEFITS        | 15.51    |
| 203-454-801.000 | PROFESSIONAL SERVICES        | 400.00   |
| 203-850-719.000 | OTHER FRINGE BENEFITS        | 10.34    |
| 590-537-740.000 | OPERATING SUPPLIES           | 27.26    |
| 590-537-801.000 | PROFESSIONAL SERVICES        | 284.50   |
| 590-537-850.000 | COMMUNICATIONS               | 150.42   |
| 590-537-900.000 | PUBLISHING/PRINTING          | 78.92    |
| 590-537-932.000 | COMPUTERS/EQUIPMENT/IT       | 418.50   |
| 590-538-801.000 | PROFESSIONAL SERVICES        | 729.17   |
| 590-538-921.000 | UTILITIES                    | 4,119.66 |

| Check Date      | Bank | Check # | Payee                         | Description | GL # | Amount |
|-----------------|------|---------|-------------------------------|-------------|------|--------|
| 590-538-930.000 |      |         | REPAIRS AND MAINTENANCE       | 101.34      |      |        |
| 590-850-719.000 |      |         | OTHER FRINGE BENEFITS         | 98.23       |      |        |
| 591-545-740.000 |      |         | OPERATING SUPPLIES            | 27.26       |      |        |
| 591-545-801.000 |      |         | PROFESSIONAL SERVICES         | 284.50      |      |        |
| 591-545-850.000 |      |         | COMMUNICATIONS                | 100.00      |      |        |
| 591-545-900.000 |      |         | PUBLISHING/PRINTING           | 78.92       |      |        |
| 591-545-932.000 |      |         | COMPUTERS/EQUIPMENT/IT        | 418.49      |      |        |
| 591-546-801.000 |      |         | PROFESSIONAL SERVICES         | 729.17      |      |        |
| 591-546-850.000 |      |         | COMMUNICATIONS                | 50.42       |      |        |
| 591-546-921.000 |      |         | UTILITIES                     | 5,643.92    |      |        |
| 591-850-719.000 |      |         | OTHER FRINGE BENEFITS         | 82.72       |      |        |
| 703-000-214.102 |      |         | DUE TO GENL - PROPERTY TAX    | 1,465.55    |      |        |
| 703-000-214.103 |      |         | INTEREST & PENALTY            | 125.30      |      |        |
| 703-000-214.104 |      |         | DUE TO GENL-ADMIN FEE         | 10.59       |      |        |
| 703-000-214.221 |      |         | DUE TO STATE EDUCATION TAX    | 604.18      |      |        |
| 703-000-214.222 |      |         | DUE TO COUNTY                 | 644.35      |      |        |
| 703-000-214.223 |      |         | DUE TO LIBRARY                | 97.77       |      |        |
| 703-000-214.325 |      |         | DUE TO S. HEMLOCK ASSESSMENT  | 12.53       |      |        |
| 703-000-214.326 |      |         | DUE TO NORTH OAK ASSESSMENT   | 18.03       |      |        |
| 703-000-222.110 |      |         | STATE ED TAX INTEREST         | 23.12       |      |        |
| 703-000-223.100 |      |         | DUE TO LIBRARY - INTEREST     | 30.92       |      |        |
| 704-000-214.104 |      |         | DUE TO GENL-ADMIN FEE         | 2,527.97    |      |        |
| 704-000-214.224 |      |         | DUE TO COA                    | 9,800.44    |      |        |
| 704-000-214.226 |      |         | DUE TO SCH NEW-DEBT           | 21,757.49   |      |        |
| 704-000-214.227 |      |         | DUE TO INTERM SCHOOL          | 49,768.56   |      |        |
| 704-000-214.228 |      |         | DUE TO ROAD PATROL            | 9,793.33    |      |        |
| 704-000-214.229 |      |         | DUE TO SCHOOL OPERATION       | 129,125.28  |      |        |
| 704-000-214.230 |      |         | DUE TO MOTA                   | 4,892.86    |      |        |
| 704-000-214.231 |      |         | DUE TO EMS                    | 7,350.05    |      |        |
| 704-000-214.480 |      |         | DUE TO GEN PUBLIC SAFETY MILL | 17,641.18   |      |        |
| 704-000-214.481 |      |         | DUE TO FIRE DIST MILLAGE      | 19,601.55   |      |        |
|                 |      |         | TOTAL                         | 300,594.73  |      |        |

Check Register Report For City Of Evert  
For Check Dates 02/17/2021 to 03/01/2021

| Check Date | Bank | Check Number | Name                   | Check Gross | Physical Check Amount | Direct Deposit | Status  |
|------------|------|--------------|------------------------|-------------|-----------------------|----------------|---------|
| 02/17/2021 | 750  | 23136        | MISDU                  | 118.29      | 118.29                | 0.00           | Open    |
| 02/24/2021 | 750  | 23137        | MISDU                  | 118.29      | 118.29                | 0.00           | Open    |
| 02/17/2021 | 750  | DD5338       | BEAM, JOHN             | 1,096.15    | 0.00                  | 719.19         | Cleared |
| 02/17/2021 | 750  | DD5339       | DOUGLAS, RYAN          | 754.00      | 0.00                  | 570.84         | Cleared |
| 02/17/2021 | 750  | DD5340       | DUNCAN, JENNIFER       | 827.62      | 0.00                  | 642.41         | Cleared |
| 02/17/2021 | 750  | DD5341       | DVORACEK, SARAH J      | 1,774.04    | 0.00                  | 1,355.21       | Cleared |
| 02/17/2021 | 750  | DD5342       | FIEBIG, KATHY          | 167.31      | 0.00                  | 147.41         | Cleared |
| 02/17/2021 | 750  | DD5343       | FLACHS, MICHAEL J      | 805.53      | 0.00                  | 555.83         | Cleared |
| 02/17/2021 | 750  | DD5344       | HIGGINS, JERALD J      | 306.00      | 0.00                  | 262.44         | Cleared |
| 02/17/2021 | 750  | DD5345       | LOCKHART, PEPPER L     | 1,025.82    | 0.00                  | 822.18         | Cleared |
| 02/17/2021 | 750  | DD5346       | MANEKE, VANESSA S      | 20.24       | 0.00                  | 18.69          | Cleared |
| 02/17/2021 | 750  | DD5347       | MARTIN, DALE           | 919.81      | 0.00                  | 568.45         | Cleared |
| 02/17/2021 | 750  | DD5348       | MCCLURE, PATRICK K     | 788.80      | 0.00                  | 583.90         | Cleared |
| 02/17/2021 | 750  | DD5349       | MUCZYNSKI, PATRICK     | 1,193.68    | 0.00                  | 814.45         | Cleared |
| 02/17/2021 | 750  | DD5350       | ROHEN, MELISSA A       | 874.00      | 0.00                  | 642.70         | Cleared |
| 02/17/2021 | 750  | DD5351       | SWIFT-ECKERT, TERESA M | 330.75      | 0.00                  | 303.41         | Cleared |
| 02/17/2021 | 750  | DD5352       | WILSON, MARK A         | 1,364.16    | 0.00                  | 963.05         | Cleared |
| 02/17/2021 | 750  | DD5353       | ZINGER, ADAM           | 721.60      | 0.00                  | 486.46         | Cleared |
| 02/24/2021 | 750  | DD5355       | BEAM, JOHN             | 1,096.15    | 0.00                  | 719.20         | Cleared |
| 02/24/2021 | 750  | DD5356       | DOUGLAS, RYAN          | 754.00      | 0.00                  | 570.83         | Cleared |
| 02/24/2021 | 750  | DD5357       | DUNCAN, JENNIFER       | 772.75      | 0.00                  | 601.12         | Cleared |
| 02/24/2021 | 750  | DD5358       | DVORACEK, SARAH J      | 1,774.04    | 0.00                  | 1,355.22       | Cleared |
| 02/24/2021 | 750  | DD5359       | FIEBIG, KATHY          | 167.31      | 0.00                  | 147.39         | Cleared |
| 02/24/2021 | 750  | DD5360       | FLACHS, MICHAEL J      | 722.60      | 0.00                  | 491.78         | Cleared |
| 02/24/2021 | 750  | DD5361       | HIGGINS, JERALD J      | 306.00      | 0.00                  | 262.45         | Cleared |
| 02/24/2021 | 750  | DD5362       | LOCKHART, PEPPER L     | 1,025.82    | 0.00                  | 789.38         | Cleared |
| 02/24/2021 | 750  | DD5363       | MANEKE, VANESSA S      | 25.74       | 0.00                  | 23.77          | Cleared |
| 02/24/2021 | 750  | DD5364       | MARTIN, DALE           | 937.03      | 0.00                  | 580.83         | Cleared |
| 02/24/2021 | 750  | DD5365       | MCCLURE, PATRICK K     | 788.80      | 0.00                  | 583.91         | Cleared |
| 02/24/2021 | 750  | DD5366       | MUCZYNSKI, PATRICK     | 1,269.07    | 0.00                  | 868.69         | Cleared |



Check Register Report For City Of Evert  
For Check Dates 02/17/2021 to 03/01/2021

| Check Date             | Bank | Check Number | Name                   | Check<br>Gross | Physical<br>Check Amount | Direct<br>Deposit | Status  |
|------------------------|------|--------------|------------------------|----------------|--------------------------|-------------------|---------|
| 02/24/2021             | 750  | DD5367       | ROHEN, MELISSA A       | 760.00         | 0.00                     | 554.64            | Cleared |
| 02/24/2021             | 750  | DD5368       | SWIFT-ECKERT, TERESA M | 323.40         | 0.00                     | 296.93            | Cleared |
| 02/24/2021             | 750  | DD5369       | WILSON, MARK A         | 1,364.16       | 0.00                     | 963.06            | Cleared |
| 02/24/2021             | 750  | DD5370       | ZINGER, ADAM           | 721.60         | 0.00                     | 486.46            | Cleared |
| 02/17/2021             | 750  | EFT537       | FEDERAL 941            | 2,877.86       | 2,877.86                 | 0.00              | Open    |
| 02/24/2021             | 750  | EFT539       | FEDERAL 941            | 2,870.46       | 2,870.46                 | 0.00              | Open    |
| Totals:                |      |              | Number of Checks: 036  | 31,762.88      | 5,984.90                 | 18,752.28         |         |
| Total Physical Checks: |      |              | 2                      |                |                          |                   |         |
| Total Check Stubs:     |      |              | 34                     |                |                          |                   |         |

Evart Area Joint Fire Department

Fire Board Meeting

February 9, 2021 @ 4 PM

**PLEDGE OF ALLEGIANCE**

Meeting called to order by Chairman Hammer 4:03pm.

**ROLL CALL:** Brad Morgan – Orient Township, Gary Hammer – Evart Township, Dan Elliott – City of Evart, Bev Mills – Sylvan Township, Sherri Bancroft – Osceola Township.

**Guests:** Shane Helmer, Angie Cushman, Randy Berger, Ryan Douglas, Hayden Helmer.

**CITIZENS COMMENTS:** NONE

**MOTION to approve the agenda with the amendments to the agenda with the addition of New Business #5 Bev.**

**MOTION BY ELLIOTT 2<sup>ND</sup> BY MORGAN to approve the Consent Agenda with the payment of bills, treasurers report, and approval of minutes. MOTION PASSED.**

**Treasurers Report: General Checking \$36,509.53, Truck Account \$38,736.33 with a total of \$75,245.86. With the monthly bills totaling \$34,307.76.**

**Minutes approval of January 11 & 12, 2021.**

**OLD BUSINESS:**

1. **Green Truck:** Shane explained that the green truck is now red, and that the updates are coming along very good. He stated that of the \$18,800 to spend on the truck overhaul, he as \$2,175 left to spend.

Board Recessed @ 4:16PM to take a look at the progress of the green/red truck.

Board came out of recess @ 4:32PM to resume business.

- 2. Chart of Accounts-Change over-Update:** Erin is working on the changeover to happen in the next budget year.
  - a. Grants:** Needs to figure out the place for the money to be labeled.
  - b. Building and Grounds:** Needs to also know where this can be labeled so that can be kept up and know what is being spent on this area.
- 3. Fire Department Agreement:** Shane has asked about the agreement, and was told he is working on it, and that he should have it done before the annual meeting. Discussion was held.
- 4. Change Over to QuickBooks:** Discussed in #2.
- 5. Resolution for –Deficit Elimination – Update:** Shane stated that there has to rescind the last resolution, and to do a new resolution per Shelly with the Auditors. Discussion was held.

**MOTION BY ELLIOTT 2<sup>ND</sup> BY MORGAN to rescind the resolution for Deficit Elimination.**

**ROLL CALL: Bev Mills – Yes, Sherri Bancroft – Yes, Gary Hammer – Yes, Dan Elliott –Yes, Brad Morgan – Yes. MOTION. PASSED**

**MOTION BY ELLIOTT 2<sup>ND</sup> BY MORGAN to pass the Deficit Resolution Plan #2 at 4:50pm.**

**ROLL CALL: Sherri Bancroft - Yes, Dan Elliott - Yes, Brad Morgan - Yes, Gary Hammer - Yes, Bev Mills – Yes. MOTION PASSED.**

**NEW BUSINESS:**

- 1. LED Light Replacement for building:** Shane showed the board 2 estimates for replacements of all of the fluorescent lights to LED. Shane would like to have the board approve from the Administrative Capital Equipment fund 233-970 for \$2,283 total.



**MOTION BY MORGAN, 2<sup>ND</sup> BY BANCROFT, to approve the purchase and replace all of LED lighting for the entire Fire Department for \$2,283. MOTION PASSED.**

- 2. Physicals – COVID-19 Issues:** Shane stated that our policy for the department states that a physical needs to be done to be on our department. Discussion was held.

**MOTION BY ELLIOTT, 2<sup>ND</sup> BY MILLS to authorize Chief to step outside of the policy with PFT testing, to temporary suspend the policy to do a physical to get the new member into classes. MOTION PASSED.**

- 3. DISPOSAL OF EQUIPMENT:** Shane asked if he would be able to dispose of some equipment that is just taking up space and no longer used by the department.
  - a. Light Bars
  - b. Old Chainsaws
  - c. Old Equipment

**MOTION BY EILLIOT 2<sup>ND</sup> BY BANCOFT to have the Chief dispose of any old equipment from the department as he sees fit. MOTION PASSED.**

- 4. Payment from the townships/city: Discussion was held in #3.**
- 5. Bev:** Bev wanted to make sure that the board was aware that we have not been able to reconcile the check book for at least 3 months. We have spoken to DNG to make sure that some issues are being taken care of so that we have all information properly recorded. Bev also wanted to let the board know that she retired from township a week ago Monday, and that she would like to continue to be the board rep for Sylvan Township. She would like to also have a type of spreadsheet of bills and spending each month, and have Gary help with the explanation.

**Fire Chief Report:** Shane will help out with a maintenance schedule for upcoming expenses. Shane also spoke of grants, and ones that are upcoming, and ones in progress. He also discussed truck replacement. He also asked if the USDA grant for gear, if the Jaws of Life replacement could also be added to it. So the grant

would give us \$150,000 and we would get \$50,000 and pay \$100,000. Shane also stated that he has hired someone to get a few things done around the hall, and help with the CON-X box completion before the deadline.

Dan Elliott explained the fund balance sheet for the Expenditures, General Fund Balance, and Truck Reserve Account. He explained what and how it works.

**Citizens Comments: None**

**Next Meeting March 9, 2021 – Regular Meeting @ 6pm**

**March 9, 2021 – Budget Hearing Meeting @ 7pm.**

**MOTION BY MILLS 2<sup>ND</sup> BY ELLIOTT, to adjourn the meeting @ 5:55 pm. MOTION PASSED.**

**MINUTES ARE NOT OFFICIAL UNTIL APPROVED AT A FUTURE BOARD MEETING.**

**ANGELA CUSHMAN**

**Administrative Assistant**

**Evert Area Joint Fire Department.**



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RACHAEL EUBANKS  
STATE TREASURER

December 21, 2020

**Request for Improvement  
of Deficiencies -  
Corrective Action Plan**  
Fiscal Year: 2020  
Municipality Code: 672010  
Report ID Number: 109112

**Sent Via Email**  
City of Evart  
pepper.lockhart@evart.org

Dear Governing Body:

The Community Engagement and Finance Division has received the audit report for the fiscal year referenced above. It is the responsibility of this division to administer certain State statutes. Consequently, your audit has been reviewed to determine compliance with budgeting, accounting, auditing, and statutory compliance related activities. This review has identified issues that we believe need your attention.

Please note the following issues corresponding to response(s) on the auditing procedures report:

- Actual expenditures exceeded the amounts authorized in the budget. Please describe actions being taken to prevent budget variances.

The matter(s) described above are either violations of state statute or are deficiencies of the local unit that may impede the local unit's ability to comply with state statute.

Additional deficiencies in your report are usually found in the form of comments and recommendations located toward the end of the report or may be filed separately. The plan should identify each Auditing Procedure Report question listed above, each additional deficiency, the corrective action to be taken, the supporting documentation requested, if any, and the date in which the action is to be implemented.

Therefore, within **30 days** from the date of this letter, please submit to us a detailed Corrective Action Plan to resolve the above-mentioned matter(s), including other deficiencies noted in your audit report. To submit your Corrective Action Plan, visit the



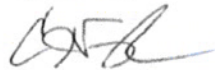
department's online filing site at [Michigan.gov/localfinancialreporting](http://Michigan.gov/localfinancialreporting) and select the File Online Reports tab. You must request local unit user access if one does not already exist. We do not accept hard-copy or emailed responses. Please combine multiple documents as only one document can be uploaded.

Failure to respond within 30 days or an inability to demonstrate that corrective action has been implemented may result in one or more of the following:

- Denial of subsequent year qualified status under Public Act 34 of 2001, the Revised Municipal Finance Act (possibly preventing your municipality the ability to borrow money);
- Subject the local unit to an audit and/or review performed by Department of Treasury auditors at the expense of the local unit.

Please contact the audit review staff at [LAFD\\_Audits@michigan.gov](mailto:LAFD_Audits@michigan.gov) if you have any questions.

Sincerely,



Cary Jay Vaughn, CPA, CGFM  
Audit Manager  
Community Engagement and Finance Division

January 7, 2021



**City of Ewart**

5814 100<sup>th</sup> Avenue  
Ewart, Michigan 49631  
Phone: 231-734-2181  
[www.ewart.org](http://www.ewart.org)

**City Manager:**

Sarah Dvoracek  
[sarah.dvoracek@ewart.org](mailto:sarah.dvoracek@ewart.org)

**Assistant City  
Manager/Director of  
Public Works:**

Mark Wilson  
[mark.wilson@ewart.org](mailto:mark.wilson@ewart.org)

**City Clerk:**

Kathy Fiebig  
[cityclerk@ewart.org](mailto:cityclerk@ewart.org)

**Finance Director/  
Treasurer:**

Pepper Lockhart  
[pepper.lockhart@ewart.org](mailto:pepper.lockhart@ewart.org)

**Chief of Police:**

John Beam, Jr.  
[John.beam@ewart.org](mailto:John.beam@ewart.org)

Cary Jay Vaughn  
State of Michigan  
Community Engagement and Finance Division  
P.O. Box 30728  
Lansing, MI 48909

Dear Mr. Vaughn:

The following is City of Ewart's Corrective Action Plan regarding violations identified on the Auditing Procedures Report for the year ended June 30, 2020.

**Deficiency as Identified in the Auditing Procedures Report and Letter from State of Michigan Department of Treasury:**

**Condition Identified:** For the fiscal year ended June 30, 2020, the City exceeded the budget in the Major Street Fund, the Component Unit LDFA and a couple of line items in the General Fund. The City also needs to adopt a budget for the Library Fund since it collects and disburses property taxes to the Library.

**Corrective Action Plan:** The City is aware of the budget compliance requirements and the need to amend the budget as soon as it becomes apparent appropriations will be exceeded. The City will adopt a budget for the Library Fund. The City will continue to monitor its budgets on an ongoing basis and make budget amendments prior to incurring expenditures in excess of budgeted amounts. The LDFA was dissolved in January so this will not be an issue going forward.

**Deficiencies as Identified in the Communication of Material Weaknesses:**

**Condition Identified:** The auditor identified two deficiencies in our audit report that have been repeated since the existence of the City. These deficiencies are the lack of segregation of duties and the inability to prepare GAAP financial statements.

**Corrective Action Plan:** As has been our past practice, we have deemed impractical to hire more staff for a small, rural, northern Michigan City. We have also made the determination that we will continue to outsource the preparation of the financial statements and rely on our external auditors to produce such statements. We do accept responsibility for the statements and have enough understanding to identify issues or errors with those statements.



**Deficiencies as Identified in the Communication With Those Charged With Governance at the Conclusion of the Audit:**

**Condition Identified:** It was noted that the City was over budget.

**Corrective Action Plan:** This item was addressed above, but the City has implemented new procedures regarding its budget to ensure amendments are made as necessary. The LDFA was dissolved in January so this will not be an issue going forward.

**Condition Identified:** It was noted that the capitalization policy could not be located in the City's records or policy book.

**Corrective Action Plan:** The City is aware of this and they are going to adopt a new capitalization policy.

We believe this letter fulfills our requirements identified to us by the State of Michigan in a letter dated December 21, 2020.

Very truly yours,

CITY OF EVART