MUSKEGON COUNTY BOARD OF COMMISSIONERS
Ways & Means Committee
AGENDA

April 11, 2019 – 3:30 PM
Hall of Justice
990 Terrace, Muskegon, MI

Robert Scolnik, Chair
Charles Nash, Vice-Chair

1) Call to Order
2) Roll Call
3) Approval of the Minutes of March 19, 2019
4) Public Comment (on an agenda item)
5) Communication: Budget Report

7) Items for Consideration

WM19/04 – 34 (Administration) Approve Payment of the Accounts Payable of $9,670,631.34, Covering the Period of March 9, 2019 through April 1, 2019 for Checks and February 1, 2019 through February 28, 2019 for P-Card and EFT Payments as Presented by the County Clerk

WM19/04 – 35 (Administration) Authorize the Selection of Miller Canfield, Paddock & Stone as Bond Counsel and the Negotiation of a 3 year Contract with 2 Optional One Year Renewals

WM19/04 – 36 (Administration) Authorize the Selection of PFM Financial Advisors as Financial Advisors and the Negotiation of a 3 Year Contract with 2 Optional One Year Renewals

WM19/04 – 37 (Equalization) Approve Request to Purchase HP Z6 Plotter through Engineering Supply with Additional 3 Year Warranty and Amend the Budget Accordingly

Public Comment
Persons may address the Commission during the time set aside for Public Comment or at any time by suspension of the rules. All persons must address the commission and state their name for the record. Comments shall be limited to two (2) minutes for each participant, unless time is extended prior to the public comment period by a vote of a majority of the commission.
Ways & Means Committee
Agenda
April 11, 2019
Page 2 of 2

7) Items for Consideration (Continued)

WM19/04 – 38 (Facilities Management) Approve Creation of a Facilities Management Supervisor Position and Appoint Michael Hysell to that Position at Step 5 and Reclassify Building Maintenance Supervisor/Master Electrician to a Building Maintenance Electrician Position

WM19/04 – 39 (Public Works) Approve Subrecipient Agreement and Resolution with Northern Initiatives for the Michigan Community Development Block Grant Revolving Loan Fund Program and Authorize Board Chair to Sign

WM19/04 – 40 (Public Works) Authorize Staff to Issue a Request for Proposals for Engineering Services to Determine a Normal Lake Level for Wolf Lake

WM19/04 – 41 (Transit) Approve the Award for a Route Study and Comprehensive Operational Analysis to Foursquare Integrated Transportation Planning and Authorize County Administrator to Sign

8) Old Business
9) New Business
10) Public Comment
11) Adjournment
Muskegon County
Ways & Means Committee
March 19, 2019
3:30 p.m.
Hall of Justice
990 Terrace
Muskegon, MI

Robert Scolnik, Chair
Charles Nash, Vice-Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Commissioner Scolnik at 3:30 p.m.

ROLL CALL

Present: Gary Foster, Marcia Hovey-Wright, Susie Hughes, Zach Lahrng, Ken Mahoney, Charles Nash, Bob Scolnik, I. John Snider, II, Rillastine Wilkins

Also Present: Doug Hughes, Corporate Counsel; Mark Eisenbarth, County Administrator; Lisa Chalko, Administrative Coordinator

APPROVAL OF MINUTES

It was moved by Commissioner Foster, supported by Commissioner Mahoney, to approve the minutes of March 7, 2019, as written. Motion carried.

PUBLIC COMMENT (On an agenda item.)

None.

ITEMS FOR CONSIDERATION

WM19/03 - 28 It was moved by Commissioner Foster, supported by Commissioner Mahoney, to approve payment of the accounts payable of $6,197,586.82, covering the period of February 22, 2019 through March 8, 2019 for checks as presented by the County Clerk. Motion carried.

WM19/03 – 29 It was moved by Commissioner Foster, supported by Commissioner Wilkins, to authorize the County Clerk to purchase 91 modems, at a cost of $199 per unit for a total cost of $18,109, with the new 4G upgrade for use by the local clerks on all election equipment with modern capability. Motion carried.
WM19/03 – 30  It was moved by Chairman Hughes, supported by Commissioner Nash, to authorize Emergency Management staff to submit a “letter of intent” to the State of Michigan and Federal Emergency Management Agency (FEMA) to apply for the Hazard Mitigation grant to pay for the cost of updating the Muskegon County Hazard Mitigation Plan. Motion carried.

WM19/03 – 31  It was moved by Commissioner Foster, supported by Commissioner Snider, to approve renewal of Assessment Administration Services provided by the Equalization Department to the Township of Egelston and authorize the Chair of the County Board of Commissioners to execute an agreement prepared by the Equalization Department to provide the services. Motion carried.

WM19/03 – 32  It was moved by Commissioner Nash, supported by Chairman Hughes, to approve to change the funding of Administrative Analyst position X04001 to 100% Accounting (1010-0201) effective March 31, 2019. Motion carried.

WM19/03 – 33  It was moved by Commissioner Wilkins, supported by Commissioner Snider, to approve the solicitation of proposals for office supplies. Motion carried.

OLD BUSINESS
None.

NEW BUSINESS
None.

PUBLIC COMMENT
None.

ADJOURNMENT
There being no further business to come before the Ways & Means Committee, the meeting adjourned at 3:37 p.m.
REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

<table>
<thead>
<tr>
<th>COMMITTEE</th>
<th>BUDGETED</th>
<th>NON-BUDGETED</th>
<th>PARTIALLY BUDGETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ways &amp; Means</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REQUESTING DEPARTMENT</th>
<th>COMMITTEE DATE</th>
<th>REQUESTOR SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>April 11, 2019</td>
<td>Beth Dick</td>
</tr>
</tbody>
</table>

SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)

Expenditures for checks covering the period March 9, 2019 through April 1, 2019, P-Card and EFT payments covering the period February 1, 2019 through February 28, 2019 totaled $9,670,631.34 and included the following large or unusual items:

1. Payments to Assured Comfort Heating & Cooling for $99,675 for the DTE Test and Tune program.
2. Payment to Beacon Services for $159,345.84 for HealthWest residential services.
3. Payments to Bowen Heating and Cooling for $96,756.50 for the DTE Test and Tune program.
4. Payment to Cherry Street Services for $107,023.33 for HealthWest substance use disorder services.
5. Payments to Consumers Energy for $200,090.76 for February electricity services.
6. Payment to Correct Care Solutions for $102,523 for April inmate medical services.
7. Payment to Creative Bus Sales Inc. for $135,080 for trolley purchase.
8. Payment to HGA Services for $204,811.82 for HealthWest adult foster care and autism services.
9. Payment to Jackson-Merkey Contractors for $210,853.80 for the Wastewater RI bed upgrade/improvement project.
10. Payments to Jewett Heating & Cooling for $111,655.00 for the DTE Test and Tune program.
11. Payments to Mercy Health Partners for $183,284.90 for HealthWest substance use disorder and inpatient care services.
12. Payments to MOKA for $85,369.39 for Healthwest for skill building, CLS and Children's waiver services.
13. Payments to Northside Heating & Cooling for $95,878.00 for the DTE Test and Tune program.
14. Payment to Pioneer Resources for $315,493.35 for HealthWest room and board and autism services.
15. Payment to Samaritas for $102,864.36 for HealthWest adult foster care services.
16. Payment to Sierra Health and Life Insurance Co. for $96,978.40 for April Medicare Advantage plan for retirees.
17. Payment to State of Michigan for $312,667.50 for February state transfer taxes.
18. Payment to State of Michigan for $269,523.58 for February DHHS foster care reimbursements.
19. Payment to Triangle Associates Inc. for $314,870.95 for Wastewater Cell #3 improvements.
20. Payment to Turning Leaf for $164,540.90 for HealthWest room and board and personal care services.
21. EFT to Road Commission for $900,046.77 for Act 51 distribution.

SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)

Move to approve payment of the accounts payable of $9,670,631.34, covering the period of March 9, 2019 through April 1, 2019 for checks and February 1, 2019 through February 28, 2019 for P-Card and EFT payments, as presented by the County Clerk.

ADMINISTRATIVE ANALYSIS (AS APPLICABLE)

<table>
<thead>
<tr>
<th>HUMAN RESOURCES ANALYSIS</th>
<th>FINANCE &amp; MANAGEMENT ANALYSIS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bm</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CORPORATE COUNSEL ANALYSIS</th>
<th>ADMINISTRATOR RECOMMENDATION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>mec</td>
</tr>
</tbody>
</table>

If motion originates from a Statutory Board, Authority or Advisory Committee, please provide the date the motion was approved by that Board/Authority/Committee.

AGENDA DATE: 4-11-19    AGENDA NO.: WM 19/04-34    BOARD DATE: 4-16-19    PAGE NO. 5

Revised 4/8/19
## RECAP

### FOR ACCOUNTS PAYABLE

<table>
<thead>
<tr>
<th>Description</th>
<th>Date Range</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Checks Issued</td>
<td>03/09/19 through 04/01/19</td>
<td>$6,082,574.16</td>
</tr>
<tr>
<td>Total P-Card Purchases</td>
<td>02/01/19 through 02/28/19</td>
<td>$213,086.54</td>
</tr>
<tr>
<td>Total Electronic Fund Transfers</td>
<td>02/01/19 through 02/28/19</td>
<td>$3,374,970.64</td>
</tr>
<tr>
<td><strong>TOTAL ACCOUNTS PAYABLE</strong></td>
<td></td>
<td><strong>$9,670,631.34</strong></td>
</tr>
</tbody>
</table>
REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

<table>
<thead>
<tr>
<th>COMMITTEE</th>
<th>BUDGETED</th>
<th>NON-BUDGETED</th>
<th>PARTIALLY BUDGETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ways and Means</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REQUESTING DEPARTMENT</th>
<th>COMMITTEE DATE</th>
<th>REQUESTOR SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>April 11, 2019</td>
<td>Beth Dick</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Board approved the issuance of Requests for Proposals for bond counsel services in January 2019. Proposals were issued in February and due in March. Three responses were received. The proposals were reviewed and evaluated by the Director of Finance and the Director of Public Works based on the following criteria:</td>
</tr>
<tr>
<td>1) Qualifications and experience of the organization and its employees</td>
</tr>
<tr>
<td>2) Firm's understanding of the specifications and ability to perform the services as required</td>
</tr>
<tr>
<td>3) Resources currently available to provide the services</td>
</tr>
<tr>
<td>4) Adherence to the RFP</td>
</tr>
<tr>
<td>5) References</td>
</tr>
<tr>
<td>6) Pricing</td>
</tr>
</tbody>
</table>

Based on the evaluation with the above criteria, Miller Canfield Paddock & Stone scored the highest rating. They are the number one rated bond counsel firm in Michigan and have worked with the County for nearly 80 years in that capacity. The firm has been involved in writing most of Michigan's significant bonding statutes and has provided bond counsel services to hundreds of local governments including the State of Michigan.

<table>
<thead>
<tr>
<th>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Move to authorize the selection of Miller Canfield, Paddock &amp; Stone as bond counsel and the negotiation of a 3 year contract with 2 optional one (1) year renewals with the effective date of May 1, 2019.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ADMINISTRATIVE ANALYSIS (AS APPLICABLE)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>HUMAN RESOURCES ANALYSIS:</th>
<th>FINANCE &amp; MANAGEMENT ANALYSIS:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>CORPORATE COUNSEL ANALYSIS:</th>
<th>ADMINISTRATOR RECOMMENDATION:</th>
</tr>
</thead>
</table>

If motion originates from a Statutory Board, Authority or Advisory Committee, please provide the date the motion was approved by that Board/Authority/Committee

AGENDA DATE: 4-11-19  AGENDA NO.: WMI9/04:35  BOARD DATE: 4-16-19  PAGE NO.

Revised 4/2/19
### MUSKEGON COUNTY PROPOSAL SUMMARY

**Commodity Number:** 916, 91849, 91874, 946, 94830  
**Proposal:** RFP 19-2340  
**Product / Service:** Bond Counsel

<table>
<thead>
<tr>
<th>Vendor Name &amp; Address</th>
<th>Proposal Received</th>
<th>Proposal Responsive</th>
<th>Scoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dickinson Wright PLLC</td>
<td>Yes</td>
<td>Yes</td>
<td>88.9%</td>
</tr>
<tr>
<td>28 W Big Beaver Rd Ste 300</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Troy MI 48084</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dykema Gossett PLLC</td>
<td>Yes</td>
<td>Yes</td>
<td>89.9%</td>
</tr>
<tr>
<td>Capitol View</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>201 Townsend St, Ste 800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lansing MI 48933</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miller Canfield Paddock &amp; Stone PLC</td>
<td>Yes</td>
<td>Yes</td>
<td>97.7%</td>
</tr>
<tr>
<td>150 W Jefferson Ave Ste 2500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Detroit MI 48226</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Department Recommendation: Miller Canfield Paddock & Stone PLC

Name of Buyer: Jamie Burmeister

Director of Finance/Assistant County Administrator's Name: Beth Dick

Signature: [Signature]

Vendor Awarded: __________________________________________ Board Approval Date: __________________________ Board Motion Number: __________________________

Page 1 of 1
REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

<table>
<thead>
<tr>
<th>COMMITTEE</th>
<th>BUDGETED</th>
<th>NON-BUDGETED</th>
<th>PARTIALLY BUDGETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ways and Means</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REQUESTING DEPARTMENT</th>
<th>COMMITTEE DATE</th>
<th>REQUESTOR SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>April 11, 2019</td>
<td>Beth Dick</td>
</tr>
</tbody>
</table>

SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)

The Board approved the issuance of Requests for Proposals for financial advisor services in January 2019. Proposals were issued in February and due in March. Five responses were received. The proposals were reviewed and evaluated by the Director of Finance and the Director of Public Works based on the following criteria:

1) Qualifications and experience of the organization and its employees
2) Firm's understanding of the specifications and ability to perform the services as required
3) Resources currently available to provide the services
4) Adherence to the RFP
5) References
6) Pricing

Based on the evaluation with the above criteria PFM Financial Advisors scored the highest rating. PFM is a national organization with an office in Ann Arbor. The firm has been the nation's leading financial advisory firm for 21 years. They have worked as financial advisors for Ingham, Kent, Eaton, Genesee and Monroe counties. The primary contact Paul Stauder has over 40 years of experience in this field and his predecessor firm was the County's financial advisor firm for many years. PFM is also currently the financial advisor for the Drain Commission bond and note issues.

SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)

Move to authorize the selection of PFM Financial Advisors as financial advisors and the negotiation of a 3 year contract with 2 optional one (1) year renewals to be effective upon the completion of the issuance of the 2019 delinquent tax notes.

ADMINISTRATIVE ANALYSIS (AS APPLICABLE)

<table>
<thead>
<tr>
<th>HUMAN RESOURCES ANALYSIS</th>
<th>FINANCE &amp; MANAGEMENT ANALYSIS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CORPORATE COUNSEL ANALYSIS</th>
<th>ADMINISTRATOR RECOMMENDATION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If motion originates from a Statutory Board, Authority or Advisory Committee, please provide the date the motion was approved by that Board/Authority/Committee

AGENDA DATE: 1.1.19        AGENDA NO.: WMJ904-36        BOARD DATE: 4.16.19        PAGE NO.
# MUSKEGON COUNTY PROPOSAL SUMMARY

**Commodity Number:** 946, 94646

**Proposal:** RFP 19-2338

**Product / Service:** Financial Advisor

**Department:** Administration

**Release Date:** 02/14/2019

**Opening Date:** 03/04/2019

<table>
<thead>
<tr>
<th>Vendor Name &amp; Address</th>
<th>Proposal Responsive</th>
<th>Proposal Received</th>
<th>Scoring</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bendzinski &amp; Co. Municipal Finance Advisors</td>
<td>Yes</td>
<td>Yes</td>
<td>79.7%</td>
<td></td>
</tr>
<tr>
<td>615 Griswold St Ste 1225</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Detroit, MI 48226</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hilltop Securities Inc.</td>
<td>Yes</td>
<td>Yes</td>
<td>88.1%</td>
<td></td>
</tr>
<tr>
<td>333 Albert Ave Ste 205</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East Lansing, MI 48823</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal Financial Consultants</td>
<td>Yes</td>
<td>Yes</td>
<td>78.7%</td>
<td></td>
</tr>
<tr>
<td>400 North Main St Ste 304</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milford, MI 48381</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PFM Financial Advisors LLC</td>
<td>Yes</td>
<td>Yes</td>
<td>94.1%</td>
<td></td>
</tr>
<tr>
<td>555 Briarwood Circle Ste 333</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ann Arbor, MI 48109</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert W Bald &amp; Co., Inc</td>
<td>Yes</td>
<td>Yes</td>
<td>80.9%</td>
<td></td>
</tr>
<tr>
<td>124 W Allegan St Ste 2200</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lansing, MI 48933</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Department Recommendation:** PFM Financial Advisors LLC

**Name of Buyer:** Jamie Burmeister

**Director of Financial Assistant County Administrator’s Name:** Beth Dick

**Signature:**

**Vendor Awarded:**

**Board Approval Date:**

**Board Motion Number:**

---

Page 1 of 1
REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

<table>
<thead>
<tr>
<th>COMMITTEE</th>
<th>BUDGETED</th>
<th>NON-BUDGETED</th>
<th>PARTIALLY BUDGETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ways and Means</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

REQUESTING DEPARTMENT: Equalization

<table>
<thead>
<tr>
<th>COMMITTEE DATE</th>
<th>REQUESTOR SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 11, 2019</td>
<td>Donna VanderVries</td>
</tr>
</tbody>
</table>

SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)

The current HP large-format printer was purchased approximately 15 years ago. The printer began its decline roughly a year ago and finally printed its last page in February. The now-expired printer has lived well past its life-span and no longer has any direct maintenance support provider. The printer is an essential part of the Equalization office. Per MCL Section 211.10e of the General Property Tax Act (Excerpt) Act 206 of 1893, tax maps are required to be maintained by all assessors for all tax years since 1978. Land value maps are no longer required, but still recommended. Since 2007, Muskegon County Mapping & GIS has provided large format printed maps necessary for all county tax assessors of record (23 municipal units) in order to fulfill this state mandate for which each municipality provides some financial reimbursement for mapping services rendered. The Michigan State Tax Commission (STC) regularly inspecting units on a five-year cycle, requiring parcel tax maps be available for inspection. In addition to these requirements, other large format mapping requests are provided for to county property owners (residential, commercial, industrial and agricultural) for fair payment, when requested. In all, the Equalization Department's Mapping & GIS has printed more than 10,000 large format maps for assessors and customers.

Several quotes for two different printers were submitted to the IT department and they have recommended the HP Z6 Plotter through Engineering Supply ($4,102) with the additional 3-year warranty ($829) for a total of $4,931.00. Funds are available in the Public Improvement Fund (4930) to cover this item.

SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)

Move to approve the request from Equalization to purchase the HP Z6 Plotter through Engineering Supply with the additional 3-year warranty for a total of $4,931.00 and amend the budget accordingly.

ADMINISTRATIVE ANALYSIS (AS APPLICABLE)

HUMAN RESOURCES ANALYSIS:  

FINANCE & MANAGEMENT ANALYSIS:  

CORPORATE COUNSEL ANALYSIS:  

ADMINISTRATOR RECOMMENDATION:  

If motion originates from a Statutory Board, Authority or Advisory Committee, please provide the date the motion was approved by that Board/Authority/Committee

AGENDA DATE: 4-11-19  
AGENDA NO: 19/04:37  
BOARD DATE: 4-16-19  
PAGE NO. Revised 4/5/19
REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

<table>
<thead>
<tr>
<th>COMMITTEE</th>
<th>BUDGETED</th>
<th>NON-BUDGETED</th>
<th>PARTIALLY BUDGETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ways and Means</td>
<td>XXX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>REQUESTING DEPARTMENT</td>
<td>COMMITTEE</td>
<td>DATE</td>
<td>REQUESTOR SIGNATURE</td>
</tr>
<tr>
<td>Facilities Management</td>
<td></td>
<td>April 11, 2019</td>
<td>Matthew Farrar</td>
</tr>
</tbody>
</table>

SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)

Staff is requesting to create a new (restore the former) Facilities Management Supervisor position and re-class the Building Maintenance Supervisor/Master Electrician to a Building Maintenance Electrician position. These actions will result in a general fund initial cost of approximately $5,000.

This action moves the current crew-leader to the former supervisor position and will streamline Facilities operations by having one person performing building inspections, scheduling work, ordering parts, chasing materials, developing cost estimates, inspecting contract work, and the like. This will allow the high-skilled mechanics to perform work they are experts in. This will also help fill the gap left when the Housekeeping Supervisor Position was eliminated. This request will not add any additional employees.

SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)

Move to add a Facilities Management Supervisor position Pay grade NX-00370 ($32.726/hr-$41.609/hr) appoint Michael Hysell to that position effective immediately at Step 5 ($39.66/hr); and reclassify the Building Maintenance Supervisor/Master Electrician (GF12501) Pay Grade GU-00290 ($22.54/hr-$28.39/hr) to a Building Maintenance Electrician position Pay grade GU-00240 ($17.01/hr-$24.54/hr).

ADMINISTRATIVE ANALYSIS (AS APPLICABLE)

<table>
<thead>
<tr>
<th>HUMAN RESOURCES ANALYSIS:</th>
<th>FINANCE &amp; MANAGEMENT ANALYSIS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concur</td>
<td>Recommend Approval</td>
</tr>
<tr>
<td>K. Wade</td>
<td>B. Dick</td>
</tr>
</tbody>
</table>

CORPORATE COUNSEL ANALYSIS:

ADMINISTRATOR RECOMMENDATION:

If motion originates from a Statutory Board, Authority or Advisory Committee, please provide the date the motion was approved by that Board/Authority/Committee

AGENDA DATE: 4-11-19
AGENDA NO.: Wm 19/04-38
BOARD DATE: 4-11-19
PAGE NO. 12

Revised 4/8/19
**REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON**

<table>
<thead>
<tr>
<th>COMMITTEE</th>
<th>WAYS &amp; MEANS</th>
<th>BUDGETED</th>
<th>NON-BUDGETED</th>
<th>PARTIALLY BUDGETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>REQUESTING DEPARTMENT</td>
<td>COMMITTEE DATE</td>
<td>REQUESTOR SIGNATURE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Works</td>
<td>April 11, 2019</td>
<td>Mathew Farrar</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)**

Staff seeks approval of a Subrecipient Agreement and Resolution between Muskegon County and Northern Initiatives for the Michigan Community Development Block Grant Revolving Loan Fund Program.

Under this agreement, the subrecipient (Northern Initiatives) will be responsible for administering the revolving loan fund program for Muskegon County. These responsibilities will include servicing the loan provided to Big John’s Pizza.

**SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)**

Move to approve Subrecipient Agreement and Resolution between Muskegon County and Northern Initiatives for the Michigan Community Development Block Grant Revolving Loan Fund Program and authorize the Chair of the Board of Commissioners to sign the agreement.

**ADMINISTRATIVE ANALYSIS (AS APPLICABLE)**

**HUMAN RESOURCES ANALYSIS:**

**FINANCE & MANAGEMENT ANALYSIS:**

[Signature]

**CORPORATE COUNSEL ANALYSIS:**

**ADMINISTRATOR RECOMMENDATION:**

[Signature]

If motion originates from a Statutory Board, Authority or Advisory Committee, please provide the date the motion was approved by that Board/Authority/Committee

<table>
<thead>
<tr>
<th>AGENDA DATE</th>
<th>AGENDA NO.</th>
<th>BOARD DATE</th>
<th>PAGE NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-11-19</td>
<td>WM 19/04-39</td>
<td>4-16-19</td>
<td></td>
</tr>
</tbody>
</table>

Revised 3/20/19
SUBRECIPIENT AGREEMENT BETWEEN
Muskegon County
AND
Northern Great Lakes Initiatives d/b/a Northern Initiatives
FOR MICHIGAN CDBG PROGRAM

THIS SUBRECIPIENT AGREEMENT ("Agreement"), entered on , by and between the
County of Muskegon (herein called the "Unit of General Local Government" or "UGLG") and Northern
Great Lakes Initiatives d/b/a Northern Initiatives (herein called the "Subrecipient").

WHEREAS, the UGLG has applied for and received funds from the Michigan Strategic Fund ("MSF")
under Title I of the Housing and Community Development Act of 1974, as amended ("HCD Act"), Public
Law 93-383;

WHEREAS, the UGLG has operated a revolving loan fund ("Local RLF") pursuant to the HCD Act for many
years;

WHEREAS, the MSF approved the regionalization of existing revolving loan funds into nine (9) regional
entities or Regional Revolving Loan Funds (hereinafter individually a "Regional Fund") pursuant to
Resolution 2011-120;

WHEREAS, this regionalization was provided for in the Michigan Consolidated Plan for Housing and
Community Development program Year 2012 (July 1, 2012 – June 30, 2013); One Year Action Plan as
approved in Resolution 2012-028;

WHEREAS, by Resolution 2012-142 the MSF designated each Michigan CDBG Regional Fund Manager
("RFM" or "Fund Manager"), including the Subrecipient as the RFM for Region(s) Four (4) (hereinafter
called "the Region");

WHEREAS, the UGLG and its Local RLF are within the Region; and

WHEREAS, the UGLG wishes to engage the Subrecipient to assist the UGLG in utilizing such Local RLF
funds and additional Community Development Block Grant ("CDBG") funds which the UGLG may
receive.

NOW, THEREFORE, it is agreed between the parties hereto that;

I. PARTIES’ RESPONSIBILITIES

A. Subrecipient’s Responsibilities

The Subrecipient will be responsible for administering a CDBG revolving loan program,
also referred to as Regional Revolving Loan Fund ("Regional Fund"), for the UGLG
identified above. The Subrecipient will administer all tasks in connection with the
aforesaid program in compliance with all applicable Federal, state, and local laws,
statutes, rules and regulations, and MSF program guidance (Grant Application Manual
or Guide, hereinafter “GAM”) as may be amended from time to time, governing these funds, and in a manner satisfactory to the UGLG and the MSF.

Changes to the program focus and objectives, or services, contained in this Agreement, unless otherwise noted, may only be made through a written amendment to this Agreement, executed by both the Subrecipient and UGLG and acknowledged by the MSF Fund Manager or designee.

The focus of the Subrecipient’s efforts under this Agreement will be the provision of loans to private, for-profit businesses located in the jurisdiction of the UGLG that will result in the creation of jobs primarily for low-and moderate-income individuals at those businesses or which will meet another permissible CDBG National Objective as provided in the GAM. The major tasks that the Subrecipient will perform in connection with the operation of a Regional Fund include, but are not limited to, the following:

1) **Outreach.** The Subrecipient will advertise and market the Regional Fund and conduct other forms of outreach. The Subrecipient’s outreach efforts will be sufficient to generate enough demand to be able to close loans that produce jobs, the majority of which will be for low- and moderate-income persons.

2) **Completion of Loan Applications; Underwriting Assessment.** The Subrecipient will assist for-profit businesses and other eligible borrowers in completing loan applications, and will perform an assessment of each loan request to: (a) determine the CDBG eligibility of the loan, (b) evaluate the loan’s job creation potential relative to meeting the National Objective and Public Benefit standards, and (c) ascertain that the loan will minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods. The Subrecipient will perform a front-end assessment to determine whether each loan and the financing terms associated with it are appropriate, and as part of this assessment will consider the following:

   a) the business’ need for financial assistance;
   b) the feasibility of the proposed venture or business activity;
   c) the past business experience of the applicant;
   d) the reasonableness of the proposed costs and return to the applicant;
   e) the commitment of other sources of funds;
   f) and the ratio of the loan amount to the full-time equivalent jobs expected to be created.

   Additional underwriting standards and requirements may be found in the GAM.

3) **Obtain Loan Collateral.** The Subrecipient will identify and obtain loan collateral, or other appropriate forms of loan security, sufficient to reduce the financial risk associated with each CDBG-funded loan, consistent with the program intent of providing financing in situations where adequate conventional financing is not available and as may be provided in the GAM.
4) **Loan Approval Committee.** The Subrecipient shall establish and maintain a Loan Approval Committee for the Regional Fund which will have no fewer than five (5) seats and no more than seven (7) seats. The composition and experience requirements for the Loan Approval Committee are reiterated in the GAM. In no case, can a Loan Approval Committee convene to consider a loan request without a representative from the community where the project resides.

5) **Incurring Costs.** The Subrecipient shall be responsible for making sure that no CDBG or non CDBG project costs have been incurred prior to either execution of the formal loan agreement or completion of the environmental review procedures and written authorization from the CDBG Revolving Loan Fund Program Specialist to incur project related costs.

6) **Loan Closing.** With the authorization of the Regional Fund program’s Loan Approval Committee, the Subrecipient will execute all necessary documents and disburse funds as necessary to cover the expenses of approved applicants for activities authorized by executed loan agreements. The loan documents executed with applicants will include explicit provisions describing (a) the records that Borrowers must maintain to demonstrate the eligibility of the CDBG expenditures and the satisfaction of the CDBG National Objective, and (b) the conditions and procedures under which late payment penalties, default and/or foreclosure will occur. Prior to any disbursement, each loan must be approved in writing by the MSF or its designee.

7) **Loan Servicing/Loan Portfolio Management.** The Subrecipient will establish and maintain a consistent method for recording monthly payments, with up-to-date ledgers and timely reconciliations which is consistent with the GAM and acceptable to the MSF or its designee. The Subrecipient will also establish a system to monitor the financial health of Borrowers, in order to anticipate repayment problems called a Troubled Asset Management Plan (“TAMP”) which is discussed further in this document and within the GAM. The Subrecipient will apply its policies and procedures regarding late payments, defaults, loan renegotiation, and foreclosure in a timely and consistent manner.

8) **Monitoring Of Job Creation.** For those projects required to create low to moderate income (“LMI”) jobs, the Subrecipient will monitor Borrowers on at least a semi-annual basis to assess their progress in creating jobs for low- and moderate-income persons, and will institute default and foreclosure of the loan (subject to any inter-creditor rights and with penalties if appropriate) in instances where the Borrower fails to take sufficient action to satisfy the CDBG National Objective requirement.

9) **Management of Program Income.** Any program income (as defined at 24 CFR 570.489(e)) generated in connection with the economic development loan program, including loan repayments, late payment penalties, recaptures, or proceeds from foreclosure, will be utilized consistent with applicable CDBG program requirements. The Subrecipient shall apply this program income
toward additional loans under the Regional Fund program through the use of a revolving fund pursuant to 24 CFR 570.489(f).

10) **Maintenance of Records.** In addition to the financial records regarding loan repayment cited in Paragraph A.6 above, the Subrecipient will maintain sufficient records to fully document (a) the loan application and underwriting review, including the front end assessment of CDBG eligibility and appropriateness of the loan, (b) the final terms and conditions of the loan, including collateral or other forms of loan security involved, (c) satisfaction of the CDBG National Objective, and Public Benefit requirements consistent with the requirements of 24 CFR 570.483, and (d) proper utilization of program income received. All such records will be maintained according to the general requirements of 24 CFR 570.490 and those specified in the section of this Agreement on retention of records.

11) **Borrower Compliance.** Recipients of loan proceeds ("Borrower(s)") from the Regional Fund must comply with all federal and state laws, statutes, regulations, rules and policies, including, but not limited to, all reporting, monitoring and other requirements. Borrowers must acknowledge their compliance obligations at loan inception.

12) **General Regional Fund Program Management.** In addition to all of the responsibilities above, the Subrecipient shall be responsible for (a) maintaining separate accounting for the various types of capital, (b) reporting results of the Regional Fund program quarterly to the UGLG with a copy provided to the MSF or its designee, (c) obtaining written pre-funding consent from the MSF or its designee prior to any loan closing, (d) managing the administrative and oversight costs, including potential costs associated with third party contract service providers, and (e) obtaining written consent from the MSF or its designee prior to any disbursement.

13) **Adoption of Credit Policies.** The Subrecipient shall maintain at all times Lending Policies, Collection Policies, Compliance Policies, and Financial Accounting Policies consistent with the GAM which are customary to lending institutions and germane to their activities.

14) **CDBG Project Closure.** The Subrecipient shall complete the Project Closeout Report and submit all required attachments and documentation requested for review by MSF Staff. The process for closing out CDBG Revolving Loan Fund Projects is promulgated in the GAM and is regularly updated.

Repayments received on projects which are consiered by the MSF as both Closed and Successed are no longer subject to Program Income restrictions and are instead subject to a certain Repaid Funds Agreement which shall be executed concurrently by the Subrecipient.

**B. UGLG Responsibilities**
1) The UGLG shall sub-grant to the Subrecipient its uncommitted Local RLF funds and certain new CDBG funds received from the MSF pursuant to the terms and conditions of this Agreement (the “Subgranted Funds”). The UGLG shall continue to retain responsibility related to its Local RLF and for its sub-granted CDBG funds, program income and existing loans and grants, and shall be required to participate in the resolution of any problems that may develop in the course of a project’s implementation. Specifically, as it pertains to all transactions subject to this Agreement, the UGLG shall:

a) Collaborate with Subrecipient to complete or assist with UGLG specific compliance items and oversee Subrecipient compliance with additional statutory and program requirements, including but not limited to:
   ▪ National Objectives
   ▪ Citizen Participation
   ▪ Property Management
   ▪ Financial Management
   ▪ Environmental Review
   ▪ Fair Housing
   ▪ Equal Opportunity
   ▪ Labor Standards
   ▪ Acquisition and Relocation
   ▪ Procurement and Contract Management
b) Oversee Local/Regional RLF budget and project amendments
c) Oversee field review and audits of project activities and overall project progress
d) Review final close-out reports prepared by Subrecipient prior to submission to the MSF
e) Oversee and monitor third-party contracts related to projects that utilize its program income
f) Review quarterly reporting prepared by the Subrecipient
g) Attend on-site project monitoring with the MSF and Subrecipient
h) Attend on-site monitoring of Subrecipient with MSF, as requested
i) Complete annual Subrecipient performance report and submit to MSF

2) A copy of all files and records as required to be kept by an UGLG or as provided in the GAM must be kept at the UGLG office and must be available to the public during regular business hours, except documents deemed confidential and exempt from disclosure pursuant to MCL 15.243. Documents to be made available include copies of approved written policies related to the statutory and program requirements listed above. Required documentation and record keeping is discussed in greater detail in Section VIII.B, below.

3) **Required actions:** contemporaneous with the signing of this Agreement, the UGLG shall submit to the MSF the information below as provided in the attached **Exhibit A** and **Exhibit B**:

a) Appointment of signatory/representative to Regional Fund Loan Approval Committee
b) Acceptance of current GAM
II. **TIME OF PERFORMANCE**

Services of the Subrecipient shall start on the Effective Date set forth in the first paragraph of this Agreement and end on **June 30, 2021**. The term of this Agreement and the provisions herein may be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income. Extensions must be approved by the UGLG and the MSF.

The MSF reserves the right and the UGLG and Subrecipient agree that the MSF for either cause or convenience may suspend and/or terminate any and all Regional Fund activities and direct the Subrecipient as to the further use and purpose of Regional Fund assets. If the suspension/termination is for convenience, the UGLG and Subrecipient shall be provided sixty (60) days’ written notice of the termination and the specific rationale for the action.

III. **TRANSFER OF CURRENT AND FUTURE PROGRAM INCOME**

The UGLG hereby agrees to provide, and the Subrecipient agrees to accept, and the MSF hereby consents commensurate with its Resolutions 2013-054 and 2013-078 to the subgrant of all currently outstanding program income and any future program income received by the UGLG to the Subrecipient. Upon the execution of this Agreement, program income will be subgranted within fifteen (15) business days to the account of the Subrecipient. Any additional program income received shall be subgranted no less frequently than quarterly on the first business day of the first month of the quarter by electronic transfer or other form acceptable to the parties.

IV. **REIMBURSEMENT OF ADMINISTRATIVE EXPENSES OF UGLG**

A. **Reimbursement of Administrative Expenses for Existing Business**

Program Income received by a Local RLF which is then sub-granted to a Regional Fund under this Agreement may be reduced by a percentage, which is described in the GAM, which may be used for the reimbursement of reasonable and allowable administrative expenses associated with existing business of the Local RLF. Excess and unused funds may then be sub-granted in whole to the Regional Fund.

B. **Reimbursement of Administrative Expenses for New Business**

Upon the initial transfer of Program Income from the UGLG to the Regional Fund, a percentage described in the GAM of the transferred amount may be set aside and made available to the Regional Fund for the reimbursement of reasonable and allowable administrative expenses associated with new business undertaken by the Regional Fund.

Payments may be contingent upon certification of the Subrecipient’s financial management system in accordance with the standards specified in 24 CFR 570.489(d).

V. **NOTICES**
Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

**UGLG**
Muskegon County

Susie Hughes
Chair, Co. Board of Commissioners
990 Terrace Street

Muskegon, MI 49442

With a copy to:

Michigan Strategic Fund
Attn: Fund Manager
300 N. Washington Square
Lansing, MI 48913

**SUBRECIPIENT**
Northern Great Lakes Initiatives d/b/a
Northern Initiatives
Dennis West
President
1401 Presque Isle Ave, NMU Jacobetti Complex Suite 202
Marquette, MI 49855

VI. **SPECIAL CONDITIONS**

A. **Eligible Use of Regional Fund Assets or Subgranted Funds**

1) Subgranted Funds may be deployed for projects that meet the charter and bylaws of the Regional Fund organization and provide funding for eligible businesses and projects that provide employment opportunities to primarily low and moderate income individuals who live in the State of Michigan or may, as a result of the use of funds, receive new employment or remain employed within the State of Michigan as further set forth in the GAM.

Projects shall comply with the GAM. Activities shall also adhere to all CDBG requirements including those imposed by HUD, the MSF, and any other state or federal legal requirements.

2) The Regional Fund may provide loans, loan guarantees, collateral enhancements, purchase loan participations, and deploy funds in any other manner not specifically prohibited herein, in the HCDA, or in federal and state statutes, regulations, rules and policies, but which meet the spirit of the mission of the Regional Fund, namely the support and capitalization of businesses which offer employment opportunities within the Regional Fund’s
region. It is contemplated Subgranted Funds will be used to mitigate or participate in credit risk.

3) The MSF reserves the right to approve, on behalf of the Regional Fund, any transaction that meets the requirements of the CDBG program, HUD and any and all state and federal laws, rules, regulations and policies, but which are not otherwise prohibited by this Agreement or the GAM.

4) The RFM shall operate the Regional Fund in a way that is consistent with the UGLG’s community development plan.

5) The RFM shall operate the Regional Fund in a way that is consistent with the Statement of Assurances attached as Exhibit B.

B. Prohibitions

1) Regional Fund assets may not be used in speculation, but must be tied to specific projects meeting national objectives.

2) Regional Funds may not provide assistance to professional sports teams.

3) Regional Funds may not provide assistance with assets to privately-owned recreational facilities that serve a predominately higher-income clientele, where the recreational benefit to users or members clearly outweighs the employment or other benefits to low-and moderate-income persons.

4) Regional Funds may not provide assistance to a borrower or project while that business or any other business owned by the same person(s) or entity (ies) is the subject of unresolved findings of non-compliance related to previous CDBG assistance.

5) Regional Fund assets may not be used for the acquisition, construction, or reconstruction of buildings for the general conduct of government as that term is defined in 42 U.S.C. §5302(a) (21).

6) Regional Fund assets may not be used for political activities of any kind.

7) Regional Fund assets may not be used to pay for obligations which are general fund obligations of a local unit of government.

8) Regional Fund assets may not be used to pay for the general promotion of the community as a whole.

9) Regional Fund assets may not be used for income payments.

10) Regional Fund assets may not be used to assist directly in the relocation of any industrial or commercial plant, facility, or operation from one area to another area, if the relocation is likely to result in a significant loss of employment in the labor market area from which the relocation occurs, as provided in 42 U.S.C. §5305(h).

11) Any other activity described in 24 CFR 570.207.

C. Grant Application Manual or Guide (“GAM”)

All funds and projects shall be administered in compliance with all applicable Federal, state, and local laws, statutes, rules and regulations, and the GAM, as may be amended and updated from time to time, governing these funds and the CDBG program, and in a manner satisfactory to the UGLG and the MSF. The GAM contains additional
requirements and policies on such matters, including, but not limited to, passive real estate, interest rates, approval of exceptions, loan terms, guarantees and subordination.

D. Recourse

The MSF may, or be directed by HUD to, recapture either Program Income or Grant Funds should such funds have been used for a project which fails to meet or make sufficient progress toward a National Objective or which experiences a failure of compliance with federal or state laws, rules, policies, regulations, or guidance issued within the GAM. The Subrecipient agrees that such a recapture will trigger a default in the underlying agreements associated with the project. The Subrecipient agrees to cooperate in order to facilitate the realization of remedies from the underlying project. The Subrecipient further agrees that such a recapture which documents a failure associated with activities managed by the Subrecipient under this Agreement shall become the financial obligation of the Subrecipient to the UGLG and the MSF.

E. Troubled Asset Management Plan

The Subrecipient shall adopt and follow a Troubled Asset Management Plan ("TAMP") which shall include the use of forbearance agreements and other legal and financial instruments which are normal and customary in the course of such activities for traditional commercial and non-profit lenders. The TAMP shall be satisfactory to the UGLG and the MSF and shall incorporate, at a minimum, such elements and obligations as described in the GAM, Revolving Loan Fund chapter under section titled “Troubled Asset Management” which may be updated from time to time.

F. MSF Identified Fraud and Subrecipient Misconduct

If at any time, and under any condition of discovery, the MSF identifies fraud, negligence, willful misconduct, theft, or any other deliberate act which violates or appears to violate any state or federal law, rule, regulation, policy or process to which the Subrecipient must adhere (collectively "Misconduct") the MSF shall act to protect the program, its assets, and the Borrowers and communities which it serves by taking any actions deemed necessary including, but not limited to, rescinding the designation as a Regional Fund or RFM, withdrawing and/ or recovering capital and income, redirecting the repayment of loan assets, seizing books, records, documents and accounts of Borrowers and of the Subrecipient and any similar or related material it deems necessary in its sole determination. The MSF may do so with reasonable notice to the Subrecipient.

The MSF, in cooperation with HUD, may evaluate a Corrective Action Plan by a Subrecipient and/or UGLG intended to address a finding of Misconduct as described herein. In evaluating such a plan, the MSF, in cooperation with HUD, shall determine if such proposed Corrective Action Plan is sufficient to remedy the finding and to what extent the Subrecipient or former Subrecipient may be allowed to continue to participate in the program.

VII. GENERAL CONDITIONS
The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants including Subpart I of these regulations, except that (1) the Subrecipient does not assume the recipient’s environmental responsibilities described in 24 CFR 58.4; and (2) the Subrecipient does not assume the recipient’s responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local statutes, rules, regulations, and the GAM governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

A. **Independent Contractor**

Nothing contained in this Agreement is intended to or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an independent contractor with respect to the services to be performed under this Agreement. The UGLG shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers’ Compensation Insurance, as the Subrecipient is an independent contractor.

B. **Indemnification and Hold Harmless**

To the full extent allowed by law, the Subrecipient shall indemnify, defend and hold harmless the UGLG and the MSF, including its board members, participants, committee members, officers, agents and employees (the “Indemnified Persons”), from any damages that either may sustain through the negligence or willful misconduct of the Subrecipient pertaining to its performance of the activities set forth in this Agreement. The Subrecipient shall maintain such insurance as necessary to comply with this provision. The Subrecipient shall maintain such insurance to protect the Indemnified Persons from claims that might arise out of, or as a result of, the Subrecipient’s operations; however, the Subrecipient’s indemnification obligation shall not be limited to the limits of liability imposed under the Subrecipient’s insurance policies. The Subrecipient shall provide and maintain its own general liability and workers’ compensation insurance. The insurance shall be written for not less than any limits of liability, if any, required by law for the Subrecipient’s obligation to provide indemnification under this Agreement.

C. **Workers’ Compensation**

The Subrecipient shall provide Workers’ Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

D. **Insurance & Bonding**
The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage and, as a minimum, shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the UGLG. The Subrecipient shall comply with the bonding and insurance requirements of 2 CFR 200.325, Bonding and Insurance.

E. UGLG Recognition

The Subrecipient shall insure recognition of the role of the UGLG in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

F. Amendments

With the written consent of the MSF, the UGLG or Subrecipient may amend this Agreement at any time, provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the UGLG’s governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the UGLG or Subrecipient from its obligations under this Agreement.

The UGLG may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both UGLG and Subrecipient. Such amendments require the express written consent of the MSF.

The GAM may be revised and amended during the term of this Agreement. Updated versions of the GAM shall be posted and shall be applicable to this Agreement upon their posted effective date.

G. Suspension or Termination

In accordance with 2 CFR 200.338, 339, 341 and 342, the UGLG (with the concurrence of the MSF) may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:
1) Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;

2) Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;

3) Ineffective or improper use of funds provided under this Agreement; or

4) Submission by the Subrecipient to the UGLG reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR 200.339 and 340, this Agreement may also be terminated for convenience by either the UGLG or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the UGLG determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the UGLG may terminate the award in its entirety. All Subrecipient awards shall contain language providing for their termination in the event the UGLG determines the award will no longer accomplish the purpose for which it was approved and for the assignment of any loans to the UGLG in the event the UGLG suspends or terminates this Agreement as set forth above.

In either event, the Subrecipient shall be provided sixty (60) days’ written notice of the suspension or termination and the specific rationale for the action.

H. Default, Suspension, and Repayment Provisions

1) Events of Default. Notwithstanding anything to the contrary, the Subrecipient’s ability and authority to manage the Regional Fund shall automatically be suspended, and may be terminated as provided by this Agreement, upon the occurrence, and during the continuance, of an Event of Default or as otherwise specified in this Agreement. The occurrence of any one or more of the following events or conditions shall constitute an Event of Default under this Agreement, unless a written waiver of the Event of Default is signed by the MSF Fund Manager:

a) any representation made by the Subrecipient shall prove incorrect at the time that such representation was made in any material respect, including, but not limited to, any information provided to the MSF;

b) any material breach by the Subrecipient of an obligation of the Subrecipient under this Agreement, including failure to submit reports when due, or failure to maintain the required documents, which is not cured by the Fund Manager to the satisfaction of the MSF Fund Manager within the Cure Period;
c) the Subrecipient is in default, violation, breach, or non-compliance, of any kind or nature under any agreement or requirement, including submission of reports, with the MSF or MEDC, or for any department or agency within the State, including, without limitation, the Department of Licensing and Regulatory Affairs, the Department of Environmental Quality, the Department of Treasury, the MSF, the Michigan Economic Growth Authority (or any successors or assigns to any of the foregoing), which is not cured by the Subrecipient to the satisfaction of the MSF Fund Manager within the Cure Period;

d) any voluntary bankruptcy or insolvency proceedings are commenced by the Subrecipient;

e) any involuntary bankruptcy or insolvency proceedings are commenced against the Subrecipient, which proceedings are not set aside within 60 calendar days from the date of institution thereof;

f) the Subrecipient’s failure to comply with any provision of this Agreement;

g) Misconduct, as defined herein;

h) failure of the Subrecipient to adequately advertise and market the Regional Fund and/or the failure of the Regional Fund to have sufficient loan or commercial credit activity to comply with the continuing activity definition adopted by the MSF for the CDBG revolving loan funds; and

i) any dissolution of the Subrecipient.

2) **Available Remedies.** Upon the occurrence of any one or more of the Events of Default (after the expiration of any applicable Cure Periods without the required cure), in addition to the automatic suspension of the Subrecipient’s ability and authority to manage the Regional Fund, the MSF may terminate this Agreement, and the Subrecipient’s ability and authority to manage the Regional Fund, all at the option of the MSF. The suspension or termination the Subrecipient’s ability and authority to manage the Regional Fund or of this Agreement are not intended to be the sole and exclusive remedy available to the MSF, and each remedy shall be cumulative, and in addition to every other provision or remedy given herein or now or hereafter existing at law, in equity, by statute or otherwise. The Subrecipient shall also pay all costs and expenses, including, without limitation, reasonable attorney’s fees and expenses incurred by the MSF in collecting any sums due the MSF under this Agreement, in enforcing any of its rights under this Agreement, or in exercising any remedies available to the MSF.

Cure Period shall mean within thirty (30) business days after written notice by the MSF Fund Manager, or within such longer period of time as determined in writing and at the sole discretion of the MSF Fund Manager.

This Paragraph shall survive the end of the Term of the Agreement for a period of three (3) years.
3) **Recourse.** Upon the occurrence of any one or more of the Events of Default (after the expiration of any applicable Cure Periods without the required cure), the MSF may recapture Regional Funds used for a project which does not comply with federal or state laws, rules, policies, regulations, or guidance issued within the GAM ("Recapture"). The Subrecipient agrees that such a recapture will trigger a default in the underlying agreements associated with the project. The Subrecipient agrees to cooperate in order to facilitate the realization of remedies from the underlying project, including, if necessary, the assignment to the MSF of all interest in any Regional Fund agreements and any Regional Funds. The Subrecipient further agrees that in the event of any Recapture under this Agreement, any deficiency in the Regional Funds shall become the financial obligation of the Subrecipient to the MSF.

VIII. **ADMINISTRATIVE REQUIREMENTS**

A. **Financial Management**

1) **Accounting Standards.** The Subrecipient agrees to comply with 24 CFR 570.489(d) and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2) **Cost Principles.** The Subrecipient shall administer its program in conformance with 2 CFR 200 Subpart E — Cost Principles. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. **Documentation and Record Keeping**

1) **Records to be Maintained.** The Subrecipient shall maintain and provide to the UGLG all records required by the Federal regulations specified in 24 CFR 570.490 and GAM Chapter 8 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

   a) Records providing a full description of each activity undertaken;
   b) Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
   c) Records required to determine the eligibility of activities;
   d) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
   e) Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
f) Financial records as required by 24 CFR 570.490; and
g) Other records necessary to document compliance with Subpart I of
24 CFR Part 570.

2) Access to Records: The Subrecipient shall furnish and cause each of its
own subrecipients or subcontractors to furnish all information and
reports required hereunder and will permit access to its books, records
and accounts by the UGLG, MSF or its agent, or other authorized state
and Federal officials for purposes of investigation to ascertain
compliance with the rules, regulations and provisions stated herein.

3) Retention. Subrecipient shall retain all financial records, supporting
documents, statistical records, and all other records pertinent to the
Agreement for a period of four (4) years. The retention period begins on
the date of the submission of the UGLG’s annual performance and
evaluation report to MSF in which the activities assisted under the
Agreement are reported on for the final time. Notwithstanding the
above, if there is litigation, claims, audits, negotiations or other actions
that involve any of the records cited and that have started before the
expiration of the four-year period, then such records must be retained
until completion of the actions and resolution of all issues, or the
expiration of the four-year period, whichever occurs later.

4) Client Data. The Subrecipient shall maintain client data demonstrating
client eligibility for services provided. Such data shall include, but not be
limited to, client name, address, income level or other basis for
determining eligibility, and description of service provided. Such
information shall be made available to UGLG monitors, or their
designees, for review upon request.

5) Disclosure. The Subrecipient understands that client information
collected under this contract is private, and the use or disclosure of such
information, when not directly connected with the administration of the
UGLG’s or Subrecipient’s responsibilities with respect to services
provided under this contract, may be prohibited by applicable Michigan
or Federal law, unless written consent is obtained from such person
receiving service and, in the case of a minor, that of a responsible
parent/guardian.

6) Closeouts. The Subrecipient’s obligation to the UGLG shall not end until
all closeout requirements of the Agreement are completed. Activities
during this closeout period shall include, but are not limited to: making
final payments, disposing of program assets [including the return of all
unused materials, equipment, unspent cash advances, program income
balances, and accounts receivable to the UGLG], and determining the
custodianship of records. Notwithstanding the foregoing, the terms of
this Agreement shall remain in effect during any period that the
Subrecipient has control over CDBG funds, including program income.
7) **Audits and Inspections.** All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the UGLG, grantor agency, and the Comptroller General of the United States, or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 (thirty) days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current UGLG policy concerning Subrecipient audits and OMB Circular A-133.

C. **Reporting and Payment Procedures**

1) **Program Income.** The Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.489(e)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.489(e). By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balance on hand. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the UGLG or MSF.

2) **Progress Reports.** The Subrecipient shall submit regular Quarterly Progress Reports to the UGLG in the form, content, and frequency as required by the UGLG.

D. **Procurement**

1) **Compliance.** The Subrecipient shall comply with current UGLG policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the UGLG upon termination of this Agreement.

2) **OMB Standards.** Unless specified otherwise within this Agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR 200, Subpart F.
E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 84 and 24 CFR 570.489(j) and (k), as applicable, which include, but are not limited to, the following:

1) The Subrecipient shall transfer to the MSF or the UGLG, as directed by the MSF, any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination of this Agreement.

2) Real property under the Subrecipient’s control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of $25,000 shall be used to meet one (1) of the CDBG National Objectives pursuant to 24 CFR 570.483 until five (5) years after expiration of this Agreement. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the UGLG an amount equal to the current fair market value of the property, less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the UGLG. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period.

3) In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to which funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the UGLG for the CDBG program; or (b) retained after compensating the UGLG [an amount equal to the current fair market value of the equipment, less the percentage of non-CDBG funds used to acquire the equipment].

IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (“URA”), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable UGLG ordinances, resolutions and policies concerning the displacement of persons from their residences.
X. **PERSONNEL & PARTICIPANT CONDITIONS**

A. **Civil Rights**

1) **Compliance.** The Subrecipient agrees to comply with the Michigan Persons with Disabilities Civil Rights Act, MCL 37.1101 et seq. and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2) **Nondiscrimination.** The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3) **Land Covenants.** This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.487 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the UGLG and the MSF are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4) **Section 504.** The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The UGLG shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. **Affirmative Action**

1) **Approved Plan.** The Subrecipient agrees that it shall be committed to carry out pursuant to the UGLG’s specifications an Affirmative Action
Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966.

2) **Women- and Minority-Owned Businesses ("W/MBE").** The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3) **Notifications.** The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4) **Equal Employment Opportunity and Affirmative Action ("EEO/AA") Statement.** The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient; state that it is an Equal Opportunity or Affirmative Action employer.

5) **Subcontract Provisions.** The Subrecipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. **Employment Restrictions**

1) **Prohibited Activity.** The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2) **Labor Standards.** The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and
Safety Standards Act (40 U.S.C. 327 et seq.) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the UGLG for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of $2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the UGLG pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3) Section 3 Clause.

a) Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the UGLG, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors. Failure to fulfill these requirements shall subject the UGLG, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these Section 3 requirements and to include the following language in all subcontracts executed under this Agreement: "The work to be
performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the community area in which the project is located."

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the community area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the community area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b) Notifications

The Subrecipient agrees to send to each labor organization or bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
c) **Subcontracts**

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract, unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. **Conduct**

1) **Assignability.** The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the UGLG and the MSF thereto; provided, however, that claims for money due or to become due to the Subrecipient from the UGLG under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the UGLG. All terms and conditions of this Agreement shall apply to any approved assignment related to the Agreement.

2) **Subcontracts**

   a) **Approvals**

       The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the UGLG prior to the execution of such agreement.

   b) **Monitoring**

       The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

   c) **Content**

       The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.
d) **Selection Process**

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the UGLG along with documentation concerning the selection process.

3) **Hatch Act.** The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way, or to any extent, engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4) **Conflict of Interest.** The Subrecipient agrees to abide by the provisions of 24 CFR 570.489(h) which include (but are not limited to) the following:

   a) The Subrecipient shall maintain a written code of standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.

   b) No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

   c) No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a covered person includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the UGLG, the Subrecipient, or any designated public agency.

5) **Lobbying.** The Subrecipient hereby certifies that:

   a) No Federal appropriated funds have been paid, or will be paid, by or on behalf of it, to any person for influencing or attempting
to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c) It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

d) Lobbying Certification: This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

6) Copyright. If this contract results in any copyrightable material or inventions, the UGLG and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7) Religious Activities. The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

XI. ENVIRONMENTAL CONDITIONS

A. Air and Water
The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

1) Clean Air Act, 42 U.S.C., 7401, et seq.;
2) Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
3) Environmental Protection Agency ("EPA") regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency ("FEMA") as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.487(c), and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

XII. Severability
If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XIII. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

XIV. WAIVER

The UGLG’s (or the MSF’s) failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the UGLG (or the MSF) to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XV. ENTIRE AGREEMENT

Except as expressly referenced and incorporated, this Agreement constitutes the entire agreement between the UGLG and the Subrecipient for the use of funds received under this Agreement, and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the UGLG and the Subrecipient with respect to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

Muskegon County

Date: ____________________          By: __________________________
   Susie Hughes
   Chair, Co. Board of Commissioners

Northern Great Lakes Initiatives d/b/a Northern Initiatives

Date: ____________________          By: __________________________
   Dennis West
   President
ACKNOWLEDGED AND APPROVED:

MICHIGAN STRATEGIC FUND

Date: ____________________

By: _______________________

Mark Morante
MSF Fund Manager

10/31/18
REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

<table>
<thead>
<tr>
<th>COMMITTEE</th>
<th>BUDGETED</th>
<th>NON-BUDGETED</th>
<th>PARTIALLY BUDGETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ways &amp; Means</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REQUESTING DEPARTMENT</th>
<th>COMMITTEE DATE</th>
<th>REQUESTOR SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>April 11, 2019</td>
<td>Matthew Farrar</td>
</tr>
</tbody>
</table>

SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)

Quotes for engineering services were solicited for the lake level determination for Wolf Lake. Quotes received were above threshold for formal quotes and requires a request for proposal. The Wolf Lake level cannot be set by the Court until an updated study is completed by a qualified engineering firm. Staff seeks permission to issue a Request for Proposals for engineering services to determine a normal lake level under Part 307 of Act 451 at Wolf Lake.

SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)

I move to authorize staff to issue a request for proposals for engineering services to determine a normal lake level under Part 307 of Act 451 for Wolf Lake.

ADMINISTRATIVE ANALYSIS (AS APPLICABLE)

<table>
<thead>
<tr>
<th>HUMAN RESOURCES ANALYSIS:</th>
<th>FINANCE &amp; MANAGEMENT ANALYSIS:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CORPORATE COUNSEL ANALYSIS:</th>
<th>ADMINISTRATOR RECOMMENDATION:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If motion originates from a Statutory Board, Authority or Advisory Committee, please provide the date the motion was approved by that Board/Authority/Committee

<table>
<thead>
<tr>
<th>AGENDA DATE:</th>
<th>AGENDA NO.:</th>
<th>BOARD DATE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.11.19</td>
<td>Wm19/09.40</td>
<td>4.16.19</td>
</tr>
</tbody>
</table>

Revised 3/21/19
REREQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

<table>
<thead>
<tr>
<th>COMMITTEE</th>
<th>BUDGETED</th>
<th>NON-BUDGETED</th>
<th>PARTIALLY BUDGETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ways and Means</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REQUESTING DEPARTMENT</th>
<th>COMMITTEE DATE</th>
<th>REQUESTOR SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit</td>
<td>April 11, 2019</td>
<td></td>
</tr>
</tbody>
</table>

SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)

On February 4, 2019, the Purchasing Department received proposals on behalf of MATS for the completion of a Route Study and Comprehensive Operational Analysis. This planning effort will assist the County in identifying system and program changes that can be implemented to improve the design and delivery of MATS public transit services for the community. Nine proposals were received in response to the RFP. The proposals were reviewed by a three-person team, with the highest overall rating given to the proposal submitted by Foursquare Integrated Transportation Planning (Foursquare ITP). Foursquare ITP proposes to conduct the effort over a nine month project period for a price of $158,051.64.

MATS has a federal and state planning grant in place to fund 100% of this planning effort.

MATS seeks Board authorization to award Request for Proposals 19-2328 for a Route Study and Comprehensive Operational Analysis to Foursquare Integrated Transportation Planning for the sum of $158,051.64, pending MDOT concurrence with the award.

SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)

Move to approve the award of RFP 19-2328 for a Route Study and Comprehensive Operational Analysis to Foursquare Integrated Transportation Planning for the sum of $158,051.64, pending MDOT concurrence with the award, and to authorize the County Administrator to sign contract documents.

ADMINISTRATIVE ANALYSIS (AS APPLICABLE)

<table>
<thead>
<tr>
<th>HUMAN RESOURCES ANALYSIS:</th>
<th>FINANCE &amp; MANAGEMENT ANALYSIS:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CORPORATE COUNSEL ANALYSIS:</th>
<th>ADMINISTRATOR RECOMMENDATION:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AME</td>
</tr>
</tbody>
</table>

If motion originates from a Statutory Board, Authority or Advisory Committee, please provide the date the motion was approved by that Board/Authority/Committee

<table>
<thead>
<tr>
<th>AGENDA DATE:</th>
<th>AGENDA NO.:</th>
<th>BOARD DATE:</th>
<th>PAGE NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/11/19</td>
<td>19/09/41</td>
<td>4/16/19</td>
<td></td>
</tr>
</tbody>
</table>

Revised 4/4/19
**PROPOSAL TABULATION**
(To be used for all procurements utilizing a RFP)

As required by Federal Transit Administration Circular FTA C 4220.1F Third Party Contracting Guidance, Rev. 4, March 18, 2013, and all subsequent editions, as available on FTA’s website, www.fta.dot.gov.

**TRANSIT AGENCY**
Muskegon Area Transit System

**ITEMS BEING PROCURED**
Route Study and Comprehensive Operational Analysis

**EVALUATION CRITERIA - RFP LISTED IN ORDER OF IMPORTANCE AND STATED THIS**
- [X] Yes

**NUMBER OF EVALUATORS**
3

**PROJECT AUTHORIZATION NUMBER**
2017-0104-P7

**PROPOSALS DUE**
02/04/2019

Each evaluator must perform an evaluation for each proposal submitted. A sample evaluation form is shown on the next page. Add the total score each evaluator has given each vendor to calculate the Total Combined Score. The recommended vendor is the vendor whose Total Combined Score and proposed price represent the Best Value to the transit agency. Retain all evaluations from each evaluator in your procurement file. Submit with Proposal Tabulation an explanation of how the recommended vendor was determined to be the Best Value.

<table>
<thead>
<tr>
<th>VENDOR NAME</th>
<th>TOTAL COMBINED SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foursquare ITP</td>
<td>2291.1</td>
</tr>
<tr>
<td>RLS &amp; Associates</td>
<td>2217.3</td>
</tr>
<tr>
<td>KFH Group</td>
<td>2122.7</td>
</tr>
<tr>
<td>Nelson</td>
<td>Nygaard</td>
</tr>
<tr>
<td>AECOM</td>
<td>1913.6</td>
</tr>
<tr>
<td>Connetics Transportation Group</td>
<td>1834.9</td>
</tr>
<tr>
<td>Corradino Group</td>
<td>1830.8</td>
</tr>
<tr>
<td>SRF Consulting</td>
<td>1815.2</td>
</tr>
<tr>
<td>Consulting Resource Associates</td>
<td>1375.0</td>
</tr>
</tbody>
</table>

**VENDOR WHOSE PROPOSAL REPRESENTS THE BEST VALUE**
Foursquare ITP

**TRANSIT AGENCY REPRESENTATIVE**
James A. Koons

**TITLE**
Transit Systems Manager

**SIGNATURE**
[Signature]

**DATE**
03/19/19

Foursquare ITP proposal determined to be the best value based on overall evaluation scores.