

CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 11, 2012

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ❑ CALL TO ORDER:
- ❑ PRAYER:
- ❑ PLEDGE OF ALLEGIANCE:
- ❑ ROLL CALL:
- ❑ HONORS AND AWARDS:
- ❑ INTRODUCTIONS/PRESENTATION:
- ❑ CONSENT AGENDA:
 - A. Approval of Minutes. CITY CLERK
 - B. Certification of MERS Representatives. FINANCE
 - C. Consumers Energy Streetlighting Contract. CITY MANAGER
 - D. Authorization to Submit Bids to HUD for the Purchase of Homes Offered to Government Agencies. COMMUNITY & NEIGHBORHOOD SERVICES
 - E. Next Michigan – Appointments to Next Michigan Board. PLANNING & ECONOMIC DEVELOPMENT
- ❑ PUBLIC HEARINGS:
 - A. Community & Neighborhood Services Department Consolidated Annual Performance Evaluation Report (CAPER 2011). COMMUNITY & NEIGHBORHOOD SERVICES
- ❑ COMMUNICATIONS:
- ❑ CITY MANAGER'S REPORT:
- ❑ UNFINISHED BUSINESS:
- ❑ NEW BUSINESS:
 - A. Special Event Request – “City of the Dead” Tour at Evergreen Cemetery, October 26-27, 2012. PLANNING & ECONOMIC DEVELOPMENT

B. Inspection Services Contract. CITY MANAGER

❑ ANY OTHER BUSINESS:

❑ PUBLIC PARTICIPATION:

- *Reminder: Individuals who would like to address the City Commission shall do the following:*
- Fill out a request to speak form attached to the agenda or located in the back of the room.
- Submit the form to the City Clerk.
- Be recognized by the Chair.
- Step forward to the microphone.
- State name and address.
- Limit of 3 minutes to address the Commission.
- (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

❑ CLOSED SESSION:

❑ ADJOURNMENT:

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT ANN MARIE CUMMINGS, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TTY/TDD DIAL 7-1-1 TO REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

Date: September 11, 2012
To: Honorable Mayor and City Commissioners
From: Ann Marie Cummings, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the August 28th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 28, 2012

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, August 28, 2012.

Mayor Gawron opened the meeting with a prayer from Vice Mayor Spataro after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Gawron, Vice Mayor Lawrence Spataro, Commissioners Willie German, Sue Wierengo, Byron Turnquist, Lea Markowski, and Eric Hood, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Cummings.

2012-65 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the August 13th Commission Worksession Meeting and the August 14th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Watermain Purchase. PUBLIC WORKS

SUMMARY OF REQUEST: Authorize staff to purchase 8 inch watermain and appurtenances from ETNA Supply. The watermain will be used to upgrade 718 feet of 6 inch watermain on Vulcan Street between Laketon and Larch using in-house work force and equipment. Street repairs will be contracted out to Asphalt Paving, Inc.

FINANCIAL IMPACT: Total cost \$32,417.86.

BUDGET ACTION REQUIRED: None, included in 2012/2013 Budget.

STAFF RECOMMENDATION: Approve purchase from ETNA Supply and Asphalt Paving, Inc.

C. Purchase of 2221 Surfwood Drive. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the purchase of 2221 Surfwood Drive, Muskegon, MI 49441 (CITY OF MUSKEGON REVISED PLAT OF 1903 BLK 707 ELY 14 FT LOT 26 & ALL LOT 27) from the U.S. Department of Housing and Urban Development for a bid price of up to \$42,000.

After 2221 Surfwood is obtained, the City will renovate the property as a part of its HOME funded Homebuyers Program.

FINANCIAL IMPACT: The funding used for the purchase has been identified in our 2012 HOME budget and the rehabilitation will be completed through our 2013 HOME entitlement.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request to purchase the property.

D. Liquor License Transfer Request for Downtown Muskegon, Inc., 1157 Third Street. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Agid, LLC to transfer ownership of the SDD/SDM license with Sunday Sales Permits located at 1157 Third Street from Downtown Muskegon, Inc.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.

E. Liquor License Transfer Request for Frontier Liquor Shoppe, 631 W. Southern. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from S & M Khamro, LLC to transfer ownership of the SDD/SDM license with Sunday Sales Permits located at 631 W. Southern from S & R Kado, LLC.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.

Motion by Commissioner Turnquist, second by Commissioner Wierengo to accept the Consent Agenda as presented.

ROLL VOTE: Ayes: Wierengo, Turnquist, Markwoski, Gawron, Hood, Spataro, and German

Nays: None

MOTION PASSES

2012-66 NEW BUSINESS:

A. "Development and Reimbursement Agreement" Between the City of Muskegon Brownfield Redevelopment Authority (BRA) and Parkland Muskegon LLC (Jon Rooks). PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Jon Rooks has modified his plans for the High Point Flats project to include market-rate apartment units, which are more marketable in the current economy. Both Mr. Rooks and the City staff have been coordinating with the Michigan Economic Development Corporation (MEDC) to assist in additional funding for the project to enable construction to begin this year. The MEDC has agreed to provide loan funding to the project. There is a requirement that the local municipality also participate in the project. The local participation is proposed to be granting future BRA Tax Increment Finance (TIF) capture for the High Point Flats property to Mr. Rooks. With approvals from the City and the MEDC, the project is expected to begin within 30-90 days.

FINANCIAL IMPACT: Future BRA TIF capture will be directed to Mr. Rooks for reimbursement of loans he is securing for redevelopment of the property.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To endorse the approval by the BRA for the "Development and Reimbursement Agreement" between the City of Muskegon BRA and Parkland Muskegon, LLC.

COMMITTEE RECOMMENDATION: The BRA will be meeting on August 27, 2012, to review the "Agreement".

Motion by Vice Mayor Spataro, second by Commissioner Wierengo to endorse the Brownfield Redevelopment Authority's recommendation and adopt the "Development and Reimbursement Agreement" between the City of Muskegon BRA and Parkland Muskegon, LLC.

ROLL VOTE: Ayes: Turnquist, Markowski, Gawron, Hood, Spataro, German, and Wierengo

Nays: None

MOTION PASSES

B. Designation of Voting Delegates for the Michigan Municipal League Annual Business Meeting. CITY CLERK

SUMMARY OF REQUEST: To designate by action of the Commission, one of our officials who will be in attendance at the Convention as an official representative to cast the vote of the municipality at the annual meeting; and, if possible, to designate one other official to serve as alternate.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

Motion by Vice Mayor Spataro, second by Commissioner Wierengo to appoint the City Clerk as the voting delegate for the Michigan Municipal League Annual Business Meeting.

ROLL VOTE: Ayes: Markowski, Gawron, Hood, Spataro, German, Wierengo, and Turnquist

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Vice Mayor Spataro commented on the County wanting to use McLaughlin School as a Juvenile Detention Center and that he is against this. Mayor Gawron also spoke against it.

PUBLIC PARTICIPATION: Public comments received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:11 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk

Date: September 11, 2012

To: Honorable Mayor and City Commissioners

From: Finance

RE: Certification of MERS Representatives

SUMMARY OF REQUEST: The MERS plan document provides that “the governing body for each municipality shall certify the names of two (2) delegates to the Annual Meeting. One delegate shall be a member who is an officer of the municipality appointed by the governing body of the municipality. The other delegate shall be a member who is not an officer of the municipality, elected by the member officer/employees of the municipality.”

The City’s employee units have agreed to a rotating system (based on date of joining MERS) to select one official employee representative. This year the official employee representative attending the MERS conference will be Steve Teunis (Water Filtration Sup’t) from the non-union employee group.

It is recommended that Elizabeth Lewis (Ass’t Finance Director) be designated as the City’s employer delegate.

FINANCIAL IMPACT: Registration for the MERS conference in Grand Rapids is \$200 per person. Additionally, mileage and related costs will be incurred.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Certification of Elizabeth Lewis and Steve Teunis to be the City’s officer and employee delegates at the MERS annual meeting in Grand Rapids October 3 – 5.

COMMITTEE RECOMMENDATION: None.



Officer and Employee Delegate Certification Form

MERS 66th Annual Meeting | October 3 – 5, 2012 | Amway Grand Plaza Hotel | Grand Rapids, Michigan

[see reverse for information]

IMPORTANT: Complete and return this form. Your registration is not confirmed until this form has been received by MERS.

In order to be your municipality's (including a court) delegate representative to MERS Annual Meeting, you must be a member of MERS. A member of MERS is defined as an individual on payroll who is enrolled in MERS Defined Benefit Plan (including Hybrid) or Defined Contribution Plan. Please refer to "Delegate Information" on the back for specific requirements.

OFFICER (ALTERNATE) DELEGATE INFORMATION

The officer delegate (or alternate) shall be an officer member who holds a department head position or above, exercises management responsibilities, and is directly responsible to the legislative, executive, or judicial branch of government.

Please type or print:

Officer Delegate ELIZABETH LEWIS

Officer Alternate _____

OFFICER DELEGATE APPOINTMENT

By official action of the governing body (or chief judge for a participating court) on 9/11, 2012, the officer delegate and alternate listed above were appointed to serve at the 2012 MERS Annual Meeting.

EMPLOYEE (ALTERNATE) DELEGATE INFORMATION

The employee delegate (or alternate) shall be an employee member who is not responsible for management decisions, receives direction from management and, in general, is not directly responsible to the legislative, executive, or judicial branch of government.

Please type or print:

Employee Delegate STEVE TEUNIS

Employee Alternate DIANE RENKENBERGER

EMPLOYEE DELEGATE ELECTION

By secret ballot election conducted by an authorized officer on 8/24, 2012, the employee delegate and alternate listed above were elected to serve at the 2012 MERS Annual Meeting.

CERTIFICATION

NOTE: Certification should be signed by a member of the governing body (or municipality's chief administrative officer), or the chief judge for a participating court, and municipality number provided in space at the bottom of certification box.

I certify that the officer delegate and alternate selections are true and correct, and the secret ballot election results for employee delegate and alternate are true and correct.

Name (Signature): _____

Name (Please Print): _____

Official Title: _____

Date: _____

NOTE: Municipality Number Required for Certification

Municipality Number: 6116

Email address: _____

Municipality: CITY OF MUSKEGON

Municipality Mailing Address: PO Box 536

MUSKEGON, MI 49443-0536

AGENDA ITEM NO. _____

CITY COMMISSION MEETING September 11, 2012

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: August 27, 2012

RE: Consumers Energy Streetlighting Contract

SUMMARY OF REQUEST:

To approve a new streetlighting contract with Consumers Energy.

FINANCIAL IMPACT:

The city has budgeted \$745,000 for streetlighting.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

To approve the contract and authorize the mayor and clerk to execute it.

COMMITTEE RECOMMENDATION:

None.



STANDARD LIGHTING CONTRACT
(COMPANY-OWNED)
PART I

Effective Date of Agreement: April 1, 2012
(Month/Day/Year)

Company: **CONSUMERS ENERGY COMPANY** Customer: Muskegon
 City Village Township

a Michigan Corporation a Michigan Municipal Corporation
ONE ENERGY PLAZA Muskegon
JACKSON MI 49201-2276 (County)
49440
(Zip Code)

General Service Unmetered Lighting Rate GUL, Standard High Intensity Discharge as identified in Exhibit A.
 General Unmetered Experimental Lighting Rate GU-XL as identified in Exhibit B.

Initial Term: 1 year(s) beginning with the Effective Date of Agreement stated above.

PART II, TERMS AND CONDITIONS, is attached hereto and is a part of this Agreement. CUSTOMER ACKNOWLEDGES HAVING READ SAID TERMS AND CONDITIONS.

CONSUMERS ENERGY COMPANY City of Muskegon
(Customer)

By: _____ By: _____
(Signature) (Signature)

Linda Marklin _____
(Print or Type Name) (Print or Type Name)

Title: Team Leader Title*: _____

Attest: _____
(Clerk*)

*See Resolution dated _____

**STANDARD LIGHTING CONTRACT
TERMS AND CONDITIONS
PART II**

1. The Company agrees to furnish the Customer with lighting service respecting the luminaires, lamps and other equipment constituting the installation(s) listed in Part I and also to furnish lighting service respecting any additional luminaires, lamps and other equipment to be installed hereunder as may be authorized by the Customer through execution of an Authorization for Change in Standard Lighting Contract, attached to and made a part of this Agreement as Exhibit C.
2. The Company's service lines necessary to supply the energy for said lighting equipment shall be constructed in the public streets and highways of the Customer, or on private property, as mutually agreed between the Company and the Customer. In cases where such lines are to be constructed upon private property, the Customer shall obtain and furnish to the Company adequate written easements granting permission to install and maintain such lines.
3. Neither party shall be liable to the other for damages for any act, omission or circumstance occasioned by or in consequence of any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, or by any other cause or causes beyond such party's control, including any curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or by the making of necessary repairs upon the property or equipment of either party hereto; provided, however, that the Company's responsibility for interruptions in service, phase failure or reversal, or variations in the service characteristics shall be as provided in the Company's Electric Rate Book as filed with and approved by the Michigan Public Service Commission and such amendments thereof as may be filed with and approved by the Michigan Public Service Commission from time to time. A copy of said Electric Rate Book will be furnished to the Customer upon request.
4. The Customer shall pay the Company for the lighting service herein provided for in accordance with the Company's applicable lighting rate, and in accordance with such revisions and amendments thereof, supplements thereto, or substitutions therefor as may be filed with and approved by the Michigan Public Service Commission from time to time.
5. The Company shall render to the Customer, as soon as possible after the first day of each month, a bill for all lighting service furnished hereunder during the preceding month. Such bills shall be due and payable within twenty-one days after their issuance.
6. The Company agrees to furnish a service for lighting and the Customer agrees to take service for lighting in accordance with the terms and conditions of the Company's General Service Unmetered Lighting Rate GUL and General Unmetered Experimental Lighting Rate GU-XL in accordance with such revisions and amendments thereof, supplements thereto, or substitutions therefore as may be filed with and approved by the Michigan Public Service Commission.
7. Further, the Company will, under the terms and conditions hereof and of the Company's General Service Unmetered Lighting Rate GUL and General Unmetered Experimental Lighting Rate GU-XL and such revisions and amendments thereof, supplements thereto, or substitutions therefor as may be filed with and approved by the Michigan Public Service Commission from time to time and at such locations as may be authorized by the Customer through execution of an Authorization for Change in Standard Lighting Contract (Exhibit C), relocate any lighting equipment which is included in the initial Company-owned installation or in the additional Company-owned lighting equipment identified in Part I, provided that:
 - (a) Upon relocation of any of such lighting equipment, the Customer shall reimburse the Company for the Company's actual costs of such relocation regardless of the time period that such equipment has been installed, and
 - (b) The relocated equipment shall conform with the provisions in such application rates.
8. In addition, the Company will, upon termination of this Agreement for any reason, remove all of the aforesaid Company-owned lighting equipment which is then installed and not thereupon covered by another lighting contract. Upon removal of all of such lighting equipment, upon termination of this Agreement as aforesaid, the Customer shall reimburse the Company for the Company's actual costs of removing such equipment regardless of the time period that such equipment has been installed. The Company reserves the right to require special contractual arrangements respecting the replacement of any of the Company-owned lighting equipment or the removal thereof prior to the termination of this Agreement.

9. This Agreement shall become effective on the Effective Date of Agreement identified in Part I and shall continue in effect for an initial term as stated in Part I and from year to year thereafter until terminated by mutual consent or upon twelve months' written notice given by either party to the other. This Agreement, when effective, shall supersede all existing contracts with relation to the lighting service herein provided for.
10. This Agreement may be executed and delivered in counterparts, including by a facsimile or an electronic transmission thereof, each of which shall be deemed an original. Any document generated by the parties with respect to this Agreement, including this Agreement, may be imaged and stored electronically and introduced as evidence in any proceeding as if original business records. Neither party will object to the admissibility of such images as evidence in any proceeding on account of having been stored electronically.
11. Additional Items: None

RESOLUTION

RESOLVED, that it is hereby deemed advisable to enter into a contract with Consumers Energy Company of Jackson, Michigan, for furnishing lighting service within the City Village Township of City of Muskegon for a period of 1 year(s) and thereafter from year to year, in accordance with the terms of the contract heretofore submitted to and considered by this Commission Council Board; and

RESOLVED, further, that the _____ and the Clerk be and are authorized and directed to execute such contract on behalf of the City Village Township.

STATE OF MICHIGAN)
) ss
COUNTY OF Muskegon)

I, _____, Clerk of the City Village Township of _____ do hereby certify that the foregoing resolution was duly adopted by the Commission Council Board of said municipality, at the meeting held on _____.

 City Village Township Clerk

Dated:

GENERAL SERVICE UNMETERED LIGHTING RATE GUL, STANDARD HIGH INTENSITY DISCHARGE

Number of Luminaires	Luminaire Nominal Watts	Type of Luminaire	Type of Fixture	Style of Fixture	Install/Remove	Location
1	100	HPS	Cobrahead	Unavailable	*	Hwy 120/the Causeway, 1st light north of river edge, northbound lane
3	250	HPS	Cobrahead	Unavailable	*	Hwy 120/the Causeway, 2nd - 4th lights north of river edge, northbound lane
2	250	HPS	Cobrahead	Unavailable	*	Hwy 120/the Causeway, 2nd - 3rd lights north of river edge, southbound lane
1	400	HPS	Cobrahead	Unavailable	*	Hwy 120/the Causeway, 1st light north of river edge, southbound lane
5	250	HPS	Cobrahead	Unavailable	*	Hwy 120/the Causeway, 1st - 5th lights south of river edge, southbound lane
1	400	MV	Cobrahead	Unavailable	*	Intersection of US 31 and Getty St
1	400	MV	Center Suspension	Unavailable	*	Intersection of US 31 and Getty St
1	175	MV	Contemporary	Unavailable	*	Intersection of Brusse Ave and School St
2	175	MV	Contemporary	Unavailable	*	Brusse Ave, 1st & 2nd lights east of Brusse Ave and School St intersection
1	175	MV	Contemporary	Unavailable	*	Intersection of Brusse Ave and Creston St
1	175	MV	Cobrahead	Unavailable	*	Brusse Ave, 1st light east of Brusse Ave and Creston St intersection
1	150	HPS	Cobrahead	Unavailable	*	Intersection of Brusse Ave and US 31/Broadmoor St
1	250	MV	Cobrahead	Unavailable	*	Harvey St, 1st light south of Harvey St and Stebbins Rd intersection
1	100	HPS	Cobrahead	Unavailable	*	Stebbins Rd, 1st light east of Stebbins Rd and Harvey St intersection
6	250	MV	Cobrahead	Unavailable	*	Quarterline Rd, 1st - 6th lights south of Quarterline Rd & Stebbins Rd
2	175	MV	Cobrahead	Unavailable	*	Quarterline Rd, 1st & 2nd lights north of Quarterline Rd & Marquette Ave
1	250	MV	Center Suspension	Unavailable	*	Intersection of Quarterline Rd and Marquette Ave
2	250	MV	Cobrahead	Unavailable	*	Marquette Ave, 1st & 2nd lights east of Quarterline Rd & Marquette Ave
3	250	MV	Center Suspension	Unavailable	*	Marquette Ave, 1st - 3rd lights west of Quarterline Rd & Marquette Ave
2	250	MV	Cobrahead	Unavailable	*	Marquette Ave, 1 st & 2 nd lights east of Harvey St & Marquette Ave
1	250	MV	Center Suspension	Unavailable	*	Intersection of Harvey St and Marquette Ave
3	175	MV	Cobrahead	Unavailable	*	Oak Ave, 1st - 3rd lights east of Carriage Rd and Oak Ave intersection
2	150	HPS	Cobrahead	Unavailable	*	Oak Ave, 1st & 2nd lights west of Carriage Rd and Oak Ave intersection
2	250	HPS	Cobrahead	Unavailable	*	Intersection of US 31 and Apple Ave, (north side of road)
1	400	HPS	Cobrahead	Unavailable	*	Intersection of US 31 and Apple Ave, (north side of road)
1	250	HPS	Cobrahead	Unavailable	*	Apple Ave, 1st light west of Apple Ave and US 31 intersection
1	250	HPS	Cobrahead	Unavailable	*	Intersection of Apple Ave and Home St
1	250	HPS	Cobrahead	Unavailable	*	Apple Ave, 1st light west of Apple Ave and Home St intersection
1	150	HPS	Cobrahead	Unavailable	*	Apple Ave, 2nd light west of Apple Ave and Home St intersection
1	150	HPS	Cobrahead	Unavailable	*	Intersection of Creston St and Mc Laughlin Ave
1	150	HPS	Cobrahead	Unavailable	*	Intersection of Creston St and Calvin Ave
1	150	HPS	Cobrahead	Unavailable	*	Calvin Ave, 1st light east of Calvin Ave and Creston St intersection
1	150	HPS	Cobrahead	Unavailable	*	Intersection of Calvin Ave and New St

Comments: Lines 1 through 33 are those street lights on or near the City. *As previously installed.

GENERAL SERVICE UNMETERED LIGHTING RATE GUL, STANDARD HIGH INTENSITY DISCHARGE

Number of Luminaires	Luminaire Nominal Watts	Type of Luminaire	Type of Fixture	Style of Fixture	Install/Remove	Location
1	100	HPS	Cobrahead	Unavailable	*	Intersection of Creston St and Evanston Ave
1	250	MV	Cobrahead	Unavailable	*	Evanston Ave, 1 st light east of Creston St & Evanston Ave intersection
3	250	HPS	Cobrahead	Unavailable	*	Laketon Ave, between Creston St and Roberts St (north side of road)
1	250	HPS	Cobrahead	Unavailable	*	Intersection of Roberts St and Laketon Ave
1	150	HPS	Cobrahead	Unavailable	*	E Keating Ave, 1 st light east of Roberts St and E Keating Ave intersection
7	250	HPS	Cobrahead	Unavailable	*	Laketon Ave, between Harvey St and Port City Blvd (south side of road)
1	250	HPS	Cobrahead	Unavailable	*	Intersection of Laketon Ave and Port City Blvd
3	250	MV	Cobrahead	Unavailable	*	Port City Blvd, 1 st - 3 rd lights south of Laketon & Port City intersection
1	250	MV	Cobrahead	Unavailable	*	Intersection of Port City Blvd and E Keating Ave
6	250	MV	Cobrahead	Unavailable	*	Port City Blvd, 1 st - 6 th light south and east of E Keating Ave
3	250	MV	Cobrahead	Unavailable	*	Black Creek Dr, 1 st - 3 rd lights north of E Hackley Ave
1	250	MV	Cobrahead	Unavailable	*	Intersection of Black Creek Dr and E Hackley Ave
5	250	HPS	Cobrahead	Unavailable	*	S Sheridan Dr, 1 st - 5 th lights north of Olthoff and Sheridan intersection
1	150	HPS	Cobrahead	Unavailable	*	Intersection of Black Creek Rd and E Sherman Blvd (southeast corner)
1	250	HPS	Cobrahead	Unavailable	*	Intersection of Black Creek Rd and E Sherman Blvd (southwest corner)
1	250	MV	Cobrahead	Unavailable	*	Intersection of Black Creek Rd and E Sherman Blvd (northwest corner)
2	250	MV	Cobrahead	Unavailable	*	Sherman Blvd, between Black Creek Rd and US-31
10	250	HPS	Cobrahead	Unavailable	*	Sherman Blvd, between Black Creek Rd and US-31
1	400	HPS	Cobrahead	Unavailable	*	Sherman Blvd, between Black Creek Rd and US-31
1	250	MV	Cobrahead	Unavailable	*	Intersection of Sherman Blvd and US-31
1	250	MV	Cobrahead	Unavailable	*	Intersection of Sherman Blvd and Worden St
1	250	MV	Cobrahead	Unavailable	*	Intersection of Sherman Blvd and Valk St
1	250	MV	Cobrahead	Unavailable	*	Intersection of Sherman Blvd and Roberts St
1	250	MV	Cobrahead	Unavailable	*	Intersection of Sherman Blvd and Vulcan St
6	250	HPS	Cobrahead	Unavailable	*	Getty St, between E Hovey Ave and E Keating Ave (east side of road)
1	250	MV	Cobrahead	Unavailable	*	Getty St, between E Hovey Ave and E Keating Ave (east side of road)
18	250	MV	Cobrahead	Unavailable	*	E Keating Ave, between Getty St and Sanford St (north side of road)
2	175	MV	Cobrahead	Unavailable	*	E Hackley Ave, between Park St and Waalkes St
1	100	HPS	Cobrahead	Unavailable	*	Intersection of E Hackley Ave and Waalkes St
1	100	HPS	Cobrahead	Unavailable	*	Intersection of E Hackley Ave and Temple St
1	100	HPS	Cobrahead	Unavailable	*	Intersection of E Hackley Ave and Lemel St
3	400	MV	Center Suspension	Unavailable	*	Intersection of E Hackley Ave & Glade St/Seaway Dr
3	250	MV	Center Suspension	Unavailable	*	Intersection of Sherman Blvd & Glade St/Seaway Dr

Comments: Lines 1-33detail those street lights located on or near the City borders. *As previously installed.

AUTHORIZATION FOR CHANGE IN STANDARD LIGHTING CONTRACT (COMPANY-OWNED)

Consumers Energy Company is authorized as of _____, by the _____ of _____, to make changes, as listed below, in the lighting system(s) covered by the existing Standard Lighting Contract between the Company and the _____ of _____, dated _____.

- ___ General Service Unmetered Lighting Rate GUL, Standard High Intensity Discharge as identified in Exhibit A.
- ___ General Unmetered Experimental Lighting Rate GU-XL as identified in Exhibit B.

Notification Number _____

Construction Work Order Number _____

Except for the changes in the lighting system(s) as herein authorized, all provisions of the aforesaid Standard Lighting Contract dated _____, shall remain in full force and effect.

By: _____
Its

This Agreement may be executed and delivered in counterparts, including by a facsimile or an electronic transmission thereof, each of which shall be deemed an original. Any document generated by the parties with respect to this Agreement, including this Agreement, may be imaged and stored electronically and introduced as evidence in any proceeding as if original business records. Neither party will object to the admissibility of such images as evidence in any proceeding on account of having been stored electronically.

RESOLUTION

RESOLVED, that it is hereby deemed advisable to authorize Consumers Energy Company to make changes in the lighting service as provided in the Standard Lighting Contract between the Company and the City Village Township of _____, dated _____, in accordance with the Authorization for Change in Standard Lighting Contract dated as of _____, heretofore submitted to and considered by this Commission Council Board; and

RESOLVED, further, that the _____ Clerk be and are authorized to execute such authorization for change on behalf of the City Village Township.

STATE OF MICHIGAN)
) ss
COUNTY OF _____)

I, _____, Clerk of the City Village Township of _____ do hereby certify that the foregoing resolution was duly adopted by the Commission Council Board of said municipality, at the meeting held on _____.

 City Village Township Clerk

Dated:

Commission Meeting Date: September 11, 2012

Date: September 4, 2012
To: Honorable Mayor & City Commission
From: Community and Neighborhood Services
Department
RE: Authorization to submit bids to HUD for the
purchase of homes offered to Government
agencies

SUMMARY OF REQUEST: To offer bids to HUD via their website for HUD homes available to government agencies. Specifically, homes located in East Muskegon, Glenside, Campbell and Bluffton that can be rehabilitated and sold to income eligible households through the City of Muskegon Community and Neighborhood Services department Homebuyers Program.

FINANCIAL IMPACT: Bid offers can be lower when eligible to government agencies and non-profits.

ACTION REQUIRED: None

STAFF RECOMMENDATION: To authorize the director of Community and Neighborhood Services the ability to bid on homes owned by HUD in the neighborhoods of Campbell, East Muskegon, Glenside and Bluffton for the city's Homebuyers Program 2013.

COMMITTEE RECOMMENDATION: None

Commission Meeting Date: September 11, 2012

Date: September 5, 2012
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department
RE: Next Michigan- Appointments to Next Michigan Board

SUMMARY OF REQUEST: On August 22, 2012, the Michigan Strategic Fund (MSF) Board of Directors approved the designation of the West Michigan Economic Partnership (WMEP) as a Next Michigan Development Corporation. Each of the seven units of government who are part of the designation (including the City of Muskegon and Muskegon County) must appoint a board member and an alternate board member. The WMEP board member will attend the meetings and vote on matters that come before the Board. However, all meetings are open to the public and any item affecting the City of Muskegon will first be brought to the City Commission for approval (i.e., budget items that affect the City, incentives provided to developers/businesses, the areas designated for incentives, etc.).

FINANCIAL IMPACT: None, at this time. However, the WMEP Board will develop a budget, with funding coming from each entity and/or the property owners to be included in the identified improvement areas.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To appoint Cathy Brubaker-Clarke, Director of Community & Economic Development as the City of Muskegon WMEP Board Member and Mike Franzak, Zoning Administrator as the City of Muskegon alternate member.

COMMITTEE RECOMMENDATION: This item will be reviewed at the Work Session on September 10.



August 22, 2012

Re: Next Michigan Development Corporation

On Wednesday, August 22, 2012, the Michigan Strategic Fund (MSF) Board of Directors approved the designation of the West Michigan Economic Partnership (WMEP) as the fifth and final Next Michigan Development Corporation, as authorized by PA 275, 2010 (attached).

As one of seven local units of government in Kent or Muskegon Counties who sanctioned the application to the MSF for this designation pursuant to an Inter-local agreement, we should all be proud of accomplishing this unique and innovative approach to the marketing and development of real estate served by two or more modes of transportation.

The next step in the creation of the WMEP is the appointment of board members and an alternate from each of the seven communities. State law does not prescribe the qualifications of who will represent your community; we recommend you adhere to your usual appointment process for the appointment of the two representatives. We respectfully request that the appointments be made so that both representatives can participate in an orientation-startup meeting scheduled for **Wednesday, September 26, 2012, 3:00 pm at Walker City Hall**. Both Ed Garner and I will be available to attend any meetings scheduled to advance the appointment process. Furthermore, we request notification from you concerning the persons appointed so that they can receive a packet of information for use during the September 26 orientation meeting. Please contact Maulin Pont for this purpose at pontm@rightplace.org.

Muskegon Area First and The Right Place, Inc. are excited to advance this important regional economic development initiative and to foster further work between and among the participating units of government. If you have any questions or need additional information, please feel free to contact Ed or myself as soon as possible.

Sincerely,

Ed Garner
President and CEO
Muskegon Area First
(231) 724-3172
egarner@muskegonareafirst.org

Rick Chapla
Vice President, Business Development
The Right Place, Inc
(616) 771-0328
chaplar@rightplace.org

Commission Meeting Date: September 11, 2012

Date: September 4, 2012
To: Honorable Mayor & City Commission
From: Community and Neighborhood Services
Department
RE: Request to conduct a Public Hearing of the
Community & Neighborhood Services department
Consolidated Annual Performance Evaluation
Report (CAPER 2011)

SUMMARY OF REQUEST: To conduct a public hearing of the 2011 CAPER projects funded through CDBG and HOME entitlements to the City of Muskegon Community and Neighborhood Services department.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To submit the 2011 CAPER including any public comments received during the 30 day comment period ending September 28, 2012.

COMMITTEE RECOMMENDATION: None



City of Muskegon
Community Development Block Grant
Consolidated Annual Performance and Evaluation
Report
2011 Grant



First Program Year CAPER 2011

Executive Summary

A brief overview of our 2011 initiatives included projects funded by CDBG, HOME and NSPI grant activities beginning July 1, 2011 through June 30, 2012.

CDBG Chart

Affirmative Action	\$10,000	Supplements Affirmative Action Staff
Code Enforcement	\$50,000	1 of 3 Code Compliance Inspectors
Facade	\$10,000	\$2,000 - \$5,000 grants for Muskegon business owners
Fire Station Bond	\$157,870	City Payments
Admin	\$140,000	Supports CNS staff
Dangerous Building/Demolition	\$50,000	Curtails neighborhood blight
Youth Recreation	\$70,000	Provide grants to local youth centered projects with an emphasis on self-building exercises
Vinyl Siding	\$50,000	Cover cost of vinyl siding eligible homes within city limits
Priority Housing Repair (Emergency Repair)	200,000	Offer housing repairs to low-income families
Service Delivery Housing Repairs and Vinyl Siding	60,000	Specific to the program management
LOVE-Ramps	3,500	Assist eligible households with accessible entry ramps
LOVE – Utilities	4,500	To help families with rent and utility payments to avoid eviction and shut-offs
Senior Transit	45,000	Designed to transport seniors to dr. appointments, grocery stores and other miscellaneous activities otherwise not accessible
Street Construction	\$60,470	Assist staff with the necessary oversight and reporting required to complete Getty Street

* At least \$98,810.57 was received to cover the homeowner repairs initially designated for our weatherization program

HOME CHART

HOME Admin	\$28,433	Support for staff working on HOME projects
CHDO Reserve	\$107,587	Assist community housing development organizations with required funding to produce affordable housing units
CHDO Operating	\$10,000	Staffing miscellaneous operating costs
Infill Housing	\$122,904	Build new home for Home Buyer Program
Rental Rehab	\$30,000	Provide assistance to landlords in the City of Muskegon for lead abatement and rehabilitation

NSP – NEIGHBORHOOD STABILIZATION PROGRAM

Midway into our MSHDA funded programs, we were able to complete three new constructions and completely rehab five single family homes. All of them sold at completion during the 2011 year.

One of the year's highlights was the Muskegon County and Interagency agreement with the Fair Housing Agency of West Michigan. This agreement listed surveys, testing, training and reports of our Muskegon Area Fair Housing behaviors and tendencies. Some communities learned that fair housing choice appeared to be inconclusive to race and gender but what did prove to be important was the need for education in our areas of housing.

As the year ended, our office was contacted by MSHDA for technical assistance (TA) opportunities'. We agreed to accept TA for building a HOME Consortium and Muskegon, Muskegon Heights, Norton Shores, Roosevelt Park and North Muskegon were invited to attend a briefing about HOME funded projects. We perceived that HOME activities can benefit residents in the county so we will proceed to expand the partnership possibilities through a HOME Consortium.

General Questions

Our annual activities proved to be successful but what we could not complete was a HOME sponsored "Weatherization" program for seniors. The problem was simple: we didn't have a HOME coordinator and ultimately we returned HOME funds associated with these activities and canceled the activities set up in IDIS.

Any obstacles we faced in meeting the underserved needs could be addressed by funding resources. We do not have a match requirement in our community so the biggest challenge was the reduction of Muskegon's 2011 grant allocation. With less, we can not continue senior transit and ultimately there was a big debate about duplication of service. In the end we lost a staple program but the city used its resources to allow senior transportation services to extend through December 2012.

Managing the Process

Community and Neighborhood Services works as the city's liaison to comply with planning requirements and programs. We received a monitoring visit from Detroit HUD to review our HOME Program and activities associated with compliance issues. As a result we reviewed policies, procedures, programs, statutes, regulations and review projects invested with HOME dollars. The monetary allowed us to review our structure and to enhance our coordination as we build a HOME Consortium. As the Lead Agency, we can use the monitoring report to fill the gaps in our current process as we move forward with a HOME Consortium in 2014.

Fair Housing

LEAD BASED PAINT

The County of Muskegon's application was approved as an eligible community for a Lead Hazard Reduction Program through our local Public Health Muskegon County. As before, the City of Muskegon has committed funding to rentals units within our city limits that test hazardous for Lead Based Paint.

- We provided them with was referrals from our past Lead Grant.
- We publicized the program to every property owner that request rental assistance for rehabilitation.
- We accepted three applications for combined assistance for Lead based Paint assistance.

The county will test; we will cover non-lead rehab cost @ a ratio of 50/50 and if necessary fill the gap above the maximum grant threshold. We are committed to reducing lead based hazards in rental units in the City of Muskegon and we have made every effort to partner with the county to help our citizens.

Community Development

Goals and objectives per Action Plan 2011 are to maintain affordable housing units while stabilizing neighborhoods as priorities 1 and 2. Specifically,

Objective 1: To serve families direct through...

Goal 1: Emergency repairs/50 households

Goal 2: Vinyl siding; 10 homes

Goal 3: Weatherizing/canceled (reauthorized into Emergency Repair)

Objective 2: Increase house opportunities

Goal: Construct one new home and rehab 1

We changed the program guidelines to include a larger range of struggling families with housing repair issues. Critical changes a fee schedule for services to offset for families with income between the 50-60% AMI. Another change included the increased number of participating households above 50% AMI. In addition, we added a requirement for our vinyl siding program to support our citizen district council suggestions to ask for part of the investment made to their homes for incomes above 30% AMI.

Area	Ethnic					Income			Senior?		FHH		HH	
	B	W	H	A	AI	30%	50%	60%	Y	N	Y	N	Y	N
Steele	1					1				1	1			1
Lakeside		1					1			1	1			1
Jackson Hill	1						1			1		1	1	
Marquette		1					1			1		1		1
Nelson		1					1			1	1			1
	4	12	1	0	0	4	11	1	5	13	9	8	4	13

All in all, our intent was to improve programs and the process by which we carried them out. Success was achieved because we adhered to our consolidated plan goals and objectives which were detailed in the projects selected. We are proud to say that with dwindling resources we were able to meet the needs and be consistent with program regulations.

For all of our housing programs, we did not displace any homeowner. It is necessary to state that our CDBG funded programs were limited to our entitlement allocation and any additional resources were covered by (PI) Program Income received from the CDBG programming.

HOME

Affordable, decent and safe housing is critical to goal and objectives of planned activities. The City of Muskegon’s HOMEBUYER

ACTIVITIES	5 YR PROJECTION	ANNUAL PROGRESS
Acquisition	2	0
New Construction	5	2 *
Rehabilitation	10	2
Rental	10	4 *

*CHDO Assisted

Habitat – 2 new construction homes completed

Community encompass – 3 rental units completed

NSPI – 5 homes completed and sold:
Four rehabbed

One new construction

Types of Households Served

GENDER	MARRIED	RACE	INCOME	FAMILY SIZE
F	NO	BLK	<50% AMI	3
F	NO	BLK	50% AMI	5
F	NO	WHI	50% AMI	1
F	NO	BLK	52% AMI	2
M	NO	WHI	50% AMI	1
M	NO	WHI	<50% AMI	4
F	NO	BLK		3
F	NO	WHI	51% AMI	3

PUBLIC STRATEGY

As the governmental entity for our Public Housing Agency, we continue to affirm that their plan fits our consolidated plan supporting suitable living environments. The Muskegon Housing Commission has updated their façade and brightened the building entry with glass windows. The new entry creates light and improved accessibility for residents and guests. The process of updating their building will be ongoing until 2014.

BARRIERS TO AFFORDABLE HOUSING

Our action to further Fair Housing Choice in Muskegon was met when we entered into a multiagency agreement with the Fair Housing of West Michigan. This agreement entailed trainings for realtors, service agencies and public officials, all in an effort to help eliminate barriers of housing discrimination. Many were new to the information shared but all were made aware of the survey and testing process. Reports show that some things occurred and were considered inconclusive. However, at least three cases are being investigated.

HOMELESS NEEDS

In our Community, Muskegon is an active board member of the Continuum of Care Coalition. Local agencies have proved to be equipped in serving households at risk of becoming homeless.

Actions taken to deter homelessness

- Staff training
- Recruitment of landlords
- Multi-agent programs for at risk families
- Support groups
- Improved housing opportunity facilities

More funding for families in the area of rental assistance was accomplished. Previously cut off from any type of assistance, family could reapply for rent subsidy dollars that were released for our area early spring 2012. These federal dollars will help to prevent eviction which leads to homelessness.

NON-HOMELESS SPECIAL NEEDS

People Living Below Poverty

- Our commission members agreed to lend a local recipient additional dollars to help cover poverty families pay utilities and rent. The report showed,

Level of Income per City	Ethnic Group	Service
Low	W	DTE Gas
Extreme	B	DTE Gas
Extreme	B	DTE Gas
Extreme	B	Rent
Extreme	B	Rent
Extreme	B	Rent
Extreme	B	Rent
Extreme	B	DTE Gas
Extreme	B	Rent
Extreme	B	DTE Gas
Extreme	B	Rent
Extreme	W	DTE Gas
Extreme	B	Rent
Very Low	W	Rent
Very Low	B	Rent
Extreme	B	Consumers
Extreme	B	Rent
Extreme	B	Water
Extreme	B	Water
Extreme	W	Water

* Low: 60 – 80% Very Low: 30 – 50% Extremely Low 20% >

We will continue to grant money for this special need.

The City of Muskegon is home to a HOPWA funded agency who has submitted plans that coincide with the City’s Consolidated Plan as a Housing priority for affordable housing units. The challenges are great but partnering with the Continuum of Care will broaden the opportunities for housing choice. Financial assistance has been given to identify clients but the improvement of local properties is a perceived benefit for any persons facing eviction and struggling to afford a suitable place to live.

Because the City of Muskegon does not receive HOPWA funding, our role is simple: We will assist to meet the needs of all of our citizens regardless of race, religion, color, national origin, age, familial status, marital status, sexual orientation or gender identity.

Emergency Shelter Grant

NOT FUNDED directly but several Continuum of Care coalition members report on the county's funding. The needs of at-risk families have been served by the circle of shelters, programs and community organizations receiving.

CITY COMMISSION MEETING DATE

September 11, 2012

Date: September 4, 2012

To: Honorable Mayor and City Commissioners

**From: Cathy Brubaker-Clarke, Director of Community
& Economic Development**

**Re: Special Event Request – “City of the Dead” tour
at Evergreen Cemetery, October 26-27, 2012**

SUMMARY OF REQUEST: Harbor Unitarian Universalist Congregation is requesting permission to hold their third annual historical tour/reenactment at Evergreen Cemetery on October 26 and 27, 2012.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: None

COMMITTEE RECOMMENDATION: N/A

CITY OF MUSKEGON SPECIAL EVENT APPLICATION - Part I



A special event application is required for any public event held on City property. The application and fee must be submitted to the City of Muskegon PLANNING Department at least 30 days prior to the event date. In addition, any events where alcohol is served will require a temporary liquor license, which is handled through the Muskegon POLICE Department. Contact the Police Department at 231.724.6750 for liquor license fees and requirements.

SPECIAL EVENT FEE SCHEDULE

Events occurring during peak event season April 15 – September 30	Events occurring outside of peak season January 1 – April 14 & October 1 – December 31
Applications submitted prior to April 15 will receive a 50% discount off the regular fee.	AUG 10 2012
\$100 fee for applications submitted 60 days or more prior to the event date (if application is submitted by April 15, this fee is reduced to \$50)	\$50 fee for applications submitted 60 days or more prior to the event date
\$250 fee for applications submitted 59-45 days prior to the event date	\$200 fee for applications submitted 59-45 days prior to the event date
\$400.00 fee for applications submitted 44-30 days prior to the event	\$300.00 fee for applications submitted 44-30 days prior to the event
Applications submitted less than 30 days prior to the event date will not be accepted.	\$500 fee for applications submitted less than 30 days prior to the event

Return completed application with payment to the City of Muskegon Planning Department, P.O. Box 536, 933 Terrace St., Muskegon, MI 49443-0536. Telephone: 231.724.6702, Fax 231.724.6790

1) Event Date(s): October 26th + 27th 2012

Applicant Contact Information

2) Applicant Organization: Harbor U.U. Congregation
(if you are also applying for a liquor license, you must partner with an approved charitable organization)

3) Contact Person/Responsible Party Janet Perreault

4) Address 1296 Montgomery City Muskegon State MI zip 49441

5) Daytime Phone 231 755-2932 Alt. Contact # 231 798-4216

6) E-Mail address jsperre@aol.com

Event Information

7) Event Title City of The Dead, Graveyard Tours

8) Location of Event Evergreen Cemetary

9) Description of Event Tours of the graveyard

10) Reason for Event Community Event / Fundraiser

11) Event duration: # of days 2 Start time(s) 4pm End time(s) 10pm

12) Will there be alcohol at the event? Yes No

If Yes, indicate name of non-profit you are working with _____
If Yes, you must submit a temporary liquor license request to the Muskegon Police Department for processing.
NOTE: A temporary liquor license allows beer & wine only. Liquor service requires City Commission approval.

13) Anticipated crowd size 300

14) Will City Streets or Sidewalks be used? Yes No (go to line 17)

15) Will you be requesting any street closures? Yes _____ (see below) No (go to line 17)
Street closures require Police, DPW, and/or City Commission approval.
Street closures may incur additional fees for Police and DPW services.
Street closures for block party-type events are not allowed. Please use our City parks for those events.

16) Which streets/intersections will you be using? _____

17) Will any other City services be needed? Yes* _____ No

*SEE PART II, SCHEDULE A FOR EQUIPMENT AVAILABILITY. There are additional fees for use of City equipment and/or labor. If you are requesting City services for your event (tables, barricades, etc) you MUST include Part II of the Special Event Application, indicating which items you are requesting.

18) Has your organization filed for a Special Event Permit with the City before, for this event?
Yes* No _____ *If yes, indicate last year filed The last 2 years for this event

19) Does the applicant owe any outstanding invoices to the City? Yes _____ * No
*Unpaid invoices may result in denial of application.

Events held on City-owned or controlled property require that the applicant provide an amount of insurance as set by the City for liquor liability and general liability insurance, naming the City as an additional insured. The language shall read as follows: *The City of Muskegon, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof are listed as additional insured under the general liability and auto liability policies. The City of Muskegon is held harmless with regard to the General Liability Policy. An acceptable certificate of insurance must be submitted prior to final approval. See Part II, Schedule B for amount of insurance required.*

20) Name of Insurance Company Church Mutual

21) Regulations of the license/permit:

1. All rules and regulations of the City of Muskegon Special Events Policy shall be complied with.
2. All City of Muskegon Ordinances shall be complied with.
3. The applicant organization will save the City of Muskegon harmless from all claims.
4. City staff may require a meeting with applicant organization to help clarify the requests for services. Failure to attend the meeting may result in denial of the application.
5. Event grounds will be left clean and free of litter. Failure of the applicant to satisfactorily clean the site may result in the City cleaning the site and billing the applicant for its services.
6. The City reserves the right to deny any changes to the request once final approval is given.
7. Failure to provide any requested information in a timely manner may result in denial of the Special Event Application.

22) With my signature, I certify that I have read and agree to the City of Muskegon Special Event Policy and all items listed on this application. I agree to abide by all applicable ordinances & regulations.

James Perreault Signature of Applicant Aug 10, 2012 Date
8-10-12 Date Received in Office [Signature] Staff Signature

***** City Use Only *****
Proof of Insurance Received _____ S/E Database Entry 8-10-12 Work Order # _____
E-mail notification to S/E list _____ City Commission approval required? Yes

RECEIVED

AUG 02 2012

MUSKEGON
CITY MANAGER'S OFFICE

1831 Furhman Rd.
Muskegon, MI 49441

Dear Mr. Mazade,

I received a copy of the letter you sent to my lawyer, David Covell, concerning the Halloween party issue at the cemetery. I wish to respond and have enclosed a copy of this letter for your reference.

I tried to contact you or the mayor regarding this issue back in October 2011 and was denied either telephone or personal access to either of you on numerous occasions by your secretary. Thus, I felt my only option was to attend the City Commission meeting. I was appalled at the action of the mayor when he just blew me off and told us to work it out amongst ourselves. Well, there is no compromise as I do not believe it is either moral or appropriate and this group (they are not a church) apparently does. Only Commissioner Shepherd showed me any compassion and told me to call her which I did. She suggested I get a copy of any cemetery bylaws and after the treatment I had received from your office previously, I feared my request would be denied and therefore, I did contact my attorney. I have spent over \$1000 I could not afford to try and defend my parents' final resting place and that of my husband and myself when our time comes to no avail! Not that it matters much, but Rev. Freeman is not a real minister. There was a two part segment on Channel 8 recently about these Universalist "ministers"- they ordain themselves on the internet! He stood there in front of you people that night of the commission meeting and lied to you. It was a Halloween party-I have a copy of the ad they ran in the paper about it. They also held it two nights and according to their permit, the first night was to be a rehearsal only plus the permit said only 50 people and he stood there and told you they had at least 150 plus told you they were doing this to educate the public!

They have refused to move it to any other time but the weekend prior to Halloween which falls midweek. They only made the concession to keep the mausoleum locked after repeating contacts from my lawyer asking them to do so. Mr. Covell sent you this letter as proof the mausoleum should be kept locked but I do not trust this to happen so I suppose I will have to check on that myself. This is just so wrong on so many levels. You can argue semantics all you wish but this boils down to the city renting out the cemetery as a rental hall! They can call it anything they wish, but this is a Halloween party! If it looks like a duck and quacks

like a duck, it's a duck! Last year, I did not solicit anyone to write letters to the newspaper "As the Public Sees It" column but many did stating how wrong the city was to allow such an event to occur there. Of course, the only letters in favor were written in rebuttal by that group. There was also an editorial in the paper stating that the city should reconsider this event in this location. I would think with all the bad press, the city would give granting this group another chance at this event another thought. They wear ghoulish makeup on their faces, they have music and refreshments—again—if it walks like a duck and quacks like a duck, it's a duck!

My parents resided in the City of Muskegon most of their adult lives and I feel their final resting place deserved more respect from you than what it is receiving if you continue to allow this event to be held there.

There was no compromise!! In fact, Mr. Freeman argued to use the mausoleum this year saying some famous doctor is interred there where last year, his letter to the paper said he only entered it to warm up. Even this angered me as the mausoleum is no warming shed!!

I urge you to reconsider allowing this event to be held. If rules and regulations do not prohibit it, I ask that you seek to change them. This was why I came to the meeting but no such offer was made. I am not done with this. I will fight to keep the sanctity of many people's final resting place even if I have to go to Channel 8 On Your Side! This has opened the door for many events to occur there that would be totally inappropriate. You have "opened a can of worms" by allowing this to occur.

Sincerely,

Nancy Medema

Assessor/Equalization
(231)724-6708
FAX: (231)726-5181

Cemetery Department
(231)724-6783
FAX: (231)726-5617

City Manager
(231)724-6724
FAX: (231)722-1214

Civil Service
(231)724-6716
FAX: (231)724-4405

Clerk
(231)724-6705
FAX: (231)724-4178

Community and
Neigh. Services
(231)724-6717
FAX: (231)726-2501

Computer Info.
Systems
(231)724-6744
FAX: (231)722-4301

Engineering Dept.
(231)724-6707
FAX: (231)727-6904

Finance Dept.
(231)724-6713
FAX: (231)724-6768

Fire Dept.
(231)724-6792
FAX: (231)724-6985

Income Tax
(231)724-6770
FAX: (231)724-6768

Inspection Services
(231)724-6715
FAX: (231)728-4371

Leisure Services
(231)724-6704
FAX: (231)724-1196

Mayor's Office
(231)724-6701
FAX: (231)722-1214

Planning/Zoning
(231)724-6702
FAX: (231)724-6790

Police Department
(231)724-6750
FAX: (231)722-5140

Public Works Dept.
(231)724-4100
FAX: (231)722-4188

Treasurer's Office
(231)724-6720
FAX: (231)724-6768

Water Billing Dept.
(231)724-6718
FAX: (231)724-6768

Water Filtration
(231)724-4106
FAX: (231)755-5290



West Michigan's Shoreline City

July 5, 2012

David P. Covell
Attorney at Law
900 Third Street Ste 301
Muskegon MI 49440

Re: Evergreen Cemetery/Harbor Unitarian Universalist Congregation

Dear Mr. Covell:

I am in receipt of your letter dated July 2, 2012, regarding the above matter and your client, Nancy Medema. I thank the two parties for working on this issue and appreciate the fact that they have come to an agreement. If there is a request for such an event this year and if the city grants its permission, we presume the church will honor its commitment.

Sincerely,

CITY OF MUSKEGON

Bryon L. Mazade
City Manager

BLM/pb

Cc: Reverend Bill Freeman, Harbor Unitarian Universalist Church
City Commission
Cathy Brubaker-Clarke, Director of Planning/Economic Development
Mohammed Al-Shatel, Director of Public Works
Jeff Lewis, Director of Public Safety

pb\BLM COVELL, EVRGRN CEM TOUR 070512

City of Muskegon, 933 Terrace Street, P.O. Box 536, Muskegon, MI 49443-0536
www.shorelinecity.com

LAW OFFICE OF
DAVID P. COVELL, PLLC

900 Third Street, Suite 301
Muskegon, Michigan 49440
(231) 727-3108 voice
(231) 726-6701 fax

RECEIVED

JUL 03 2012

MUSKEGON
CITY MANAGER'S OFFICE

July 2, 2012

City of Muskegon
Attn: Mr. Bryon Mazade, City Manager
933 Terrace St.
Muskegon, MI 49440

Re: Evergreen Cemetery/Harbor Unitarian Universalist Congregation

Dear Mr. Mazade:

I represent Mrs. Nancy Medema. As you may recall, last fall Mrs. Medema voiced opposition to the use of Evergreen Cemetery and the mausoleum by the Harbor Unitarian Universalist Congregation for a "Halloween Tour". Mrs. Medema finds that use deeply personally disturbing, does not believe it is appropriate, and believes that it dishonors the persons and the families of the persons who are interred in the cemetery/mausoleum.

Last fall, the council encouraged the parties to try to reach a resolution of the matter. Since then I have been working on behalf of my client to negotiate a resolution with Reverend Freeman of the Congregation. The two parties have reached a resolution based on the following conditions:

1. There will be a rehearsal day on Friday, October 26, 2012 from 5 to 8 p.m. which will not involve the public taking the "tour".
2. The event itself will take place on Saturday, October 27 between 5 and 8 p.m.
3. The church members will refrain from wearing any costumes other than those which have historical relevance.
4. The church members will not use the interior of the mausoleum as part of the "tour". Members can respectfully show and tell visitors of the historical significance of the persons interred in the mausoleum but will not enter the mausoleum.
5. The church will be conservative in its advertisement of the event so it is clearly promoted as a historical tour and not a Halloween party. Any music played during the tour will be appropriate to a historical tour and not a Halloween party.

July 2, 2012
Page 2

Mrs. Medema's consent to this proposal should in no way be construed as her approval for the Congregation's use of the cemetery for its "tour". She continues to believe that it is disrespectful. However, in an attempt to limit what she considers inappropriate use of the cemetery/mausoleum, she has agreed to this proposal. She expects that the City will take whatever steps are necessary to insure that if the Congregation applies for its use of the cemetery/mausoleum, this year, or in future years, that these conditions will be enforced as part of that permit.

Thank you for your attention to this matter. If you have any questions please don't hesitate to contact my office.

Sincerely,

A handwritten signature in cursive script that reads "David P. Covell".

David P. Covell

cc: Client, Gary Santos, Reverend Freeman

srs

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners
FROM: Bryon L. Mazade, City Manager
DATE: September 5, 2012
RE: Inspection Services Contract

SUMMARY OF REQUEST:

To approve an agreement with Safe Built of Michigan, Inc. to provide inspection services to the City of Muskegon and to authorize the Mayor and Clerk to execute the contract at the discretion of City staff on or after October 5, 2012.

FINANCIAL IMPACT:

This contract will eliminate the costs associated with providing inspection services and generate revenues to the City.

BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

To approve the agreement with Safe Built of Michigan, Inc. and authorize the City staff to enter into the agreement at their discretion on or after October 5, 2012.

COMMITTEE RECOMMENDATION:

None

CITY OF MUSKEGON, MICHIGAN PROFESSIONAL SERVICES AGREEMENT

This Agreement for Professional Services ("Agreement") is entered into by and between the City of Muskegon, a Michigan municipal corporation, 933 Terrace Street, Muskegon, MI 49440, ("City") and Safe Built of Michigan, Inc., ("SAFEbuilt"), licensed to do business in the State of Michigan, whose address is 200 East Big Beaver Road, Troy, Michigan 48083. City and SAFEbuilt are individually referred to as a "Party" and may be collectively referenced as the "Parties."

RECITALS AND REPRESENTATIONS

WHEREAS, the City has the responsibility under State laws and City Ordinance to adopt and enforce certain building codes and other ordinances, conduct inspections, review building plans, and conduct other professional services as described in this Agreement; and

WHEREAS, SAFEbuilt has represented to the City that it has substantial knowledge and experience in the interpretation and application of the City's adopted Code of Ordinances with regard to various building construction, including but not limited to, the inspection of buildings to determine compliance with State laws and City ordinances, which include building codes, the review of building plans and other building code services.

WHEREAS, SAFEbuilt represents that SAFEbuilt has the skill, ability, and expertise to perform the services described in this Agreement; and

WHEREAS, the City desires to engage SAFEbuilt to provide the services described in this Agreement subject to the terms and conditions of the Agreement.

NOW, THEREFORE, in consideration of the benefits and obligations of this Agreement, the Parties mutually agree as follows:

1.0 AGREEMENT

1.1 References to "SAFEbuilt" shall include any employees of SAFEbuilt, its contractors, subcontractors, independent contractors.

2.0 SERVICES

2.1 Services. As directed by and under the supervision of the Director of Public Safety, or his/her designee, SAFEbuilt shall provide the City with the services described in **Exhibit A** ("Scope of Services").

2.2 Building Official. City and SAFEbuilt agree to jointly hire the City's Building Official. Although jointly employed, City and SAFEbuilt agree City has no obligation to compensate the Building official in any way and that all compensation, fringe benefits, including retirement programs and insurance, shall be provided by SAFEbuilt. The Building Official shall report to the Director of Public Safety, but SAFEbuilt shall be fully responsible for training, overseeing, and managing the Building Official.

2.3 Incumbent Employees. SAFEbuilt is under no obligation to hire or retain current City of Muskegon employees. SAFEbuilt will hire the best candidate for the available positions. SAFEbuilt will interview all interested incumbent employees.

2.4 Changes to Services. The City may request a change or changes in the Services. Any changes to Services that are mutually agreed upon between the City and SAFEbuilt shall be made in writing which shall specifically designate any changes in compensation for the Services and be made an amendment to the Agreement after approval by City Commission. To be effective, any changes must be approved by City Commission, and signed by SAFEbuilt and the Mayor and City Clerk.

3.0 COMPENSATION

- 3.1 Commencement of Services. Following execution of this Agreement by both Parties and on the Effective Date of November 01, 2012, SAFEbuilt shall be authorized to commence performance of the Services subject to the requirements and limitations on compensation as provided by this Section 3.0 and its subsections. Prior to November 01, 2012 effective date, SAFEbuilt agrees to attend transition training provided by the City at no charge to the City. The purpose of this transition period is to allow SAFEbuilt to do what is necessary to become fully functional for the performance of services under this Agreement by November 01, 2012. During this transition period, SAFEbuilt may begin moving into a mutually acceptable space, to review with current staff procedure and policies; confer with the City's Information Technology Department to set up access to the City's BS&A software; and to take other actions that are mutually acceptable to both Parties to assure a smooth transition.
- 3.2 Compensation. SAFEbuilt shall receive 80% of all adopted building department fees that are collected by the City each month except the following: rental property and associated fees; tele-communication outlets; housing warrant inspections fees; property maintenance code approval fees. The City shall retain the remaining 20% of the fees.
- 3.3 Hourly Fees. Where a permit fee is not collected for the service performed or if SAFEbuilt is required by the City to perform any service not included as part of its Scope of Services outlined in **Exhibit A**, the City shall be responsible for the hourly rate listed in **Exhibit B**. That hourly rate includes pay rate, overhead, profit, travel necessary to perform the task and all other costs to SAFEbuilt. This hourly rate would also apply to any services for which a fee has been collected but the City has requested that services be performed by SAFEbuilt, when SAFEbuilt is required to perform any service not included as part of its Scope of Services outlined in **Exhibit A**.
- 3.4 Responsibility for Outstanding Permits. SAFEbuilt shall be responsible for reviewing all permits in the Building Department that have previously been submitted to the Building Department in which fees have already been paid. For those outstanding permits issued prior to November 01, 2012, SAFEbuilt shall be required to complete all work on those permits and inspections at a cost not to exceed \$40.00 per permit, providing no other large commercial work comes in between now and then, in which permit fees exceed \$5,000.00.
- 3.5 Collection of Fees. The Building Department, through SAFEbuilt, shall collect Building Department fees on behalf of the City.
- 3.5.1 No Reimbursable Expenses. No "reimbursable expenses" or other fee, cost, charge, or fee for the value or expense of any materials, goods, travel, mileage, depreciation, or other item related to the performance of the Services shall be paid by the City. Any cost, charge, fee, or expense incurred by SAFEbuilt in the performance of the Services shall be deemed a non-reimbursable cost and shall be borne by SAFEbuilt and shall not be billed or invoiced to the City and shall not be paid by the City.
- 3.5.2 Free or Reduced Cost Services. The Parties recognize and understand that the City is or may be required by law to waive inspection fees on a limited number of projects during a calendar year or may, at its discretion, waive or reduce inspection fees for certain projects that provide a substantial and direct public benefit (e.g., City owned buildings, inspection related to court cases or following up services directed by a court of law). The City shall notify SAFEbuilt of such circumstance(s) at the earliest opportunity and the City may request SAFEbuilt to perform building and inspection services at no cost or at a reduced cost.
- 3.5.3 Increases in Compensation or Addition of Reimbursable Expenses. Any increases or modification of compensation or the addition of a reimbursable expense(s) shall be subject to written amendment of this Agreement approved by City Commission and executed by both Parties.

- 3.6 Payment Processing. SAFEbuilt shall submit invoices and requests for payment in a form acceptable to the City. Invoices shall be submitted by the 15th of each month unless otherwise approved by this Agreement or in writing by the City. All invoices shall contain sufficient information to account for all SAFEbuilt time (or other appropriate measure(s) of work effort for the Services during the stated period of the invoice. Invoices shall be given to the Director of Public Safety with a computation of the fees received and a total amount on which the 80% payment request is based. The City shall have thirty (30) days from receipt of the invoice to issue payment to SAFEbuilt's corporate offices at: SAFEbuilt; 3755 Precision Drive, Suite 140; Loveland, CO 80538 unless there is a dispute as to the amount due and owing. If there is a dispute, the parties shall use the procedures set out in paragraph 3.7.
- 3.7 City's Dispute of Amount of Payment. The City may request additional information from SAFEbuilt substantiating any and all compensation sought by SAFEbuilt before accepting the invoice. When additional information is requested by the City, the City shall advise SAFEbuilt in writing, identifying the specific item(s) that are in dispute and giving specific reasons for any request for information. The City shall pay SAFEbuilt within thirty (30) days of the receipt of an invoice for any undisputed charges or, if the City disputes an item or invoice and additional information is requested, within thirty (30) days of acceptance of the item or invoice by the City following receipt of the information requested and resolution of the dispute. To the extent possible, undisputed charges within the same invoice as disputed charges shall be timely paid in accordance with this Agreement. Payment by the City shall be deemed made and completed upon hand delivery to SAFEbuilt or designee of SAFEbuilt or upon deposit of such payment in the U.S. Mail, postage pre-paid, addressed to SAFEbuilt.

4.0 SAFEBUILT'S GENERAL RESPONSIBILITIES

- 4.1 Reference to "SAFEbuilt" under this Section shall include SAFEbuilt employees, contractors, subcontractors, independent contractors, or anyone performing services under this Agreement for SAFEbuilt.
- 4.2 The City shall supply SAFEbuilt with individual identification badges ("ID badges") for each SAFEbuilt employee. The City shall have the discretion to determine the type, size and design for those ID badges. SAFEbuilt shall require that all employees have their ID badges visible to the public at all time while performing services under this Agreement. Lost ID badges shall be immediately reported to the Director of Public Safety.
- 4.3 SAFEbuilt shall provide to the City the work telephone numbers of all employees, including any mobile telephones that will be used while performing services under this Agreement.
- 4.4 The City shall provide copies and amendments of the City Code of Ordinances, Michigan State Building Codes, street maps or other relevant code books or materials to SAFEbuilt. These Code of Ordinances, Michigan State Codes, street maps and all other materials shall remain the property of the City and shall be returned into the City at the termination of this Agreement. SAFEbuilt shall become familiar with those codes and any unusual applications of those codes to City issues. SAFEbuilt is obligated to affirmatively request from the City such information that SAFEbuilt, based on SAFEbuilt's professional experience, should reasonably expect is available and which would be relevant to the performance of the Services.
- 4.5 SAFEbuilt shall perform the Services in accordance with this Agreement and shall promptly inform the City concerning ambiguities and uncertainties related to SAFEbuilt's performance that are not addressed by the Agreement.
- 4.6 SAFEbuilt shall employ a sufficient number of employees sufficiently experienced and knowledgeable to perform the Services in a timely and prompt manner and such employees shall at all times act in a professional, polite, and courteous manner to all persons regardless of the circumstances.

- 4.7 SAFEbuilt shall not allow employees, contractors, or subcontractors that are convicted of specific crimes to do work in the City. Those crimes include, but are not limited to, fraud, theft, criminal sexual conduct, assaultive or violent behavior, serious moral turpitude, gambling, prostitution, weapons violations, tax evasion, controlled substances, or excessive use of alcohol.
- 4.8 SAFEbuilt shall promptly comply with any written City request for the City or any of its duly authorized representatives to reasonably access and review any books, documents, and papers, other than SAFEbuilt's financial records, that are pertinent to SAFEbuilt's performance under this Agreement for the purpose of the City performing an audit, examination, or other review of the Services.
- 4.9 SAFEbuilt shall comply with all applicable federal, state and local laws, ordinances, regulations, and resolutions.
- 4.10 SAFEbuilt shall be responsible at SAFEbuilt's expense for obtaining, and maintaining in a valid and effective status, all licenses and permits necessary to perform the Services unless specifically stated otherwise in this Agreement. SAFEbuilt shall supply copies to the City of appropriate licenses and permits for any individual performing services under this Agreement.
- 4.11 If requested by the City, SAFEbuilt shall make the appropriate employees, contractors, subcontractors, agents and independent contractors available for court proceeding, as witnesses, expert witnesses or otherwise, instituted by or involving the City in either criminal or civil matters which involve services performed under this Agreement, including but not limited to, appearances at pre-trials, bench trials, jury trial and at all other times requested by the City.
- 4.12 SAFEbuilt shall make the appropriate employee, contractor, subcontractor, and independent contractor available for consultation with the Director of Public Safety and the City Attorney, or their designees, to discuss issues regarding litigation and/or matters of interest to City Commission or the public.

5.0 PERFORMANCE STANDARDS

- 5.1 In performing the Services, SAFEbuilt shall use that degree of care, skill, and professionalism ordinarily exercised under similar circumstances by members of the same profession practicing or performing the substantially same or similar services in the State of Michigan. SAFEbuilt represents to the City that SAFEbuilt is, and its employees performing such Services are, properly licensed and/or registered within the State of Michigan for the performance of the Services (if licensure and/or registration is required by applicable law) and that SAFEbuilt and employees possess the skills, knowledge, and abilities to competently, timely, and professionally perform the Services in accordance with this Agreement. In addition, more specific standards of SAFEbuilt performance are included within **Exhibit C**.
- 5.2 In a timely manner, SAFEbuilt shall inform the Director of Public Safety of all oral complaints and submit a copy of all written complaints it receives from third parties against any employee, contractor, subcontractor or independent contractor of SAFEbuilt to the Director of Public Safety and inform the Director of Public Safety of any responses to the complaint or of any actions taken.
- 5.3 The Parties mutually agree that SAFEbuilt's actions reflect on the reputation of the City. It is imperative to the City that SAFEbuilt treats the City and the public with the utmost fairness and respect. SAFEbuilt shall strictly comply with all the terms and conditions set out in this Agreement.

6.0 LEASING OF CITY PROPERTY - OFFICE SPACE

- 6.1 The City of Muskegon and SAFEbuilt shall execute and adhere to the obligations of a rental lease as outlined in **Exhibit D**.

7.0 USE OF CITY SOFTWARE

- 7.1 The City is licensed to use BS&A software for its Building Department permit programs. The City has obtained permission from BS&A to allow SAFEbuilt to have access to the City's BS&A software as long as that software is only used by SAFEbuilt to perform the services under this Agreement for the City. SAFEbuilt acknowledges that the license to use the BS&A software terminates with the termination of this Agreement.
- 7.2 SAFEbuilt shall provide an original signed statement from each of its employees acknowledging that he/she understands that the BS&A software is the sole property of BS&A and at no time may he/she download, copy, alter, or take other prohibited actions regarding that software. SAFEbuilt is permitted to use standard City software loaded on the City's computers leased under Section 7, for example, Microsoft Office and Outlook email. SAFEbuilt's right to use the software applies only to work performed for the City and any rights to that software ceased upon their termination by SAFEbuilt and/or the termination of the Agreement.
- 7.3 SAFEbuilt agrees to defend, pay on behalf of, indemnify, and hold harmless the City, its elected and appointed officials, employees, and volunteers against any claims, demands, suits or loss, and for any damages which may be asserted, claimed or recovered against or from the City, its elected and appointed officials, employees or volunteers by reason of any allegation of illegal use or misuse of BS&A software or a violation of the licensing agreement by SAFEbuilt.

8.0 MISCELLANEOUS INVENTORY & SUPPLIES

- 8.1 SAFEbuilt shall supply all of its own office supplies and materials, including, but not limited to, postage, paper, envelopes, letterhead and business cards. Any inventory or supplies not specifically set out in this Agreement as included in any lease, rental or use provisions shall be the responsibility of SAFEbuilt. Any time SAFEbuilt uses the name "City of Muskegon" or the City logo on letterhead, documents, envelopes, business cards, or other printed materials, it must also include a SAFEbuilt designation approved by the City.

9.0 TERM AND TERMINATION

- 9.1 Term. This Agreement shall be effective on the November 01, 2012, (the "Effective Date") and shall terminate on October 31, 2015. At the end of the three (3) year period, and upon mutual agreement of the parties as approved by City Commission, this Agreement may be renewed for up to a two (2) year period. This Agreement may also be terminated as provided in paragraph 9.3.
- 9.2 Continuing Services Required. SAFEbuilt shall perform the Services in accordance with this Agreement commencing on the Effective Date until such Services are terminated or suspended in accordance with this Agreement. SAFEbuilt shall not temporarily delay, postpone, or suspend the performance of the Services without the written consent of the City Commission, City Manager, or a person expressly authorized in writing to direct SAFEbuilt's services.
- 9.3 City Unilateral Termination. This Agreement may be terminated by the City for any or no reason upon written notice delivered to SAFEbuilt at least ninety (90) days prior to termination. In the event of the City's exercise of the right of unilateral termination as provided by this paragraph:
- 9.3.1 Unless directed to continue performing work during the ninety (90) day period prior to termination or unless otherwise provided in any notice of termination, SAFEbuilt shall provide no further services in connection with this Agreement after receipt of a notice of termination; and
 - 9.3.2 All finished or unfinished documents, data, studies and reports prepared by SAFEbuilt pursuant to this Agreement shall be delivered by SAFEbuilt to the City and shall become the property of the City; and

9.3.3 SAFEbuilt shall submit to the City a final accounting and final invoice of charges for all outstanding and unpaid Services and reimbursable expenses performed prior to SAFEbuilt's receipt of notice of termination and for any services authorized to be performed by the notice of termination as provided by Section 9.3. Such final accounting and final invoice shall be delivered to the City within thirty (30) days of the date of termination; thereafter, no other invoice, bill, or other form of statement of charges owing to SAFEbuilt shall be submitted to or accepted by the City.

9.4 Termination for Non-Performance. Should a Party to this Agreement fail to materially perform in accordance with the terms and conditions of this Agreement, this Agreement may be terminated by the performing Party if the performing Party first provides written notice to the non-performing Party which notice shall specify the non-performance, provide both a demand to cure the non-performance and reasonable time to cure the non-performance, and state a date upon which the Agreement shall be terminated if there is a failure to timely cure the non-performance. For purpose of this Section 9.4, "reasonable time" shall be not less than five (5) business days. In the event of a failure to timely cure a non-performance and upon the date of the resulting termination for non-performance, SAFEbuilt prepare a final accounting and final invoice of charges for all performed but unpaid Services and authorized reimbursable expenses. Such final accounting and final invoice shall be delivered to the City within fifteen (15) days of the date of termination; thereafter, no other invoice, bill, or other form of statement of charges owing to SAFEbuilt shall be submitted to or accepted by the City. Provided that notice of non-performance is provided in accordance with this Section 9.4, nothing in this Section 9 shall prevent, preclude, or limit any claim or action for default or breach of contract resulting from non-performance by a Party.

9.5 Unilateral Suspension of Services. The City may suspend SAFEbuilt's performance of the Services at the City's discretion and for any reason by delivery of written notice of suspension to SAFEbuilt which notice shall state a specific date of suspension. Upon receipt of such notice of suspension, SafeBuilt shall immediately cease performance of the Services on the date of suspension except: (1) as may be specifically authorized by the notice of suspension (e.g., to secure the work area from damage due to weather or to complete a specific report or study); or (2) for the submission of an invoice for Services performed prior to the date of suspension in accordance with this Agreement.

9.6 Reinstatement of Services Following City's Unilateral Suspension. The City may at its discretion direct SAFEbuilt to continue performance of the Services following suspension. If such direction by the City is made within (30) days of the date of suspension, SAFEbuilt shall recommence performance of the Services in accordance with this Agreement. If such direction to recommence suspended Services is made more than thirty-one (31) days following the date of suspension, SAFEbuilt may elect to: (1) provide written notice to the City that such suspension is considered a unilateral termination of this Agreement pursuant to Section 9.3; or (2) recommence performance in accordance with this Agreement; or (3) if suspension exceeded sixty (60) consecutive days, request from the City an equitable adjustment in compensation or a reasonable re-start fee and, if such request is rejected by the City, to provide written notice to the City that such suspension and rejection of additional compensation is considered a unilateral termination of this Agreement pursuant to Section 9.3. Nothing in this Agreement shall preclude the Parties from executing a written amendment or agreement to suspend the Services upon terms and conditions mutually acceptable to the Parties for any period of time.

9.7 Delivery of Notice of Termination. Any notice of termination permitted by this Section 9 and its subsections shall be deemed given as set out in Section 15.13 of this Agreement titled "Notices".

10.0 INSURANCE

10.1 Insurance Generally. SAFEbuilt shall obtain and shall continuously maintain during the term of this Agreement insurance of the kind and in the amounts specified as follows:

The Contactor shall secure and maintain the following ("Required Insurance"):

Worker's compensation insurance to cover obligations imposed by applicable law for any employee engaged in the performance of work under this Agreement, and Employer's Liability insurance with minimum limits of one hundred thousand dollars (\$100,000) each accident, five hundred thousand dollar (\$500,000) disease -policy limit, and one hundred thousand dollars (\$100,000) disease- each employee. Evidence of qualified self-insured status may be substituted for the worker's compensation requirements of this paragraph.

Commercial general liability insurance with minimum combined single limits of one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) general aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent Corporations, an Annual Contract Aggregate Limit endorsement, and products and completed operations. The policy shall contain a severability of interest provision, and shall be endorsed to include the Municipality including Architects and Engineers, all elected and appointed officials, all employees and volunteers, boards, commissions and/or authorities and their board members, employees, and volunteers as additional insured. No additional insured endorsement shall contain any exclusion for bodily injury or property damage arising from completed operations.

Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than of One Million Dollars (\$1,000,000.00) each occurrence with respect to each of SAFEbuilt's owned, hired and non-owned vehicles assigned to or used in performance of the Services. The policy shall contain a severability of interest's provision. Such insurance coverage must extend to all levels of subcontractors. Such coverage must include all automotive equipment used in the performance of the Agreement, both on the work site and off the work site, and such coverage shall include non-ownership and hired cars coverage. Such insurance shall be endorsed to name the City as Certificate Holder and name the City, and its elected officials, officers, employees and agents as additional insured parties.

Professional Liability (errors and omissions) Insurance with a minimum limit of coverage of One Million Dollars (\$1,000,000) per claim and annual aggregate. Such policy of insurance shall be obtained and maintained for one (1) year following completion of all Services under this Agreement. Such policy of insurance shall be endorsed to include the City as a Certificate Holder.

The Required Insurance shall be procured and maintained with insurers licensed and admitted in Michigan with an A- or better rating as determined by Best's Key Rating Guide. All Required Insurance shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by SAFEbuilt.

10.2 Additional Requirements for All Policies. In addition to specific requirements imposed on insurance by this Section 10 and its subsections, insurance shall conform to all of the following:

10.2.1 Insurance carried or obtained by the City, its officers, or its employees shall be in excess of and not contributory insurance to that provided by SAFEbuilt; provided, however, that the City shall not be obligated to obtain or maintain any insurance whatsoever for any claim, damage, or purpose arising from or related to this Agreement and the Services. SAFEbuilt shall not be an insured party for any City-obtained insurance policy or coverage.

10.2.2 SAFEbuilt shall be solely responsible for any deductible losses for Required Insurance.

10.2.3 No policy of insurance shall contain any exclusion for bodily injury or property damage arising from completed operations.

10.2.4 Every policy of insurance shall provide that the City will receive notice no less than thirty (30) days prior to any cancellation, termination, or a material change in such policy.

10.3 Failure to Obtain or Maintain Insurance. SAFEbuilt's failure to obtain and continuously maintain policies of insurance in accordance with this Section 10 and its subsections shall not limit, prevent, preclude, excuse, or modify any liability, claims, demands, or other obligations of SAFEbuilt arising from performance or non-performance of this Agreement. Failure on the part of SAFEbuilt to obtain and continuously maintain policies providing the required coverage, conditions, restrictions, notices, and minimum limits shall constitute a material breach of this Agreement upon which the City may immediately terminate this Agreement, or, at its discretion, the City may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the City shall be repaid by SAFEbuilt to the City immediately upon demand by the City, or at the City's sole discretion, the City may offset the cost of the premiums against any monies due to SAFEbuilt from the City pursuant to this Agreement.

10.4 Insurance Certificates. Prior to commencement of the Services, SAFEbuilt shall submit to the City certificates of insurance for all Required Insurance. Insurance limits, term of insurance, insured parties, and other information sufficient to demonstrate conformance with this Section 10 and its subsections shall be indicated on each certificate of insurance. Certificates of insurance shall reference SAFEbuilt / Building Inspection Services. The City may request and SAFEbuilt shall provide within ten (10) business days of such request a current certified copy of any policy of Required Insurance and any endorsement of such policy. The City may, at its election, withhold payment for Services until the requested insurance policies are received and found to be in accordance with the Agreement.

11.0 OWNERSHIP OF DOCUMENTS

11.1 Any work product, materials, and documents produced by SAFEbuilt pursuant to this Agreement shall be and remains property of the City and shall not be made subject to any copyright unless authorized by the City. SAFEbuilt hereby assigns to the City the copyright to all works prepared, developed, or created pursuant to the Services outlined in this Agreement, including the rights to: (1) reproduce the work; (2) prepare derivative works; (3) distribute copies to the public by sale, rental, lease, or lending; (4) perform the works publicly; and (5) to display the work publicly. SAFEbuilt waives its rights to claim authorship of the works, to prevent its name from being used in connection with the works, and to prevent distortion of the works.

Other materials, methodology and proprietary work used or provided by SAFEbuilt to the City not specifically created and delivered pursuant to the Services outlined in this Agreement may be protected by a copyright held by SAFEbuilt and SAFEbuilt reserves all rights granted to it by any copyright. The City shall not reproduce, sell, or otherwise make copies of any copyrighted material, subject to the following exceptions: (1) for exclusive use internally by City staff and/or employees; or (2) pursuant to a request under the Michigan Freedom of Information Act, MCL 15.231 et. seq., or any Federal open records act, to the extent that such statutes apply; or (3) pursuant to law, regulation, or court order. SAFEbuilt waives any right to prevent its name from being used in connection with the Services.

11.2 SAFEbuilt will be provided with a copy of the City's Freedom of Information Act ("FOIA") policy. The City is responsible for responses to FOIA requests and SAFEbuilt shall not directly respond to any third parties regarding any received FOIA requests. Upon receipt of a FOIA request, SAFEbuilt shall immediately give that request to the City Clerk. SAFEbuilt shall provide specific information requested by the City for response to the FOIA request by the date and time requested by the City Clerk or in a specific format if so requested by the City Clerk.

11.3 If SAFEbuilt receives a claim for damages, a Summons or Complaint, a subpoena or other document concerning a request for money damages, a threat of a law suit, or any court action proceeding, SAFEbuilt shall immediately hand deliver these documents to the City Clerk.

12.0 INDEPENDENT CONTRACTOR.

12.1 SAFEbuilt shall perform the Services as an independent contractor and shall not be deemed by virtue of this Agreement to have entered into any partnership, joint venture, employer/employee or other relationship with the City other than as a contracting party and independent contractor. City and SAFEbuilt agree to jointly hire the City's Building Official. Although jointly employed, City and SAFEbuilt agree City has no obligation to compensate the Building official in any way and that all compensation, fringe benefits, including retirement programs and insurance, shall be provided by SAFEbuilt. The Building Official shall report to the Director of Public Safety, but SAFEbuilt shall be fully responsible for training, overseeing, and managing the Building Official. The City shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for SAFEbuilt or SAFEbuilt's employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to: local, state, or federal income or other tax contributions; insurance contributions (e.g., FICA); workers' compensation; disability, injury, or health; professional liability insurance, errors and omissions insurance; or retirement account contributions.

13.0 CONFLICT OF INTEREST

13.1 SAFEbuilt shall refrain from providing services to other persons, firms, or entities that would create a conflict of interest for SAFEbuilt with regard to providing the Services pursuant to this Agreement. SAFEbuilt shall not offer or provide anything of benefit to any City official or employee that would place the official or employee in a position of violating the public trust as provided under the City Charter, City Code of Ordinance, state or federal statute, case law or ethical principles.

14.0 REMEDIES

14.1 In addition to any other remedies provided for in this Agreement, and without limiting its remedies available at law, the City may exercise the following remedial actions if SAFEbuilt substantially fails to perform the duties and obligations of this Agreement. Substantial failure to perform the duties and obligations of this Agreement shall mean a significant, insufficient, incorrect, or improper performance, activities or inactions by SAFEbuilt. The remedial actions include:

14.1.1 Suspend SAFEbuilt's performance pending necessary corrective action as specified by the City without SAFEbuilt's entitlement to an adjustment in any charge, fee, rate, price, cost, or schedule; and/or

14.1.2 Withhold payment to SAFEbuilt until the necessary services or corrections in performance are satisfactorily completed; and/or

14.1.3 Deny payment for those services which have not been satisfactorily performed, and which, due to circumstances caused by SAFEbuilt, cannot be performed, or if performed would be of no value to the City; and/or

14.1.4 Terminate this Agreement in accordance with this Agreement.

The foregoing remedies are cumulative and the City, in its sole discretion, may exercise any or all of the remedies individually or simultaneously.

15.0 MISCELLANEOUS PROVISIONS

- 15.1 No Waiver of Rights. A waiver by any Party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either Party. The City's approval or acceptance of, or payment for, services shall not be construed to operate as a waiver of any rights or benefits to be provided under this Agreement. No covenant or term of this Agreement shall be deemed to be waived by the City except in writing signed by the City Commission or by a person expressly authorized to sign such waiver by resolution of the City Commission of the City and any written waiver of a right shall not be construed to be a waiver of any other right or to be a continuing waiver unless specifically stated.
- 15.2 No Waiver of Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to the City, its officials, employees, contractors, agents, volunteers or any other person acting on behalf of the City and, in particular, governmental immunity afforded or available pursuant to the Michigan Governmental Immunity Act, MCL 691.1401, et. seq.
- 15.3 Affirmative Action. SAFEbuilt will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. SAFEbuilt will take affirmative action to ensure applicants are employed, and employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 15.4 Binding Effect. The Parties agree that this Agreement, by its terms, shall be binding upon the successors, heirs, legal representatives, and assigns.
- 15.5 No Third Party Beneficiaries. Nothing contained in this Agreement is intended to or shall create a contractual relationship with, cause of action in favor of, or claim for relief for, any third party, including any agent, sub-consultant or subcontractor of SAFEbuilt. Absolutely no third party beneficiaries are intended by this Agreement. Any third-party receiving a benefit from this Agreement is an incidental and unintended beneficiary only.
- 15.6 Governing Law, Venue, and Enforcement. This Agreement shall be governed by and interpreted according to the law of the State of Michigan. Venue for any action arising under this Agreement shall be in the County of Muskegon. If there is any conflict between the language of this Agreement and any exhibit or attachment, the language of this Agreement shall govern.
- 15.7 Survival of Terms and Conditions. The Parties understand and agree that all terms and conditions of the Agreement that require continued performance, compliance, or effect beyond the termination date of the Agreement shall survive such termination date and shall be enforceable in the event of a failure to perform or comply.
- 15.8 No Assignment. Neither Party shall assign all or part of the rights, duties, obligations, responsibilities, or benefits set forth in this Agreement to another party or entity.
- 15.9 Paragraph Captions. The captions of the paragraphs are set forth only for the convenience and reference of the Parties and are not intended in any way to define, limit or describe the scope or intent of this Agreement.
- 15.10 Integration and Amendment. This Agreement represents the entire and integrated agreement between the City and SAFEbuilt and supersedes all prior negotiations, representations, or agreements, either written or oral, unless specified herein. Any amendments to this must be in writing and be signed by both the City and SAFEbuilt.

15.11 Severability. Invalidation of any of the provisions of this Agreement or any paragraph sentence, clause, phrase, or word herein or the application thereof in any given circumstance shall not affect the validity of any other provision of this Agreement.

15.12 Incorporation of Exhibits. Unless otherwise stated in this Agreement, exhibits, applications, or documents referenced in this Agreement shall be incorporated into this Agreement for all purposes. In the event of a conflict between any incorporated exhibit and this Agreement, the provisions of this Agreement shall govern and control.

15.13 Notices. Unless otherwise specifically required by a provision of this Agreement any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified mail or registered mail, postage and fees prepaid, addressed to the Party to whom such notice is to be given at the address set forth below or at such other address as has been previously furnished in writing, to the other Party. Such notice shall be deemed to have been given when deposited in the United States Mail properly addressed to the intended recipient.

If to the City: Director of Public Safety City of Muskegon PO Box 536 / 933 Terrance Street Muskegon, MI 49440	If to SAFEbuilt: Mike McCurdie, President SAFEbuilt Corporate Offices 3755 Precision Drive, Suite 140 Loveland, CO 80538
With Copy to: John C. Schrier Parmenter O-Toole Attorneys at Law 601 Terrace Street Muskegon, MI 49440	With Copy to: David Thomsen, Vice President SAFEbuilt Corporate Offices 3755 Precision Drive, Suite 140 Loveland, CO 80538

16.0 SPECIAL PROVISIONS

16.1 Indemnification and Hold Harmless. To the fullest extent permitted by law, SAFEbuilt agrees to defend, pay on behalf of, indemnify, and hold harmless the City its elected and appointed officials, employees and volunteers and others working on behalf of the City against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City, its elected and appointed officials, employees, volunteers or others working on behalf of the City, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof which arises out of or is in anyway connected or associated with this Agreement. The City shall indemnify SAFEbuilt from any claims against SAFEbuilt resulting from the gross negligence of the City. At no time does the City waive its right to governmental immunity.

16.2 Force Majeure. Neither SAFEbuilt nor the City shall be liable for any delay in, or failure of performance of, any covenant or promise contained in this Agreement, nor shall any delay or failure constitute default or give rise to any liability for damages if, and only to extent that, such delay or failure is caused by "force majeure." As used in this Agreement, "force majeure" means acts of God, acts of the public enemy, unusually severe weather, fires, floods, epidemics, quarantines, strikes, labor disputes and freight embargoes, to the extent such events were not the result of, or were not aggravated by, the acts or omissions of the non-performing or delayed party.

16.3 Authority. The individuals executing this Agreement represent that they are expressly authorized to enter into this Agreement on behalf of City and SAFEbuilt and bind their respective entities.

THIS AGREEMENT is executed and made effective as provided above.

City of Muskegon, MI

Safe Built Michigan, Inc.

Signature

Signature

Name: _____

Name: _____

Title: _____

Title: _____

Date: ____/____/____

Date: ____/____/____

ATTEST Signature

Name / Title

Date: ____/____/____

EXHIBIT A: Scope of Services

Administrative Services

- ✓ Provide onsite administrative staff
- ✓ Provide permit counter intake during City Hall business hours
- ✓ Inform applicant when submitting plans of what the maximum amount of time it will be to first comments and also the estimated time to first comments and/or completion
- ✓ Answer all application questions at the counter or over the phone and provide ongoing communication as needed
- ✓ Review and provide handouts at the counter
- ✓ Administer the City of Muskegon contractor registration program
- ✓ Provide input, tracking, and reporting using the City's current system (BS&A) – or if requested SAFEbuilt's building department software
- ✓ Implement performance measurements to ensure agreed upon service levels
- ✓ Provide scheduling support to inspection staff
- ✓ Prepare reports within mutually agreed upon timeframes and frequencies
- ✓ Follow up on complaints and provide resolution
- ✓ Provide a minimum of 2 community partner educational workshops per contract year. Such as small business, homeowner deckfinish, homeowner basement finish workshops
- ✓ Provide a minimum of 2 community partner scholarships at \$500 each per contract year
- ✓ Provide emergency disaster response as it relates to building code – available via cell phone after hours

Building Department Services

- ✓ Monitor and enforce adopted building codes, related codes, and amendments
- ✓ Demonstrate experience and applied knowledge in the aspects of plan review and building and construction inspections related to historic structures
- ✓ Document areas of non-compliance using written records, electronic communications, photographs or other appropriate means
- ✓ Provide training for our inspectors on City of Muskegon ordinances and amendments
- ✓ Manage and pay for CEU training required to maintain Act 54 compliance
- ✓ Be available for meetings as requested – including representing the City at HBOA meetings as needed
- ✓ Go through existing records, provide clean up, and then make sure department is facilitating the proper retention of records in accordance with adopted retention schedules on an ongoing basis
- ✓ Work in partnership with the City of Muskegon staff to pursue the City providing building code compliance and consulting services to the local school districts, local community colleges and local colleges as allowed by all applicable regulations
- ✓ Work with the City Clerk to facilitate Freedom of Information Act (FOIA) requests
- ✓ Report directly to the position of Director of Public Safety

Plan Review Services

- ✓ Accept and perform plan review
- ✓ Work with the applicant on submittal requirements in order to ensure the process is not held up for minor issues
- ✓ Examine all commercial and residential projects including drawings, specifications, computations, and additional data
- ✓ Determine if plans conform to the required strengths, stresses, strains, loads, and stability of adopted building codes, local amendments, and all other pertinent laws and ordinances
- ✓ Perform the following reviews: building code, accessibility, mechanical, electrical, plumbing, use and occupancy classification, general building heights and areas, construction type, means of egress, accessibility, energy code, and foundation
- ✓ Be available for pre-submittal meetings in order to help facilitate the timeliness of reviews and the completeness of submittals
- ✓ Coordinate plan review tracking, reporting, and interaction with applicable departments
- ✓ Add resources as needed to keep reviews on schedule and provide needed expertise
- ✓ Review all revisions and be available for consultation after review is completed

Inspection Services

- ✓ Coordinate all inspection requests
- ✓ Offer the option of having the inspection performed in the morning or the afternoon – am/pm inspections
- ✓ Offer a two hour inspection window to homeowners along with a 30 minute call ahead notification
- ✓ Perform inspections of residential and nonresidential buildings to determine that construction activity complies with approved plans, applicable codes and ordinances
- ✓ Perform all inspections as per adopted building codes and local amendments including liquor license inspections and coordination with Fire Marshall as warranted
- ✓ Provide onsite inspection consultations to citizens and contractors
- ✓ Observe safety and security procedures and report potentially unsafe conditions
- ✓ Identify and document any areas of non-compliance and suggest alternate means
- ✓ Notify appropriate jurisdiction staff when we observe code violations
- ✓ Perform work associated with abatement of dangerous buildings as allowed by adopted ordinance and state law
- ✓ Process and deliver stop-work notices for non-conforming building activities – as approved by the Building Official
- ✓ Leave a copy of the inspection notice with appropriate site personnel – as approved by the Bldg. Official

Administrative Support/Permit Technician Services

- ✓ Provide a qualified team member to facilitate the permitting process from initial permit intake to final issuance of permit
- ✓ Determine and collect fees if desired by the City of Muskegon
- ✓ Provide inspection scheduling and tracking to ensure code compliance
- ✓ Provide customer service
- ✓ Process permits that require minimal or no plan review at time of submittal as approved by the Building Official
- ✓ Respond to citizen complaints and communicate effectively with citizens to minimize impact of building activities on the public and neighborhoods

Existing Open Permits

SAFEbuilt will appropriately close any permits that remain open at the time of service changeover. SAFEbuilt will final open permits at a rate of \$40.00 per permit – to be billed when closed.

SAFEbuilt Provides

SAFEbuilt would propose leasing office space from the City of Muskegon and will provide:

- ✓ Vehicles, vehicle maintenance, and insurance
- ✓ All hiring expenses
- ✓ Ongoing training and certification of employees
- ✓ Office supplies and business papers
- ✓ All office furniture and equipment –including copier and desk phones.
- ✓ Office computer hardware and software
- ✓ Cell phones and usage

City Provided Location & Equipment

City of Muskegon will:

- ✓ Provide the former Leisure Service for lease to SAFEbuilt at the rate of \$1000 per month. This lease rate includes all utilities except for land lines for phone.
- ✓ Provide phone land lines and bill SAFEbuilt at actual cost with no markup these can be included in the lease for space at actual cost per line
- ✓ Allow SAFEbuilt to service other W. Michigan communities from the leased space within City Hall
- ✓ Negotiate in good faith with regard to selling and/or include in the lease for space; existing cubicle dividers, desks, file cabinets, shelves, tables, floor mats and wall document holders that are currently in the Leisure Services space
- ✓ Absorb costs associated with the electronic storage of department permit and inspection records – SAFEbuilt will facilitate the conversion and storage process

EXHIBIT B: Fee Schedule

SAFEbuilt does not utilize a company-wide fee schedule. A majority of our fees are based on an appropriate percentage of the jurisdictions adopted fee schedule for services being provided by SAFEbuilt. SAFEbuilt proposes services to be performed at the following rates. SAFEbuilt's fees are all inclusive with no separate billing for:

- Wages/Benefits
- Mileage/Vehicle Expense
- Materials
- Disbursement (copying, telephone rates, courier services)

Fee Schedule

SAFEbuilt will work to close all open permits at the rate of \$40.00 per permit – billed monthly when closed

Building Department Related Fees – 80% of all adopted building department fees

Except the following:

- Rental property and associated fees
- Tele- communication outlets
- Housing Warrant Inspection Fees
- Property Maintenance code approval

Liquor License Inspection & Re-Inspection Fees – 80% of fee

Hourly Rate Fee - \$70.00 (see Section 3.3)

Annual Volume Discount Incentive

SAFEbuilt will offer the following incentive program to the City of Muskegon. This program is designed to encourage surrounding communities to share building department and related services with SAFEbuilt as the provider. Discounts are given to all participating communities based on volume of activity for each fiscal year (July 1st – June 30th). Activity and associated revenue will be evaluated yearly and the appropriate discount will be applied to the following year's fees.

- Annual Revenue of \$ 0.00 - \$ 500,000 - 0% Discount
- Annual Revenue of \$ 500,000 - \$ 750,000 – 2.5% Discount
- Annual Revenue of \$750,000 - \$1,000,000 – 5% Discount
- Annual Revenue of \$ 1,000,000 – plus – 10% Discount

EXHIBIT C: Performance Standards

We use a number of performance measures to gauge the effectiveness of our systems and the efficiency of our staff. The most visible of quantitative measures are the following:

Area	Performance Measurement	Goal	Comments
Overall Department	Customer Service Ratings	100% satisfaction	SAFEbuilt will utilize customer service surveys to determine if department activity is satisfactory for the end user and to identify areas of strengths and areas that need improvement.
Administrative Support	Percentage of walk-ins experiencing counter wait times of less than 10 minutes	100%	A front counter log will be reviewed each month to ensure that any customer requests or issues are handled quickly and effectively so as not to be an inconvenience. The data will be compiled into a report.
Administrative Support	Percentage of phone inquiries/information requests/complaints handled within 24 hours	100%	Inquiries and complaints from walk-in traffic, emails and phone calls will be tracked and compiled into a report.
Plan Review	Residential (IRC) plan reviews – maximum time to first comment is 5 business days.	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The 5 business day's time frame is a maximum time to comments. All plans will be reviewed on an As Soon As Possible (ASAP) basis. Estimated time to completion will be communicated to applicant.
Plan Review	Multi-family plan reviews maximum time to first comments is 10 business days. Maximum time to second comments is 5 business days	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The 10 and 5 business day's time frames are a maximum time to comments. All plans will be reviewed on an As Soon As Possible (ASAP) basis. Estimated time to completion will be communicated to applicant.
Plan Review	Small Commercial (<\$5M in valuation) plan reviews first comments within 10 business days/second comments 5 business days	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The 10 and 5 business day's time frames are a maximum time to comments. All plans will be reviewed on an As Soon As Possible (ASAP) basis. Estimated time to completion will be communicated to applicant.
Plan Review	Large Commercial (>\$5M in valuation) plan reviews first comments within 15 business days/second comments 10 business days	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The 15 and 10 business day's time frames are a maximum time to comments. All plans will be reviewed on an As Soon As Possible (ASAP) basis. Estimated time to completion will be communicated to applicant.
Building and Trade Inspections	All inspections performed within 24 hours of request unless otherwise requested by applicant	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The maximum time to complete a scheduled inspection is 24 hours – this does not include non business days or City holidays.

EXHIBIT D: Lease Agreement

CITY OF MUSKEGON

Landlord

TO

SAFEBUILT MICHIGAN, INC.

Tenant

LEASE

Dated: November 01, 2012

**Premises in the City Hall Building
City of Muskegon
County of Muskegon
State of Michigan**

Suite – (Former Leisure Services Space)

LEASE

THIS LEASE, made November 01, 2012, between the City of Muskegon, a Michigan municipality (“Landlord” or “the City”) of 933 Terrace Street, Muskegon, Michigan, 49443, and SAFEbuilt Michigan, Inc., a Michigan foreign profit corporation (“Tenant”);

ARTICLE I DEFINITIONS

1.01 DEFINITIONS: As used herein the following terms and phrases shall have the meanings indicated:

- A. Commencement Date: November 01, 2012
- B. Term: The period of November 01, 2012 through October 31, 2015 ending at midnight of the last day.
- C. Rent Commencement Date: November 01, 2012.
- D. Demised Premises: Suite – (Former Leisure Services Space), which is N/A square feet of office space, located on the second floor within the building containing the City of Muskegon’s City Hall at 933 Terrace Street, Muskegon, Michigan, 49443. See Exhibit A, 2nd floor plan of City Hall, highlighting Demised Premises.
- E. Common Areas: All areas, spaces and improvements which Landlord makes available from time to time for the common use and benefit of Tenant, including, without limitation, customer parking spaces, roads, walkways, promenades, sidewalks, landscaped and planted areas, public rest rooms, and those portions of utility and sewer lines and systems and fire protection and sprinkler alarm systems serving the common use and benefit of Tenant.
- F. Landlord: The City of Muskegon, the owner of the fee of the Demised Premises.
- G. Requirements: All laws, statutes, ordinances (including, but not limited to, building codes and zoning regulations and ordinances), orders, rules, regulations and requirements of all federal, state, county and municipal governments, and the appropriate agencies, officers, departments, boards and commissions thereof, and the board of fire underwriters and/or the fire insurance rating organization or similar organization performing the same or similar functions, whether now or hereafter in force, applicable to the Building or any part thereof and/or the Demised Premises or the use or manner of use of the Building or any part thereof and/or the Demised Premises or the sidewalks and curbs adjacent thereto.
- H. The Building: The structure located at 933 Terrace Street, in which the Demised Premises are located and in which City of Muskegon City Hall is located.

ARTICLE II
DEMISE AND CONSTRUCTION

2.01 DEMISE. Upon and subject to the terms and conditions of this Lease, Landlord hereby leases to Tenant, and Tenant hereby hires from Landlord, the Demised Premises, for the Term. Tenant acknowledges that the dimensions, shape and location of the Demised Premises as described herein are approximate. Notwithstanding the foregoing, Landlord reserves exclusively to itself and Tenant shall have no right in and to (a) the use of the exterior faces of all perimeter walls, (b) the use of the roof, (c) the use of the land, improvements and space below the bottom of the lower floor slabs of the Demised Premises and above the interior surface of the ceiling of the Demised Premises, and (d) the use of the improvements and space above the highest ceiling of the Demised Premises. Landlord also reserves and Tenant shall have no right in and to the air rights above Tenant's office space.

2.02 CONSTRUCTION. Tenant shall accept the Demised Premises in their present "AS IS" condition and Landlord shall have no work to perform whatsoever with respect to the Demised Premises.

2.03 FURNITURE. Landlord shall provide any cubicle dividers, desks, file cabinets, shelves, tables, floor mates, and/or wall document holders that are existing in the Demised Premises on the Commencement Date. The use of the existing property shall be included in the Fixed Rent and be included as part of the Demised Premises. Landlord shall not provide any additional office furniture or equipment.

2.04 ACCEPTANCE OF DEMISED PREMISES. Tenant's occupancy of Suite – (Former Leisure Services Space) shall be conclusive evidence against Tenant as an admission that every part of the Demised Premises is accepted "as is". Landlord shall have no responsibility in any respect for damages to property of Tenant caused by water, flooding, waves or fluids of any nature or origin whatsoever. Tenant hereby waives any and all benefits or rights to which Tenant might become entitled by reason of any and all provisions of law that permit a tenant to make repairs at the expense of a landlord or to terminate a lease by reason of the condition of the Demised Premises.

ARTICLE III
FIXED RENT AND SECURITY

3.01 PAYMENT OF FIXED RENT. Commencing upon the Rent Commencement Date, Tenant shall pay rent at the monthly rate of \$1000.00, in advance of the first day of each month during the Term, except that if the Rent Commencement Date is not the first day of a month, Fixed Rent for the period commencing on the Rent Commencement Date and ending on the last day of the month in which the Rent Commencement Date occurs shall be apportioned on the basis of the number of days in said month as compared to 365 days and paid on the Rent Commencement Date. The Fixed Rent shall be paid promptly when due, in lawful money of the United States, without notice or demand and without deduction, abatement, counterclaim or setoff of any amount or for any reason whatsoever, to Landlord at the address of Landlord set forth at the head of this Lease or such other address as Landlord may designate or to such other person as Landlord may designate.

3.02 LATE CHARGES AND RETURN CHECK CHARGES. If payment of any Fixed Rent shall not have been paid by the date on which such amount was due and payable a late charge equal to the greater of (i) FIFTY DOLLARS (\$50.00) and (ii) one and one-half percent (1-1/2%) per calendar month or any part thereof (or the then maximum lawful interest rate, if less), from the date on which such amount was due, on the amount overdue shall, at the Landlord's option, be payable as damages for Tenant's failure to make prompt payment. In addition to any other penalties or remedies available to Landlord in the event of any late payment by Tenant, if any check in payment of any Fixed Rent is returned to Landlord by Tenant's bank by reason of insufficient funds, uncollected funds or otherwise, a return check administrative charge of FIFTY DOLLARS (\$50.00) shall be payable to Landlord by Tenant. The late charges and return check administrative charges for any month shall be payable the first day of the following month, and in default of payment of any such charges, Landlord shall have (in addition to all other remedies) the same rights as provided in this Lease for nonpayment of Rent. Landlord and Tenant agree that the foregoing late charges and return check administrative charges represent a reasonable estimate of the costs which Landlord will incur by reason of late payment by Tenant and returned checks, and are fair compensation to Landlord for its loss suffered by such late payment or returned check. Nothing in this Section contained and no acceptance of late charges by Landlord shall be deemed to extend or change the time for payment of Fixed Rent.

3.03 ACCORD AND SATISFACTION. No payment by Tenant or receipt by Landlord of any lesser amount than the amount stipulated to be paid hereunder shall be deemed other than on account of the earliest stipulated Fixed Rent nor shall any endorsement or statement on any check or letter be deemed an accord and satisfaction, and Landlord may accept any check or payment without prejudice to Landlord's right to recover the balance due or to pursue any other remedy available to Landlord.

3.04 SECURITY DEPOSIT: None required.

3.05 TAXES AND OTHER GOVERNMENT CHARGES. Tenant shall pay, before any penalty or interest attaches, to Landlord beginning on the Commencement Date, the amount of general property taxes, special taxes, lessee-user taxes, special assessments, and other governmental charges of any kind whatsoever levied or assessed against or with respect to the Premises at any time during the Term of this Lease which are attributable to an increase in taxable value of Landlord's property based upon Tenant's lease. Tenant shall pay, before any penalty or interest attaches, all personal property taxes levied or assessed against the personal property of Tenant located upon the Demised Premises, and all personal property taxes levied or assessed against any and all personal property included under the Fixed Rent, and shall, upon written request, furnish to Landlord duplicate receipts thereof. Tenant shall pay, before penalty or interest attaches, special assessments, income (including, any privilege or excise taxes based on gross revenue), and all other taxes levied on Tenant's business.

ARTICLE IV COMMON AREAS AND PARKING

4.01 MAINTENANCE OF AND CHANGES IN COMMON AREAS. Subject to the provisions of Section 7.04, Landlord will operate, manage, equip, light, repair and maintain, or cause to be operated, managed, equipped, lighted, repaired and maintained, the Common Areas for their intended purposes. Landlord reserves the right, at any time and from time to

time to make changes, additions, alterations or improvements in and to such Common Areas provided same shall not unreasonably block or interfere with Tenant's means of ingress or egress to and from the Demised Premises.

4.02 USE OF COMMON AREAS. Tenant and its licensees and their respective officers, employees, agents, customers and invitees, shall have the non-exclusive right, in common with Landlord and all others to whom Landlord has granted or may hereafter grant such rights. Landlord reserves the right, at any time and from time to time, to close temporarily all or any portions of the Common Areas for any of the following purposes when in Landlord's reasonable judgment any such closing is necessary or desirable: to make repairs or changes therein or to effect construction, repairs or changes, to prevent the acquisition of public rights in such areas, to protect or preserve persons or property and Landlord may do such other acts in and to the Common Areas as in its judgment may be desirable. While conducting business after regular business hours on weeknights or weekends, Tenant may access the public restrooms. Tenant's clients may be permitted to use the public restrooms but are not permitted to enter any other part of the City Hall building closed to the public after regular business hours on weeknights and weekends.

4.03 PARKING. Tenant and its officers, agents, and employees shall park their vehicles only in areas from time to time designated by Landlord as the areas for such parking. Tenant shall, upon written notice from Landlord, within five (5) days, furnish Landlord, or its authorized agent, the State automobile license tag number assigned to its vehicle or vehicles and the vehicles of all of its officers, agents and employees employed in the Demised Premises. Landlord, after notice to Tenant that Tenant or any of its officers, agents or employees are not parking in said designated parking areas or off-premises, as applicable, may, at its option, in addition to any other remedies it may have, tow away such vehicles at Tenant's expense.

ARTICLE V UTILITIES AND SERVICES

5.01 UTILITIES AND MECHANICAL MAINTENANCE. Landlord shall furnish heat, electricity and water/sewer utilities serving Tenant and charges for said utilities shall be included in the Fixed Rent. Tenant shall make all necessary arrangements for internet services and shall be responsible for all associated charges for said utilities. The City of Muskegon will provide phone land lines and bill SAFEbuilt Michigan, Inc. at actual cost with no markup. Separate telephone and internet lines are required for Tenant that shall not be connected to the telephone or internet systems used by City employees in the building.

5.02 MAIL. Tenant shall not receive mail at any City office within City Hall. Tenant's mail shall be delivered directly to its suite or Tenant may maintain a post office box.

ARTICLE VI USE AND ENJOYMENT OF DEMISED PREMISES

6.01 PERMITTED USES. Tenant shall use the Demised Premises solely for the purpose of conducting the business of SAFEbuilt Michigan, Inc. and Tenant shall not use or permit or suffer the use of the Demised Premises for any other purpose whatsoever. The City of

Muskegon will allow SAFEbuilt Michigan, Inc. to service other W. Michigan communities from the leased space within City Hall. Tenant shall not advertise its services by stating it conducts business in Muskegon City Hall or in any way suggest the City endorses Tenant's services because of this Lease agreement. Marketing brochures, business cards and all forms of advertising may state the address of the building of the Demised Premises but may not refer to "City Hall" so as to suggest a connection between SAFEbuilt Michigan, Inc. and the City beyond that of Tenant and Landlord. Tenant acknowledges that Muskegon City Hall is open to the public between the hours of 8:30 a.m. to 5:00 p.m. and for morning and evening meetings before or after those hours on certain days. Tenant acknowledges that on most weekends and holidays, City Hall is closed to the public. Tenant shall be provided with three (3) keys that open the outer doors of City Hall. Those keys are to be accounted for at all times and are not to be reproduced unless reproduced and replaced by the Landlord. Lost keys shall be immediately reported to the Public Safety Director. Tenant shall be liable for any and all damage and expenses resulting from the loss of any of the provided keys (including, but not limited to, necessary rekeying of any and all City Hall locks). Tenant shall instruct its employees of the importance of locking all outer doors to City Hall upon entering and leaving the building during hours when it is not open to the public. Tenant waives any claim or cause of action regarding the nonavailability of the office space during emergency periods when, due to electrical power outages, police or fire situations or acts of nature that City Hall remains closed to Tenant.

6.02 SIGNS. Tenant shall provide a suitable identification sign or signs of such size, design and character as Landlord shall designate and/or approve, and Tenant shall install same on the door to Suite – (Former Leisure Services Space). All costs of fabricating, constructing, installing, operating, maintaining and removing any and all such identification signs shall be borne by Tenant. Other than such permitted signs, Tenant shall not place or install, or permit or suffer to be placed or installed, or maintain, any sign upon or outside of the Demised Premises or in any part of the building unless approved by Landlord. Tenant shall not place, install or maintain, or permit or suffer to be placed, installed or maintained, on the exterior of the Demised Premises, any awning, canopy, banner, flag, pennant, aerial, antenna or the like, nor place or maintain on the interior or exterior of the glass of the windows or the doors of the Demised Premises any sign.

6.03 COMPLIANCE WITH LAWS. Tenant shall comply with the certificate of occupancy relating to the Demised Premises and with all Requirements. Without limiting the generality of the foregoing, Tenant shall not engage in any activity on or about the Demised Premises that violates any Requirement(s) pertaining to environmental laws or hazardous substances and shall take all investigatory and/or remedial action required by any governmental agency or applicable Requirements for cleanup and removal of any contamination involving any hazardous substance created or caused, directly or indirectly, by Tenant.

6.04 ACCESS TO PREMISES AND EXCAVATION. Landlord shall have the right to enter upon and in the Demised Premises at all reasonable times to examine the same and to make such repairs, alterations, improvements and additions in the Demised Premises as Landlord may deem necessary, and Landlord shall be allowed to take all materials into and upon the Demised Premises that may be required therefor without the same constituting an eviction of Tenant, in whole or in part, and the Fixed Rent shall in no way abate while such repairs, alterations, improvements or additions are being made by reason of loss or interruption of the business of Tenant due to the prosecution of any such work; provided, however, Landlord shall use reasonable efforts not to unreasonably interfere with or interrupt Tenant's business in

the Demised Premises, but in no event shall Landlord be required to incur any additional expense for work to be done during hours or days other than regular business hours and days.

6.05 MECHANICS' LIENS. Nothing contained in this Lease shall be deemed, construed or interpreted to imply any consent or agreement on the part of Landlord to subject Landlord's interest or estate to any liability under any mechanic's or other lien law. If any mechanic's or other lien or any notice of intention to file a lien is filed against the City, or the Demised Premises, or any part thereof, for any work, labor, services or materials claimed to have been performed or furnished for or on behalf of Tenant or anyone holding any part of the Demised Premises through or under Tenant, Tenant shall cause the same to be canceled and discharged of record by payment, bond or order of a court of competent jurisdiction within 20 days after the earlier to occur of (i) such lien or notice becoming of record or (ii) the giving of notice by Landlord to Tenant. Landlord shall have the right to post any notices of non-responsibility which Landlord may deem necessary for the protection of Landlord and Landlord's interest in the Demised Premises from mechanics' liens or liens of a similar nature; and Tenant shall, before the commencement of any work which might result in any such lien, give written notice to Landlord of its intention to do so in sufficient time to enable the posting of such notices.

ARTICLE VII ALTERATIONS, REPAIRS AND CHANGES

7.01 ALTERATIONS BY TENANT. Tenant shall not make or cause to be made any improvements, alterations, additions, changes, replacements or installations to the Demised Premises, or make any holes or cuts in the walls, ceilings, roofs, or floors thereof, or change the exterior color or architectural treatment of the Demised Premises, without on each occasion first obtaining the consent of Landlord, and if such consent is granted, Tenant shall carry such worker's compensation and general liability insurance and such other insurance as Landlord may require, naming Landlord as an additional insured. In no event whatsoever shall Tenant make any penetrations into the roof deck or the concrete slab or any fire wall without having obtained Landlord's prior written consent, which consent, it is expressly understood and agreed by Tenant may be given or withheld by Landlord in Landlord's sole and absolute discretion, and which consent may be expressly conditioned upon Landlord, at Tenant's sole cost and expense, performing such work on Tenant's behalf and/or overseeing the performance of such work by Tenant to Landlord's satisfaction. Tenant shall submit to Landlord plans and specifications for such work at the time Landlord's consent is sought. Any such improvements, alterations, additions, changes, replacements or installations will be performed in a good and workmanlike manner in accordance with the approved plans and specifications and in compliance with all Requirements and shall be performed and completed by Tenant in an expeditious manner. The cost of such improvements, alterations, additions, changes, replacements or installations shall be paid in cash or its equivalent so that the Demised Premises shall at all times be free of liens for work, labor, services or materials claimed to have been performed or furnished for or on behalf of Tenant or anyone holding any part of the Demised Premises through or under Tenant. All contractors and subcontractors performing work in or to the Demised Premises shall be approved by Landlord prior to the performance of any such work.

7.02 REPAIRS BY LANDLORD. Landlord shall make necessary structural repairs to the Demised Premises (but excluding windows and window frames, doors, plate glass, store fronts, showcases and signs) and shall keep in good condition and repair the foundations and

roof of the Demised Premises and those portions of the utility systems that are for common use. Landlord shall not be required to make any such repairs where same were caused or occasioned by any act, omission or negligence of Tenant, or licensees of Tenant, or any of their respective officers, employees, agents, customers, invitees or contractors. Landlord shall not be required to commence any such repair until notice shall be received from Tenant specifying the nature of the repair. The provisions of this Section shall not apply in the case of damage by fire or other casualty or by eminent domain, in which event the obligations of the parties shall be as provided in other Sections of this Lease. All costs and expenses incurred by Landlord pursuant to the provisions of this Section shall be deemed to constitute Common Area costs.

7.03 REPAIRS AND MAINTENANCE BY TENANT. Except for repairs required to be performed by Landlord under Section 7.02, Tenant shall make all repairs and replacements to, and shall keep clean, neat, safe, sanitary, in good order, repair and condition (including all painting and decorating necessary to maintain at all times a clean and sightly appearance) and free of vermin, the Demised Premises, including both inside and the outside, and any equipment, facilities, fixtures and systems therein. In making repairs, Tenant shall use materials equal in kind and quality to the original work. Tenant shall repaint and refurbish the Demised Premises at reasonable periodic intervals to assure that the Demised Premises is kept in a first-class and attractive condition through the Term. In cleaning the Demised Premises, Tenant shall hire the same custodial service provided the Landlord has hired for the cleaning of the Common Areas of The Building. Tenant shall purchase a level of custodial services sufficient to keep the Demised Premises in an equivalent condition as the portion of The Building occupied by the Landlord. The provisions of this Section shall not apply in the case of damage by fire or other casualty or by eminent domain, in which event the obligations of the parties shall be as provided in other Sections of this Lease. All alterations and repairs hereunder shall be subject to the requirements and conditions set forth in Section 7.01 hereinbefore and shall be performed by contractors approved by Landlord, and all such work shall conform to existing structures and quality of the building.

7.04 CHANGES BY LANDLORD. Landlord reserves the right, at any time and from time to time, to increase, reduce or change the number, type, size, location, elevation, nature and use of any of the Common Areas including, without limitation, the right to move and/or remove same and to add additional stories thereon, provided same shall not unreasonably block or interfere with Tenant's means of ingress or egress to and from the Demised Premises.

7.05 LANDLORD'S CONSENT. In no event shall Landlord be required to consent to any improvements, alterations, additions, changes, replacements or installations which, when completed, will, in Landlord's judgment, be of such a character which will reduce the value, rentability or usefulness of the Demised Premises or which will affect the facade, mechanical, electrical or structural components of either the Demised Premises or the building or which would reduce the Floor Space of the Demised Premises.

7.06 FIRE OR CASUALTY; CONDEMNATION. In the event the Demised Premises are totally destroyed by fire, wind, or other causes beyond the control of the Landlord, or are condemned or otherwise taken by authority of local, state or federal government, then in any of these events the lease Term shall cease and terminate as of the date of such destruction, condemnation or taking. In the event of any loss or damage by fire or other casualty for which the building or improvements on the Demised Premises may be insured, all amounts payable upon any policy or policies of insurance shall be paid to Landlord. If the Demised Premises are

damaged by fire, rain, wind or other such causes, so as to render the same partially untenable or partially unfit for use, but are repairable within a reasonable time, then this Lease shall remain in full force and effect, but Tenant's rent shall be proportionately reduced until the Demised Premises are repaired.

ARTICLE VIII INSURANCE AND INDEMNITY

8.01 INSURANCE BY TENANT. A. Tenant shall maintain the following insurance at Tenant's sole cost and expense: (a) commercial general public liability insurance covering the Demised Premises and the conduct or operation of business therein, naming Landlord as additional insured, with limits of not less than \$1,000,000 combined single limit for bodily injury or death and for property damage, including water damage and sprinkler leakage liability, (b) fire and extended coverage insurance covering Tenant's stock in trade, fixtures, furniture, furnishings, removable floor coverings, equipment, signs and all other property of Tenant in the Demised Premises to the extent of one hundred (100%) percent of the full insurable value of the property covered and not less than the amount sufficient to avoid the effect of the co-insurance provisions of the applicable policy or policies, (c) comprehensive automobile liability insurance including owned, non-owned and hired car coverage in an amount not less than \$3,000,000 combined single limit per occurrence for bodily injury or death and for property damage, and (d) any other insurance required for compliance with any Requirements. Tenant shall deliver to Landlord and any additional insured specified by Landlord to Tenant such fully paid-for-policies or certificates evidencing such coverage before the Commencement Date. Tenant shall procure and pay for renewals of such insurance from time to time before the expiration thereof, and Tenant shall deliver to Landlord and any additional insured such renewal policy or certificates evidencing such renewal at least 30 days before the expiration of any existing policy. All such policies shall be issued by companies of recognized responsibility licensed to do business in the state in which the Demised Premises is located and having a general policy holder's rating of not less than A, and financial ratings of not less than Class VIII as rated in the most current "Best's" Insurance Reports, and all such policies shall contain a provision whereby the same cannot be canceled or modified unless Landlord and any additional insured are given at least 30 days prior written notice by certified or registered mail of such cancellation or modification.

B. Tenant shall require any contractor of Tenant performing work in, on or about the Demised Premises to take out and keep in full force and effect, at no expense to Landlord (a) commercial general public liability insurance in respect of the Demised Premises, and the conduct of its work therein, naming Landlord as additional insured, with limits of not less than \$3,000,000 combined single limit for bodily injury or death and for property damage, including water damage and sprinkler leakage legal liability; (b) workers' compensation or similar insurance in form and amounts required by law (but in no event less than a combined single limit of \$1,000,000 per occurrence); and (c) comprehensive automobile liability insurance including owned, non-owned and hired car coverage in an amount not less than \$3,000,000 combined single limit per occurrence for bodily injury or death and for property damage.

C. It is understood and agreed by naming Landlord as an additional insured, coverage afforded is considered to be primary and any other insurance Landlord may have in effect shall be considered secondary and/or excess. It is further understood and agreed that

thirty (30) days advance written notice shall be given to Landlord of cancellation, non-renewal, reduction and/or material change of any required insurance policy.

8.02 INCREASE IN PREMIUMS. Tenant shall not do, permit or suffer to be done any act, matter, thing or failure to act in respect of the Demised Premises or use or occupy the Demised Premises or conduct or operate Tenant's business in any manner objectionable to insurance companies whereby the fire insurance or any other insurance now in force or hereafter to be placed on the Demised Premises or the building or any part thereof shall become void or suspended or bring or keep anything upon the Demised Premises which shall increase the rate of premiums of insurance on the Demised Premises or the building or any part thereof or on the property located therein. If by reason of failure of Tenant to comply with the foregoing provisions of this Section, any premiums in respect of insurance maintained by Landlord shall be higher than those which would normally have been in effect, then Tenant shall be liable to Landlord as hereinafter set forth. In case of a breach of this covenant, in addition to all other rights and remedies of Landlord hereunder, Tenant shall (a) indemnify Landlord and hold Landlord harmless from and against any loss which would have been covered by insurance which shall have become void or suspended because of such breach by Tenant and (b) pay to Landlord any and all increases of premiums on any insurance, including, without limitation, rent insurance, resulting from any such breach. In addition to the foregoing, Tenant will, if Landlord so requests, cease any action and/or remove any objects or improvements which have resulted in increases in Landlord's insurance premiums.

8.03 INDEMNIFICATION AND RELEASE. In the event legal proceedings are threatened or filed against either party involving in any manner the performance of this Lease, notification shall be given to the other party, including any knowledge or information which may result in a claim against either of them, and cooperation shall take place between the parties whenever any claim is filed against either party, involving in any manner the performance of this Lease. Tenant shall defend and indemnify Landlord and shall hold Landlord harmless from and against any and all injuries, losses, claims, actions, damages, liabilities and expenses (including attorneys' fees and expenses) to persons or property arising from, related to or in connection with the use or occupancy of the Demised Premises or the conduct or operation of business therein or any default in the performance of any obligation of Tenant under this Lease. Landlord shall not be liable or responsible for, and Tenant hereby releases Landlord from, all liability or responsibility to Tenant or any person claiming by, through or under Tenant, by way of subrogation or otherwise, for any loss or damage to any property in or around the Demised Premises or to Tenant's business irrespective of the cause of such loss or damage, and Tenant shall require its insurer(s) to include in all of Tenant's casualty insurance policies which could give rise to a right of subrogation against Landlord a clause or endorsement whereby the insurer(s) shall waive any rights of subrogation against Landlord. If Landlord shall, without fault on its part, be made a party to any litigation commenced by or against Tenant, Tenant shall indemnify and hold Landlord harmless from and against all costs, expenses and reasonable attorneys' fees incurred or paid by Landlord in connection with such litigation.

ARTICLE IX MISCELLANEOUS

9.01 ASSIGNMENT OR SUBLETTING. Tenant shall not assign or sublet its rights under this Lease.

9.02 RENEWAL. This Lease may be renegotiated for additional terms following the completion of the current Term.

9.03 DEFAULT AND REPOSSESSION. If the Demised Premises shall be deserted or vacated, or if there shall be a default in the payment of rent or any part thereof for more than seven days after written notice of such default by the Landlord, or if there shall be default in the performance of any other covenant, agreement, condition, rule or regulation herein contained or incorporated herein by reference for more than seven days after written notice of such default by the Landlord, this Lease (if the Landlord so elects) shall thereupon become null and void, and the Landlord shall have the right to reenter or repossess the Demised Premises, either by summary proceedings, surrender, or otherwise, and dispossess and remove therefrom the Tenant, or other occupants thereof, and their effects, without being liable to any prosecution therefor. Tenant agrees to pay all expenses and damages incurred by Landlord as a result of Tenant's default, including Landlord's reasonable attorney fees. If Tenant shall fail to perform any of its obligations hereunder, Landlord may, if it so elects, and after five days' prior notice to Tenant, cure such default at Tenant's expense, and Tenant agrees to reimburse Landlord (as additional rent) for all costs and expenses incurred as a result thereof upon demand.

9.04 NULL AND VOID. This Lease runs with an Agreement for Professional Services, entered into by and between the City of Muskegon and SAFEbuilt Michigan, Inc., and (if the Landlord so elects) shall become null and void at the expiration or termination of the Agreement for Professional Services. The Agreement for Professional Services runs with this Lease and (if the Landlord so elects) shall become null and void at the expiration or termination of this Lease.

9.05 OWNERSHIP OF IMPROVEMENTS AND PERSONAL PROPERTY. All installations, alterations, additions, betterments and improvements upon the Demised Premises, made by any party, shall become the property of Landlord when installed and shall remain upon and be surrendered with the Demised Premises as a part thereof at the expiration or sooner termination of the Term. Movable trade fixtures and other personal property which Tenant installs at its own expense shall remain Tenant's property and may be removed at any time provided Tenant promptly repairs any damage caused by such removal and provided further that Tenant shall not then be in default under this Lease.

9.06 END OF TERM. At the expiration or sooner termination of the Term, Tenant shall quit and surrender to Landlord the Demised Premises, broom clean and in good order and condition, ordinary wear and tear and damage by fire and any other insured casualty excepted. At such expiration or sooner termination Tenant shall remove all property of Tenant and its signage and at the option of Landlord, shall remove any or all alterations and other improvements made by Tenant to the Demised Premises as designated by Landlord and Tenant shall repair all damage to the Demised Premises caused by such removal and restore the Demised Premises to the condition in which they were at the Commencement Date. Such removal, repair and restoration shall be effected in accordance with the rules and regulations, including construction rules and guidelines, of Landlord. It is agreed that any holding over by the Tenant upon expiration of the Term of this Lease or any renewal or extension hereof, shall operate as an extension of this Lease from month to month only.

9.07 WAIVER OF JURY TRIAL AND RIGHT TO COUNTERCLAIM. Landlord and Tenant shall and they hereby do waive trial by jury in any action, proceeding or counterclaim

brought by either of the parties hereto against the other on any matters arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Demised Premises, and any emergency or other statutory remedy. Tenant further agrees that it shall not interpose any counterclaim(s) in a summary proceeding or in any action based on holdover or non-payment of Fixed Rent.

9.08 NO WAIVER. The failure of Landlord to insist in any one or more cases upon the strict performance or observation of any obligation of Tenant hereunder or to exercise any right or option contained herein shall not be construed as a waiver or relinquishment for the future of any such obligation of Tenant or any right or option of Landlord. Landlord's receipt and acceptance of Fixed Rent, or Landlord's acceptance of performance of any other obligation by Tenant, with knowledge of Tenant's breach of any provision of this Lease, shall not be deemed a waiver of such breach. No consent, approval or waiver, express or implied, by Landlord or Tenant to or of any breach of any covenant, agreement or obligation, of Landlord or Tenant shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, agreement or obligation unless in each case in writing signed by Landlord or Tenant, whichever the case may be. Landlord's failure during the Term to prepare and deliver to Tenant any bill, statement or notice with respect to any item of Fixed Rent or any increases thereto by operation of any provision of this Lease, shall not in any way cause Landlord to forfeit or surrender its right to collect any item of Fixed Rent which may become due during the Term nor shall such failure extend the date(s) on which any such items of Fixed Rent is due. In no event shall Landlord be deemed to have any obligation to bill any item of Fixed Rent or any increases thereto. IN NO EVENT SHALL LANDLORD BE LIABLE FOR THE ACTS OF ANY TENANT OR OCCUPANT. IN ADDITION, IN NO EVENT SHALL LANDLORD BE LIABLE FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, TENANT'S LOST PROFITS OR GOOD WILL.

9.09 QUIET ENJOYMENT. Landlord covenants that Tenant, on paying the Fixed Rent and performing all of Tenant's obligations under this Lease, shall peacefully and quietly have, hold and enjoy the Demised Premises, the Common Areas and the appurtenances throughout the Term without hindrance, ejection or molestation by any person lawfully claiming under Landlord, subject to the terms and provisions of this Lease and to all mortgages and ground and underlying leases of record to which this Lease may be or become subject and subordinate. The parties acknowledge that as of the date of signing this Lease, the City is one of Tenant's clients and uses Tenant's business services. Leasing space within the City Hall building is in no way to be construed as entering into an employer-employee relationship.

9.10 NOTICES. Any notice, demand, waiver, approval or consent hereunder shall be in writing and shall be deemed duly served if mailed by registered or certified mail, postage prepaid, in any post office station or letter box in the continental United States, return receipt requested, or sent by reputable overnight carrier with delivery charges prepaid and proof of delivery service to be provided, addressed:

If to Tenant, to it at the address Tenant shall have last designated by notice to Landlord.

If to Landlord, to it at 933 Terrace St., Muskegon, MI 49443; Attention: City Manager or such other address as Landlord shall have last designated by notice to Tenant. With a copy to, Parmenter O'Toole at 601 Terrace Street, Muskegon MI 49440; Attention: John Schrier.

Such notice, demand, waiver, approval or consent shall be deemed served two (2) days after mailing, or the next business day if sent by reputable overnight carrier.

9.11 LEGAL EXPENSES. If a suit be brought for recovery of possession of the Demised Premises, for the recovery of Fixed Rent, or because of the breach of any other covenant, agreement or condition on the part of Tenant to be kept or performed, or a violation of any rules and regulations promulgated pursuant to this Lease and a breach shall be established, Tenant shall pay Landlord all expenses incurred in connection therewith, including appeals of the above, including reasonable attorneys' fees and expenses. In case any such suit is settled before judgment is entered therein, such costs, expenses and fees, including reasonable actual attorney fees, shall nevertheless be recoverable by Landlord as part of said settlement.

9.12 INTERPRETATION. Irrespective of the place of execution or performance, this Lease shall be governed by and construed in accordance with the laws of the state of Michigan.

9.13 LANDLORD'S RIGHTS. The taking of any action permitted hereunder by Landlord shall not be construed or deemed to be a forcible or unlawful entry into or a detainer of the Demised Premises, or an eviction, partial eviction or constructive eviction of Tenant from the Demised Premises or any portion thereof and shall not relieve Tenant of its obligations under this Lease.

9.14 COMPLETE AGREEMENT. There are no representations, agreements, arrangements or understandings, oral or written, between the parties relating to the subject matter of this Lease that are not fully expressed in this Lease. This Lease cannot be changed or terminated orally or in any manner other than by a written agreement executed by both parties. In making and executing this Lease, Tenant has relied solely on such investigations, examinations and inspections as Tenant has chosen to make or has made and Tenant acknowledges that Landlord has afforded Tenant the opportunity for full and complete investigations, examinations and inspections.

9.15 SEVERABILITY. Should any one or more of the provisions of this Lease be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of this Lease shall not in any way be impaired or affected.

9.16 COUNTERPARTS. This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute but one Lease.

9.17 TIME OF THE ESSENCE. Time is of the essence of each term, covenant, condition and obligation of this Lease.

9.18 INDEPENDENT CONTRACTOR STATUS. Nothing in this Lease shall be deemed to alter Tenant's independent contractor status in relationship to Landlord. This Lease shall not create an employee-employer relationship between Tenant and Landlord. At no time during the Term of this Lease shall the City be the source of the majority of SAFEbuilt Michigan's work.

IN WITNESS WHEREOF, Landlord and Tenant have hereunto executed this Lease as of the day and year first above written.

LANDLORD:

City of Muskegon, a Michigan municipal corporation

By: _____
Stephen Gawron, Mayor

By: _____
Ann Cummings, City Clerk

TENANT:

Safe Built Michigan, Inc., a Michigan foreign profit corporation

By: _____

Name: _____

Title: _____

(Tenant's Federal Taxpayer Identification
Number is - 27-1314735)

ATTACHMENT A: SAFEbuilt Proposal

Comprehensive Building Department Services Final Proposal

Submitted: June 06, 2012

BACKGROUND

Our Philosophy

SAFEbuilt knows that every public agency has a unique culture and specific requirements or preferences for their building department services. We pride ourselves on providing customized solutions for each client. The quality and training of our staff, our robust business systems, and our core commitment to our clients ensure that you receive the highest levels of service and responsiveness in the industry.

Our Purpose

SAFEbuilt was founded in 1992 for the sole purpose of providing building department services to local government. We only work with public agencies to avoid any potential for conflict of interest. The primary focus of any building department is to ensure life safety for the residents and businesses within a community. That effort requires uniquely skilled individuals with technical knowledge and a desire for the continuous training needed to keep up with the ever-changing construction industry. We have outstanding employees, provide exceptional service to our clients, and participate in the communities we serve.

SAFEbuilt's success is built on two important factors – our organizational processes and our employees. With over 20 years of focus on the provision of building department services we have refined our systems to be an efficient and effective solution. We achieve our inspection and plan review goals with less overhead than most other building departments. Additionally, we are constantly looking for ways that we can improve.

Our employees are also the best in the industry and a key reason for our success. In addition to the necessary technical skills, our hiring and training processes ensure our team members have the skills needed to work well with other departments, outside agencies, and applicants to make the process efficient and customer-friendly. It has taken years to develop and refine our hiring practices to ensure that we staff our organizations with individuals who possess a unique balance of technical experience and customer service skills. The result speaks for itself, with client satisfaction ratings that consistently exceed 98% based on SAFEbuilt's annual client surveys.

Shared-Services Model

Leveraging regional relationships is a recognized cost-saving mechanism for municipalities. SAFEbuilt's model offers municipalities the option to provide consistent code compliant delivery of building department services to a specific geographic area. The model can provide significant benefits to communities including fiscal benefits and access to greater resources and services.

As a private entity, SAFEbuilt is able to provide regional services through direct contracts with individual communities. This eliminates the need for intergovernmental agreements or the formation of regional service-delivery authorities. A SAFEbuilt option allows communities to benefit from the sharing of resources but allows each community to retain local control and allows for consistency in code interpretation and enforcement. Unlike most IGA's and regional service authorities, SAFEbuilt will integrate the building department into each community's development process to meet the unique need of each community.

SAFEbuilt is proud to be an Allied Service Provider for the Michigan Townships Association and a Business Alliance Partner with the Michigan Municipal League.

TRANSITION & STAFFING

Transition Team

We will assemble a Transition Team to work with you in developing the building department structure for the City of Muskegon. This team will work closely with staff to ensure that an effective structure is implemented that maximizes efficiency, minimizes the impact on permit holders and applicants during and after the transition, and meets your needs. SAFEbuilt requests 60 days between contract completion and service start date to implement an effective transition of services.

This team and their roles will be:

- ✓ **Matt Royer**, Director of Operations – Matt will oversee the startup of the operation and have overall project responsibility.
- ✓ **Steve Burns**, Building Official – Steve is an State of MI Act 54 registered Building Official will be the main “technical” contact for the City of Muskegon during the transition.
- ✓ **Shawn Waterman**, Project Manager – Shawn will assist in all aspects of the transition. He will ensure that effective processes are established and implemented.
- ✓ **Scott Martin**, Business Development – Scott will be the City liaison, ensuring that the service offerings meet the City’s needs.

Transition Plan

The team will work closely with the City of Muskegon to understand the specific requirements and determine a reasonable schedule for all transitional components. We will develop a plan that will be used to communicate and provide transparency into the startup including the completion of inspections on outstanding projects. We will work diligently with all stakeholders to establish specific milestones and deadlines that will be used to keep the transition and integration within schedule. This is a critical step in building our partnership and establishing credibility with the City of Muskegon and its’ citizens.

The SAFEbuilt team will work with your staff to understand existing processes and procedures. A complete and thorough evaluation will be done of all functions, processes, and procedures currently in place. This analysis will be compared to our standard operating procedures and best practices will be implemented. We understand that every community has its own culture and expectations and therefore must have a unique implementation and phase-in plan. Our experience with these transitions over the years has allowed us to identify key activities for successful analysis and implementation of services.

Our process transition/integration is broken out into 5 major phases:

1. Kick off – During this phase we establish clear roles, initial steps and expectations for the implementation.
2. Evaluation and Plan Development – Meet with City of Muskegon staff to understand the current programs, systems and processes. Develop detailed implementation and work plans.
3. Implementation – Once our staff understands your functions we put our plan for the department into action. Any process changes will be discussed fully with your staff prior to implementation.
4. Alignment – This phase is ongoing beyond the date of startup. We are evaluating everything within the department to ensure the best programs, systems, processes and resources are deployed effectively.
5. Assessment – City of Muskegon staff and the phase-in team will evaluate the startup and ongoing services.

Transition Performance Metrics

The transition team will utilize our standard performance metrics and work with the City of Muskegon staff to align these with local expectations. Constant monitoring occurs during the transition and regularly beyond the transition period to ensure that these expectations are achieved. We will establish meaningful performance metrics during the transition phase-in. While monitoring these activities we make appropriate adjustments and perform further evaluation of processes to ensure the most efficient and effective methods are utilized.

Experience

SAFEbuilt has a long history of providing municipal services. Compared to other private providers, we have more experience and provide higher quality services to municipal clients. Our direct experience in transitioning municipal departments from in-house, county, or other providers to our model has refined our process and workflows to minimize disruptions and maximize the efficiency and effectiveness start-up operations. We believe the City of Muskegon will find that working with the SAFEbuilt team is the best option as we will:

- Provide a highly qualified and motivated staff
- Have a demonstrated history of providing quality customer service
- Bring a depth of personnel resources for direct and auxiliary support
- Have experience with new technology to be implemented
- Offer a staffing and pricing model that naturally adjusts for variations in permit activity and the associated workload
- Offer an innovative program and understand that your needs come first
- Are dedicated to fulfilling the City of Muskegon mission

Staffing Functions& Continuity

SAFEbuilt considers the hiring of staff as one of the most critical elements to our success. If available, incumbent employees will be considered for any of the new-hire positions, they may be given higher preference for their previous experience in City of Muskegon. With our years of experience we've developed a rigorous and proven process for recruiting, screening, and hiring the best in the industry. We have used that process to development a deep talent pool in the State of Michigan.

It's important that we hire a team of people that are not only experts in their field, but mesh well with other team members. We evaluate all prospective team members based on several key traits, whether they are internal transfers, incumbents, or from outside our organization. Among these key traits are expertise in their field, cultural fit, personality and willingness to be high performers on the team. We look for alignment with the team, alignment with the city, and adherence to our core values of Integrity, Service, Improvement, Respect, and Teamwork.

We will provide superior code compliant plan check, inspection, and administrative services to the City of Muskegon. Not only will we meet established metrics for the department, but we will manage the department to align with the goals and needs of the City of Muskegon. Our staff will:

- Attend all required meetings
- Actively manage all department processes and systems, goals, etc.
- Provide educational materials to potential applicants and homeowners
- Organize and conduct homeowner, small business workshops and educational meetings
- Coordinate departmental activities with other departments and agencies
- Immediately respond to any customer service issues

We will remain firm to our service level commitments, but we are open to changes in scope or service levels. The SAFEbuilt team decision-makers will meet with you on-site and work with you to meet community needs. Our purpose and intent is to constantly look for the most efficient and effective solutions for the City of Muskegon.

We will provide on-site staffing with personnel central to maintaining the high levels of customer service SAFEbuilt expects and Muskegon deserves. We will also float resources as required.

On-site team members have daily decision-making authority and are empowered to plan and schedule work as well as respond quickly to situations that may arise. Team members will report to the designated City of Muskegon representative and will be available during normal business hours. Our team for the City of Muskegon will fulfill the following functions and responsibilities:

- ✓ **Building Official**– State of MI Act 54 registered Building Official will:
 - Be co-employed by the City of Muskegon and SAFEbuilt
 - Provide assistance in the administration of the Building Department
 - Attend City staff meetings upon request
 - Be available for consultation in the planning process to highlight building code requirements that could affect projects
 - Act as a team lead to SAFEbuilt’s inspector(s) to ensure consistency
 - Work with other staff and the contractors to develop remedies for code violations
 - Provide back-up for Building Department team members as needed
- ✓ **Plans Examiner(s)** – State of MI Act 54 registered Plans Examiner(s) will:
 - Attend City staff meetings upon request
 - Be available for and conduct pre-construction meetings
 - Perform all building code plan review
 - Be a resource for field personnel
- ✓ **Inspector(s)** – State of MI Act 54 registered Inspector(s) will:
 - Provide all code compliant building, plumbing, mechanical and electrical inspections and record results
 - Work with other staff and the contractors to develop remedies for code violations
- ✓ **Administrative Support/Permit Technician** - Qualified Administrative Support/Permit technician will:
 - Facilitate the permitting process from initial intake to permit issuance
 - Provide on-site customer service – 8 hours each business day
 - Provide inspection scheduling and tracking

The SAFEbuilt team has a focus on the services we provide, which has allowed us to develop outstanding systems over the years. Our experience in the realm of building department services enables us to help to City of Muskegon predict activity through the review of permits, plans and zoning inquiries. We will use this data to make adjustments in staff levels, including adding support from our other offices during unusual peaks in demand.

Prior to and during the transition process we work to thoroughly understand your operations. We will modify our process to meet your needs. Continuity of service at a high level is a primary goal. We plan ahead to ensure that the development community will have ample time to understand any proposed changes to existing procedures. We will also monitor all processes on an ongoing basis and recommend adjustments.

Staffing

We provide a thorough orientation for all team members. This orientation is designed to familiarize staff with procedures, municipal ordinances and other unique requirements as they relate to Muskegon. We also provide ongoing technical and soft-skills training to ensure that our staff is up-to-date on emerging issues in their fields. This focus on continuous training minimizes risk while improving our ability to respond to citizens and developers with helpful insight.

Upon completion of agreement; SAFEbuilt will immediately begin the hiring process for experienced, qualified staff. All plan review and inspections services will be provided by qualified State of Michigan Act 54 registered staff employed by SAFEbuilt.

We realize that providing proper levels of staffing is very important to maintaining high customer service levels. Staffing levels and personnel will be determined during the transition process after evaluating current City of Muskegon position descriptions and responsibilities. We will staff in order to meet our agreed upon performance measurements.

All current in-house building department employees are encouraged to apply for a position on the SAFEbuilt team. SAFEbuilt will interview all current personnel that would like to be considered for employment with SAFEbuilt if they meet the needs of the City of Muskegon and fulfill our hiring guidelines. No current employees would be excluded from consideration; existing staff have been hired in the majority of our transitions. Additionally, we maintain a talent pool of qualified applicants for positions such as these.

SCOPE OF SERVICES

SAFEbuilt has provided customized solutions for communities across the country since 1992. In order to continue providing these services and expanding operations, it has been imperative that we remain competitive, innovative, professional and flexible. We have a reputation among designers and contractors in the building and development community as being impartial and professional in our conduct but thorough in requiring conformance with standards. Our previous and current involvement in providing building department services has prepared us for all the functions required by the City of Muskegon. We have provided the full scope of department administration, code compliant inspections, and reviews of all types of construction plans for many cities. We understand the importance of coordination with other departments and with exercising an appropriate level of professional judgment in resolving issues.

Administrative Services

As part of our administrative services SAFEbuilt will:

- ✓ Provide onsite administrative staff
- ✓ Provide permit counter intake during City Hall business hours
- ✓ Inform applicant when submitting plans of what the maximum amount of time it will be to first comments and also the estimated time to first comments and/or completion
- ✓ Answer all application questions at the counter or over the phone and provide ongoing communication as needed
- ✓ Review and provide handouts at the counter
- ✓ Administer the City of Muskegon contractor registration program
- ✓ Provide input, tracking, and reporting using the City's current system (BS&A) – or if requested SAFEbuilt's building department software
- ✓ Implement performance measurements to ensure agreed upon service levels
- ✓ Provide scheduling support to inspection staff
- ✓ Prepare reports within mutually agreed upon timeframes and frequencies
- ✓ Follow up on complaints and provide resolution
- ✓ Provide a minimum of 2 community partner educational workshops per contract year. Such as small business, homeowner desk finish, homeowner basement finish workshops
- ✓ Provide a minimum of 2 community partner scholarships at \$500 each per contract year
- ✓ Provide emergency disaster response as it relates to building code – available via cell phone after hours

Building Department Services

As part of our building department services SAFEbuilt will:

- ✓ Monitor and enforce adopted building codes, related codes, and amendments
- ✓ Demonstrate experience and applied knowledge in the aspects of plan review and building and construction inspections related to historic structures
- ✓ Document areas of non-compliance using written records, electronic communications, photographs or other appropriate means
- ✓ Provide training for our inspectors on City of Muskegon ordinances and amendments
- ✓ Manage and pay for CEU training required to maintain Act 54 compliance
- ✓ Be available for meetings as requested – including representing the City at HBOA meetings as needed
- ✓ Go through existing records , provide clean up, and then make sure department is facilitating the proper retention of records in accordance with adopted retention schedules on an ongoing basis

- ✓ Work in partnership with the City of Muskegon staff to pursue the City providing building code compliance and consulting services to the local school districts, local community colleges and local colleges as allowed by all applicable regulations
- ✓ Work with the City Clerk to facilitate Freedom of Information Act (FOIA) requests
- ✓ Report directly to the position of Director of Public Safety

Plan Review Services

As part of our plan review services SAFEbuilt will:

- ✓ Accept and perform plan review
- ✓ Work with the applicant on submittal requirements in order to ensure the process is not held up for minor issues
- ✓ Examine all commercial and residential projects including drawings, specifications, computations, and additional data
- ✓ Determine if plans conform to the required strengths, stresses, strains, loads, and stability of adopted building codes, local amendments, and all other pertinent laws and ordinances
- ✓ Perform the following reviews: building code, accessibility, mechanical, electrical, plumbing, use and occupancy classification, general building heights and areas, construction type, means of egress, accessibility, energy code, and foundation
- ✓ Be available for pre-submittal meetings in order to help facilitate the timeliness of reviews and the completeness of submittals
- ✓ Coordinate plan review tracking, reporting, and interaction with applicable departments
- ✓ Add resources as needed to keep reviews on schedule and provide needed expertise
- ✓ Review all revisions and be available for consultation after review is completed

Inspection Services

As part of our inspection services SAFEbuilt will:

- ✓ Coordinate all inspection requests
- ✓ Offer the option of having the inspection performed in the morning or the afternoon – am/pm inspections
- ✓ Offer a two hour inspection window to homeowners along with a 30 minute call ahead notification
- ✓ Perform inspections before or after normal business hours as warranted – no additional charge above and beyond what city already charges
- ✓ Perform inspections of residential and nonresidential buildings to determine that construction activity complies with approved plans, applicable codes and ordinances
- ✓ Perform all inspections as per adopted building codes and local amendments including liquor license inspections and coordination with Fire Marshall as warranted
- ✓ Provide onsite inspection consultations to citizens and contractors
- ✓ Observe safety and security procedures and report potentially unsafe conditions
- ✓ Identify and document any areas of non-compliance and suggest alternate means
- ✓ Notify appropriate jurisdiction staff when we observe code violations
- ✓ Perform work associated with abatement of dangerous buildings as allowed by adopted ordinance and state law
- ✓ Process and deliver stop-work notices for non-conforming building activities – as approved by the Building Official
- ✓ Leave a copy of the inspection notice with appropriate site personnel – as approved by the Building Official

Administrative Support/Permit Technician Services

As part of our administrative support/permit technician services SAFEbuilt will:

- ✓ Provide a qualified team member to facilitate the permitting process from initial permit intake to final issuance of permit
- ✓ Determine and collect fees if desired by the City of Muskegon
- ✓ Provide inspection scheduling and tracking to ensure code compliance
- ✓ Provide customer service
- ✓ Process permits that require minimal or no plan review at time of submittal on behalf of the Building Official
- ✓ Respond to citizen complaints and communicate effectively with citizens to minimize impact of building activities on the public and neighborhoods

Existing Open Permits

SAFEbuilt will close any permits that remain open at the time of service changeover. We would suggest that current City of Muskegon Building Department staff close as many open permits as possible before SAFEbuilt's start date in order to save on costs to the City. SAFEbuilt will final open permits at a rate of \$40.00 per permit – to be billed when closed.

SAFEbuilt Provided Equipment

SAFEbuilt would propose leasing office space from the City of Muskegon and will provide:

- ✓ Vehicles, vehicle maintenance, and insurance
 - SAFEbuilt will consider purchasing one or two of the vehicles currently owned by the City – procedure to be negotiated
- ✓ All employee salaries, a comprehensive benefits plan, and a retirement plan – possible exception of co-employed building official position
- ✓ All hiring expenses
- ✓ Ongoing training and certification of employees
- ✓ Office supplies and business papers
- ✓ All office furniture and equipment –including copier and desk phones.
- ✓ Office computer hardware and software
- ✓ Cell phones and usage

City Provided Location & Equipment

City of Muskegon will:

- ✓ Provide the former Leisure Service for lease to SAFEbuilt at the rate of \$1000 per month. This lease rate includes all utilities except for land lines for phone.
- ✓ Provide phone land lines and bill SAFEbuilt at actual cost with no markup these can be included in the lease for space at actual cost per line
- ✓ Allow SAFEbuilt to service other W. Michigan communities from the leased space within City Hall
- ✓ Negotiate in good faith with regard to selling and/or include in the lease for space; existing cubicle dividers, desks, file cabinets, shelves, tables, floor mats and wall document holders that are currently in the Leisure Services space
- ✓ Absorb costs associated with the electronic storage of department permit and inspection records – SAFEbuilt will facilitate the conversion and storage process

PERFORMANCE MEASURES

We use a number of performance measures to gauge the effectiveness of our systems and the efficiency of our staff. The most visible of quantitative measures are the following:

Area	Performance Measurement	Goal	Comments
Overall Department	Customer Service Ratings	100% satisfaction	SAFEbuilt will utilize customer service surveys to determine if department activity is satisfactory for the end user and to identify areas of strengths and areas that need improvement.
Administrative Support	Percentage of walk-ins experiencing counter wait times of less than 10 minutes	100%	A front counter log will be reviewed each month to ensure that any customer requests or issues are handled quickly and effectively so as not to be an inconvenience. The data will be compiled into a report.
Administrative Support	Percentage of phone inquiries/information requests/complaints handled within 24 hours	100%	Inquiries and complaints from walk-in traffic, emails and phone calls will be tracked and compiled into a report.
Plan Review	Residential (IRC) plan reviews – maximum time to first comment is 5 business days.	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The 5 business day's time frame is a maximum time to comments. All plans will be reviewed on an As Soon As Possible (ASAP) basis. Estimate times to completion will be communicated to applicant.
Plan Review	Multi-family plan reviews maximum time to first comments is 10 business days. Maximum time to second comments is 5 business days	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The 10 and 5 business day's time frames are a maximum time to comments. All plans will be reviewed on an As Soon As Possible (ASAP) basis. Estimate times to completion will be communicated to applicant.
Plan Review	Small Commercial (<\$5M in valuation) plan reviews first comments within 10 business days/second comments 5 business days	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The 10 and 5 business day's time frames are a maximum time to comments. All plans will be reviewed on an As Soon As Possible (ASAP) basis. Estimate times to completion will be communicated to applicant.
Plan Review	Large Commercial (>\$5M in valuation) plan reviews first comments within 15 business days/second comments 10 business days	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The 15 and 10 business day's time frames are a maximum time to comments. All plans will be reviewed on an As Soon As Possible (ASAP) basis. Estimate times to completion will be communicated to applicant.
Building and Trade Inspections	All inspections performed within 24 hours of request unless otherwise requested by applicant	100%	City of Muskegon permit software should capture this information. If not, SAFEbuilt will utilize its proprietary software to provide reporting. The maximum time to complete a scheduled inspection is 24 hours – this does not include non business days.

PERMITTING SOFTWARE OPTIONS

If the City of Muskegon is interested in utilizing SAFEbuilt's permitting software system we suggest that the current BS&A system is maintained for the initial six (6) months of our agreement. This will allow for a smoother more efficient transition of services.

SAFEbuilt has experience utilizing the BS&A software package and we are happy to use either our system or the City's current software. If BS&A is preferred, all costs associated with the BS&A package will be paid by the City of Muskegon.

SAFEbuilt's Permitting Software

Local government recognizes the importance of increasing their electronic capabilities, and SAFEbuilt can help in this area. As a company, we have developed a building department software package. The software allows workflow tracking for monitoring a permit's progress through the entire permit lifecycle with separate signoff capability for appropriate internal and external departments. SAFEbuilt's permitting system also offers an additional module for contractor and business licensing. Main features of our software include:

- ✓ Application data tracking, customizable to match existing forms
- ✓ Workflow tracking for monitoring a permit's progress through the entire permit lifecycle
- ✓ Owner, contractor, and address databases maintained in order to keep accurate records
- ✓ Fee assessment and collection capabilities – including use tax and other City fee items
- ✓ Separate signoff capability for appropriate departments, both internal and external
- ✓ Document attachment capability for scanned items pertaining to specific permits
- ✓ Web-enabled thin-client accessible with an internet connection 24/7/365
- ✓ Online inspection scheduling, workflow tracking, plan review and inspection status details
- ✓ Standard reporting as well as custom reports written to your specifications
- ✓ Full offsite backup and storage
- ✓ Training on SAFEbuilt's software will be provided to the City of Muskegon
- ✓ Tracking for contractor and business licensing that alerts user if appropriate licensing, registration, or insurance is not in place at permit issuance

Contractor Registration

If the City of Muskegon elects to utilize our software, SAFEbuilt will provide a module to help facilitate a registration and licensing program as adopted by the City. This customized software module provides tracking and reporting of services typically associated with these types of programs.

CUSTOMER SERVICE & SATISFACTION

Service and **Improvement** are two of our core values. We recognize that superior customer service and continuous improvement are vital to maintaining long term relationships with our municipal client partner. We believe that providing exemplary customer service to the citizens, builders, developers and homeowners of City of Muskegon is our most important performance measurement. Evaluating performance from the citizen, applicant, and customer perspective is a critical component of how our division's success should be measured.

To pro-actively avoid conflict and ensure customer satisfaction, the SAFEbuilt team takes steps to monitor changes in the building and development environment and provide education and updates to our clients: citizens, builders, developers, architects and others. We provide educational materials such as building guides for public use. Where our team members must take actions to enforce your ordinances, they will provide written explanations and cite relevant ordinance or state code sections.

Additionally, the SAFEbuilt team will provide an applicant survey available to the general public to better gauge general satisfaction with the department. The survey findings will be compiled in a quarterly report available to the City of Muskegon and used as a tool in assessing customer satisfaction.

Evaluating our performance from the customer perspective is a critical component of how our success is measured. We survey our clients twice a year to gather their feedback and suggestions for improvement. In our latest survey we received a client satisfaction rating of 100%

The primary purpose of these surveys is to both ensure customer satisfaction through excellent customer service and to identify areas of improvement in how services are delivered. The survey results will identify strengths and weaknesses while providing insight as to how to make needed adjustments to improve service. We will be looking for process improvements in order to better serve customers.

The SAFEbuilt team will facilitate a cooperative work environment between the building department team, contractors, and applicants to increase compliance and improve the quality of design submittals, thereby reducing the number of reviews necessary for permitting. SAFEbuilt will develop these resources for applicants:

- Informational handouts and building guides at the counter
- Handouts detailing customer satisfaction information
- Informational resources on your website
- Access to staff through cell phones during business hours

SAFEbuilt views itself as a partner in the development process and puts the proper resources and services in place to make sure the building community has what it needs. City of Muskegon will know that their community is receiving the best and latest services available to them.

FEE SCHEDULE & INSURANCE

SAFEbuilt does not utilize a company-wide fee schedule. A majority of our fees are based on an appropriate percentage of the jurisdictions adopted fee schedule for services being provided by SAFEbuilt. SAFEbuilt proposes services to be performed at the following rates. SAFEbuilt's fees are all inclusive with no separate billing for:

- Wages/Benefits
- Mileage/Vehicle Expense
- Materials
- Disbursement (copying, telephone rates, courier services)

Fee Schedule

SAFEbuilt will work to close all open permits at the rate of \$40.00 per permit – billed monthly when closed

Building Department Related Fees – 80% of all adopted building department fees

Except the following:

- Rental property and associated fees
- Tele- communication outlets
- Housing Warrant Inspection Fees
- Property Maintenance code approval

Annual Volume Discount Incentive

SAFEbuilt will offer the following incentive program to the City of Muskegon. This program is designed to encourage surrounding communities to share building department and related services with SAFEbuilt as the provider. Discounts are given to all participating communities based on volume of activity for each fiscal year (July 1st – June 30th). Activity and associated revenue will be evaluated yearly and the appropriate discount will be applied to the following year's fees.

- Annual Revenue of \$ 0.00 - \$ 500,000 - 0% Discount
- Annual Revenue of \$ 500,000 - \$ 750,000 – 2.5% Discount
- Annual Revenue of \$750,000 - \$1,000,000 – 5% Discount
- Annual Revenue of \$ 1,000,000 – plus – 10% Discount

Invoice & Payment Structure

It is our standard practice to invoice monthly and our terms are Net 30. Our billing will include all supporting documentation.

Insurance

SAFEbuilt carries the full complement of business insurance including errors and omissions (E&O), property, liability, auto and workers compensation. We will provide certificates of insurance that name the City of Muskegon as an additional insured at the following amounts:

- Commercial General Liability: Each Occurrence - \$1,000,000 / Damage to Rented Premises Each Occurrence - \$1,000,000 / Personal Injury Each Occurrence - \$1,000,000 / General Aggregate - \$2,000,000
- Automobile Liability: Each Occurrence - \$1,000,000
- Umbrella Liability: Each Occurrence - \$5,000,000 / Aggregate - \$5,000,000
- Professional Liability: Per Claim - \$5,000,000
- Workers Compensation: Per State requirements

DEMONSTRATED SUCCESS

Summary of Benefits

- Providing the opportunity through SAFEbuilt for you and your neighboring communities to benefit from a shared services model while still maintaining local control
- Percentage of fee billing means
 - no fixed costs
 - costs will never exceed revenue – never run at a deficit again
 - no more employee legacy costs in this department
 - you retain an appropriate portion of the fees to offset your administrative and building official costs
- Proven processes and systems – we have the experience to handle any project.
- Improved customer service
- Permitting software package – should you want to make a change from current system
- Added technology such as mobile computing and resulting to improve the way services are provided
- Community givebacks – scholarships; homeowner educational workshops, volunteering

References

In addition to the references listed below, please feel free to contact any of our current clients.

City of Troy, MI

Mark Miller
Assistant City Manager
Phone: 248-524-3351
millermf@troymi.gov

City of Madison Heights, MI

Jack Williams
Building Official
Phone: 248-583-0831
jackwilliams@madison-heights.org

City of Northglenn, CO

William Simmons
City Manager
Phone: 303-450-8709
manager@northglenn.org

Current Clients

Many public agencies have called on us to provide full building department services or supplement their own operations.

Aims Community College, CO	Federal Heights, CO	Mountain Park, GA
Aspen Public Schools, CO	Front Range Community College	Navassa, NC
Aspen, CO	Firestone, CO	Nederland, CO
Ault, CO	Forest Park, GA	Newberry County, SC
Auraria Higher Education, CO	Foxfield, CO	Northglenn, CO
Barnwell, SC	Georgetown, SC	Northeastern Junior College
Belville, NC	Gilcrest, CO	Northwest, NC
Beaufort, SC	Grover, CO	Nunn, CO
Beaufort County, SC	Hanahan, SC	Peachtree City, GA
Bennett, CO	Hampton, GA	Pierce, CO
Boulder County Schools, CO	Hapeville, GA	Pitkin County, CO
Boulder County, CO	Hartsville, SC	Platteville, CO
Breckenridge, CO	Hayden, CO	Powder Springs, GA
Burlington, CO	Hudson, CO	Red Cliff, CO
Castle Pines, CO	Idaho Springs, CO	Rio Blanco County, CO
Castle Rock, CO	Johns Creek, GA	Riverdale, GA
Caswell Beach, NC	Johnstown, CO	Saluda, SC
Centennial, CO	Jonesboro, GA	Sandy Creek, NC
Chamblee, GA	Keenesburg, CO	Senoia, GA
Chattahoochee Hills, GA	Kersey, CO	Severance, CO
Cheraw, SC	Kiowa, CO	Sharpsburg, GA
Chester, SC	Lake City, GA	St. Vrain Valley Schools, CO
Clarkston, GA	Lake County, CO	State of Colorado
Coastal Carolina University, SC	Limon, CO	State of South Carolina
College of Charleston, SC	Lithonia, GA	Stone Mountain, GA
Colorado Mesa University	Lochbuie, CO	Summit Public Schools, CO
CO State University, CO	Loveland, CO	Timnath, CO
Commerce City, CO	Lyons, CO	Troy, MI
Craig, CO	Madison Heights, MI	Tyrone, GA
Decatur, GA	Marlboro County, SC	Union City, GA
Department of Corrections	Mead, CO	University of Northern CO
Dept. Military & Veterans Affairs	Medical University of SC	Vail, CO
Dept. of Natural Resources	Meeker, CO	WC School District, CO
Eagle, CO	Midlands Technical College	Wellington, CO
Eagle County School District	Milton, GA	West Point-KIA, GA
Easley, SC	Moffat County Schools, CO	Windsor, CO
Edgewater, CO	Morrison, CO	Young Harris College, GA
Elizabeth, CO	Morrow, GA	