



CITY COUNCIL MEETING AGENDA

1st and 3rd Thursday of the Month

Marc D. Tall, Mayor
Ronald J. Beauchamp, Mayor Pro-Tem
Patricia A. Baribeau, Council Member
Ralph B. Blasier, Council Member
Michael R. Sattlem, Council Member

James V. O'Toole, City Manager
Robert S. Richards, CMC, City Clerk
Ralph B.K. Peterson, City Attorney

City Council Chambers located at: City Hall - 410 Ludington Street - Room C101 - Escanaba, MI 49829

The Council has adopted a policy to use a Consent Agenda, when appropriate. All items listed with an asterisk (*) are considered routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests, in which event the item will be removed from the General Order of Business and considered in its normal sequence on the Agenda.

Regular Meeting

Thursday, September 17, 2015, at 7:00 p.m.

CALL TO ORDER

ROLL CALL

INVOCATION/PLEDGE OF ALLEGIANCE - Pastor Jason Janich of New Life Assembly of God Church

APPROVAL/CORRECTION(S) TO MINUTES - Regular Meeting - September 3, 2015

APPROVAL/ADJUSTMENTS TO THE AGENDA

CONFLICT OF INTEREST DECLARATION

PRESENTATION

Escanaba Minor League Boys Baseball Team - Rogan Gravelle

BRIEF PUBLIC COMMENT

PUBLIC HEARINGS - None

NEW BUSINESS

1. **First Reading - Payment in Lieu of Taxes Ordinance No. 1164 & Municipal Services Agreement - Excel Reality Group Deal 24, LDHA LP.**

Explanation: Mr. Peter Jobson, President of Excel Reality Group, Deal 24, LDHA LP. is requesting the City Council authorize a payment in lieu of taxes Ordinance No. 1164 and Municipal Services Agreement which would allow them to seek funding from the State of Michigan Tax Credit Program for the renovation and upgrading of property located at 223 Ludington Street and 216 1st Avenue South. Administration is recommending this matter be set for second reading and public hearing at a special City Council meeting scheduled for September 24, 2015 at 6:00 p.m.

2. **Approval - Internet Services - Merit Network.**

Explanation: October 2, 2014, Council authorized a one (1) year contract for MERIT Network, Inc. to provide internet services for the City of Escanaba. MERIT has continued to provide the City with exceptional service and backup for our internet needs. Administration is seeking Council approval to retain MERIT Network, of Ann Arbor, MI, for continued internet services through July 1, 2020 in an annual amount not to exceed \$3,334.

3. **Approval - Pawnbroker License - Wheels & Deals Pawn Shop - 1210 North Lincoln Road.**

Explanation: Mr. Richard Semashko, owner of Wheels & Deals Pawn Shop, 1210 North Lincoln Road, is seeking Council approval to operate as a pawnbroker in the City of Escanaba. If approved by Council, the Mayor would issue the license per City Ordinance. The Escanaba Department of Public Safety has reviewed the application and has recommended approval.

4. **Approval - Lease Renewal - Great Lakes Sports and Recreation Club - 19th Avenue North.**

Explanation: The Great Lakes Sport and Recreation Club is requesting the City Council renew their lease for 14 +/- acres of City-owned property on 19th Avenue North through June 30, 2016 with an option for an additional twelve (12) months. Administration is recommending approval of a twelve (12) month renewal with the option for an additional twelve (12) months.

Council Agenda - September 17, 2015

5. **Approval – Use of Public Space - Ludington Street - Great Pumpkin Parade.**

Explanation: Abate of Michigan, Inc. is requesting authorization to use Ludington Street on Saturday, October 3, 2015, from 12:00 p.m. to 1:00 p.m., for their annual Great Pumpkin Parade. Administration is recommending approval of the request with the following conditions: 1) Proper insurance is provided naming the City of Escanaba as additional insured, 2) The event sponsors provide all labor and material to clean up at the conclusion of the event, and 3) The event sponsors pay for any overtime labor costs that may be incurred.

6. **Approval – Use of Public Space – Ludington Street – Escanaba High School Homecoming Parade.**

Explanation: The Escanaba School District is requesting authorization to use Ludington Street on Friday, September 25, 2015, from 5:00 p.m. to 5:30 p.m., for their annual Homecoming Parade. Administration is recommending approval with the following conditions: 1) Proper insurance is provided naming the City of Escanaba as additional insured, 2) The event sponsors provide all labor and material to clean up at the conclusion of the event, and 3) The event sponsors pay for any overtime labor costs that may be incurred.

APPOINTMENTS

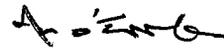
BOARD, COMMISSION, AND COMMITTEE REPORTS

GENERAL PUBLIC COMMENT

ANNOUNCEMENTS

ADJOURNMENT

Respectfully Submitted



James V. O'Toole

City Manager

**OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, September 3, 2015**

The meeting was called to order by the Honorable Mayor Marc D. Tall at 7:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Marc D. Tall, Council Members, Patricia A. Baribeau, Ronald J. Beauchamp, Ralph B. Blasier, and Michael R. Sattem.

Absent: None

Also Present: City Controller Melissa Becotte, City Department Heads, media, and members of the public.

City Clerk Robert S. Richards gave the invocation and led Council in the Pledge of Allegiance.

Blasier moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting Minutes from August 20, 2015, as submitted.

ADJUSTMENTS TO THE AGENDA

Beauchamp moved, Blasier seconded, **CARRIED UNANIMOUSLY**, to approve the City Council Agenda as submitted.

CONFLICT OF INTEREST DECLARATION – Council Member Sattem said he had a conflict of interest on Agenda Item 4, and would Abstain.

AWARD PRESENTATIONS

Mayor Tall presented Proclamations, and Certificates of Achievement to the following Area Baseball and Softball Championship Teams and their Coaches (See Attachments):

- 2015 Escanaba Little League Girls (9-10) All-Star Team;
- 2015 Escanaba Little League Girls (10-11) All-Star Team;
- 2015 Escanaba Minor League Boys (11 year Old) All-Star Team;
- 2015 Escanaba Little League Girls Senior Softball Team;
- 2015 Delta County Junior (age 13-14) Girls Softball Team;
- 2015 Escanaba Minor Boys (9-10) Baseball Team.

Mayor Tall also thanked Little League President Bob LeHouillier for his dedication and hard work over the past several years.

BRIEF PUBLIC COMMENT

Bonifas Art Center Executive Director Pasqua Warstler thanked Council and Community for their continued support of the Art Center.

PUBLIC HEARINGS – None

NEW BUSINESS

Approval - Annual Service Agreement - William Bonifas Fine Arts Center.

The William Bonifas Fine Arts Center sought Council approval of their 2015-16 Service Agreement in the amount of \$5,000. Under the terms of the agreement, the Center will provide a minimum of 8 exhibitions in the Alice Powers Exhibition Hall, 5 plays, 25 classes in the creative and visual arts, and 5 workshops, which will be available to the citizens of Escanaba. Administration recommended approval of the Service Agreement. This was a budgeted item.

NB-1 Blasier moved, Baribeau seconded, to approve the William Bonifas Fine Arts Center 2015-16 Service Agreement in the amount of \$5,000.

Upon a call of the roll, the vote was as follows:

Ayes: Blasier, Baribeau, Sattem, Beauchamp, Tall

Nays: None

MOTION CARRIED.

Approval – Annual Service Agreement – Delta County Historical Society.

The Delta County Historical Society sought Council approval of their annual 2015-16 Service Agreement in the amount of \$2,000. Under the terms of the Service Agreement, the Delta County Historical Society will be able to provide tours and new activities at the Museum and Lighthouse facilities, which will be available to the citizens of the City of Escanaba. Administration recommended approval of the Service Agreement. This was a budgeted item.

NB-2 Sattem moved, Blasier seconded, to approve the Delta County Historical Society annual 2015-16 Service Agreement in the amount of \$2,000.

Upon a call of the roll, the vote was as follows:

Ayes: Sattem, Blasier, Baribeau, Beauchamp, Tall

Nays: None

MOTION CARRIED.

Approval - Lease Renewal - City of Escanaba and Community Action Agency.

Administration sought Council approval of an annual Lease Agreement between the Community Action Agency Senior Center and the City of Escanaba for leased space at the Catherine Bonifas Civic Center building. No changes to the existing agreement are being recommended.

NB-3 Baribeau moved, Beauchamp seconded, to approve the annual Lease Agreement between the Community Action Agency Senior Center and the City of Escanaba for leased space at the Catherine Bonifas Civic Center building.

Upon a call of the roll, the vote was:

Ayes: Baribeau, Beauchamp, Sattem, Blasier, Tall
Nays: None

MOTION CARRIED.

Approval – Use of Public Space – Municipal Dock – United Way of Delta County - Uptoberfest.

The United Way of Delta County, in conjunction with the Bay de Noc Brewer's Homebrew Club, sought Council approval to use the City Municipal Dock on October 10, 2015, from 2:00 p.m. to 7:00 p.m. for the annual United Way of Delta County Uptoberfest. Administration recommended approval with the following conditions: 1) Proper insurance be provided naming the City of Escanaba as an additional insured, 2) The event sponsors provide all labor and material to clean up at the conclusion of the event, and 3) The event sponsor pay for any overtime City labor costs that may be incurred.

NB-4 Blasier moved, Baribeau seconded, to approve a request from The United Way of Delta County, in conjunction with the Bay de Noc Brewer's Homebrew Club, to use the City Municipal Dock on October 10, 2015, from 2:00 p.m. to 7:00 p.m. for the annual United Way of Delta County Uptoberfest, provided: 1) Proper insurance be provided naming the City of Escanaba as an additional insured, 2) The event sponsors provide all labor and material to clean up at the conclusion of the event, and 3) The event sponsor pay for any overtime City labor costs that may be incurred.

Upon a call of the roll, the vote was:

Ayes: Blasier, Baribeau, Beauchamp, Tall
Nays: None
Abstain: Sattem

MOTION CARRIED.

Approval – Use of Public Space – North 18th Street Between 12th Avenue North and 13th Avenue North - Christ the King Lutheran Church – Fall Festival.

Christ the King Lutheran Church sought Council approval to close off the 1,200 block of North 18th Street between 12th Avenue North and 13th Avenue North for their Fall Festival on September 27, 2015, from 9:00 a.m. to 2:00 p.m. Administration recommended approval with the following conditions: 1) Proper insurance be provided naming the City of Escanaba as an additional insured, 2) The event sponsors provide all labor and material to clean up at the conclusion of the event, and 3) The event sponsor pay for any overtime City labor costs that may be incurred.

NB-5 Sattem moved, Beauchamp seconded, to approve a request from Christ the King Lutheran Church to close off the 1,200 block of North 18th Street between 12th Avenue North and 13th Avenue North for their Fall Festival on September 27, 2015, from 9:00 a.m. to 2:00 p.m., provided: 1) Proper insurance be provided naming the City of Escanaba as an additional insured, 2) The event sponsors provide all labor and material to clean up at the conclusion of the event, and 3) The event sponsor pay for any overtime City labor costs that may be incurred.

Upon a call of the roll, the vote was:

Ayes: Sattem, Beauchamp, Baribeau, Blasier, Tall
Nays: None

MOTION CARRIED.

APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES – None

BOARD, COMMISSION, AND COMMITTEE REPORTS

Council Members reviewed City Board and Commission meetings each attended since the last City Council Meeting.

Council Member Blasier report:

In my role as Council liaison to the Zoning Appeals Board, I attended the Board meetings of August 25 and September 1.

The August 25 meeting reached only the issue of the dimensional variance (number of parking spaces) requested by Excel Realty Group for 223 Ludington Street (also known as House of Ludington). The Board approved a variance for 223 Ludington as follows:

“The parking variance is approved, conditioned on additional parking to total one space per dwelling unit (34) and space for snow-storage on the property or else a legally-binding contract to have the snow removed within 48 hours.”

Board Chairman Liss suddenly had to leave the meeting. The meeting was adjourned

City Council Minutes
September 3, 2015 – cont.
due to lack of quorum.

The September 1 meeting addressed the issue of a dimensional variance (number of parking spaces) requested by PK Development for 617-623 Ludington Street and 608-630 First Avenue South. The Board denied any variance for 617-623 Ludington Street and 608-630 First Avenue South on a 3 to 2 vote.

Ralph B Blasier
Councilmember

GENERAL PUBLIC COMMENT – None

ANNOUNCEMENTS

- Public Safety Golf Outing was scheduled for Saturday September 12, 2015;
- United Way Soup'r Chili Challenge annual kick-off event was scheduled for September 15, 2015.

Hearing no further public comment, the Council adjourned at 7:35 p.m.

Respectfully submitted

Robert S. Richards, CMC
City Clerk

Approved: _____
Marc D. Tall, Mayor

PROCLAMATION

2015 Escanaba Minor Boys (9-10) Baseball Team

WHEREAS, at the District 10 Pool Play games, the Escanaba Minor Boys Baseball Team defeated Shaffer and Tri-county to advance to the double elimination round. At the District 10 Championship round, Escanaba beat Gladstone and Kingsford, before defeating Iron Mountain in the Championship game.

WHEREAS, at the State Tournament going undefeated in Pool play, they beat West Branch, Hudsonville, and West Portage, before losing to St. Clair in the single elimination round.

WHEREAS, team players Casey Bray, Bon LaChance, Ben Johnson, Trent Lawson, Sawyer LaMarch, Kaiden Brown, Bryson Lancour, Brayden Martineau, Trevor Streichert, Gunner Bourdeau, Chase Cloutier, and Rogan Gravelle worked tirelessly on the field to hone their skills as baseball players and displayed unwavering stewardship of the game of baseball off the field. They exhibited respect for the game, opponents, officials, coaches and above all, themselves. Their coaches, families, and residents of the City of Escanaba can all be proud of their accomplishments.

WHEREAS, the coaching staff, consisting of Manager Bill LaMarch, Coach Tim Martineau, Coach Paul LaChance, and Coach Duane Bourdeau should be congratulated and recognized for their time, efforts, and fine direction given their team. Scott Johnson, Gordon Cashen, Mark Cloutier, along with all the other family and friends that supported the team and coaches, made the 2015 season victorious and memorable.

NOW, THEREFORE, BE IT PROCLAIMED, that I, Marc D. Tall, Mayor for the City of Escanaba, County of Delta, State of Michigan, on behalf of the Escanaba Community, congratulate the 2015 Escanaba Minor Boys Baseball Team on their winning season. I encourage all Escanaba Citizens to join with us in celebrating your tremendous accomplishments on and off the field.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the City of Escanaba.

Marc D. Tall, Mayor

PROCLAMATION

2015 Escanaba Little League Girls (9-10) All Star Team

WHEREAS, at the District 10 Tournament wins included Norway (3-1), Kingsford (11-0), and Norway (6-1).

WHEREAS, at the State Tournament wins included Milan (14-1), Vicksburg (11-1), Big Rapids (14-0), before losing to West Branch (4-8).

WHEREAS, team players Abby Hill, Paxton Bullen, Carley McInerney, McKayla Mott, Chloe Allen, Delaney McIntrye, Madison Fulsher, Ave Boucher, Aubrey Stropich, Isabelle Braun, Aliayah Mylander, and Anna Boutilier focused on work ethic, toughness and desire, and transformed themselves into a winning team, with each player making valuable contributions. They have brought great honor, not only to themselves, but also to their families, coaches, and to the Delta County Community; and

WHEREAS, the coaching staff, consisting of Coach Scott Bullen, Coach Todd Milkawicks, and Coach Tim McIntyre should be congratulated and recognized for their time, efforts, and fine direction given their team which lead them to a victorious 2015 season.

NOW, THEREFORE, BE IT PROCLAIMED, that I, Marc D. Tall, Mayor for the City of Escanaba, County of Delta, State of Michigan, on behalf of the Escanaba Community, congratulate the 2015 Escanaba Little League Girls (10-11) All Star Team on their winning season. I encourage all Escanaba Citizens to join with us in celebrating your tremendous accomplishments on and off the field.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the City of Escanaba.

Marc D. Tall, Mayor

PROCLAMATION

2015 Escanaba Little League Girls (10-11) All Star Team

WHEREAS, at the State Tournament wins included North Central U.P. (4-2), George Town (6-5), Tecumseh (11-0), North Central U.P. (12-0), before losing to Bay County Little League (2-4).

WHEREAS, team players Elizabeth Sliva, Emily Moore, Caydence Carter, Carsyn Segorski, Bailey Barron, Venessa Reimer, Carney Salo, Jordan Marenger, Erica Moore, and Maysie Lancour focused on work ethic, toughness and desire, and transformed themselves into a winning team, with each player making valuable contributions. They have brought great honor, not only to themselves, but also to their families, coaches, and to the Delta County Community; and

WHEREAS, the coaching staff, consisting of Coach Jamie Segorski, Coach Gordon Cashen, and Coach Tim Moore should be congratulated and recognized for their time, efforts, and fine direction given their team which lead them to a victorious 2015 season.

NOW, THEREFORE, BE IT PROCLAIMED, that I, Marc D. Tall, Mayor for the City of Escanaba, County of Delta, State of Michigan, on behalf of the Escanaba Community, congratulate the 2015 Escanaba Little League Girls (10-11) All Star Team on their winning season. I encourage all Escanaba Citizens to join with us in celebrating your tremendous accomplishments on and off the field.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the City of Escanaba.

Marc D. Tall, Mayor

PROCLAMATION

2015 Escanaba Minor League Boys (11 year old) All-Star Team

WHEREAS, at the District 10 Tournament the Escanaba 11 year old Boys All-Star Team defeated Norway twice, and Iron Mountain once, to win the District 10 Tournament.

WHEREAS, at the State Sectional Tournament they won by defeating Marquette twice.

WHEREAS, at the State Tournament they had one win and two losses, and defeated South Portage (5-4) in the final game.

WHEREAS, team players Stephen Weinert, Jayger LaMarch, Hunter Lancour, Nicholas Rousseau, Aiden Mylander, Nathan Howes, Adam Willette, Scott Hiller, Marshall Zelenak, and Matthew Zimmerman worked tirelessly on the field to hone their skills as baseball players and displayed unwavering stewardship of the game of baseball off the field. They exhibited respect for the game, opponents, officials, coaches and above all, themselves. Their coaches, families, and residents of the City of Escanaba can all be proud of their accomplishments.

WHEREAS, the coaching staff, consisting of Manager Cory Mylander, Coach Steven Zimmerman, and Coach Al Rousseau, should be congratulated and recognized for their time, efforts, and fine direction given to their team. Nick Lancour, Steven Howes, along with all the other family and friends that supported the team and coaches, made the 2015 season victorious and memorable.

NOW, THEREFORE, BE IT PROCLAIMED, that I, Marc D. Tall, Mayor for the City of Escanaba, County of Delta, State of Michigan, on behalf of the Escanaba Community, congratulate the 2015 Escanaba Minor Boys Baseball Team on their winning season. I encourage all Escanaba Citizens to join with us in celebrating your tremendous accomplishments on and off the field.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the City of Escanaba.

Marc D. Tall, Mayor

PROCLAMATION

2015 Delta County Junior (age 13-14) Girls Softball Team

WHEREAS, at the District 10 Tournament, the Delta County Junior Girls Softball Team defeated Norway and Kingsford, then Kingsford again in the Championship game; and

WHEREAS, the Sectional Tournament win was Negaunee; and

WHEREAS, the State Tournament wins were Clare, Crosswell-Lexington, and Grandville; and

WHEREAS, the Regional Tournament wins were Ohio and Indiana, then losing in the Championship game to Kentucky; and

WHEREAS, team players Andie Balenger, Heather Bergstrom, Chloe Caswell, Maddie Griffin, Natalie Hansen, Sydney Herioux, Georgia Lehto, Amber Lenards, Gabi Salo, Hannah Sharon, Serina Sinnaeve, Alison Sommers, and Jenna Tardiff focused on work ethic, toughness and desire, and transformed themselves into a winning team, with each player making valuable contributions. They have brought great honor, not only to themselves, but also to their families, coaches, and to the Delta County Community; and

WHEREAS, the coaching staff, consisting of Coach Scott Herioux, Coach Jeff Hansen, and Coach Tim Lehto, should be congratulated and recognized for their time, efforts, and fine direction given their team which led them to a victorious 2015 season.

NOW, THEREFORE, BE IT PROCLAIMED, that I, Marc D. Tall, Mayor for the City of Escanaba, County of Delta, State of Michigan, on behalf of the Delta County Community, congratulate the 2015 Delta County Junior Girls Softball Team on their winning season. I encourage all Delta County Citizens to join with us in celebrating your tremendous accomplishments on and off the field.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the City of Escanaba.

Marc D. Tall, Mayor

PROCLAMATION

2015 Escanaba Little League Girls Senior Softball Team

WHEREAS, at the District Tournament, the Escanaba Little League Girls Senior Softball Team defeated Norway and Kingsford, then Kingsford again in the Championship game; and

WHEREAS, the State Tournament wins were Kewaunee and Melvindale, then Kewaunee in the Championship game; and

WHEREAS, the Regional Tournament wins were Iowa, Indiana, and South Bend Indiana, then South Bend in the Championship game; and

WHEREAS, the World Series Tournament wins were Europe (Chzech Republic), South East (Domascus Virginia), East (Bristol, PA), then losing to West (Missoula, Montana) in the Championship game; and

WHEREAS, team players Taylor Gauthier, Katie Ross, Taylor Segorski, Claire McInerney, Malory Hiney, Jerikka McAlpine, JJ Laviolette, Cassie Wisler, Emily Bruntjens, and Madison Kolich focused on work ethic, toughness and desire, and transformed themselves into a winning team, with each player making valuable contributions. They have brought great honor, not only to themselves, but also to their families, coaches, and to the Escanaba Community; and

WHEREAS, the coaching staff, consisting of Coach Andy Fields, Coach Vance Hiney, and Coach Jamie Segorski, should be congratulated and recognized for their time, efforts, and fine direction given their team which led them to a victorious 2015 season.

NOW, THEREFORE, BE IT PROCLAIMED, that I, Marc D. Tall, Mayor for the City of Escanaba, County of Delta, State of Michigan, on behalf of the Escanaba Community, congratulate the 2015 Escanaba Little League Girls Senior Softball Team on their winning season. I encourage all Escanaba Citizens to join with us in celebrating your tremendous accomplishments on and off the field.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the City of Escanaba.

Marc D. Tall, Mayor

James V. O'Toole
City Manager



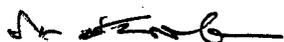
NB#1
cc 9/17/15
410 Ludington Street
Escanaba, Michigan 49829
Phone (906)786-0240

MEMORANDUM

September 11, 2015

TO: Escanaba City Council Members

COPY: Melissa Becotte, City Controller
Daina Norden, City Assessor

FROM:  James V. O'Toole, City Manager

SUBJECT: Payment in Lieu of Taxes Request and Municipal Services Agreement – 223 Ludington Street

The Excel – Deal 24 LDHA LP is requesting the City of Escanaba authorize a Payment in Lieu of Taxes Ordinance and Municipal Services Agreement, which would allow them to seek funding for renovation and upgrading of the building located at 223 Ludington Street and 126 1st Avenue South.

Under conditions as set forth in Ordinance No. 1164, the City will receive an annual service charge equal to four (4) percent of the difference between the annual shelter rents actually collected and utilities.

Under the conditions as set forth in the Municipal Services Agreement, the City will also receive an annual service payment for the municipal services that are provided at the property such as police, fire, etc.

Attached, please find the PILT – Property Tax Analysis spreadsheet.

Mission Statement:

Enhancing the enjoyment and livability of our community by providing quality municipal services to our citizens.

Excel – Deal 24 LDHA LP

3690 Orange Place, Suite 517 Beachwood, OH 44122
Ph. 216-378-9610 Fax 216-378-9611

9-9-2015

City Council of Escanaba
Mr. Jim O'Toole, City Manager
410 Ludington Street
Escanaba, MI 49829

Dear Council,

Excel- Deal 24 LDHA LP hereby requests a Payment in Lieu of Taxes (PILOT) Ordinance and Municipal Services Agreement for the House of Ludington re-development.

The reason for this request is that 1) it is necessary for the economic feasibility of the re-development and 2) without the passage of such ordinances the re-development will not score competitively enough to obtain the tax credit.

From an economic standpoint, residents living in "tax credit" communities are provided with a newly constructed or rehabilitated rental home and they pay less than the rental rate typically charged in the area. This restricted income level of the property makes it infeasible for a tax credit property to pay normal property taxes.

Therefore, the PILOT approach was developed and is used throughout the State of Michigan for affordable housing properties.

We appreciate the Council's consideration of our request and look forward to the re-development of one of Michigan's most historic buildings.

Sincerely,

Peter Jobson

Peter Jobson
Excel-Deal 24 LLC
General Partner

ORDINANCE NO. 1164

**AN ORDINANCE TO AMEND CHAPTER 26 - TAXATION
OF THE CODE OF ORDINANCES OF THE CITY OF ESCANABA**

THE CITY OF ESCANABA ORDAINS:

CHAPTER I

Chapter 26 - Taxation of the Escanaba Code of Ordinances is hereby amended by adding Division 5, House of Ludington Downtown Residence, to read as follows:

CHAPTER 26 - TAXATION

**ARTICLE III, SERVICE CHARGE IN LIEU OF PROPERTY TAXES
FOR HOUSING DEVELOPMENT**

DIVISION 5, HOUSE OF LUDINGTON DOWNTOWN RESIDENCE

Sec. 26-60. Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide elderly/senior affordable housing for its citizens of low income and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the State Housing Development Authority Act of 1966 (1966 PA 346, as amended, MCLA Section 125.1401 et seq, MSA Section 116.114(l) et seq.). The City is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such elderly/senior housing for persons of low income is a public necessity, and as the city will be benefitted and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose; further, that the continuation of the provisions of this article for tax exemption and the service charge in lieu of taxes during the period contemplated in this article are essential to the determination of economic feasibility of housing developments which are constructed and financed in reliance on such tax exemption.

The City acknowledges that EXCEL-DEAL 24 LDHA LP has offered subject to receipt of the allocation under the LIHTC Program by the Michigan State Housing Development Authority to construct, own and operate an elderly/senior housing project known as the House of Ludington Downtown Residence on certain property located at:

Land situated in the City of Escanaba, County of Delta, State of Michigan, described as follows: Lots 8 thru 14 and the West 1/2 of Lot 7 of Block 4 of the Original Plat

Consisting of up to 34 units and associated parking and grounds in the city to serve as affordable elderly/senior housing, and that the sponsor has offered to pay the City on account of this housing development an annual service charge for public service in lieu of taxes.

Sec. 26-61. Definitions.

All terms not herein defined shall have the meanings given them in the State Housing Development Authority Act of 1966, being Public Act of 1966, of the State of Michigan, as amended.

1. *Act* means the State Housing Development Authority Act, being Michigan Public Act of 1966, as amended.
2. *Annual shelter rent* means the total collections, including rental subsidy, during an agreed annual period from all occupants of a housing development representing rent or occupancy charges, exclusive of charges for gas, electricity, heat, late fees, or other utilities furnished to the occupants.
3. *Authority* means the Michigan State Housing Development Authority.
4. *Elderly/Senior housing* means a household consisting of one (1) single person who is fifty-five (55) years of age or older or a household which at least one (1) member is 55 years of age and all other members are at least fifty (50) years of age.
5. *Housing development* means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, industrial, communal, and educational facilities as the authority determines improve the quality of the development as it relates to housing for persons of low income.
6. *Low Income or Moderate Income Persons* means families and persons at or below 60% of the area median income adjusted for family size.

7. *Federally-Aided Mortgage* means a mortgage insured, purchased, or held by the Secretary of the Department of Housing and Urban Development (HUD) or United States Department of Agriculture – Rural Development (USDA-RD); a mortgage receiving interest credit reduction payments provided by the HUD or USDA-RD; a Housing Development to which the Authority allocates low income housing tax credits under Section 42b of the Act; or a mortgage receiving special benefits under other federal law designated specifically to develop low and moderate-income housing, consistent with the Act.
8. *Sponsor* means person(s) or entities which have applied to the authority for a mortgage loan or for an allocation under the Low Income Housing Tax Credit Program to finance an elderly/senior housing development.
9. *Utilities* mean fuel, water, sanitary sewer service and/or electrical service which are paid by the elderly/senior housing development.

Section 26-62, Class of housing development.

It is determined that the class of housing development to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing developments which are financed or assisted pursuant to the act. It is further determined that the elderly/senior development is of this class.

Section 26-63. Establishment of annual service charge.

The housing development known as the House of Ludington Downtown Residence and the property on which it is constructed shall be exempt from all property taxes as of or effective on the December 31st of the year the certified notification of exemption was filed with the City Assessor prior to November 1st. The city acknowledging that the sponsor and the authority have established the economic feasibility of the elderly/senior housing development in reliance upon the enactment and continuing effect of this article and the qualification of the housing development for the exemption from all property taxes and a payment in lieu of taxes as established in this article, and in consideration of the sponsor's offer, subject to existence of a mortgage loan and proper certificate of exemption filed, to own and operate the apartment complex, agrees to accept payment of an annual service charge for public services in lieu of all property taxes. The annual service charge shall be equal to four (4) percent of the difference between the annual shelter rents actually collected and utilities.

Section 26-64. Limitation on the payment of the annual service charge.

Notwithstanding Section 26-63, the service charge to be paid each year in lieu of taxes for the part of the housing development which is tax exempt and which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which shall be paid on that portion of the elderly/senior housing development if the housing development were not tax exempt.

Notwithstanding Section 26-63, The service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the housing project if the housing project were not tax exempt.

Section 26-65. Contractual effect of this article.

Notwithstanding the provisions of (Section 15(a)(5)) of the act to the contrary, a contract between the city and the sponsor, with the authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this article.

Section 26-66. Payment of service charge.

The service charge in lieu of taxes as determined under the article shall be payable in the same manner as general property taxes are payable to the city except that the annual payment shall be paid on or before May 31 of each year.

Section 26-67. Duration.

This article shall remain in effect and shall not terminate so long as the authority's mortgage loan remains outstanding and unpaid or the authority has any interest in the property; or the elderly/senior housing development remains subject to income and rent restrictions pursuant to Section 42 of the Internal Revenue Code of 1986, as amended. Notwithstanding the foregoing, this Ordinance shall terminate if (i) the owner fails to rehabilitate the existing Project as presented to the City of Escanaba, Michigan Economic Development Corporation and Michigan State Housing Development Authority, (ii) this Project ceases to serve low to moderate income elderly persons, or (iii) that the Sponsor does not acquire the Project and begin rehabilitation on or before November 1, 2018. The service charge in lieu of taxes as determined under this Ordinance, shall remain in effect as long as the Federally-aided or Authority aided mortgage is outstanding, but no more than thirty-five (35) years.

CHAPTER II
SAVINGS CLAUSE

If any section, subsection, sentence, clause or phrase of the within Ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of

the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

CHAPTER III
REPEALING CHAPTER

All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

CHAPTER IV
EFFECTIVE DATE

This Ordinance shall be in full force and effect ten (10) days after its passage and publication.

APPROVED:

APPROVED:

Ralph B.K. Peterson, City Attorney

Marc D. Tall, Mayor

ATTEST:

Robert S. Richards, CMC/City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the City Council of the City of Escanaba, County of Delta, Michigan, at a Regular Meeting held on the ____ day of _____, 2015, and was published in the Daily Press, a newspaper of general circulation in the City of Escanaba on _____, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Robert S. Richards, CMC/City Clerk

CITY OF ESCANABA

PILT Analysis - House of Ludington (Excel Realty)

Assumptions: Tax revenue is from 2014 (Summer & Winter) Tax Bills
 Includes one parcel
 Annual Rent Receipts \$190,176
 MSA Amount reimburses 100% of City taxes and PTAF

	<u>2014 Taxes</u>	<u>4% of Rents</u>	
		<u>Revenue</u>	<u>Loss</u>
DC Central Dispatch	\$68.77	\$40.89	(27.88)
Bay De Noc CC Debt	229.24	136.29	(92.95)
Bay De Noc CC Operating	529.00	314.50	(214.50)
Community Action Agency	137.54	81.77	(55.77)
DATA	137.54	81.77	(55.77)
ISD	546.75	325.06	(221.69)
EAPS Debt	1,088.92	647.39	(441.53)
EAPS Operating	3,424.95	2,036.21	(1,388.74)
DC Road Patrol	206.32	122.66	(83.66)
SET (State)	1,375.48	817.75	(557.73)
Delta County	1,153.50	685.78	(467.72)
City of Escanaba	<u>3,897.19</u>	<u>2,316.97</u>	<u>(1,580.22)</u>
Total Taxes	12,795.20	\$7,607.04	(5,188.16)
PTAF (City)	<u>127.94</u>	<u>0.00</u>	(127.94)
Totals	<u>\$12,923.14</u>	\$7,607.04	(5,316.10)
Municipal Services Agreement		<u>1,708.16</u>	<u>1,708.16</u>
Total Cost to Excel Realty		<u>\$9,315.20</u>	
Total Savings to Excel Realty		<u>\$3,607.94</u>	<u>\$3,607.94</u>

MUNICIPAL SERVICES AGREEMENT

THIS MUNICIPAL SERVICES AGREEMENT entered into this ____ day of _____, 2015, between Excel-Deal 24 LDHA LP, a Michigan Limited Dividend Housing Association Limited Partnership, whose main office is located at 3690 Orange Pl. #517, Beachwood, OH 44122 (hereinafter referred to as the "OWNER") and the **City of Escanaba**, a Michigan municipal corporation, located at 410 Ludington Street, Escanaba, Michigan (hereinafter referred to as the "CITY").

RECITALS

- A. The OWNER provides housing for low to moderate income individuals and families. The apartment complex known as House of Ludington Downtown Residence was financed in part by IRS Section 42 tax credits, on land legally described in *Exhibit "A"*, (hereinafter referred to as the "PROJECT").
- B. The OWNER desires to guarantee that certain municipal services will be provided to the PROJECT during the term that the Payment in Lieu of Tax (hereinafter referred to as the "PILOT") Ordinance for this PROJECT is in place, such municipal services to include:
1. Emergency services, including rescue and fire service;
 2. Other miscellaneous services as may, from time to time, be mutually agreed to for the benefit of the PROJECT;
 3. Said municipal services shall be provided in the customary way, in a competent and workmanlike manner, and in accordance with all laws, rules and regulations of the United States of America, State of Michigan, County of Delta, and City of Escanaba or other applicable jurisdictions or bodies.
- (All of the above collectively referred to as "Municipal Services".)

AGREEMENT

The parties agree as follows:

1. The City will provide the Municipal Services.
2. The payment for Municipal Services shall be paid annually by the OWNER to the CITY. The payment for the first year shall be in the amount of \$1708.16. Thereafter said amount shall increase annually by 3%.
3. Payment for Municipal Services shall commence up receipt of a certificate of occupancy for the project and will remain in place until which time the PILOT Ordinance between the OWNER and the CITY terminates. Payments shall be made on or before February 14th in the year such payment is due.

IN WITNESS WHEREOF, this Municipal Services Agreement is executed as of the day and year first written above.

DATED: _____, 2015

Excel-Deal 24 LDHA LP
3690 Orange Pl. #517, Beachwood, OH 44122
By: Excel-Deal 24 LLC, General Partner

By: Peter Jobson, Manager

DATED: _____, 2015

CITY OF ESCANABA,
410 Ludington Street, Escanaba, MI 49829

By: **James O'Toole,** City Manager

By: **Melissa Becotte,** City Controller

This document prepared by:
Russell W. Hall
DeGrand, Reardon & Hall, P.C.
517 Ludington Street
Escanaba, MI 49829
(906) 786-6009

CITY OF ESCANABA

PILT Analysis - House of Ludington (Excel Realty)

Assumptions: Tax revenue is from 2014 (Summer & Winter) Tax Bills
 Includes one parcel
 Annual Rent Receipts \$190,176
 MSA Amount reimburses 100% of City taxes and PTAF

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		<u>Revenue</u>	<u>Loss</u>
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DATA	137.54	81.77	(55.77)
ISD	546.75	325.06	(221.69)
EAPS Debt	1,088.92	647.39	(441.53)
EAPS Operating	3,424.95	2,036.21	(1,388.74)
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Municipal Services Agreement		<u>1,708.16</u>	<u>1,708.16</u>
Total Cost to PK Housing		<u>\$9,315.20</u>	
Total Savings to PK Housing		<u>\$3,607.94</u>	<u>\$3,607.94</u>

STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966 (EXCERPT)

Act 346 of 1966

125.1415a Exemption of housing project from taxes; filing certified notification of exemption with local assessing authority; annual service charge; amount; duration of exemption; distribution of payments for public services; exceptions; payment of service charge equal to full amount of taxes; reduced housing charges; "low income persons and families" defined; rules; reimbursement prohibited.

Sec. 15a. (1) If a housing project owned by a nonprofit housing corporation, consumer housing cooperative, limited dividend housing corporation, mobile home park corporation, or mobile home park association is financed with a federally-aided or authority-aided mortgage or advance or grant from the authority, then, except as provided in this section, the housing project is exempt from all ad valorem property taxes imposed by this state or by any political subdivision, public body, or taxing district in which the project is located. The owner of a housing project eligible for the exemption shall file with the local assessing officer a notification of the exemption, which shall be in an affidavit form as provided by the authority. The completed affidavit form first shall be submitted to the authority for certification by the authority that the project is eligible for the exemption. The owner then shall file the certified notification of the exemption with the local assessing officer before November 1 of the year preceding the tax year in which the exemption is to begin.

(2) The owner of a housing project exempt from taxation under this section shall pay to the municipality in which the project is located an annual service charge for public services in lieu of all taxes. Subject to subsection (6), the amount to be paid as a service charge in lieu of taxes shall be for new construction projects the greater of, and for rehabilitation projects the lesser of, the tax on the property on which the project is located for the tax year before the date when construction or rehabilitation of the project was commenced or 10% of the annual shelter rents obtained from the project. A municipality, by ordinance, may establish or change, by any amount it chooses, the service charge to be paid in lieu of taxes by all or any class of housing projects exempt from taxation under this act. However, the service charge shall not exceed the taxes that would be paid but for this act.

(3) The exemption from taxation granted by this section shall remain in effect for as long as the federally-aided or authority-aided mortgage or advance or grant from the authority is outstanding, but not more than 50 years. The municipality may establish by ordinance a different period of time for the exemption to remain in effect.

(4) Except as otherwise provided in this subsection, any payments for public services received by a municipality in lieu of taxes under this section shall be distributed by the municipality to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. For payments in lieu of taxes collected after June 30, 1994, the distribution to the several units shall be made as if the number of mills levied for local school district operating purposes were equal to the number of mills levied for those purposes in 1993 minus the number of mills levied under the state education tax act, Act No. 331 of the Public Acts of 1993, being sections 211.901 to 211.906 of the Michigan Compiled Laws, for the year for which the distribution is calculated. For tax years after 1993, the amount of payments in lieu of taxes to be distributed to a local school district for operating purposes under this subsection shall not be distributed to the local school district but instead shall be paid to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(5) Notwithstanding subsection (1), a municipality may provide by ordinance that the tax exemption established in subsection (1) shall not apply to all or any class of housing projects within its boundaries to which subsection (1) applies. If the municipality makes that provision, the tax exemption established in subsection (1) shall not apply to the class of housing projects designated in the ordinance. If the ordinance so provides, the ordinance shall be effective with respect to housing projects for which an exemption has already been granted on December 31 of the year in which the ordinance is adopted, but not before. A municipality that has adopted an ordinance described in this subsection may repeal that ordinance, and the repeal shall become effective on the date designated in the repealing ordinance.

(6) Notwithstanding subsection (2), the service charge to be paid each year in lieu of taxes for that part of a housing project that is tax exempt under subsection (1) and that is occupied by other than low income persons or families shall be equal to the full amount of the taxes that would be paid on that portion of the project if the project

were not tax exempt. The benefits of any tax exemption granted under this section shall be allocated by the owner of the housing project exclusively to low income persons or families in the form of reduced housing charges.

(7) For purposes of this section only, "low income persons and families" means, with respect to any housing project that is tax exempt, persons and families eligible to move into that project. For purposes of this subsection, the authority may promulgate rules to redefine low income persons or families for each municipality on the basis of conditions existing in that municipality.

(8) This state shall not reimburse any unit of government for a tax exemption granted to any housing project under this section.

History: Add. 1968, Act 334, Imd. Eff. July 14, 1968;—Am. 1969, Act 109, Imd. Eff. July 24, 1969;—Am. 1979, Act 49, Imd. Eff. July 7, 1979;—Am. 1982, Act 534, Imd. Eff. Dec. 31, 1982;—Am. 1983, Act 217, Imd. Eff. Nov. 16, 1983;—Am. 1994, Act 363, Imd. Eff. Dec. 27, 1994.

Compiler's note: Section 2 of Act No. 363 of the Public Acts of 1994 provides:

"The provisions of this amendatory act, providing that the exemption from taxes provided in section 15a of this act be limited to ad valorem property taxes, are curative expressing the original intent of the legislature that the exemption extends only to ad valorem property taxes and does not apply to the other taxes levied under Michigan law."

Administrative rules: R 125.101 et seq. of the Michigan Administrative Code.

Table Of Contents

125.1415a

Exemption of housing project from taxes; filing certified notification of exemption with local assessing authority; annual service charge; amount; duration of exemption; distribution of payments for public services; exceptions; payment of service charge equal to full amount of taxes; reduced housing charges; "low-income persons and families" defined; rules; reimbursement prohibited.

2

NIB # 2
cc 9/17/15



August 20, 2015

MEMORANDUM

TO: City Council,
James V. O'Toole, City Manager

FROM: Robert S. Richards, CMC *RSR*
City Clerk

SUBJECT: September 3, 2015, Agenda Item MERIT Network Services

October 2014, Council authorized a one year contract for MERIT Network, Inc. to provide internet services for the City of Escanaba. MERIT has continued to provide the City with exceptional service and backup for its internet needs. At this time, I would recommend Council approval to use MERIT Network, of Ann Arbor, MI, to continue to provide internet services. Authorization is sought to approve a five year internet bandwidth contract with MERIT Network, of Ann Arbor, MI in a yearly amount not to exceed \$3,334 (this price has dropped from \$5,336 to \$3,334, and available bandwidth has tripled).



Merit Network Service Agreement Schedule

Merit Network, Inc.
 1000 Oakbrook Drive, Suite 200
 Ann Arbor, MI 48104
 734-527-5700 734-527-5780
 www.merit.edu

Service Agreement Number: 20140325-DED-34344-AMM-1

Renewal for the City of Escanaba

March 25, 2014

Prepared For:

Jim O'Toole
 City of Escanaba
 410 Ludington Street
 Escanaba, MI 49829

Provided By:

James (Jim) A. Lundberg
 906-474-1222
 lundberj@merit.edu

Select One →

Select One →		<input checked="" type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
		1-Yr Contract		2-Yr Contract		3-Yr Contract		5-Yr Contract	
		One-time	Recurring	One-time	Recurring	One-time	Recurring	One-time	Recurring
<input checked="" type="checkbox"/>	1G bps Fiber Connection	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	10.0M bps Total	\$0	\$3,236	\$0	\$3,236	\$0	\$3,236	\$0	\$3,236
	Annual Contracted Bandwidth		\$1,500		\$1,500		\$1,500		\$1,500
	Annual Access Fee		\$600		\$600		\$600		\$600
	Consortium Internet Service		\$600		\$600		\$600		\$600
	Total First Year Cost	\$0	\$5,336	\$0	\$5,336	\$0	\$5,336	\$0	\$5,336
	(monthly)		\$445		\$445		\$445		\$445
<input type="checkbox"/>	1G bps Fiber Connection	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	15.0M bps Total	\$250	\$4,686	\$250	\$4,686	\$250	\$4,686	\$250	\$4,686
	Annual Contracted Bandwidth		\$1,500		\$1,500		\$1,500		\$1,500
	Annual Access Fee		\$600		\$600		\$600		\$600
	Consortium Internet Service		\$600		\$600		\$600		\$600
	Total First Year Cost	\$250	\$6,786	\$250	\$6,786	\$250	\$6,786	\$250	\$6,786
	(monthly)		\$566		\$566		\$566		\$566
<input type="checkbox"/>	1G bps Fiber Connection	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	20.0M bps Total	\$250	\$6,248	\$250	\$6,248	\$250	\$6,248	\$250	\$6,248
	Annual Contracted Bandwidth		\$1,500		\$1,500		\$1,500		\$1,500
	Annual Access Fee		\$600		\$600		\$600		\$600
	Consortium Internet Service		\$600		\$600		\$600		\$600
	Total First Year Cost	\$250	\$8,348	\$250	\$8,348	\$250	\$8,348	\$250	\$8,348
	(monthly)		\$696		\$696		\$696		\$696

Preferred Billing Period (e.g. 7/1 - 6/30): 7/1 - 6/30 Invoice Frequency: Annual Bi-Annual Quarterly Monthly
 Note: Invoice frequencies other than annual incur a \$25 billing fee per invoice

Consortium/WAN Pricing - Under Merit Network, Inc.'s Consortium/WAN Pricing Model, one or more related organizations may aggregate traffic from multiple physical locations using multiple circuits for consolidated pricing. However, the entities must have an existing legal or purchasing relationship and management structure and one member of the consortium is designated the lead organization. Only the lead organization is permitted to contact Merit regarding service issues and support. For an additional Full Support fee, individual consortium members may have direct contact with Merit. The lead member must accept billing responsibility for the full contracted amount and will be responsible for the total amount due and for determining any chargebacks to the individual Consortium/WAN members. Traffic for all Consortium/WAN members are aggregated each month and billed according to the following rules:

Bandwidth is measured by the average peak bandwidth usage, defined as the maximum bandwidth used in successive traffic samples taken over 30 minutes on two consecutive days in a month. Affiliate pays for the minimum bandwidth specified by the Contracted Bandwidth Fee, plus any additional charge for actual peak bandwidth used each month. The additional charge is calculated as the difference between the specified bandwidth fee and the fee for the peak bandwidth used that month. If Affiliate uses more than the base amount in three consecutive months, the highest amount used in each of those months would become the new base.

On-Net is defined as traffic that stays entirely within the Merit network or is destined for the Internet2 network. Traffic that leaves the network for "commodity" or peering connections is considered "off-net". Traffic to other research and education networks (with the exception of Akamai) will be considered "off-net". On-Net traffic includes any data exchanged within Merit's Membership base. Merit Membership includes 12 of 13 public universities, 59% of Michigan's overall higher education institutions, 42% of K12 ISDs and ESAs, as well as 50% of public library cooperatives.

Accepted: James V O'Toole (Signature) 5/28/14 (Date)
5/28/14 (Print) Fax to: 734-527-5790



Connecting Organizations, Building Community

July 22, 2015

Bob Richards
City of Escanaba
410 Ludington Street
Escanaba, MI 49829

Dear Bob,

We are pleased to provide the enclosed renewal quote and service agreement. This proposal is valid for a period of ninety (90) days from the date of this proposal, unless rescinded by Merit. Your current service agreement with Merit Network expires on June 30, 2015.

Merit values the relationship we have built over the years with your organization. City of Escanaba has been a Merit Member since October 2011 and is connected to our network via a 1G bps Fiber connection. In addition, Merit provides 32 Internet addresses to your organization. Merit looks forward to continuing the partnership with your organization to make Michigan a showcase for high-performance networking for education and research.

Your current billing cycle is 7/1 - 6/30. If you wish to proceed with this renewal, please return the signed service agreements with the contract term noted, and the respective schedule(s) with your options checked, e.g. service agreement term, bandwidth level, your signature and printed name, and the date. If your organization requires a purchase order, please send it along with the service agreement and schedules.

With this renewal, Merit is providing new bandwidth rates under a new Total bandwidth usage model. Based on your total utilization, this renewal includes bandwidth option of 30Mbps, 40Mbps, and 50Mbps.

Bob, please return the enclosed service agreement and schedule(s) by August 31, 2015. If we do not hear from you by August 31, 2015, City of Escanaba's service agreement will be renewed for a similar term at 30Mbps of Contracted Bandwidth.

Please feel free to contact me at lundberj@merit.edu or 906-474-1222 if you need any assistance or additional information. For more information about Merit, please refer to the enclosed materials or visit our web site at www.merit.edu. Thank you for your continued interest and support of Merit Network, Inc.

Sincerely,

Jim Lundberg
Upper Peninsula Member Relations Manager
Member Relations

enclosures

www.merit.edu

p 734.527.5700 | f 734.527.5790
1000 Oakbrook Drive, Suite 200 | Ann Arbor, MI 48104 - 6794

Merit Network Inc.



Merit Network Service Agreement Schedule

Service Agreement Number: 20150626-DED-34344-AMM-1

Upgrade and Renewal Quote for the City of Escanaba

Merit Network, Inc.
 1000 Oakbrook Drive, Suite 200
 Ann Arbor, MI 48104
 t.734-527-5700 f.734-527-4125
 www.merit.edu

July 22, 2015

Prepared For:
 Bob Richards
 City of Escanaba
 410 Ludington Street
 Escanaba, MI 49829

Provided By:
 Jim Lundberg
 906-44-1222
 lundberj@merit.edu

Select One →

Select One →

Select One →	Select One →	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		
		1-Yr Contract		2-Yr Contract		3-Yr Contract		5-Yr Contract		
		One-time	Recurring	One-time	Recurring	One-time	Recurring	One-time	Recurring	
<input type="checkbox"/>	30 Mbps Total Bandwidth	Equipment	\$0		\$0		\$0		\$0	
		Upgrade Allowance	\$0		\$0		\$0		\$0	
		Telco Installation	\$0		\$0		\$0		\$0	
		Merit Installation	\$250		\$250		\$250		\$250	
		Annual Contracted Bandwidth		\$2,304		\$2,160		\$2,052		\$1,944
		Annual Access Fee		\$1,500		\$1,500		\$1,500		\$1,500
		Consortium Dedicated Internet Service		\$0		\$0		\$0		\$0
		Total First Year Cost	\$250	\$3,804	\$250	\$3,660	\$250	\$3,552	\$250	\$3,444
		(monthly)		\$317		\$305		\$296		\$287
<input type="checkbox"/>	40 Mbps Total Bandwidth	Equipment	\$0		\$0		\$0		\$0	
		Upgrade Allowance	\$0		\$0		\$0		\$0	
		Telco Installation	\$0		\$0		\$0		\$0	
		Merit Installation	\$250		\$250		\$250		\$250	
		Annual Contracted Bandwidth		\$3,072		\$2,880		\$2,736		\$2,592
		Annual Access Fee		\$1,500		\$1,500		\$1,500		\$1,500
		Consortium Dedicated Internet Service		\$0		\$0		\$0		\$0
		Total First Year Cost	\$250	\$4,572	\$250	\$4,380	\$250	\$4,236	\$250	\$4,092
		(monthly)		\$381		\$365		\$353		\$341
<input type="checkbox"/>	50 Mbps Total Bandwidth	Equipment	\$0		\$0		\$0		\$0	
		Upgrade Allowance	\$0		\$0		\$0		\$0	
		Telco Installation	\$0		\$0		\$0		\$0	
		Merit Installation	\$250		\$250		\$250		\$250	
		Annual Contracted Bandwidth		\$3,840		\$3,600		\$3,420		\$3,240
		Annual Access Fee		\$1,500		\$1,500		\$1,500		\$1,500
		Consortium Dedicated Internet Service		\$0		\$0		\$0		\$0
		Total First Year Cost	\$250	\$5,340	\$250	\$5,100	\$250	\$4,920	\$250	\$4,740
		(monthly)		\$445		\$425		\$410		\$395

Preferred Billing Period (e.g. 7/1 - 6/30): _____

Invoice Frequency: Annual Bi-Annual Quarterly Monthly
 Note: Invoice frequencies other than annual incur a \$25 billing fee per invoice

Burstable Pricing - Burstable bandwidth is measured by the "average peak" usage of the circuit, defined as the maximum bandwidth used in successive traffic samples taken over 30 minutes on two consecutive days in a month. Affiliate pays for the minimum bandwidth specified by the Contracted Bandwidth Fee, plus any additional charge for actual peak bandwidth used each month. The additional charge is calculated as the difference between the specified bandwidth fee and the fee for the peak bandwidth used that month. If Affiliate uses more than the base amount in three consecutive months, the highest amount used in each of those months would become the new base.

Accepted: _____ (Signature) _____ (Date)

(Print)

Fax to: 734-527-4125



Merit Network, Inc.
1000 Oakbrook, Suite 200
Ann Arbor, MI 48104-6794
t.734-527-5700 f.734-527-4125
www.merit.edu

This SERVICES AGREEMENT Number: 20150626-DED-34344-AMM-1, dated as of July 1, 2015 (collectively with each Service Order Form, as defined below, the "Agreement"), is made by and between Merit Network, Inc. ("Merit") and City of Escanaba ("Affiliate").

1. Background

Merit is a non-profit corporation, governed by Michigan's four-year publicly supported universities, operating a statewide computer network providing links to external networks.

2. Services Provided

(a) *General.* Merit will provide to Affiliate the Internet access services, optional fee-services, and other mutually agreed-upon services (collectively, the "Services") set forth below or in a specific Service Order Form (each a "Service Agreement") which may be executed from time-to-time by Merit and Affiliate setting forth additional services, all of which shall be subject to the terms and provisions of this Agreement.

(b) *Network Access.* Merit will provide to Affiliate Internet access and other services as defined in the Schedule(s) referenced in Section 3.

(c) *Installation.* Merit will provide the labor, equipment, and other materials necessary to provide network access. This includes the equipment at both ends of the connection, the circuit used, and related materials, parts and labor. Affiliate shall pay a service charge for the equipment, the cost of the circuit and any Merit and telephone company installation fees (if applicable), associated with the installation. All equipment supplied by Merit will remain the property of Merit. Affiliate shall be responsible for all internal networking, host computers to be attached to the network, and any associated software. Affiliate shall also be responsible for the cost of any software upgrades to Affiliate owned equipment, which may be specified by Merit which is required in order to effectuate the network attachment. In addition, if applicable to Affiliate's choice of connection, Affiliate shall provide a voice grade phone line that will be connected to diagnostic equipment supplied by Merit, attached to the router for diagnostic purposes. Affiliate may have the option to select an alternate installation option for a reduced fee. If option is selected, Merit will configure all equipment and ship it to the Affiliate. Affiliate will then be responsible for installation of equipment at their location.

(d) *Service and Support.* Payment of the annual Affiliate fee shall entitle Affiliate to participate in the service and support offered by Merit from time-to-time to other Merit Affiliates. This service and support will include software and firmware upgrades required to maintain compatibility with the equipment and software used in the Merit backbone. It does not include optional equipment or software upgrades offered by Merit which are intended to add new features or provide increased performance. Those upgrades will be provided at Affiliate's expense upon request and pursuant to a separate written Service Agreement. It also does not include the replacement of equipment previously installed by Merit at Affiliate's site that is no longer supported by the manufacturer or which has reached the end of its useful life. If requested to support a service or feature upgrade, that equipment will be replaced by Merit, but at Affiliate's expense.

(e) *Maintenance.* Merit is responsible for the operation and maintenance of its backbone and server facilities. Affiliate is responsible for the operation and maintenance of its local area networks, computers and other equipment. Affiliate is also responsible for the cost of the maintenance on the Merit-supplied circuit at Affiliate's site, but agrees that all maintenance for circuits and Merit-owned equipment will be performed by Merit. Affiliate is responsible for providing and maintaining an acceptable environment for all Merit-owned equipment located at the Affiliate premises. Should Merit owned-equipment be damaged as a result of the Affiliate's abuse, neglect, or failure to provide an acceptable environment or as a result of environmental damage such as fire, flood or lightning strike, Affiliate is responsible for paying (i) the cost of all repair services and travel expenses provided at Affiliate's site at Merit's then-applicable hourly maintenance rate, plus mileage, and (ii) the cost of all parts and materials. Maintenance and repair services are available from Merit between 7:00 a.m. and 4:00 p.m., Monday through Friday, except holidays. Service may be provided at other mutually agreed upon times, if arranged in advance.

3. Payment

Affiliate shall pay for (i) Services set forth on the attached Schedule(s) to this Agreement and any subsequent schedules that reference this Services Agreement Number (ii) any additional Services as provided in the applicable Service Agreement; and (iii) applicable maintenance services at the then-applicable rates. Without limiting the foregoing, Affiliate shall pay all one-time set-up and installation charges, any one-time or recurring telecommunications service charges (regardless of whether such costs are passed through by Merit or billed separately by the telecommunications provider), related administrative fees charged by Merit, and all sales and use taxes, as well as duties or levies arising in connection with the Services. All non-recurring and recurring fees are billed in advance on an annual basis beginning on the first date of service, except Affiliate may elect monthly, quarterly or semi-annual billing for an additional administrative fee. The amount of the administrative fee will vary with the frequency of the billing. Any additional service fees will be billed as the service or charge is incurred. Some qualifying Affiliates may be granted extended payment terms for one-time set-up and installation charges with addition of an appropriate administrative fee. Payment is due within (30) days from the date appearing on the invoice. Affiliate will be charged a 1.5% late charge on the first day of each month on all invoices remaining unpaid (45) days after the date appearing on the invoice. These payment terms do not apply to amounts paid to Merit through the USF program.

4. Term and Termination

(a) *Term.* The term of this Agreement begins on the first date that network connectivity is provided by Merit, and extends over _____ (_____) years:

(b) *Renewals.* Unless either party gives a written termination notice at least (30) days prior to the end of the current term (whether it's the initial term or a renewal term), the term of this Agreement will be renewed automatically for a similar term as the term which is then in effect.

(c) *Early Termination.* If Affiliate terminates this Agreement for any reason other than Merit's breach of its responsibilities under this Agreement before the end of the term, or if Merit terminates this Agreement because of a violation by Affiliate of any term or provision of this Agreement including, but not limited to, Affiliate's failure to make any payment when due, then Affiliate shall be responsible for and shall pay (i) all telecommunications service charges applicable through the date service is actually terminated, regardless of the effective date of termination of the Agreement, and any related administrative fees charged by Merit, (ii) any additional early termination penalties or charges assessed by the telecommunications carrier, (iii) the balance of any remaining fiber access fees or amortized install charges, (iv) all costs associated with disconnecting Affiliate's service and removing any equipment from Affiliate's site (charged at the then-applicable rates for maintenance), (v) any outstanding amounts previously incurred for maintenance, (vi) if Affiliate previously received a discount as a result of agreeing to a term longer than one (1) year, an early termination penalty equal to the total amount of the discount, as calculated without any reduction or proration to reflect the point during the term at which the termination occurs, and (vii) if Affiliate previously received extended payment terms for one-time set-up and installation fees, the balance remaining plus any assessed administrative charge are due and payable upon termination. One-time installation charges are not refundable. In the event Affiliate requests Merit to continue providing any portion of the Services beyond the requested termination date, Affiliate agrees to pay Merit for those Services at the then-applicable rates in accordance with the terms of payment provided in Section 3 above. The above termination penalties do not apply to service moves or upgrades.

(d) *Termination.* Upon termination of dedicated service with Merit, whether such termination occurs at the end of the initial term or any subsequent terms, or as an early termination during an agreement period, Affiliate agrees that all IP addresses assigned from Merit's CIDR block shall be promptly returned. In addition, Affiliate shall be responsible for transitioning responsibility of primary and/or secondary DNS to their own DNS server, or that of its new carrier.

(e) *Price Adjustments.* If Merit initiates reduced Affiliate Fees to its Non-Profit Affiliates during the Agreement period, Affiliate may renew this Agreement at the new rates for a term of equal or greater length than the balance remaining on the initial term. In all instances, the renewal will be for a minimum of twelve (12) months and the renewal rates will reflect the term discount of the new term period. If this Agreement provides Affiliate access via fiber connectivity, the Affiliate may renew at the new rates for a period co-terminous with the initial agreement term.

5. Limited Warranty

Merit will supply, at no charge, new or rebuilt replacements for defective equipment or parts for the initial term of this Agreement. This Limited Warranty does not cover damages due to accident, misuse, abuse or negligence. REPAIR OR REPLACEMENT AS PROVIDED UNDER THIS LIMITED WARRANTY IS THE EXCLUSIVE REMEDY OF AFFILIATE. MERIT SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR BREACH OF ANY EXPRESS OR IMPLIED WARRANTY. EXCEPT TO THE EXTENT PROHIBITED BY APPLICABLE LAW, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS LIMITED IN DURATION TO THE DURATION OF THIS LIMITED WARRANTY.

6. Rights and obligations of Affiliate

(a) *Affiliate is Responsible to Its Authorized Users.* Affiliate is solely responsible for communicating with its own authorized users, and for handling all complaints and trouble reports made by its authorized users, with respect to the Services provided hereunder.

(b) *Acceptable Use Restrictions.* Merit's Acceptable Use Policy ("AUP") applies to the use of all Services provided by Merit, including any unsupervised anonymous network access offered by Affiliate. By accepting Services from Merit, Affiliate agrees to comply with the AUP as defined in 'Attachment A' and any changes made from time to time thereto. Affiliate also agrees to be responsible for the compliance by its users with the AUP.

7. Rights and Obligations of Merit

Merit shall be responsible only for the operation and maintenance of the Services. Affiliate shall be responsible for maintaining and managing its own network that interfaces with the Services. Merit shall not be responsible for cabling that connects Affiliate-owned equipment to Merit equipment or the Services. Any interruption in the Services that is caused by the malfunction or interruption of any physical telecommunications media or facility (including, but not limited to cables and fiber optic lines) or by any malfunction or manufacturer's defects of equipment either provided by Merit to Affiliate or separately purchased by Affiliate will not be deemed a breach of Merit's obligations under this Agreement.

8. Indemnification

Affiliate and Merit will indemnify, save harmless and defend each other and all of Merit's Members and Affiliates, as well as their respective employees, officers, directors and agents (collectively "Indemnified Parties") from and against any claims, damages, losses, liabilities, suits, actions, demands, proceedings (whether legal or administrative) and expenses (including, but not limited to reasonable attorney's fees incurred with or without suit, in arbitration or mediation, on appeal or in a bankruptcy or similar proceeding) (collectively "Claims") threatened, asserted, or filed by a third party against any of the Indemnified Parties to the extent that such third party Claims arise out of or relate to (i) the breach or alleged breach of this Agreement by Affiliate or Merit; (ii) any negligent or tortious act or omission to act of Affiliate or Merit; or (iii) any claim that the data content delivered by Affiliate via the Services provided by Merit under this Agreement constitutes an infringement of any confidential information, trade secret, patent, copyright, trademark, trade name or other legal right of any third party.

9. Limitation of Liability

Except for the Limited Warranty in Section 5 above, the equipment and Services provided by Merit are provided on an "as is" and "as available" basis. Merit does not warrant that the Services will be uninterrupted or free of harmful components. Merit makes no express warranties and waives all implied warranties. Merit and its employees are not liable for any costs or damages arising directly or indirectly from Affiliate's use of the Services or the Internet including any direct, indirect, incidental, exemplary, multiple, special, punitive or consequential damages. Affiliate assumes full responsibility and risk for the use of the Services and the Internet, and is solely responsible for evaluating the accuracy, completeness, and usefulness of all services, products and other information. If Affiliate is dissatisfied with the Service(s) or with any terms, conditions, rules, policies, guidelines or practices of Provider in operating the Services(s), Affiliate's sole and exclusive remedy is to terminate this Agreement in accordance with Section 4, above, and discontinue using the Service(s). Merit's cumulative liability to Affiliate or any third party for any and all claims relating to the use of the equipment and Services provided by Merit shall in no event exceed the amount of the annual Affiliate fees paid by Affiliate to Merit during the twelve (12) month period ending on the date of the event giving rise to the claim. Merit shall not be liable for failure or delay in performing its obligations hereunder if such failure or delay is due to circumstances beyond its reasonable control, including, without limitation, acts of any governmental body, war, insurrection, sabotage, embargo, fire, flood, strike or other labor disturbance, interruption of or delay in transportation, or inability to obtain raw materials, supplies, or power used in or equipment needed for provision of the Services.

10. Data Content

Merit is not liable for the content of any data transferred either to or from Affiliate via the Services provided by Merit, nor for any loss or damage, whether personal, material, or financial, suffered by Affiliate as a direct or indirect consequence of the Services provided by Merit.

11. Miscellaneous

(a) *Governing Law; Jurisdiction.* The validity, interpretation, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the law of the State of Michigan.

(b) *Entire Agreement.* This Agreement, and the Service Agreements entered into by the Parties from time-to-time, is the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement may not be amended except upon the written consent of the parties. No failure to exercise and no delay in exercising any right, remedy, or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, or power provided herein or by law or in equity. The waiver by any party of the time for performance of any act or condition hereunder shall not constitute a waiver of the act or condition itself.

(c) *Assignment.* This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, and assigns. Affiliate may not assign this Agreement without the prior written consent of Merit.

(d) *Headings; Severability.* Headings used in this Agreement are for reference purposes only and shall not constitute a part hereof or affect the meaning or interpretation of this Agreement. If any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this Agreement shall remain in full force and effect.

(e) *Counterparts.* This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

City of Escanaba

Merit Network, Inc.

Signed by: _____

Signed By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date Signed: _____

Date Signed: _____

Attachment A
Merit Acceptable Use Policy
Effective August 8, 2003

Overview

This Policy is a guide to the acceptable use of Merit network facilities and services (Services). Any Member or Affiliate organization or individual connected to Merit's network in order to use it directly, or to connect to any other network(s), must comply with this policy and the stated purposes and Acceptable Use policies of any other network(s) or host(s) used.

Each Member and Affiliate organization is responsible for the activity of its users and for ensuring that its users are familiar with this policy or an equivalent policy. In addition, each Member and Affiliate is encouraged to maintain and enforce its own Acceptable Use policies. The provisions of this policy govern all use of the Services, including any unsupervised anonymous network access offered by Members or Affiliates.

The following guidelines will be applied to determine whether or not a particular use of the Services is appropriate:

1. Users must respect the privacy of others. Users shall not intentionally seek information on, or represent themselves as, another user unless explicitly authorized to do so by that user. Nor shall Users obtain copies of, or modify files, other data, or passwords belonging to others.
2. Users must respect the legal protection applied to programs, data, photographs, music, written documents and other material as provided by copyright, trademark, patent, licensure and other proprietary rights mechanisms.
3. Users must respect the integrity of other public or private computing and network systems. Users shall not intentionally develop or use programs that harass other users or infiltrate any other computer, computing system or network and/or damage or alter the software components or file systems of a computer, computing system or network.
4. Use should be consistent with guiding ethical statements and accepted community standards. Use of the Services for malicious, fraudulent, or misrepresentative purposes is not acceptable.
5. The Services may not be used in ways that violate applicable laws or regulations.
6. The Services may not be used in a manner that precludes or significantly hampers network access by others. Nor may the Services be used in a manner that significantly impairs access to other networks connected to Merit.
7. Connections which create routing patterns that are inconsistent with the effective and shared use of the Services may not be established.
8. Unsolicited advertising is not acceptable. Advertising is permitted on some Web pages, mailing lists, news groups and similar environments if advertising is explicitly allowed in that environment.
9. Repeated, unsolicited and/or unwanted communication of an intrusive nature is strictly prohibited. Continuing to send e-mail messages or other communications to an individual or organization after being asked to stop is not acceptable.

The intent of this policy is to identify certain types of uses that are not appropriate, but this policy does not necessarily enumerate all possible inappropriate uses. Using the guidelines given above, Merit may at any time make a determination that a particular use is not appropriate.

Merit will not monitor or judge the content of information transmitted via the Services, but will investigate complaints of possible inappropriate use. In the course of investigating complaints, Merit staff will safeguard the privacy of all parties and will themselves follow the guidelines given in this policy and in Merit's Privacy Policy. Merit will only release sensitive, confidential or personally identifiable information to third parties when required by law, or when in Merit's judgment, release is required to prevent serious injury or harm that could result from violation of this policy.

Remedial Action

When Merit learns of possible inappropriate use, Merit staff will notify the Member or Affiliate responsible, who must take immediate remedial action and inform Merit of its action. Merit will assist the Member or Affiliate in identifying the nature and source of the inappropriate use and in implementing remedial action if requested. Provided the Member or Affiliate implements remedial action promptly, Merit will take no further action. If Merit is unable to contact the Member or Affiliate, or if the Member or Affiliate is unable to implement remedial action, Merit reserves the right to pursue remedial action independently. Wherever possible, Merit will pursue remedial action with the least impact to the overall service for the Member or Affiliate.

Should the situation be considered an emergency, and Merit deems it necessary to prevent further inappropriate activity, Merit may temporarily disconnect a Member or Affiliate. An emergency is defined as: "Serious security incidents that require immediate attention to prevent harm to an individual, to protect information from loss or damage that would be difficult or impossible to correct or to deal with serious on-going denial of service attacks."

If temporary disconnection is deemed necessary by Merit staff, every effort will be made to inform the Member or Affiliate prior to disconnection, and every effort will be made to re-establish the connection as soon as it is mutually deemed safe.

Any determination of inappropriate use serious enough to require disconnection shall be promptly communicated to every member of the Merit Board of Directors through an established means of publication.

Zimbra**clerk@escanaba.org**

Renewal for the Direct Connect for City of Escanaba

From : Jim Lundberg
<lundberj@merit.edu>

Wed, Jul 22, 2015 10:58 AM

 1 attachment

Subject : Renewal for the Direct
Connect for City of
Escanaba

To : Bob Richards
<clerk@escanaba.org>

Bob,

Here is your renewal proposal for the connectivity for the city. I know that you need to run this through the city council and all that stuff. I did look at your usage and as I spoke to you about the new rates this proposal reflects the new Total Bandwidth model and adjusted the proposal to reflect that. So you will notice almost a \$1,900 drop on a 5-yr term and on a 1-yr term a \$1,500 drop in the yearly costs at the 30Mbps model. Please let me know if you have any questions and I will get you the needed answers. I look forward to our continued relationship.

Jim

Jim Lundberg
Upper Peninsula Member Relations Manager
merit
lundberj@merit.edu | 906.474.1222 p | 906.420.3868 c |
734.527.4125 f | www.merit.edu

1000 Oakbrook Drive, Suite 200 | Ann Arbor, MI 48104



Upcoming Courses and Events

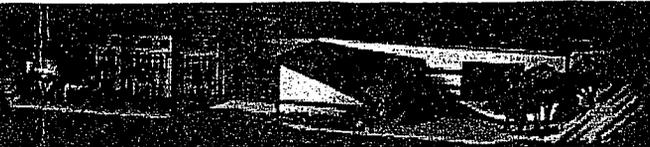


20150626-DED-34344-AMM-1 Quote - 1.pdf

147 KB

15-4728

N13#3
CC 9/17/15



PAWNBROKERS APPLICATION

Pawnbrokers - \$50 YEARLY

Date of Application 7/28/15
Name of Applicant REYARD L SEMMSTHIC Date of Birth 5/1/64
First Middle Last

Driver's License No. _____

Local Address 1210 N LINCOLN RD

Permanent Address 1210 N LINCOLN

Phone No. - Local 906 789 2114 Permanent _____

Name, Address, and Phone No. of Company, Corporation, or Firm:
1210 N LINCOLN RD

Date & Location Setup MOU 2013

Kind or Type of Business BUY SELL TRADE

Length of Time Business will be Conducted _____

Address Where Last Transient Business was conducted: _____

If Vehicle is Used, License No. _____

City of
Escanaba

SEP 01 2015

Signed: [Signature]
Name owner
Title

Application Reviewed by Public Safety

PAID

Recommended Not Recommended

Approved: [Signature]
Public Safety Director

[Signature]
Robert S. Richards, CMC
City Clerk

Account Number 101-000-451-000

Pawnbrokers Fee Paid: \$50 Cash Check # _____ Rec'd By [Signature]

WEXLER INSURANCE AGENCY PAWNBROKER PACKAGE POLICY BINDER

Presented By One Of The Following Entities:



Wexler, Wasserman & Associates Insurance Agency, LLC
Wexler Insurance Agency, Inc.
Wasserman & Wexler, LLC



1120 Ponce De Leon Blvd
Coral Gables, FL 33134

Phone: 305-445-5050
Fax: 305-448-8189

Binder Prepared For:
Wheel-N-Deals, LLC

1210 North Lincoln Road
Escanaba, EItic, MI 49829

Binder Prepared By:
Shayna I. Citron
770-933-8275

Bound as of:
August 24, 2015

Wheel-N-Deals, LLC

We are pleased to offer you the following quote for your Pawnbrokers Package Policy. This Policy has been quoted by Certain Underwriters at Lloyd's of London, which is rated "A Excellent" by A.M. Best, and the quote is based on the limits of coverage requested in the application submitted. Our policies are not subject to coinsurance except in respect of building coverage only. In the event building coverage is included, coinsurance can be waived if certain conditions are met.

The Basis of Valuation applicable to this quote is as follows:

"Pledged" Stock: Wholesale replacement cost
 "Owned" Stock: Wholesale replacement cost
 "All Other Covered Property: Replacement Cost on the date of loss unless stated otherwise

Your quote consist of the following coverages:

<u>SECTION I</u>		<u>STOCK AND BUSINESS PERSONAL PROPERTY SCHEDULE</u>		
Limits of Insurance		Coverage		Deductible
A.	1. US\$	35,000.00	in respect of "Pledged" Guns and Jewelry Stock at Your Premises as described herein.	US\$ 2,500.00
	2. US\$	60,000.00	in respect of "Owned" Guns and Jewelry Stock at Your Premises as described herein.	US\$ 2,500.00
	3. US\$	22,000.00	in respect of "Pledged" Other Stock at Your Premises as described herein.	US\$ 1,000.00
	4. US\$	26,000.00	in respect of "Owned" Other Stock at Your Premises as described herein.	US\$ 1,000.00
B.	US\$	95,000.00	in respect of "Pledged" and "Owned" Stock which is deposited in the safe or vault of a bank or safe deposit company.	US\$ 2,500.00
C.	1.a US\$	50,000.00	in respect of "Pledged" and "Owned" Stock which is in transit by Registered Mail to any one addressee at any one address during any one day.	US\$ Nil
	1.b US\$	25,000.00	in respect of "Pledged" and "Owned" Stock which is in transit by U.S.P.O. Express Mail Service.	US\$ Nil
	2. US\$	Nil	in respect of "Pledged" and "Owned" Stock which is in transit by armored car service; (including special courier services of armored car or other protection companies).	US\$ Nil
	3. US\$	Nil	in respect of "Pledged" and "Owned" Stock which is in transit by customer parcel delivery service and the parcel transportation service of railroads, water born or air carriers and passenger bus lines (subject to Section I.A.2 Property Not Covered P, of the attached wording).	US\$ Nil
D.	US\$	Nil	in respect of "Pledged" and "Owned" Stock which is in the custody of a dealer or individual in the Pawnbroking trade (other than commission salesman or selling agents) not on your payroll or in your direct employ, but property deposited for safe keeping with such a dealer or individual by you, a member of the firm, or an employee on your payroll and in your direct employ, while travelling is subject to the limit expressed in Coverage F of this section.	US\$ Nil
E.	US\$	Nil	in respect of "Owned" Stock which is in the custody of commission salesmen.	US\$ Nil
F.	US\$	10,000.00	in respect of "Pledged" and "Owned" Stock and not included in Coverages A, B, C, D, and E above or otherwise limited herein.	US\$ 1,000.00

SECTION I

STOCK AND BUSINESS PERSONAL PROPERTY SCHEDULE continued

Limits of Insurance		Coverage	Deductible	
G.	1. US\$	20,000.00 Business Personal Property including * Tenants Improvements and Betterments.	US\$	1,000.00
	2.	10,000.00 Business Personal Property Off Premises.	US\$	250.00
H.	1. US\$	10,000.00 On Money & Securities Inside the Premises.	US\$	250.00
	2. US\$	10,000.00 On Money & Securities Outside the Premises.	US\$	250.00
I.	US\$	10,000.00 Business Computers.	US\$	250.00
J.	US\$	10,000.00 Electronic Media and Records.	US\$	250.00
K.	US\$	25,000.00 Valuable Papers and Records.	US\$	250.00
L.	US\$	1,000.00 I or J above whilst in transit.	US\$	250.00
M.	US\$	25,000.00 Accounts Receivable Coverage.	US\$	1,000.00
<u>Show Window Coverage: When Your Premises are open to business:</u>				
N.	1. US\$	95,000.00 In all "Protected "Windows	US\$	2,500.00
		95,000.00 In any one "Protected" Window		
		Nil In all "Unprotected "Windows		
		Nil In any one "Unprotected" Window		
<u>Show Window Coverage: When Your Premises are closed to business:</u>				
2.	Nil	In all "Protected "Windows	US\$	Nil
		In any one "Protected" Window		
		In all "Unprotected" Windows		
		In any one "Unprotected" Window		
O.	<u>Exhibition Coverage</u>			
	<u>Venue(s):</u>			
	US\$	Nil	From: N/A	to N/A
	US\$	Nil	From: N/A	to N/A
P.	<u>Employee Dishonesty</u>			
	US\$	15,000.00 Employee Dishonesty limits listed in The declaration pages of The policy herein applies to any one occurrence involving covered Property including money up to a total combined Limit of USD \$25,000 any one occurrence.	US\$	2,500.00
<u>Optional Coverages</u>				
Guns and Jewelry Stock Out of Safe/Vault at Your Premises when Closed for Business				
	US\$	5,000.00 Any one occurrence	US\$	2,500.00
Peak Season Increase in Limit of Insurance in respect of Coverages A and B above				
	US\$	Nil	From: N/A	to N/A
	US\$	Nil	From: N/A	to N/A
Processing or Work Upon Covered Property.				
	US\$	10,000.00		
Property Loss or Damage to Vehicles subject to Motore Vehicle Registration				
	US\$	Nil		

Maximum amount of payment Section I

US\$	152,500.00	is the most we will pay under Limits of Insurance A arising out of any one occurrence, including any Peak Season Increase.
US\$	100,000.00	is the most we will pay under all other terms and conditions of this Section excluding Limit of Insurance A arising out of any one occurrence, including any Optional Coverage(s).

SECTION II**PAWNBROKERS PROPERTY SCHEDULE**

Limits of Insurance		Coverage		Deductible	
A.	US\$	Nil	Buildings*	US\$	Nil
B.	US	18,000.00	Business Income and Extra Expense "Actual Loss Sustained for up to 12 Months Limited to the Aggregate Limit listed".	US\$	1,000.00
C.	US\$	10,000.00	On Outdoor Signs.	US\$	250.00
D.	US\$	10,000.00	On Exterior Grade Floor Glass.	US\$	250.00

Maximum amount of payment Section II

US\$ 38,000.00 is the most we will pay under all terms and conditions of this Section arising out of any one occurrence.

*** Co-Insurance**

It is understood and agreed that any Building coverage provided herein is subject to 80% Co-Insurance.

Windstorm Deductible N/A of the total value of the affected location situated under Section I Limits of Insurance A3, A4B, G and I and Section II Limits of Insurance A, B, C and D will be calculated and applied individually to any one affected location in respect of all loss, damage or expense directly or indirectly caused by or resulting from Windstorm.

SECTION III**BUSINESS OWNERS LIABILITY (PAWNBROKERS)**

Limits of Insurance		Coverage	
	US\$	2,000,000.00	General Aggregate Limit.
	US\$	2,000,000.00	Products and Completed Operations Aggregate Limit.
	US\$	1,000,000.00	Personal and Advertising Injury Limit.
	US\$	1,000,000.00	Liability and Medical Expenses Limit.
	US\$	100,000.00	Fire Legal Liability Limit (Any one Fire).
	US\$	10,000.00	Medical Expenses Limit (Any one Person).

Optional Coverages

A.	1. US\$	Nil	Hired and Non Owned Auto Liability Limit.
B.	1. US\$	1,000,000.00	Employee Benefits Liability Limit - Each Claim.
	2. US\$	1,000,000.00	Employee Benefits Liability Limit - Aggregate.
C.	1. US\$	Nil	Gun Products Liability Limit - Each Occurrence.
	2. US\$	Nil	Gun Products Liability Limit - Aggregate.
D.	1. US\$	Nil	Stop Gap Liability Limit - Each occurrence.
	2. US\$	Nil	Stop Gap Liability Limit - Aggregate.
E.	US\$	50,000.00	Professional Appraisal Liability.
F.	US\$	50,000.00	Gemstone Enhancement Liability.
G.	US\$	Nil	Incidental Garage Keepers Liability

Deductible: US\$ 500.00

Deductible is based on Each and Every Occurrence in respect of Coverage provided under Section III

Additional Insured - Managers or Lessors of Premises - Schedule

Designation of Premises: 1210 North Lincoln Road , Escanaba, Etlic, MI 49829
Person or Organization: Robert Ammel
Address: 0

Employee Benefits Liability – Schedule of Additional Covered Plans

1. Employee Benefit Plans of: **Wheel-N-Deals, LLC**

SECTION IV

EMPLOYMENT PRACTICES LIABILITY

NOTICE: THIS POLICY IS A CLAIMS MADE AND REPORTED POLICY SUBJECT TO ITS TERMS. IT APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE UNDERWRITERS AS SOON AS PRACTICABLE BUT IN NO EVENT LATER THAN THE END OF THE POLICY PERIOD, IN ACCORDANCE WITH AN APPLICABLE EXTENSION PERIOD, OR 60 DAYS AFTER THE POLICY PERIOD EXPIRATION DATE IN THE CASE OF A CLAIM FIRST MADE DURING THE LAST 60 DAYS OF THE POLICY PERIOD. AMOUNTS INCURRED AS DEFENSE COSTS SHALL REDUCE AND MAY EXHAUST THE APPLICABLE LIMITS OF LIABILITY AND ARE SUBJECT TO THE APPLICABLE RETENTIONS. THE UNDERWRITERS HAVE NO OBLIGATION TO PAY DEFENSE COSTS OR ANY SETTLEMENTS OR JUDGMENTS ONCE THE APPLICABLE LIMIT OF LIABILITY IS EXHAUSTED. PLEASE READ THIS POLICY CAREFULLY.

These Declarations along with the completed and signed Application and the Policy with endorsements shall constitute the contract between the Insureds and Underwriters.

<u>Aggregate Limit(s) of Liability</u>				<u>Deductible</u>
US\$	25,000	Employment Practices Liability	US\$	2,500.00
US\$	25,000	Third Party Wrongful Acts	US\$	2,500.00
US\$	Nil	Additional Defence Limit of Liability	US\$	Nil

Optional Extension Period

- a. Premium for Optional Extension Period: **150% of the total annual premium for the Policy**
- b. Length of Optional Extension Period: **12 Months**

Notification Under This Policy

- a. Notification pursuant to Clause XI. shall be given to:
 - 1. Wexler, Wasserman & Associates, Insurance Agency, LLC
 - 2. Wexler Insurance Agency, Inc.
 - 3. Wasserman & Wexler, LLC
- b. All other notices under this Policy shall be given to:
 - 1. Wexler, Wasserman & Associates, Insurance Agency, LLC
 - 2. Wexler Insurance Agency, Inc.
 - 3. Wasserman & Wexler, LLC

<u>Pending or Prior Litigation Date(s)</u>	<u>Date:</u>
Employment Practices Liability	August 24, 2015
Third Party Wrongful Acts	August 24, 2015

FORMS & ENDORSEMENTS APPLICABLE TO SECTION IV:

The following forms and endorsements attach to and form part of this Certificate at inception if shown as applicable.

<u>Forms Applicable to Section IV only</u>	<u>Applicable</u>
Employment Practice Liability	X
 <u>Endorsements Applicable E.P.L.I.</u>	
Wage and Hour Endorsement	X
Third Party ADA Exclusion	X

SECTION V

INFORMATION SECURITY AND PRIVACY LIABILITY INSURANCE

COVERAGE UNDER THIS POLICY IS PROVIDED ON A CLAIMS MADE AND REPORTED BASIS AND APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE OPTIONAL EXTENSION PERIOD (IF APPLICABLE) AND REPORTED TO THE UNDERWRITERS DURING THE POLICY PERIOD OR AS OTHERWISE PROVIDED IN CLAUSE X. OF THIS POLICY. AMOUNTS INCURRED AS CLAIMS EXPENSES UNDER THIS POLICY SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO RETENTIONS.

Coverage:	Limit of Liability:
Insuring Agreement I.A.: Information Security & Privacy Liability:	\$1,000,000.00
Insuring Agreement I.B. I: (Forensic Expert/Attorneys fee's):	\$100,000.00
Insuring Agreement I.B. II: (Notification Costs):	\$100,000.00
Insuring Agreement I.B. III: (Crisis Management):	\$50,000.00
Insuring Agreement I.B. IV:(Credit Monitoring):	\$100,000.00
Insuring Agreement I.C.: Regulatory Defence and Penalties:	\$100,000.00
Insuring Agreement I.D.: Website Media Content Liability	\$1,000,000.00

Retentions:

Insuring Agreements I.A. (Information Security and Privacy Liability) and I.C. (Regulatory Defense and Penalties):

Each Claim Retention (including each Claim in the form of a Regulatory Proceeding), includes Claims Expenses: \$2,500.00

Insuring Agreement I.B. (Privacy Notification Costs):

Each incident, event or related incidents or events giving rise to an obligation to pay Privacy Notification Costs: \$2,500.00

Insuring Agreement I.D. (Website Media Content Liability): \$2,500.00

Retroactive & Continuity Dates:

Retroactive Date: December 5, 2012

Continuity Date: December 5, 2012

The following forms and endorsements attach to and form part of this Certificate at inception if shown as applicable.

FORMS & ENDORSEMENTS APPLICABLE TO SECTION V:

Applicable

Information Security and Privacy Liability Insurance

X

Endorsements Applicable to Section V only

Amended Retention Endorsement (Unprotected Portable Media)
Online Service Endorsement
Privacy Policy Warranty Endorsement
Non Electronic Information Endorsement
Blogging Activity Exclusion Endorsement

X

Section VI

K & R Schedule

1 Insured Person(s): Wheel-N-Deals, LLC

Reference: SS0001815/QUOTE

2 Period of Insurance: From: August 24, 2015
To: August 24, 2016
Both days inclusive Local Standard Time and at address of the Insured on file with Us

3 Territory: Worldwide

4 Premium: USD Included

5 Limits of Liability:

5.1 Ransom USD \$162,500 in total for the Period of Insurance.

5.2 Extortion USD \$162,500 in total for the Period of Insurance.

5.3 Ransom in Transit USD \$162,500 In Transit/Delivery in the Aggregate plus one reinstatement.

5.4 Response Consultants Fees & Expenses USD Unlimited

5.5 Additional Expenses USD \$162,500 in total for the Period of Insurance.
But not exceeding in respect of Rest and Rehabilitation Expenses USD \$25,000 per Insured Event

But not exceeding in respect of loss of Personal Cash USD \$10,000 per Insured Event

6 Response Consultants: red24 Operations Ltd

7 Security: 100% Catlin Syndicate 2003

If an Insured Event occurs or is believed to have occurred you should contact our security consultants on the following 24 hour emergency telephone number:

red24 Operations Ltd - 24 Hour Crisis Line: + 44 (0) 207 998 6390

In all communications the following file reference should be quoted: SS0001815/QUOTE

The Premium for this policy is as follows:

US \$	2,327.00	Premium
US \$	35.00	Administration Fee
US \$	58.18	State Tax

US \$ 2,420.18 Total Premium

US \$ 232.06 Less No Claims Bonus (including all applicable taxes) Due Back
US \$ 2,188.12 Total Premium After Applying No Claims Bonus

Note that this policy, like all insurance policies, contains limitations, exclusions and conditions. To name a few, this policy excludes flood, earthquake unattended auto, workers comp, Terrorism, etc. Note that TRIA Terrorism can be Purchased for an additional premium per the attached TRIA Notice. We strongly recommend reading the policy wording for a full listing of limitations, exclusions and conditions. Please be advised that some exclusions, such as flood, earthquake and workers comp can be purchased on a separate policy through a different carrier. We would be happy to quote these important lines of coverage for you.

If you would like to change any of the limits provided in this quotation, please notify us immediately. Also note that with the submission of a completed Employment Practices Liability and/or Cyber Liability Application, both Employment Practices Liability coverage and/or Cyber Liability coverage are available up to limits of \$1,000,000 respectively.

This quote is valid for 60 days and it is subject to no material changes in the application submitted.

Please note that this policy can be paid in any one of the three methods:

1. Premium in full due at inception.
2. 1/3 down at inception, 1/3 due in thirty days from the date of inception and 1/3 due thirty days thereafter with no interest.
3. The premium can be financed through a premium finance company.

We look forward to binding this policy on your behalf, and if you have any questions or if any changes need to be made, please let us know. We truly appreciate you business!

Kind Regards,
Shayna I. Citron

INCLUDED COVERAGE EXTENSIONS DESCRIPTION OF COVERAGE: LIMITS:

ACCOUNTS RECEIVABLE :	\$25,000
APPRAISAL LIABILITY:	\$50,000
BANK SAFE DEPOSIT VAULT:	\$95,000
BREAKAGE DUE TO WORKMANSHIP:	\$10,000
BACKUP OF SEWERS & DRAINS:	Up to \$25,000 **
BLANKET ADDITIONAL INSUREDS (LANDLORDS ONLY) AS REQUIRED BY WRITTEN CONTRACT:	Included
BLANKET WAIVER OF SUBROGATION (LANDLORDS ONLY) AS REQUIRED BY WRITTEN CONTRACT:	Included
BULLION:	Included up to Pawned & Owned Jewelry & Gun Limit
BUSINESS INCOME INCLUDING EXTRA EXPENSE:	\$18,000
BUSINESS INCOME DUE TO CIVIL AUTHORITY:	\$10,000
BUSINESS INCOME FROM DEPENDENT PROPERTIES:	\$10,000
BUSINESS PERSONAL PROPERTY IN TRANSIT:	\$10,000
BUSINESS PERSONAL PROPERTY AT NEWLY ACQUIRED PREMISES:	\$10,000 if BPP has been purchased
COINSURANCE APPLICABLE TO BUILDINGS ONLY:	80% *
COINSURANCE IN RESPECT OF STOCK, BUSINESS PERSONAL PROPERTY:	NONE
COMPUTER HARDWARE:	\$10,000
COMPUTER MEDIA:	\$10,000
COMPUTER FRAUD:	\$10,000
COVERED PROPERTY IN THE OPEN UP TO 1,000 FEET OF PREMISES:	Included
CYBER LIABILITY:	\$1,000,000 limit subject to \$100,000 of Notification Cost & Regulatory Defense
DEBRIS REMOVAL:	25% of Building & Business Personal Property Limit or \$10,000 Whichever is Greater
DEDUCTIBLE (WAIVER OF MULTIPLE PROPERTY DEDUCTIBLES):	Included
DEPOSITORS FORGERY:	\$10,000
EMPLOYEE THEFT:	\$15,000
EMPLOYMENT RELATED PRACTICES LIABILITY :	\$25,000
EXTENDED BUSINESS INCOME PERIOD OF INDEMNITY:	30 Days
EXTRA EXPENSE:	Included in Business Income Limit
FALSE PRETENSES:	\$25,000 or the On Premises Money & Securities Limit Whichever is Less
FIRE DEPARTMENT SURCHARGE:	\$1,000
GENERAL LIABILITY AGGREGATE LIMIT (IF GENERAL LIABILITY COVERAGE IS INCLUDED):	\$2,000,000
GLASS (EXTERIOR GLASS):	\$10,000
INDEMNITY FOR INJURY OR DEATH TO DIRECTORS OR EMPLOYEES:	\$10,000
KIDNAP/RANSOM & EXTORTION :	\$162,500 in total for the Period of Insurance.
KIDNAP/RANSOM AND EXTORTION BODILY INJURY:	\$10,000
MONEY & SECURITIES ON PREMISES:	\$10,000
MONEY & SECURITIES OFF PREMISES IN TRANSIT:	\$10,000
NUMISMATIC & COLLECTABLE COINS:	Included up to Pawned & Owned Jewelry & Gun Limit
ORDINANCE OR LAW (including demolition and increased cost of construction):	N/A
OUTDOOR PROPERTY (including fences, unattached signs, antennas, tress & shrubs):	\$10,000 ‡
PERSONAL CONVEYANCE OF PAWNED & OWNED JEWELRY, GUNS OR OTHER STOCK:	\$10,000
POLLUTANT CLEAN UP & REMOVAL:	\$10,000
SIGNS (OUTDOOR SIGNS):	\$10,000
USPS REGISTERED MAIL :	\$50,000
USPS EXPRESS MAIL:	\$25,000
VALUABLE PAPERS & RECORDS:	\$25,000

* Coinsurance on buildings can be waived if insured to full value and substantiated by an approved costimeter.

** See "Section II Additional Coverage B. - Backup of Sewers and Drains" of the policy wording for full Explanation of Coverage.

‡ Coverage for "Outdoor Property" is on a named peril basis only. The named perils are Fire, Lightning, Explosion, Vandalism Riot or Civil Commotion, Aircraft or Vehicles.

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act, as amended: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020; OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

I hereby elect to purchase coverage for acts of terrorism for a prospective premium of USD:	<u>\$0.00</u>
---	---------------

I hereby elect to have coverage for acts of terrorism excluded from my policy. I understand that I will have no coverage for losses arising from acts of terrorism.

Policyholder/Applicant's Signature	AML 2001 - SJC 2003 - CSL 1084 - AFB 2623 On Behalf of Certain Underwriters at Lloyd's
------------------------------------	---

Print Name	January 15, 2015 Date	SS0001814/Quote Policy Number
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NB#4
cc 9/17/15

Great Lakes Sports & Recreation Club
PO Box 152, Escanaba, MI 49829

September 9, 2015

City of Escanaba
410 Ludington St
Escanaba, MI 49829

Attn: City Council Members

Great Lakes Sports & Recreation Club is currently leasing city owned property adjacent to our property at 5211 19th Ave No. for our 3D archery range. We continue to offer our free summer youth shooting program on this property. This program inspires our youth to enjoy the outdoor while learning and enhancing their archery skills. Great Lakes Sports Club has a very involved group of volunteers that make this outdoor range possible.

We are requesting a renewal of this lease for another year with the option to renew for an additional year. We have our own insurance coverage on this property.

Please place our request on your agenda for the City Council meeting.

Thank you for your consideration. We look forward to hearing from you.

Sincerely,


Brenda Servant
Treasurer

Received

SEP 10 2015

City of Escanaba
City Clerks Office

LEASE AGREEMENT

LESSOR	LESSEE
City of Escanaba, A municipal corporation	Great Lakes Sport and Recreation Club, A non-profit corporation organized under the laws of the State of Michigan
Hereinafter called "Lessor"	Hereinafter called "Lessee"

Agreement made this _____ day of _____, 2015.

In consideration of the agreements contained herein and other valuable consideration, Lessor leases to Lessee for a term of one (1) year commencing on the _____ day of _____, 2015 and terminating on the _____ day of _____, 2015 for rent of (\$1.00) Dollar, the following described property:

That part of the East 700 feet of the Northeast ¼ of Section 22, T39N R23W, City of Escanaba, Delta County, Michigan, lying South of the Southerly ROW of 19th Avenue North and North of the Northerly line of the CN Railroad ROW, subject to the ROW of Ski Hill Road on the East line thereof; containing 15.8 acres more or less.

Lessee shall use the leased premises for the development of a 3-D archery range for youth and community use and none other. Lessee shall keep the premises open to all members of the public subject to reasonable regulations, and shall make no alterations to the leased premises inconsistent with a 3-D archery range. In the event Lessee elects to remove any improvements placed on the premises by Lessee, Lessee shall repair any damage caused by the removal. No permanent improvements or alterations of any kind shall be made on the leased premises without the prior written consent of Lessor.

Lessee will keep the premises in good condition at its own expense, and Lessor shall have no obligation to make any repairs or improvements of any kind. Lessee agrees to indemnify Lessor from and against any claims asserted by third parties and all damages or expenses related to the leased premises or Lessee's use of the premises or rising from occurrences on the premises, however caused; and Lessee waives any claims against Lessor, its agents or employees related to the use or condition of the leased premises or resulting from any occurrence on the premises. Lessee will reimburse Lessor for any expenses or fees incurred by Lessor in any litigation or negotiations prior to litigation to which Lessor may be involved, caused by acts of Lessee or due to occurrences against any liability for which Lessee has agreed to indemnify Lessor.

Lessee at its expense shall keep in force during the term of this lease, insurance issued by responsible insurance companies and in form acceptable to the controller of the City of Escanaba, for the protection of Lessor against all liabilities, judgments, damages and expenses

which may accrue against, be charged to or recovered from Lessor, by reason of damage to the property, injury to or death of any person on account of any matter which may occur on the leased premises in a policy or policies in the amount of One Million (\$1,000,000) Dollars with respect to any one person and One Million (\$1,000,000) Dollars with respect to any one accident or disaster and Two Hundred Thousand (\$200,000) Dollars with respect to property damage.

At the option of the Lessee, this lease may be renewed for an additional one (1) year period, and provided that this lease may be terminated by either party after ninety (90) days written notice to the other party.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement on the date set forth above.

WITNESS: **LESSOR**
CITY OF ESCANABA

By: _____
James V. O'Toole
City Manager

WITNESS: **LESSEE**
GREAT LAKES SPORT AND RECREATION
CLUB, a non-profit Michigan corporation

By: _____
Its President

By: _____
Its Secretary

SPECIAL EVENT APPLICATION - CITY OF ESCANABA
Festivals, Parades, Races, Walkathons, Temporary Road Closures

DATE(S) OF EVENT: Saturday October 3
Day of Week, Month, Day, Year (eg: Saturday, January 2, 2010)

NAME OF EVENT: Great Pumpkin Parade

CONTACT INFORMATION (Please Print Clearly – Incomplete applications may be delayed)

Organization: ABATE OF MI
 Contact Person: Mimi Spomer Phone (day) 906-~~777-9~~
 Address: ~~XXXXXXXXXX~~ Phone (evening): 906-~~777-4~~
 City: Rapid River, MI E-mail: captnone@gmail.com
 Postal Code 49878 Website: _____
 Charitable Org #: _____ Event Phone: Above
 (If applicable) Fax: _____
 Alternate Contact: Barbie Clairmont 906-~~777-9~~
 (It is recommended that an alternate name & telephone number be provided)

** Do you grant the City of Escanaba, City Manager's Office permission to give your telephone number to the general public Yes No

LOCATION

City Park Name: Ludington Street
 Building/Facility Name/Area: Library - 114th St we can block side streets
 Road (s) Road Closure Required?: Partial Full if allowed

DATE / TIME

EVENT TIME This is the time your event would be ready to accept participants or general public.	Event Begins	Event Ends
	DATE: <u>Oct 3 - 2015</u> TIME: <u>12:00</u>	DATE: <u>Oct 3 - 2015</u> TIME: <u>1:00 approx</u>
SET UP TIME When do you want the area reserved for your organization to ensure you have adequate time for set up and tear down.	Set Up Start	Tear Down End
	DATE: <u>Oct 3 - 2015</u> TIME: <u>11:00</u>	DATE: <u>Oct 3 - 2015</u> TIME: <u>After event</u>

The collection, use and disclosure of personally identifying information submitted on this form will be used to facilitate the request to host a special event within the City of Escanaba. Applicants may, from time to time, be contacted by the City or a City-contracted third-party for the express purposes of gathering information about the proposed event, assessing satisfaction and/or obtaining feedback on services related to special events. Questions about this collection should be directed to the City Manager.

EVENT DETAILS

TYPE OF EVENT

- Parade Cycling Festival/Event
 Run Walkathon Other (specify) _____

ESTIMATED ATTENDANCE (please estimate all that apply)

Participants # <u>Depends on weather</u>	Wheelchair Accessible Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Bands # <u>2</u>	For events on City Property are you seeking approval to charge:
Vehicles/Floats # <u>2</u>	Admission Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Volunteers # _____	Parking Yes <input type="checkbox"/> No <input type="checkbox"/>
General Public # <u>Varies</u>	Is this event: <input checked="" type="checkbox"/> Open to the Public <input type="checkbox"/> For Invited Guests only

Over attendance is contingent on good weather

EVENT ELEMENTS (complete to ensure proper permits are processed)

Power Requirements* Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Fireworks Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Sound Amplification Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Alcohol Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Access to power if possible Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Live Music Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Tents/Temp. Structures Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Size of tent(s): _____
Amusement Rides Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Provider: _____
Inflatables Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Provider: _____

FOOD & BEVERAGE

Will there be food & non alcoholic beverages sold? Yes No (continue to next page)

Food stand locations Indoor Outdoor Inside & Outside

What kinds of food will the Stands be selling? (check all that apply)

- | | | |
|---|---------------------------------------|--|
| <input type="checkbox"/> Chicken/seafood | <input type="checkbox"/> Soups/chilli | <input type="checkbox"/> Other foods (please list) |
| <input type="checkbox"/> Rice/pasta dishes | <input type="checkbox"/> Salad | _____ |
| <input type="checkbox"/> Pop, chips, candy | <input type="checkbox"/> Other meats | _____ |
| <input type="checkbox"/> Hotdogs/hamburgers | <input type="checkbox"/> Baked goods | _____ |

EVENTS REQUESTING ROAD CLOSURE

Road closures must be approved by City Council. Once City Council has approved your road closure, changes cannot be made to your route without notification to the City Manager as a secondary Council Approval will have to be sought.

A detailed map of road closure **MUST** be included. Applicants must notify abutting properties of the closure at least 14 days in advance of the event. This notification letter must be approved by the City Manager's Office. If there are any SPECIAL REQUESTS that you would like City to consider, please outline them on a separate paper and attach

DEFINE THE CLOSURE LIMITS – ATTACH A DETAILED MAP

I have read and understood the Special Events Application.

I will notify the City Manager's Office of any changes to my event application at least fourteen (14) days in advance of the event.

I have received a copy, read and understand the contents of the City of Escanaba Policy and Procedures No. 060101-10, Alcohol in Public Places (if applicable).

Mimi Sponer
Event Organizer Signature

Mimi Sponer 8/29/15
Print Name & Date

C:/forms/special event application/May-10/mjo

We will block cross streets as we go by... It is every short parade as we have young children walking with us. It is usually about 30-45 men long.

I was on vacation and just got my mail, that is why it is late

NB# 6 cc 9/17/15

2015 - SPECIAL EVENT APPLICATION - CITY OF ESCANABA
Festivals, Parades, Races, Walkathons, Temporary Road Closures

DATE(S) OF EVENT: Friday, September 25, 2015
Day of Week, Month, Day, Year (eg: Saturday, January 2, 2010)

NAME OF EVENT:

CONTACT INFORMATION (Please Print Clearly - Incomplete applications may be delayed)

Organization: Escanaba High School
Contact Person: Darci Griebel Phone (day) 906-786-6521 x1119
Address: 500 South Lincoln Road Phone (evening): [REDACTED]
City: Escanaba E-mail: sdufresne@eskymos.com & dgriebel@eskymos.com
Postal Code 49829 Website: eskymos.com
Charitable Org #: 38-6001069 Event Phone: _____
(If applicable) Fax: 906-786-2166
Alternate Contact: Nick Nolde [REDACTED]
(It is recommended that an alternate name & telephone number be provided)

Do you grant the City of Escanaba City Manager's Office permission to give your telephone number to the general public? Yes No See below
Day Phone (yes): 906-786-6521

LOCATION

City Park Name: _____
 Building/Facility Name/Area: _____
 Road (s) Road Closure Required?: Partial Full

DATE/TIME

EVENT TIME This is the time your event would be ready to accept participants or general public.	Event Begins DATE: <u>9-25-15</u> TIME: <u>5:00</u>	Event Ends DATE: <u>9-25-15</u> TIME: <u>5:30</u>
	SET UP TIME When do you want the area reserved for your organization to ensure you have adequate time for set up and tear down.	Set Up Start DATE: _____ TIME: _____

The collection, use and disclosure of personally identifying information submitted on this form will be used to facilitate the request to host a special event within the City of Escanaba. Applicants may, from time to time, be contacted by the City or a City-contracted third-party for the express purposes of gathering information about the proposed event, assessing satisfaction and/or obtaining feedback on services related to special events. Questions about this collection should be directed to the City Manager.

EVENT DETAILS

TYPE OF EVENT

- Parade Cycling Festival/Event
 Run Walkathon Other (specify) _____

ESTIMATED ATTENDANCE (please estimate all that apply)

Participants # <u>800</u>	Wheelchair Accessible Yes <input type="checkbox"/> No <input type="checkbox"/>
Bands # <u>2</u>	For events on City Property are you seeking approval to charge:
Vehicles/Floats # <u>4</u>	Admission Yes <input type="checkbox"/> No <input type="checkbox"/>
Volunteers # _____	Parking Yes <input type="checkbox"/> No <input type="checkbox"/>
General Public # _____	Is this event: <input checked="" type="checkbox"/> Open to the Public <input type="checkbox"/> For Invited Guests only

EVENT ELEMENTS (complete to ensure proper permits are processed)

Power Requirements* Yes <input type="checkbox"/> No <input type="checkbox"/>	Fireworks Yes <input type="checkbox"/> No <input type="checkbox"/>
Sound Amplification Yes <input type="checkbox"/> No <input type="checkbox"/>	Alcohol Yes <input type="checkbox"/> No <input type="checkbox"/>
Access to power if possible Yes <input type="checkbox"/> No <input type="checkbox"/>	
Live Music Yes <input type="checkbox"/> No <input type="checkbox"/>	
Tents/Temp. Structures Yes <input type="checkbox"/> No <input type="checkbox"/>	Size of tent(s): _____
Amusement Rides Yes <input type="checkbox"/> No <input type="checkbox"/>	Provider: _____
Inflatables Yes <input type="checkbox"/> No <input type="checkbox"/>	Provider: _____

FOOD & BEVERAGE

Will there be food & non alcoholic beverages sold? Yes No (continue to next page)

Food stand locations Indoor Outdoor Inside & Outside

What kinds of food will the Stands be selling? (check all that apply)

- | | | |
|---|---------------------------------------|--|
| <input type="checkbox"/> Chicken/seafood | <input type="checkbox"/> Soups/chilli | <input type="checkbox"/> Other foods (please list) |
| <input type="checkbox"/> Rice/pasta dishes | <input type="checkbox"/> Salad | _____ |
| <input type="checkbox"/> Pop, chips, candy | <input type="checkbox"/> Other meats | _____ |
| <input type="checkbox"/> Hotdogs/hamburgers | <input type="checkbox"/> Baked goods | _____ |

EVENTS REQUESTING ROAD CLOSURE

Road closures must be approved by City Council. Once City Council has approved your road closure, changes cannot be made to your route without notification to the City Manager as a secondary Council Approval will have to be sought.

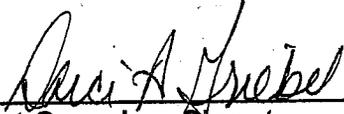
A detailed map of road closure **MUST** be included. Applicants must notify abutting properties of the closure at least 14 days in advance of the event. This notification letter must be approved by the City Manager's Office. If there are any SPECIAL REQUESTS that you would like City to consider, please outline them on a separate paper and attach

DEFINE THE CLOSURE LIMITS – ATTACH A DETAILED MAP

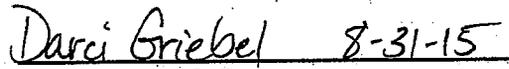
I have read and understood the Special Events Application.

I will notify the City Manager's Office of any changes to my event application at least fourteen (14) days in advance of the event.

I have received a copy, read and understand the contents of the City of Escanaba Policy and Procedures No. 060101-10, Alcohol in Public Places (if applicable).



Event Organizer Signature



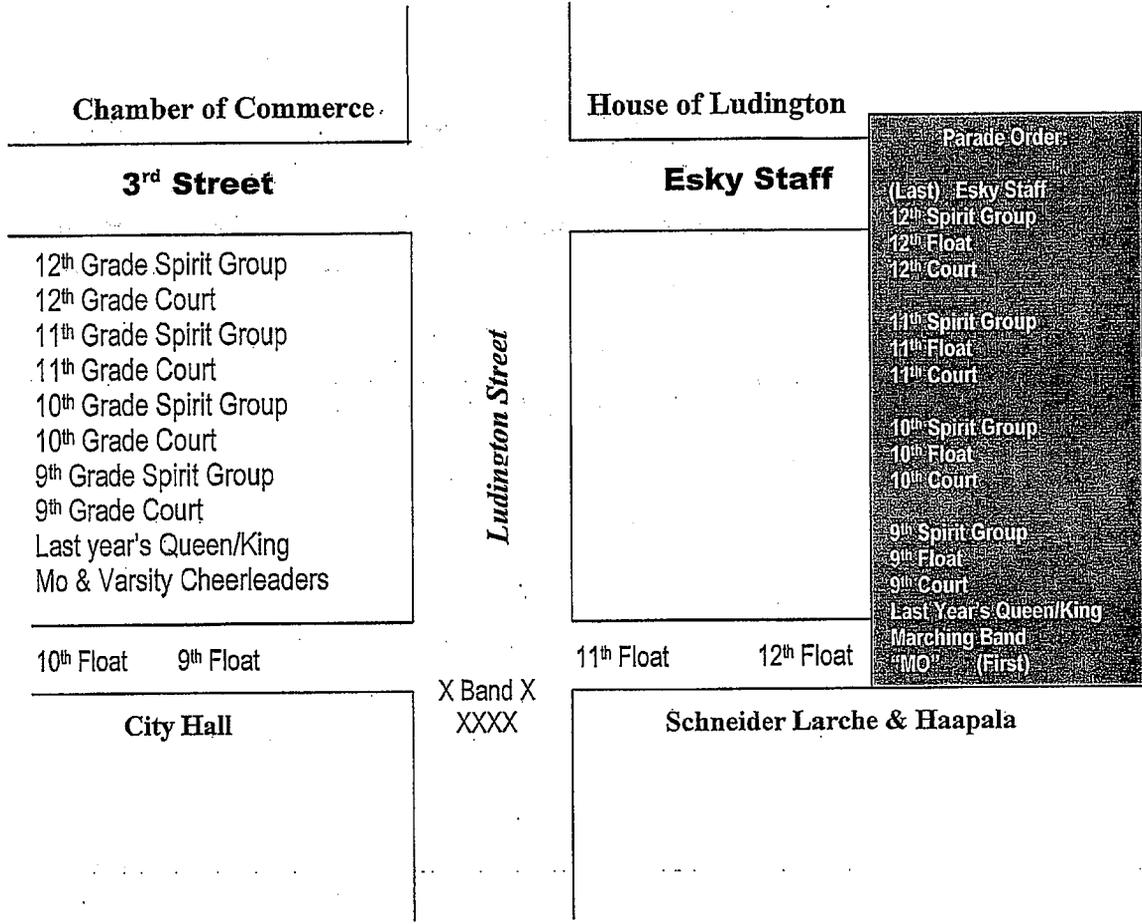
Print Name & Date

Homecoming Parade

All participants should assemble in designated locations no later than 4:30 p.m.

Floats should be displayed during the game on the scoreboard side of the field during the first half. Floats should be driven around the track during halftime after the crowning of the queen. The order of the floats at halftime will be based on ranking for class competition.

EAST



Parade will disassemble at 14th Street. Floats to continue down 14th street to the Athletic Field!