



City Council Meeting

September 2, 2025

6:00 p.m.

Cadillac Municipal Complex

Council Chambers

200 N. Lake St.

Cadillac, MI 49601



September 2, 2025 City Council Meeting Agenda
6 p.m. at City Hall - 200 N. Lake St. – Cadillac, MI 49601

We communicate openly, honestly, respectfully, and directly

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

I. APPROVAL OF AGENDA

II. PUBLIC COMMENTS

This opportunity for public comment provides the public with a chance to make a statement regarding any subject matter. Public comment is not an opportunity to necessarily ask questions or converse with City Staff, Council Members or other meeting attendees. Contact information for Council and staff is available on our website, www.cadillac-mi.net, or can be obtained by calling (231) 775-0181. Comment time is limited to 3-minutes, and unused time may not be yielded back or given to someone else to use.

III. PFAS UPDATE

IV. CONSENT AGENDA

All items listed on the consent agenda are considered routine and will be enacted by one motion with roll call vote. There will be no separate discussion of these items unless a Council Member so requests it, in which event the items will be removed from the consent agenda and discussed separately.

A. Minutes from the regular meeting held on August 18, 2025
Support Document IV-A

B. Minutes from the closed session held on August 18, 2025

V. COMMUNICATIONS

A. Cadillac Fire Department Safety Expo
Support Document V-A

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VI. APPOINTMENTS

- A. Recommendation regarding reappointment to the Elected Officials Compensation Commission.
Support Document VI-A
- B. Recommendation regarding appointment to the Elected Officials Compensation Commission.
Support Document VI-B
- C. Recommendation regarding reappointment to the City of Cadillac/Clam Lake Joint Planning Commission.
Support Document VI-C
- D. Recommendation regarding reappointment to the City of Cadillac/Clam Lake Joint Planning Commission.
Support Document VI-D

VII. CITY MANAGER'S REPORT

- A. Out-of-State Travel Request
Support Document VII-A
- B. Former Cooley School Blight Elimination Program Grant Construction Manager Contract.
Support Document VII-B

VIII. INTRODUCTION OF ORDINANCES

- A. Adopt resolution to introduce Ordinance to Amend Section 46-427 of the Code of Ordinances and set a public hearing for September 15, 2025.
Support Document VIII-A

IX. MINUTES AND REPORTS OF BOARDS AND COMMISSIONS

- A. Planning Commission
Support Document IX-A

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X. PUBLIC COMMENTS

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XI. GOOD OF THE ORDER

XII. ADJOURNMENT

Core Values (R.I.T.E.)

Respect

Integrity

Trust

Excellence

Guiding Behaviors

We support each other in serving our community

We communicate openly, honestly, respectfully, and directly

We are fully present

We are all accountable

We trust and assume goodness in intentions

We are continuous learners

CITY COUNCIL MEETING MINUTES

August 18, 2025

Cadillac City Hall - 200 N. Lake St. - Cadillac, Michigan 49601

CALL TO ORDER

The meeting was called to order by Mayor Schippers at approximately 6:00 pm.

PLEDGE OF ALLEGIANCE

ROLL CALL

Council Present: Elenbaas, Hopkins, French, Mayor Schippers

Council Absent: Engels

Staff Present: Peccia, Roberts, Dietlin, Waldo, Reader, Wasson

APPROVAL OF AGENDA

2025-191 Approve agenda as amended.

Motion was made by Hopkins and supported by Elenbaas to approve the agenda as amended to add reappointment to the LDFA under Appointments.

Motion unanimously approved.

PUBLIC COMMENTS

There were no public comments.

PFAS UPDATE

Jeff Dietlin, Director of Utilities, noted the last two test results were received and they were non-detect. He stated they haven't had anyone else sign up for testing. He noted as he had mentioned at the previous meeting, we stopped actively soliciting people for testing at the end of July. He stated if City residents come forward and want to be tested, we will do that testing.

Dietlin noted they put a reminder on the back of the utility bills that our water is tested often, regulated by the state and federal governments, and we have never had PFAS detected in our City water.

CONSENT AGENDA

2025-192 Approve consent agenda as presented.

Motion was made by Elenbaas and supported by Hopkins to approve the consent agenda as presented.

Motion unanimously approved.

COMMUNITY SPOTLIGHT

A. Travis Owens – DDA Director/Main Street Program Manager

Peccia introduced Travis Owens, the new Downtown Development Authority Director/Main Street Program Manager.

Travis Owens provided a presentation about the DDA/Main Street Program (see attachment).

Peccia noted there is a lot of activity happening with the Downtown Development Authority and with the Main Street Program. He stated we are trying to achieve full certification in the Main Street Program. He noted this will help us get access to additional outside funding opportunities to continue to promote Cadillac.

PUBLIC HEARINGS

- A. Public hearing to consider adoption of Ordinance Amending a Lease Agreement with Up North Arts, Inc.

Peccia noted in summary we are looking at adjusting their rent beginning January 1, 2025 to \$750 per month.

Amy Gonzales and Jim Meitster, Up North Arts, Inc. Board Members were in attendance.

Amy Gonzales provided a packet of information to City Council. She read through information about Up North Arts Inc. and the lease agreement (see attachment).

Elenbaas thanked the people at Up North Arts and noted they are a big part of the City.

French stated for decades before Up North Arts, Inc. started, we were trying to find a home for art classes. She noted this has been envisioned by many people over the years. She stated she and the City are grateful for all of the work that they are bringing to our community.

Peccia noted this facility is intended for tenants such as Up North Arts and other non-profits and community type groups.

Mayor Schippers opened the public hearing.

There were no public comments.

Mayor Schippers closed the public hearing.

2025-193 Adopt Ordinance 2025-12.

Motion was made by Elenbaas and supported by French to approve the resolution to adopt Ordinance Amending a Lease Agreement with Up North Arts, Inc.

Motion unanimously approved.

COMMUNICATIONS

- A. Cadillac Philharmonic Club

2025-194 Approve banner for Cadillac Philharmonic Club.

Motion was made by Elenbaas and supported by French to approve the display of a banner from September 29, 2025 to October 6, 2025 for the Cadillac Philharmonic Club.

French noted she has been on this board for many years. She stated they provide scholarship awards for kids with musical abilities to go to music camps. She noted in the last couple of years they have spent over \$11,000 sending over 20 kids to these camps. She stated it is exciting to give children with those talents and abilities that extra edge to get musical experience and training at these schools. She noted they are starting the new season, and the community chorus will be performing on September 11, 2025 at Zion Lutheran Church.

Mayor Schippers stated it is another example of how the Cadillac area supports the arts in our community.

Motion unanimously approved.

APPOINTMENTS

A. Recommendation regarding appointment to the Zoning Board of Appeals.

2025-195 Approve appointment to the Zoning Board of Appeals.

Motion was made by Elenbaas and supported by Hopkins to approve the appointment of Mike Coy to the Zoning Board of Appeals for a 3-year term to expire on August 18, 2028.

Motion unanimously approved.

B. Recommendation regarding appointment to the Zoning Board of Appeals.

2025-196 Approve appointment to the Zoning Board of Appeals.

Motion was made by Elenbaas and supported by French to approve the appointment of Peggy Host to the Zoning Board of Appeals for a 3-year term to expire on August 18, 2028.

Motion unanimously approved.

C. Recommendation regarding reappointment to the Elected Officials Compensation Commission.

2025-197 Approve reappointment to the Elected Officials Compensation Commission.

Motion was made by Hopkins and supported by French to approve the reappointment of Jack Dillon to the Elected Officials Compensation Commission for a 5-year term to expire on September 6, 2030.

Motion unanimously approved.

Mayor Schippers noted that Mr. Dillon has been on that board for 20 years serving the community.

D. Recommendation regarding reappointment to the Local Development Finance Authority.

2025-198 Approve reappointment to the Local Development Finance Authority.

Motion was made by Elenbaas and supported by Hopkins to approve the reappointment of Mike Hamner to the Local Development Finance Authority for a term ending on December 16, 2027.

Motion unanimously approved.

Mayor Schippers stated a lot of good people serve the community. She noted anyone interested in serving the community can check the website for openings on the boards and commissions.

CITY MANAGER'S REPORT

A. Hardship (Poverty) Exemption Policy

Peccia noted we are required to adopt a Hardship (Poverty) Exemption policy annually which we did in February 2025. He stated the Treasury Department of the State of Michigan found that we had some outdated verbiage. He reviewed the required updates to the policy: Clauses: 2. "Not own any other real estate and/or recreational vehicles in or out of the State of Michigan" and 10. "is not for trusts" need to be removed.

2025-199 Adopt revised Hardship (Poverty) Exemption Policy.

Motion was made by Elenbaas and supported by Hopkins to adopt the revised 2025 Hardship (Poverty) Exemption Policy as presented.

Motion unanimously approved.

B. Bids and recommendation regarding Fire Department Support Truck Equipment.

Peccia noted five (5) bids were received for the upfitting of our Fire Marshal truck. He stated the recommendation is to award the purchase and installation of emergency equipment to the lowest bidder, Pro Comm, Inc. in the amount of \$8,105.79.

2025-200 Award purchase and installation of Fire Department Support Truck Equipment.

Motion was made by Elenbaas and supported by Hopkins to award the purchase and installation of emergency equipment on the new Fire Department support truck to Pro Comm Inc. in accordance with their bid.

Motion unanimously approved.

C. Recommendation regarding Zoning Ordinance Consulting Service Contract.

Peccia noted this item involves bringing on a consultant to help us finish the updating of our zoning ordinance. He stated four (4) proposals were received and the recommendation is to move forward with Progressive Companies in the amount of \$34,000. He noted we received a grant specifically for this project in the amount of \$39,600 and we are going to look at possibly requesting an additional \$10,000 from the State because we believe we will need some additional funds.

Peccia noted we also need to update our master plan which we can't really get to until after

the zoning process. He stated the zoning process identifies and defines types of uses and establishes those definitions. He noted the master planning process takes those use types and then identifies where physically in the City of Cadillac certain uses should be allowed.

French asked if the consultant will only be working with the zoning definitions or will they also be helping with the master plan.

Peccia stated right now it's just focusing on the zoning. He noted we don't know yet whether or not there is going to be funding available for assistance for the master planning project.

2025-201 Approve Zoning Ordinance Consulting Service Contract.

Motion was made by Elenbaas and supported by Hopkins to approve the Zoning Ordinance Consulting Service contract with Progressive Companies.

Motion unanimously approved.

D. Recommendation regarding Police Patrol Vehicle Emergency Equipment.

Peccia stated noted we will soon take delivery of a police patrol vehicle that was ordered last spring. He noted Pro Comm, Inc. is the vendor that we've used in the past to do upfitting and they have agreed to hold their price from 2024 with a small adjustment (\$1,900) for the cost of the equipment.

2025-202 Waive competitive bidding regarding Police Patrol Vehicle Emergency Equipment.

Motion was made by Elenbaas and supported by Hopkins to waive competitive bidding regarding Police Patrol Vehicle Emergency Equipment.

Motion unanimously approved.

2025-203 Award purchase and installation of Police Patrol Vehicle Emergency Equipment.

Motion was made by Hopkins and supported by Elenbaas to award the purchase and installation of emergency equipment on the new Police Patrol Vehicle to Pro Comm Inc. in accordance with their quote.

Motion unanimously approved.

E. Amendment to Contract with ISD for CCTV Operations.

Peccia noted since 2016 the City has contracted with the ISD for the operation and administration of Cadillac Community Television (CCTV). He stated the contract amount has been the same since inception. He noted it is proposed that we increase the amount of the contract from \$25,000 to \$30,000 per year.

2025-204 Approve amendment to contract with ISD for CCTV Operations.

Motion was made by Elenbaas and supported by Hopkins to approve the amendment to the contract with the Wexford Missaukee Intermediate School District as presented.

Motion unanimously approved.

F. Non-Union Benefits Schedule

Peccia stated several changes to the Non-Union Benefits Schedule are being proposed, either as mandated by newly enacted laws or for the purpose of enhancing recruitment and retention. He noted with respect to sick leave we need to adopt the provisions of the Earned Sick Time Act (ESTA) and implement necessary changes. He stated in an effort to enhance our recruitment and retention we are looking at adjusting the vacation schedule for non-union employees. He noted there is language under the Health Insurance Section that is no longer necessary. He stated the proposed changes are highlighted in the policy which is included in the Council packet.

French asked who are the non-union employees.

Peccia noted Police, Fire, Utilities, and Public Works are union but the department heads and administrative positions are non-union.

2025-205 Approve changes to Non-Union Benefits Schedule.

Motion was made by Elenbaas and supported by Hopkins to approve the changes to the Non-Union Benefits Schedule as presented.

Motion unanimously approved.

ADOPTION OF ORDINANCES AND RESOLUTIONS

A. Adopt Resolution Amending General Appropriations Act for Fiscal Year 2026.

Peccia stated one item is regarding the addition of funding that would allow Mr. Travis Owens to travel. He noted the amount is 3,500 and was requested by the Downtown Development Authority. He noted an additional item is to recognize grant revenue for the zoning code update.

Owen Roberts, Director of Finance, stated that we are including the appropriation for the Zoning Code update contract that was approved and recognizing that there was a State grant received for those funds. He noted it recognizes the transfer of funds to provide travel and education funds for the DDA Director. He stated it also appropriates additional funds for initial activities of the Cadillac West Corridor Improvement Authority. He noted the Authority has just over \$6,000 on hand from prior committee activities.

2025-206 Adopt Resolution Amending General Appropriations Act for Fiscal Year 2026.

Motion was made by Hopkins and supported by French to adopt the Resolution Amending General Appropriations Act for Fiscal Year 2026 as presented.

Motion unanimously approved.

MINUTES AND REPORTS OF BOARDS AND COMMISSIONS

A. Historic Districts Commission

PUBLIC COMMENTS

Connie Boice, Prein & Newhof, invited members of the public to join some walking and biking audits and discussed the schedule (see attachment). She noted they have been looking for public input for future grant applications to improve walkability, accessibility, and bikeability in the City. She stated Saturday, August 23rd at noon will be the ribbon-cutting ceremony for the new playground at Diggins Hill.

GOOD OF THE ORDER

Elenbaas asked if there is anything coming out of Lansing concerning financial help for our PFAS situation.

Peccia noted we are trying to get an appropriation as part of their budget process that we won't know about until it gets closer to or even after October. He stated we are also trying to get a special appropriation now directly through EGLE but there isn't a specific date published to let us know one way or another.

Peccia stated we are also trying to get outside funding for the culvert situation on Mitchell Street. He noted we have been working on that for about three (3) years. He stated he believes there are a lot of people in the State of Michigan Legislature that are very supportive, but we don't know if it will happen.

French noted she toured the Wastewater Treatment Plant and the LDFA Pumping Station with Jeff Dietlin. She stated she was very impressed. She noted it's amazing what happens in the Wastewater Treatment Plant including the science, the biology, and the physics of water flow. She stated everything is synchronized by a very small staff that manages that whole system and then the clean water comes out at the end and dumps into the Clam River. She encouraged people, particularly those concerned about our City's water supply and treatment facilities, to contact Jeff Dietlin. She noted it is amazing how thoroughly things are tested, taken care of, and monitored.

Mayor Schippers noted many people attended the recent downtown Block Party. She stated she has been noticing all of the gardens look wonderful and she thanked staff that take care of the parks and the gardens. She noted she was at Kenwood Park by the beach this past weekend and it looked great. She stated there were a lot of kids swimming and she noted people were everywhere enjoying our parks. She mentioned that the Garden Club does a great job with the flowers at the Sound Garden.

Mayor Schippers reminded everyone that school will be starting so please stop for buses and watch out for our precious children. She wished all the school children, teachers, and staff a wonderful school year.

CLOSED SESSION

Adjourn to closed session for strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement.

2025-207 Adjourn to closed session.

Motion was made by Elenbaas and supported by Hopkins to adjourn to closed session for strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement; invite Owen

Roberts, Director of Finance, Jeff Dietlin, Director of Utilities, and Todd Keway, HR Generalist.

Motion unanimously approved.

2025-208 Return to open session.

Motion was made by Elenbaas and supported by Hopkins to return to open session.

Motion unanimously approved.

Peccia noted in the closed session we discussed a summary of collective bargaining agreement adjustments for the United Steelworkers Union. He stated that Union represents Public Works and Utilities employees. He noted we have a summary that will be provided to the media following the meeting. He stated the recommendation is to approve the changes as presented in the summary.

2025-209 Approve Collective Bargaining Agreement with the United Steelworkers.

Motion was made by Elenbaas and supported by Hopkins to approve the proposed changes to the Collective Bargaining Agreement with the United Steelworkers as presented.

Motion unanimously approved.

Mayor Schippers thanked everyone that participated in the negotiations.

ADJOURNMENT

Respectfully submitted,

Tiyi Schippers, Mayor

Sandra Wasson, City Clerk

Downtown Development Authority / Business Improvement District



Downtown Development Authority (DDA) Board Members

BRIAN KELSEY

1113 S Taxiway Juliet
Lake City, MI
(C) 231-920-5269
Term Expires 06/19/2027

HEATHER GOODMAN

105 S Mitchell St
(W) 231-429-5037
Term Expires 09/03/2028

CHRIS HUCKLE

130 N Mitchell St
PO Box 640
(W) 231-775-6565
Term Expires 03/06/2026

CHRIS CRAWLEY

327 Hersey St
(C) 231-884-0272
Term Expires 10/05/2026

MIRANDA GRUNOW (V-CH)

miranda.grunow@city2shore.com
Term Expires 09/07/2025

MALORIE BOSSCHER

(C) 231-709-3269
Term Expires 05/06/2028

AARON FEKETE

317 N Mitchell St
(C) 231-884-9964
Term Expires 09/18/2027

TEREESA ARN

612 E Chapin St
(H) 810-358-1097
Term Expires 09/18/2027

STEVE BARNES (CH)

408 E Harris St
(C) 517-974-9056
Term Expires 08/07/2027

MARCUS PECCIA (SEC)

200 N Lake St
(W) 231-775-0181
Indefinite Term



Main Street





Over the past 20 years,
the **Michigan Main Street (MMS)** has facilitated real results
in participating communities.

REAL IMPACT

The Numbers prove it!

 **\$49,135,925**
2023–24
Total Private Investment
Program to date: \$473,749,204

 **\$5,855,343**
2023–24 Total Public Investment
Program to date: \$152,552,988

 **30,094**
2023–24 Volunteer Hours
Program to date: 922,796

 **136**
2023–24 New Businesses
Program to date: 2,033

 **117**
2023–24 Façade &
Building Improvements
Program to date: 2,934



WHY ARE DOWNTOWNS IMPORTANT?

- Downtowns are the heart of communities, typically containing a significant amount of jobs and portion of communities' tax base.
- Downtowns create a network that supports independent businesses and entrepreneurs.
- Downtowns provide identity and cultural value to the region.

Vision & Mission



Downtown Cadillac Mission

"To foster a vibrant, prosperous downtown district by enhancing the area's economic base, improving aesthetics and accessibility, encouraging community engagement, and preserving the historical and cultural identity of Downtown Cadillac. We aim to create a thriving, inclusive, and dynamic Downtown that continues to be the heart of the Community."



Downtown Cadillac Vision

"We envision a vibrant, walkable downtown where thriving local businesses, cherished historic character, and dynamic public spaces come together to create an engaging destination for all. By supporting entrepreneurship, honoring our architectural heritage, and fostering a culture of creativity and community through strategic events, marketing, and placemaking, we aim to build a downtown that is economically resilient, culturally rich, and welcoming to residents and visitors alike."



CADILLAC

MICHIGAN MAIN STREET
ENGAGED LEVEL COMMUNITY

Downtown Development Authority



Successful Revitalization + Community Development

Your Main Street Organization must understand that successful revitalization only occurs through having a balance between developing programming and a sustainable organization. Robust projects and programming must be supported by an organizational foundation that has a strong budget and volunteer capacity to implement them.



PROJECTS COMPLETED

- ❑ Drafted position description, advertised and hired a DDA Director & Main Street Program Manager
- ❑ Completed MI Main Street Engaged Level Work Plan Steps
 - ❑ Create Subcommittee(s) to Lead Main Street Efforts
 - ❑ Determine Main Street Area Boundaries
 - ❑ Complete Building and Business Inventory
 - ❑ Create Map of Main Street Area Boundary
 - ❑ Engage stakeholders through social media, establishment of a newsletter, and local media outlets
- ❑ Hosted first large event and supporting others
- ❑ Downtown design guidelines drafted
- ❑ Flowers





Our Goals

Business Recruitment and Retention

- Develop small business support resources.
- Develop incentives to encourage reinvestment downtown.
- Cultivate a vibrant business mix downtown.

Streetscapes

- Create a walkable downtown district.
- Facilitate physical improvements to the public realm.
- Create a plan for managing traffic.
- Develop a cleanup and maintenance program.

Arts and Beautification

- Identify opportunities for public art.
- Engage in placemaking activities.
- Add green spaces and nature.

Historic Preservation

- Provide education and resources to property owners.
- Encourage appropriate building & façade rehabilitation.
- Build relationships with preservation partners.
- Promote the benefits of historic preservation.
- Conduct projects & programs that showcase the history.

Marketing

- Develop a cohesive brand for downtown.
- Develop a marketing strategy to promote downtown.
- Generate materials, communication and social media posts.

Events

- Host strategic events downtown.
- Procure and manage sponsorships effectively.
- Create an annual calendar with a mix of events.

Administrative

- Have a dedicated person in place to represent downtown.
- Define roles and responsibilities for the board, volunteers and staff.
- Diversify funding for the organization.



Main Street Four Point Approach

DESIGN

ECONOMIC VITALITY

ORGANIZATION

PROMOTION

Action-Oriented Work Plans

FUTURE PROJECTS

- ❑ Improve safety on Mitchell Street
- ❑ Establish Downtown Cadillac website
- ❑ Pursue public art and beautification projects
- ❑ Establish annual events calendar and plan community, special and retail events
- ❑ Become a Select Level Community
- ❑ Update Goals in Tax Increment Financing and Development Plan





Thank You



TRAVIS OWENS
DDA Director / Main Street Manager
Downtown Cadillac

📞 (231) 281-7458
✉️ towens@cadillac-mi.net
📍 305 N. Mitchell St.
🌐 downtowncadillac.com



August 18, 2025

Up North Arts is your nonprofit community art center serving the greater Cadillac area. Up North Arts (UNA) was established in 2017. The first class was offered in September of 2017. Our mission is to “Make Space to Create”.

UNA is dedicated to sponsoring, promoting, and encouraging the creative efforts and appreciation of visual, performing, and literary arts in the community. It is our mission to bring a professional level of support for the arts to our area of Northern Michigan.

We operate a community art center that includes pottery/ceramics, glass, and fiber arts studios in addition to a children’s center and music instruction classroom.

Our center is also home to the Northern Lights Dance Academy and the Northern Lites Readers Theater who provide further cultural enrichment to our area.

Funding for our organization comes in the form of memberships from the public, registration fees and event tickets, grant funding from state and local partners, individual donors, and corporate sponsors.

Since 1968, we have been honored to bring our juried fine art show to Cadillac in conjunction with the Cadillac Festival of the Arts fine food and entertainment. Up North Arts facilitates dozens of artists showcasing their visual art for the public to see. Wasn’t the Festival spectacular this year!!!

Our youth programming is a highlight of the center and our work. We host monthly art clubs that offer varieties of art instruction at a reasonable cost to both members and nonmembers. Students craft, paint, draw, and create alongside their peers in a fun and welcoming environment. We also host an annual Youth Art Gala for students to display their talents and Summer Arts Camps that offer more immersive experiences where students are able to work on projects with peers and create all week long.

Let’s talk a little bit of numbers.

	2023	2024	2025	2025 Projection	Increase 2023 - 2025
Total Memberships	77	114	125	214	137
Number of Classes Offered	63	90	61	105	42
Of Classes above, how many were Kids Classes	16	23	22	38	22
Number of Total Students in above Classes	403	564	317	543	140
Of Students above, how many were Kids	97	231	129	221	124

As you can see from these numbers, we are reaching more and more people each year.

In addition to supporting a professional level of art in the community, we have also worked very hard to be good tenants to the space we lease from you. In the beginning, we transformed the space by cleaning, painting, and installing new flooring. Over the years, we have designed studios and classrooms around specific community artistic needs; Pottery Studio, Glass Studio, Sewing Room, and Kids Classrooms. We also worked very closely with The City to paint the exterior of the 3 huts, paint the interior “Community Center”, and polish the floors. We are very grateful for the support the city has given us over the years.

Your facilities team are rockstars. We are also the proud recipient of a Rotary grant which purchased and installed a digital sign which we use to communicate local nonprofit events.

Some highlights of our funding for 2024/25 include grants and funding received from 100+ Women Who Care, Michigan Arts and Culture Council, Cadillac Arts Council, Womens Giving Circle, Youth Advisory Council, Lakin/Weeks Fund, Rotary Charities, Eliot Fund, and Great Start.

Some highlights of the past year include the Phyllis Olsen Art Festival, Youth Art Gala, Color Run, CAPS Crew, Early Childhood Sensory Art Program, Kids Camps, and Community Murals.

Our request today is your review and modification of our lease agreement with the city to allow us to continue our mission of Making Space to Create. We are requesting a monthly payment of \$750 retroactively effective to January 2025. We have been paying this amount since January 2025. We are also requesting prior to January 2025 be reviewed at \$500/month, which we paid during that timeframe. There will also be an incubator incentive added to the agreement.

You each have received a packet of information about UNA, including photos of our space. Please take a look at it and if at anytime you would like a tour, please reach out.

Thank you for your time and consideration. We appreciate all the city does for the community and UNA.

Do you have any questions?

Thank you!

Schedule for Walking & Biking Audits

Wednesday 8/13/2025 Noon or 5:00 p.m.	Shelby Street & Mason Street Brick Street Rehabilitation Historical District
Wednesday 8/20/2025 Noon or 5:00 p.m.	Mitchell Street (US-131 BR) Downtown Road Diet
Wednesday 8/27/2025 Noon or 5:00 p.m.	Sunnyside Drive Separated Bike Path & Wayfinding



200 N. Lake Street
Cadillac MI 49601
Phone (231) 775-0181
www.cadillac-mi.net

Today's Date _____

City Received Date _____



Street & Parking Lot Closure Request Form

Please fill out a separate form for each date

Reason for Request CFD 9/11 Safety Expo

Contact Person Mike Fisk

Contact Phone 231-775-3114

Contact Email mfisk@cadillac-mi.net

Date: <u>09/11/2025</u>		Street Closures	
Street Name <u>N Lake St</u>	Beginning Location <u>Pine St</u>	Ending Location <u>Harris St</u>	
	Beginning Time <u>8:00 AM</u>	Ending Time <u>7:00 PM</u>	
Street Name _____	Beginning Location _____	Ending Location _____	
	Beginning Time _____	Ending Time _____	
Street Name _____	Beginning Location _____	Ending Location _____	
	Beginning Time _____	Ending Time _____	
Street Name _____	Beginning Location _____	Ending Location _____	
	Beginning Time _____	Ending Time _____	

Date <u>9/11/25</u>		Parking Lot Closures	
Lot Location <u>East of City Hall</u>	Street <u>Mason St</u>	Nearest Cross Street <u>South Parking Lot</u>	
	Beginning Time <u>8:00 AM</u>	Ending Time <u>7:00 PM</u>	
Lot Location <u>South of City Hall</u>	Street <u>Lake St</u>	Nearest Cross Street <u>East Parking Lot</u>	
	Beginning Time <u>8:00 AM</u>	Ending Time <u>7:00 PM</u>	
Lot Location _____	Street _____	Nearest Cross Street _____	
	Beginning Time _____	Ending Time _____	

Form must be mailed or delivered to the above address or emailed to: mvandermeulen@cadillac-mi.net

(No Faxes accepted)

I understand and agree to these requirements & understand if these are not met the request will be denied.

Print Name Mike Fisk

Signature [Signature]

Date 8/18/25

Request will be reviewed & you will be notified if additional information is needed and/or if request is approved or denied.

sent to SW 8/18/25

September 2, 2025

COUNCIL COMMUNICATION

Re: Reappointment of Mickey Putman to a Five-Year Term on the Elected Officials Compensation Commission

Mickey Putman has expressed his interest in continuing to serve on the Elected Officials Compensation Commission for a five-year term.

Requested Council Action:

Motion to reappoint Mickey Putman to a five-year term on the Elected Officials Compensation Commission, which will end on October 19, 2030.

September 2, 2025

COUNCIL COMMUNICATION

Re: Appointment of Robert Durant to a Five-Year Term on the Elected Officials Compensation Commission.

Robert Durant has expressed his interest in being appointed to serve as a member of the Elected Officials Compensation Commission.

Requested Council Action:

Motion to appoint Robert Durant to a five-year term on the Elected Officials Compensation Commission, term will end on 9/02/2030.



Application for Appointment to Standing and Special Committees, Boards & Commissions

The information provided on this form is for the use of the Cadillac City Council in its deliberation to fill vacancies on standing and special committees, boards and commissions. Applications may be submitted at any time and will be kept on file for a period of one (1) year. In most cases, you must be a resident of the City of Cadillac to serve on its committees, boards and commissions. Exceptions include the DDA, CBOA, LDFA, Clam River Greenway Committee and Brownfield Redevelopment Authority. Applicants may be required to interview with the City Manager for appointment consideration.

To which committee, board or commission are you seeking appointment? Please check all that apply.

- | | |
|--|---|
| ☐ Airport Authority | ☐ Economic Development Corporation |
| ☐ Board of Review | ☒ Elected Officials Compensation Commission |
| ☐ Brownfield Redevelopment Authority | ☐ Election Commission |
| ☐ Cadillac Area Council for the Arts | ☐ Housing Commission |
| ☐ Cadillac-Wexford Transit Authority | ☐ Local Development Finance Authority |
| ☐ Cadillac West Corridor Improvement Authority | ☐ Planning Commission |
| ☐ Cemetery Board | ☐ Retirement Board to Administer Act 345 |
| ☐ Civil Service Commission | ☐ Zoning Board of Appeals |
| ☐ Clam River Greenway Committee | ☐ Construction Board of Appeals |
| ☐ Historic Districts Commission | ☐ City of Cadillac/Clam Lake Joint Planning Commission |
| ☐ Diggins Hill Tennis Court Fundraising Committee | |
| ☐ Downtown Development Authority | ☐ Other _____ |

Please print or type:

Name ROBERT F. DURANT Address [REDACTED]

Telephone: Home [REDACTED] Business/cell [REDACTED]

E-mail [REDACTED] Date available for appointment CALL me to CHECK MY SCHEDULE.

Please complete the following. You may use additional sheets as needed.

Community Service

List boards, commissions, committees or community service organizations that you are currently serving or have served upon, offices held, and in what municipality or county.

WEXFORD CO. BUILDING REVIEW BOARD - PREVIOUSLY
NORTHERN DISTRICT FAIR - 1980'S + 1990'S. BOARD
MEMBER + PRESIDENT.
4H SHOOTING SPORTS CLUB LEADER - 1980'S
MEMBER OF THE ELKS + CADILLAC SPORTSMEN'S CLUB.

Employment and Education

List any employment experience or education that, in your opinion, best qualifies you for this appointment. List job titles, duties (current and past), level of education and any certificates or degrees you have obtained.

LICENSED MASTER PLUMBER + MECHANICAL
CONTRACTOR. HAVE OWNED DURANT PLB+HTG INC
FOR 50 YEARS.

Have you ever worked for the City of Cadillac? ☐ Yes ☒ No

If yes, please list dates and names of departments.

Why do you have interest in serving on this board/commission/committee?

Helping the community.

Personal

Rules of law and ethics prohibit appointees from participating in and voting on matters in which they may have a direct or indirect financial interest. Are you aware of any potential conflicts of interest? ☐ Yes ☒ No

If yes, please indicate potential conflicts.

Are you aware of the time commitment necessary to serve on the committee, board and/or commission to which you seek appointment, and will you have such time? ☒ Yes ☐ No

Depending on DATE OF Meeting. IN 2025 I AM OUT OF TOWN UNTIL NOVEMBER 12th (GONE JUST 1 WEEK)

Please provide information about specific training, education, experience or interests you possess that qualify you as an appointee to the position you seek.

I hereby certify that the preceding information is correct to the best of my knowledge.

Signature



Date

8/25/25

You are invited to attach additional pages, enclose a copy of your résumé or submit supplemental information that you feel may assist in the evaluation of your application.

Mail or return your completed application to:

Marcus Peccia, City Manager
City of Cadillac
200 N. Lake St.
Cadillac MI 49601

Thank you for giving us the opportunity to consider you for appointment.

September 2, 2025

COUNCIL COMMUNICATION

Re: Reappointment of Jerry Adams to a Three-Year Term on the City of Cadillac/Clam Lake Joint Planning Commission.

Jerry Adams has expressed his interest in continuing to serve on the City of Cadillac/Clam Lake Joint Planning Commission for a three-year term.

Requested Council Action:

Motion to reappoint Jerry Adams to a three-year term on the City of Cadillac/Clam Lake Joint Planning Commission, which will end on 10/07/2028.

September 2, 2025

COUNCIL COMMUNICATION

Re: Reappointment of Joseph Baumann to a Three-Year Term on the City of Cadillac/Clam Lake Joint Planning Commission.

Joseph Baumann has expressed his interest in continuing to serve on the City of Cadillac/Clam Lake Joint Planning Commission for a three-year term.

Requested Council Action:

Motion to reappoint Joseph Baumann to a three-year term on the City of Cadillac/Clam Lake Joint Planning Commission, which will end on 10/07/2028.

September 2, 2025

Council Communication

RE: Out-of-State Travel Request

Collier County, Florida recently served three members of the Cadillac Police Department - Detective Maslin, Sergeant Bertram and Officer Doll - with a court-ordered subpoena to appear in person on September 11, 2025, at 9:00AM for a parole violation hearing related to a violation committed in Cadillac. At this time, appearing in person in Florida is the only option, but if the court subsequently authorizes CPD staff to testify virtually, no travel will be necessary.

Recommended Action

It is recommended that City Council approve the out-of-state travel request as recommended by the City Manager per policy, and as ordered by the Collier County, Florida court. The City will seek reimbursement through a Federal funding source for any costs incurred, but funds are also available in the Police Department budget within the General Fund.

September 2, 2025

Council Communication

Re: Former Cooley School Blight Elimination Program Grant Construction Manager Contract

Garrett Family Community Partners, (“Garrett”), a Michigan Not-For-Profit organization based in Grand Rapids, has a purchase agreement assignment through DKD Development with the Cadillac Area Public Schools for the acquisition and redevelopment of the former Cooley School at 221 Granite Street into 23 apartments, at least 12 of which will be at rents and for income qualified households of 120% Area Median Income (AMI) or less.

To support the redevelopment, the City applied for and secured a \$676,127 Blight Elimination Program (“BEP”) Grant from the State Land Bank Authority (“SLBA”). After discussion and budget adjustments, the BEP Grant will provide funding for three scopes of work: 1) Masonry Repairs; 2) Window Removal, Repair and Replacement; and 3) Roof Removal and Replacement.

The Federal funding stipulations of the BEP Grant require direct oversight of scopes of work funded by BEP. In order to most effectively and efficiently meet the BEP Grant requirements, minimize the risk to the City, and provide the necessary construction management and oversight service for this redevelopment, we are recommending a sole source contract with Pinnacle Construction Group, Inc. of Grand Rapids to serve as the Construction Manager for the City for the BEP Grant scopes of work. Pinnacle will perform this work with no mark-up, meaning all grant funds will be used on project costs. The City will incur no costs that are not 100% covered by the BEP grant.

The sole source justification includes:

- SLBA and federal funding requirements for City direct oversight of and representation for the BEP Grant scopes of work.
- Pinnacle is the overall Cooley project Construction Manager (CM) and this will be the most effective and efficient arrangement to manage all contracts for the project;
- There is no charge to the City for Pinnacle CM services under the BEP grant or otherwise.

Attached for consideration of approval by the City Council is a draft American Institute of Architects (AIA) Standard Form of Agreement Between Owner and Construction Manager as Constructor between the City as the Owner and Pinnacle Construction Group, Inc. as the Construction Manager. The City is serving as the “Owner” in this case by providing funding through the BEP Grant.

In addition, there is a need for a BEP Grant Implementation Agreement between the City and Garrett Family Community Partners for financial arrangements, grant compliance, access, indemnity and other terms and conditions. Garrett will provide the up-front funding to the City to pay Pinnacle and will be reimbursed when all BEP Grant scopes of work are completed, documentation is submitted, and payment is received from the SLBA.

Attached for consideration of approval by the City Council is a Blight Elimination Program Grant Implementation Agreement between the City and Garrett Family Community Partners.

Recommended Action

It is recommended that City Council take the following actions:

- (1) Waive competitive bidding for Construction Management Services related to the Cooley School Redevelopment Project for the Blight Elimination Program Grant Scopes of Work;
- (2) Approve a contract between the City of Cadillac and Pinnacle Construction Group, Inc. to serve as the Construction Manager for the project and authorize the City Manager to approve amendments to the agreement that do not materially alter the scope or intent of the agreement; and
- (3) Approve the Blight Elimination Program Grant Implementation Agreement between the City of Cadillac and Garrett Family Community Partners for the Blight Elimination Program Grant Scopes of Work for the Former Cooley School Redevelopment.

FRAMEWORK FOR COOLEY SCHOOL BEP GRANT IMPLEMENTATION

Revised 8/26/25

CITY OF CADILLAC
STATE LAND BANK AUTHORITY
GARRETT FAMILY COMMUNITY PARTNERS

The following is a proposed framework of the arrangements for implementation of the Blight Elimination Program ("BEP") from the State Land Bank Authority ("SLBA") to the City of Cadillac ("City") for the former Cooley School Redevelopment.

PROJECT: Garrett Family Community Partners, ("Garrett"), a Michigan Not-For Profit organization based in Grand Rapids, has a purchase agreement assignment through DKD Development with the Cadillac Area Public Schools for the acquisition and redevelopment of the former Cooley School at 221 Granite Street into 23 apartments, at least 12 of which will be at rents and for income qualified households of 120% Area Median Income (AMI) or less.

BLIGHT ELIMINATION PROGRAM GRANT: To support the redevelopment, the City applied for a secured a \$676,127 Blight Elimination Program Grant from the State Land Bank Authority. While the original proposal included acquisition and stabilization, use of the BEP grant for acquisition did not appear advantageous and a request was made to allocate the full BEP grant budget to stabilization. The following are the proposed activities and budget:

Cooley School BEP Stabilization Budget

<u>Activities</u>	<u>Cost Estimate</u>	<u>Eligible BEP</u> <u>Costs</u>	<u>BEP</u>	<u>Project</u>	
Selective Interior Demolition	\$99,082				
Asbestos remediation & window removal	\$46,698				
Misc. Exterior Demolition	\$10,500				
Milling of existing paving	\$26,775				
New ADA ramps	\$10,500				
Masonry tuckpointing/repairs	\$77,963	\$77,963	\$77,963		
Window Steel Lintels Repair/ Replacement	\$15,750	\$15,750	\$15,750		
Membrane Roofing tear off and new	\$180,516	\$180,516	\$180,516		
Roof Drain rework	\$10,500	\$10,500	\$10,500		
Exterior Entrance Replacement	\$34,125				
Exterior Window Replacement	<u>\$507,526</u>	<u>\$507,526</u>	<u>\$361,398</u>	<u>\$146,128</u>	71.21%
TOTAL	\$1,019,935	\$792,255	\$646,127	\$146,128	
Administration			\$30,000		
Total			\$676,127		

ARRANGEMENTS: The following is proposed outline of the arrangements to implement the BEP Grant.

Overall, the City will contract with Pinnacle Construction Group, Inc. of Grand Rapids ("Pinnacle") to serve as the Construction Manager on behalf of the City for the three scopes of work under the BEP Grant: Masonry Repairs, Window Removal, Repair and Replacement, and Roof Removal and Replacement. The City will have BEP Grant Implementation Agreement with Garrett Family Community Partners for financial arrangements, grant compliance, access, indemnity and other terms and conditions.

Additional detail on the arrangements is provided below for the following categories: City CM Contract, Procurement/Contracting, Construction Management, and Reporting and Reimbursement.

CITY CM CONTRACT: City staff will prepare and request approval by the City Council at their September 3 meeting for a sole source contract with Pinnacle to provide Construction Management services for the BEP scopes of work at no cost to the City or BEP Grant. The sole source justification includes: SLBA and federal funding requirements for City direct oversight of and representation for the BEP scopes of work; Pinnacle is the overall Cooley project Construction Manager and this will be the most effective and efficient arrangement to manage all contracts for the project; and there is no charge to the City for Pinnacle CM services under the BEP grant or otherwise.

PROCUREMENT/CONTRACTING: On behalf of the City, Pinnacle will prepare the bid documents, in conjunction with Garrett and review by the SLBA, issue the Request for Bids, receive and evaluated all bids, select the contractors, and execute the contracts with the selected contractors. There are anticipated to be three separate bid packages and contracts for the three BEP scopes of work.

CONSTRUCTION MANAGEMENT: Pinnacle will provide on-site construction management for BEP scopes of work, as well as all other project redevelopment activities, including contract management, invoice approval and processing and Davis Bacon and other documentation review and compilation.

REPORTING/REIMBURSEMENT: Invoices from all contractors will be compiled and approved by Pinnacle and provided to the City with copies to Garrett. Once approved by the City and Garrett, Garrett will deposit the invoice amount to the City and the City will pay the contractors. At the end of the BEP activities, the City will provide all necessary documentation to the SLBA for close-out and payment. Upon receipt of the BEP funds, the City will transfer the BEP funds to Garrett.

DRAFT AIA® Document A133® – 2019

Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

AGREEMENT made as of the **fourth** day of **September** in the year **Twenty Twenty Five**

BETWEEN the Owner:

City of Cadillac, a Michigan Municipal Corporation
200 N Lake St
Cadillac, MI 49601

and the Construction Manager:

Pinnacle Construction Group Inc, a Michigan corporation
1000 Front Ave NW
Grand Rapids, MI 49504

for the following Project:

Cooley School
221 Granite Street
Cadillac, Michigan 49601

The Architect:

The DK Design Group
1104 S. Mitchell St
Cadillac MI 49601

The Owner and Construction Manager agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

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

AIA Document A201™-2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

ELECTRONIC COPYING of any portion of this AIA® Document to another electronic file is prohibited and constitutes a violation of copyright laws as set forth in the footer of this document.

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EXHIBIT A GUARANTEED MAXIMUM PRICE AMENDMENT

EXHIBIT B INSURANCE AND BONDS

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

§ 1.1.1 The Owner's program for the Project, as described in Section 4.1.1:

Masonry tuckpointing/repairs, window steel lintel repair/replacement, membrane roofing tear off and replacement, and roof drain rework.

§ 1.1.2 The Project's physical characteristics:

Renovation of existing historical building, 17,939 sq ft

§ 1.1.3 The Owner's budget for the Guaranteed Maximum Price, as defined in Article 6:

Guaranteed Maximum Price will be set after subcontractor bids and contracts and attached as an addendum to this Agreement

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

.1 Design phase milestone dates, if any:

8/11/25

.2 Construction commencement date:

1/15/2026

- .3 Substantial Completion date or dates:

Must be completed by August 31, 2025

- .4 Other milestone dates:

§ 1.1.5 The Owner's requirements for accelerated or fast-track scheduling, or phased construction, are set forth below:

§ 1.1.6 The Owner's anticipated Sustainable Objective for the Project:

§ 1.1.6.1 If the Owner identifies a Sustainable Objective, the Owner and Construction Manager shall complete and incorporate AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, into this Agreement to define the terms, conditions and services related to the Owner's Sustainable Objective. If E234–2019 is incorporated into this agreement, the Owner and Construction Manager shall incorporate the completed E234–2019 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

§ 1.1.7 Other Project information:

Compliance with National Parks Standards as detailed in the drawing names Proposed Multi Family Development for: DKD Development LLC and published on 8/9/2025.

See Exhibit C for information regarding compliance with Blight Elimination Program (BEP) Grant requirements including Davis Bacon wage rates and other hiring and reporting requirements.

§ 1.1.8 The Owner identifies the following representative in accordance with Section 4.2:

Marcus Peccia, City Manager
City of Cadillac
200 N. Lake Street
Cadillac, Michigan 49601
mpeccia@cadillac-mi.net
231.779.7344

§ 1.1.9 The persons or entities, in addition to the Owner's representative, who are required to review the Construction Manager's submittals to the Owner are as follows:

Owen Robert, Finance Director
City of Cadillac
200 N. Lake Street
Cadillac, Michigan 49601
oroberts@cadillac-mi.net
231.779.7333»

§ 1.1.10 The Owner shall retain the following consultants and contractors:

- .1 Geotechnical Engineer:

- .2 Civil Engineer:
- .3 Other, if any:
(List any other consultants retained by the Owner, such as a Project or Program Manager.)

Mac McClelland
Mac Consulting Service, LLC
5793 S. Fisher Road
Maple City, Michigan 49664
mactc@charter.net
231.633.6303 »

§ 1.1.11 The Architect's representative:

Scott Kleinsorge
The DK Design Group
1104 S. Mitchell St.
Cadillac, MI 49601
T: (231) 779-4002
F: (231) 779-4022
scott@dkdesign.cc

§ 1.1.12 The Construction Manager identifies the following representative in accordance with Article 3:

Jack Bowen
jtb@askourclients.com
1000 Front Ae NW
Grand Rapids MI 49504

§ 1.1.13 The Owner's requirements for the Construction Manager's staffing plan for Preconstruction Services, as required under Section 3.1.9:

§ 1.1.14 The Owner's requirements for subcontractor procurement for the performance of the Work:

See Exhibit C for procurement requirements.

§ 1.1.15 Other Initial Information on which this Agreement is based:

§ 1.2 The Owner and Construction Manager may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Construction Manager shall appropriately adjust the Project schedule, the Construction Manager's services, and the Construction Manager's compensation. The Owner shall adjust the Owner's budget for the Guaranteed Maximum Price and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 Neither the Owner's nor the Construction Manager's representative shall be changed without ten days' prior notice to the other party.

ARTICLE 2 GENERAL PROVISIONS

§ 2.1 The Contract Documents

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract and are as

fully a part of the Contract as if attached to this Agreement or repeated herein. Upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal, the Contract Documents will also include the documents described in Section 3.2.3 and identified in the Guaranteed Maximum Price Amendment and revisions prepared by the Architect and furnished by the Owner as described in Section 3.2.8. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern. An enumeration of the Contract Documents, other than a Modification, appears in Article 15.

§ 2.2 Relationship of the Parties

The Construction Manager accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Architect and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner to furnish efficient construction administration, management services, and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents.

§ 2.3 General Conditions

§ 2.3.1 For the Preconstruction Phase, AIA Document A201™–2017, General Conditions of the Contract for Construction, shall apply as follows: Section 1.5, Ownership and Use of Documents; Section 1.7, Digital Data Use and Transmission; Section 1.8, Building Information Model Use and Reliance; Section 2.2.4, Confidential Information; Section 3.12.10, Professional Services; Section 10.3, Hazardous Materials; Section 13.1, Governing Law. The term "Contractor" as used in A201–2017 shall mean the Construction Manager.

§ 2.3.2 For the Construction Phase, the general conditions of the contract shall be as set forth in A201–2017, which document is incorporated herein by reference. The term "Contractor" as used in A201–2017 shall mean the Construction Manager.

ARTICLE 3 CONSTRUCTION MANAGER'S RESPONSIBILITIES

The Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 3.1 and 3.2, and in the applicable provisions of A201–2017 referenced in Section 2.3.1. The Construction Manager's Construction Phase responsibilities are set forth in Section 3.3. The Owner and Construction Manager may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

§ 3.1 Preconstruction Phase

§ 3.1.1 Extent of Responsibility

The Construction Manager shall exercise reasonable care in performing its Preconstruction Services. The Owner and Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of services and information furnished by the Construction Manager. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information in such form as the Architect may require.

§ 3.1.2 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

§ 3.1.3 Consultation

§ 3.1.3.1 The Construction Manager shall schedule and conduct meetings with the Architect and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work.

§ 3.1.3.2 The Construction Manager shall advise the Owner and Architect on proposed site use and improvements, selection of materials, building systems, and equipment. The Construction Manager shall also provide recommendations to the Owner and Architect, consistent with the Project requirements, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; prefabrication; and factors related to

construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions. The Construction Manager shall consult with the Architect regarding professional services to be provided by the Construction Manager during the Construction Phase.

§ 3.1.3.3 The Construction Manager shall assist the Owner and Architect in establishing written protocols for the development, use, transmission, reliance, and exchange of digital data, including building information models for the Project.

§ 3.1.4 Project Schedule

When Project requirements in Section 4.1.1 have been sufficiently identified, the Construction Manager shall prepare and periodically update a Project schedule for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities; and identify items that affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Subcontractor; ordering and delivery of products, including those that must be ordered in advance of construction; and the occupancy requirements of the Owner.

§ 3.1.5 Phased Construction

The Construction Manager, in consultation with the Architect, shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, and sequencing for phased construction. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities, and procurement and construction scheduling issues.

§ 3.1.6 Cost Estimates

§ 3.1.6.1 Based on the preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare, for the Architect's review and the Owner's approval, preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume, or similar conceptual estimating techniques. If the Architect or Construction Manager suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

§ 3.1.6.2 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, an estimate of the Cost of the Work with increasing detail and refinement. The Construction Manager shall include in the estimate those costs to allow for the further development of the design, price escalation, and market conditions, until such time as the Owner and Construction Manager agree on a Guaranteed Maximum Price for the Work. The estimate shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall inform the Owner and Architect in the event that the estimate of the Cost of the Work exceeds the latest approved Project budget, and make recommendations for corrective action.

§ 3.1.6.3 If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Construction Manager and the Architect shall work together to reconcile the cost estimates.

§ 3.1.7 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall consult with the Owner and Architect and make recommendations regarding constructability and schedules, for the Architect's review and the Owner's approval.

§ 3.1.8 The Construction Manager shall provide recommendations and information to the Owner and Architect regarding equipment, materials, services, and temporary Project facilities.

§ 3.1.9 The Construction Manager shall provide a staffing plan for Preconstruction Phase services for the Owner's review and approval.

§ 3.1.10 If the Owner identified a Sustainable Objective in Article 1, the Construction Manager shall fulfill its Preconstruction Phase responsibilities as required in AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

§ 3.1.11 Subcontractors and Suppliers

§ 3.1.11.1 If the Owner has provided requirements for subcontractor procurement in section 1.1.14, the Construction Manager shall provide a subcontracting plan, addressing the Owner's requirements, for the Owner's review and approval.

§ 3.1.11.2 The Construction Manager shall develop bidders' interest in the Project.

§ 3.1.11.3 The processes described in Article 9 shall apply if bid packages will be issued during the Preconstruction Phase.

§ 3.1.12 Procurement

The Construction Manager shall prepare, for the Architect's review and the Owner's acceptance, a procurement schedule for items that must be ordered in advance of construction. The Construction Manager shall expedite and coordinate the ordering and delivery of materials that must be ordered in advance of construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager. Upon the establishment of the Guaranteed Maximum Price, the Owner shall assign all contracts for these items to the Construction Manager and the Construction Manager shall thereafter accept responsibility for them.

§ 3.1.13 Compliance with Laws

The Construction Manager shall comply with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity programs, and other programs as may be required by governmental and quasi-governmental authorities.

§ 3.1.14 Other Preconstruction Services

Insert a description of any other Preconstruction Phase services to be provided by the Construction Manager, or reference an exhibit attached to this document

(Describe any other Preconstruction Phase services, such as providing cash flow projections, development of a project information management system, early selection or procurement of subcontractors, etc.)

§ 3.2 Guaranteed Maximum Price Proposal

§ 3.2.1 At a time to be mutually agreed upon by the Owner and the Construction Manager, the Construction Manager shall prepare a Guaranteed Maximum Price proposal for the Owner's and Architect's review, and the Owner's acceptance. The Guaranteed Maximum Price in the proposal shall be the sum of the Construction Manager's estimate of the Cost of the Work, the Construction Manager's contingency described in Section 3.2.4, and the Construction Manager's Fee described in Section 6.1.2.

§ 3.2.2 To the extent that the Contract Documents are anticipated to require further development, the Guaranteed Maximum Price includes the costs attributable to such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include changes in scope, systems, kinds and quality of materials, finishes, or equipment, all of which, if required, shall be incorporated by Change Order.

§ 3.2.3 The Construction Manager shall include with the Guaranteed Maximum Price proposal a written statement of its basis, which shall include the following:

- .1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract;
- .2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price proposal, including assumptions under Section 3.2.2;
- .3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, including allowances; the Construction Manager's contingency set forth in Section 3.2.4; and the Construction Manager's Fee;
- .4 The anticipated date of Substantial Completion upon which the proposed Guaranteed Maximum Price is based; and
- .5 A date by which the Owner must accept the Guaranteed Maximum Price.

§ 3.2.4 In preparing the Construction Manager's Guaranteed Maximum Price proposal, the Construction Manager shall include a contingency for the Construction Manager's exclusive use to cover those costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order.

§ 3.2.5 The Construction Manager shall meet with the Owner and Architect to review the Guaranteed Maximum Price proposal. In the event that the Owner or Architect discover any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

§ 3.2.6 If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Guaranteed Maximum Price Amendment amending this Agreement, a copy of which the Owner shall provide to the Architect. The Guaranteed Maximum Price Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

§ 3.2.7 The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the execution of the Guaranteed Maximum Price Amendment, unless the Owner provides prior written authorization for such costs.

§ 3.2.8 The Owner shall authorize preparation of revisions to the Contract Documents that incorporate the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment. The Owner shall promptly furnish such revised Contract Documents to the Construction Manager. The Construction Manager shall notify the Owner and Architect of any inconsistencies between the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment and the revised Contract Documents.

§ 3.2.9 The Construction Manager shall include in the Guaranteed Maximum Price all sales, consumer, use and similar taxes for the Work provided by the Construction Manager that are legally enacted, whether or not yet effective, at the time the Guaranteed Maximum Price Amendment is executed.

§ 3.3 Construction Phase

§ 3.3.1 General

§ 3.3.1.1 For purposes of Section 8.1.2 of A201–2017, the date of commencement of the Work shall mean the date of commencement of the Construction Phase.

§ 3.3.1.2 The Construction Phase shall commence upon the Owner's execution of the Guaranteed Maximum Price Amendment or, prior to acceptance of the Guaranteed Maximum Price proposal, by written agreement of the parties. The written agreement shall set forth a description of the Work to be performed by the Construction Manager, and any insurance and bond requirements for Work performed prior to execution of the Guaranteed Maximum Price Amendment.

§ 3.3.2 Administration

§ 3.3.2.1 The Construction Manager shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute minutes of the meetings to the Owner and Architect.

§ 3.3.2.2 Upon the execution of the Guaranteed Maximum Price Amendment, the Construction Manager shall prepare and submit to the Owner and Architect a construction schedule for the Work and a submittal schedule in accordance with Section 3.10 of A201–2017.

§ 3.3.2.3 Monthly Report

The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information required by the Owner.

§ 3.3.2.4 Daily Logs

The Construction Manager shall keep, and make available to the Owner and Architect, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the work, accidents, injuries, and other information required by the Owner.

§ 3.3.2.5 Cost Control

The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Architect, and shall provide this information in its monthly reports to the Owner and Architect, in accordance with Section 3.3.2.3 above.

ARTICLE 4 OWNER'S RESPONSIBILITIES

§ 4.1 Information and Services Required of the Owner

§ 4.1.1 The Owner shall provide information with reasonable promptness, regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, constraints, and criteria, including schedule, space requirements and relationships, flexibility and expandability, special equipment, systems, sustainability and site requirements.

§ 4.1.2 Prior to the execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. After execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request such information as set forth in A201-2017 Section 2.2.

§ 4.1.3 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Article 7, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 4.1.4 Structural and Environmental Tests, Surveys and Reports. During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. The Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 4.1.4.1 The Owner shall furnish tests, inspections, and reports, required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 4.1.4.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 4.1.4.3 The Owner, when such services are requested, shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 4.1.5 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under

the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

§ 4.1.6 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

§ 4.2 Owner's Designated Representative

The Owner shall identify a representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or Work of the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201–2017, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 4.2.1 **Legal Requirements.** The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 4.3 Architect

The Owner shall retain an Architect to provide services, duties and responsibilities as described in AIA Document B133™–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Constructor Edition, including any additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under this Agreement. The Owner shall provide the Construction Manager with a copy of the scope of services in the executed agreement between the Owner and the Architect, and any further modifications to the Architect's scope of services in the agreement.

ARTICLE 5 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES

§ 5.1 Compensation

§ 5.1.1 For the Construction Manager's Preconstruction Phase services described in Sections 3.1 and 3.2, the Owner shall compensate the Construction Manager as follows:

Lump Sum (\$0.00) Zero Dollars

§ 5.1.2 The hourly billing rates for Preconstruction Phase services of the Construction Manager and the Construction Manager's Consultants and Subcontractors, if any, are set forth below.

Individual or Position

Rate

§ 5.1.2.1 Hourly billing rates for Preconstruction Phase services include all costs to be paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, and shall remain unchanged unless the parties execute a Modification.

§ 5.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within () months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

§ 5.2 Payments

§ 5.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

§ 5.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid () days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.

%

ARTICLE 6 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

§ 6.1 Contract Sum

§ 6.1.1 The Owner shall pay the Construction Manager the Contract Sum in current funds for the Construction Manager's performance of the Contract after execution of the Guaranteed Maximum Price Amendment. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Construction Manager's Fee.

§ 6.1.2 The Construction Manager's Fee:

Lump Sum (\$0.00) Zero Dollars

§ 6.1.3 The method of adjustment of the Construction Manager's Fee for changes in the Work:

§ 6.1.4 Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

§ 6.1.5 Rental rates for Construction Manager-owned equipment shall not exceed percent (%) of the standard rental rate paid at the place of the Project.

§ 6.1.6 Liquidated damages, if any:

§ 6.1.7 Other:

§ 6.2 Guaranteed Maximum Price

The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price Amendment, subject to additions and deductions by Change Order as provided in the Contract Documents. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Construction Manager without reimbursement by the Owner.

§ 6.3 Changes in the Work

§ 6.3.1 The Owner may, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Construction Manager may be entitled to an equitable adjustment in the Contract Time as a result of changes in the Work.

§ 6.3.1.1 The Architect may order minor changes in the Work as provided in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.2 Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price Amendment may be determined by any of the methods listed in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.3 Adjustments to subcontracts awarded on the basis of a stipulated sum shall be determined in accordance with Article 7 of A201–2017, as they refer to "cost" and "fee," and not by Articles 6 and 7 of this Agreement. Adjustments to subcontracts awarded with the Owner's prior written consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

§ 6.3.4 In calculating adjustments to the Guaranteed Maximum Price, the terms "cost" and "costs" as used in Article 7 of AIA Document A201–2017 shall mean the Cost of the Work as defined in Article 7 of this Agreement and the term "fee" shall mean the Construction Manager's Fee as defined in Section 6.1.2 of this Agreement.

§ 6.3.5 If no specific provision is made in Section 6.1.3 for adjustment of the Construction Manager's Fee in the case of changes in the Work, or if the extent of such changes is such, in the aggregate, that application of the adjustment provisions of Section 6.1.3 will cause substantial inequity to the Owner or Construction Manager, the Construction Manager's Fee shall be equitably adjusted on the same basis that was used to establish the Fee for the original Work, and the Guaranteed Maximum Price shall be adjusted accordingly.

ARTICLE 7 COST OF THE WORK FOR CONSTRUCTION PHASE

§ 7.1 Costs to Be Reimbursed

§ 7.1.1 The term Cost of the Work shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work. The Cost of the Work shall include only the items set forth in Sections 7.1 through 7.7.

§ 7.1.2 Where, pursuant to the Contract Documents, any cost is subject to the Owner's prior approval, the Construction Manager shall obtain such approval in writing prior to incurring the cost.

§ 7.1.3 Costs shall be at rates not higher than the standard rates paid at the place of the Project, except with prior approval of the Owner.

§ 7.2 Labor Costs

§ 7.2.1 Wages or salaries of construction workers directly employed by the Construction Manager to perform the construction of the Work at the site or, with the Owner's prior approval, at off-site workshops.

§ 7.2.2 Wages or salaries of the Construction Manager's supervisory and administrative personnel when stationed at the site and performing Work, with the Owner's prior approval.

§ 7.2.2.1 Wages or salaries of the Construction Manager's supervisory and administrative personnel when performing Work and stationed at a location other than the site, but only for that portion of time required for the Work, and limited to the personnel and activities listed below:

§ 7.2.3 Wages and salaries of the Construction Manager's supervisory or administrative personnel engaged at factories, workshops or while traveling, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 7.2.4 Costs paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.2.1 through 7.2.3.

§ 7.2.5 If agreed rates for labor costs, in lieu of actual costs, are provided in this Agreement, the rates shall remain unchanged throughout the duration of this Agreement, unless the parties execute a Modification.

§ 7.3 Subcontract Costs

Payments made by the Construction Manager to Subcontractors in accordance with the requirements of the subcontracts and this Agreement.

§ 7.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 7.4.1 Costs, including transportation and storage at the site, of materials and equipment incorporated, or to be incorporated, in the completed construction.

§ 7.4.2 Costs of materials described in the preceding Section 7.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Construction Manager. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ 7.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 7.5.1 Costs of transportation, storage, installation, dismantling, maintenance, and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment, and tools, that are not fully consumed, shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

§ 7.5.2 Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site, and the costs of transportation, installation, dismantling, minor repairs, and removal of such temporary facilities, machinery, equipment, and hand tools. Rates and quantities of equipment owned by the Construction Manager, or a related party as defined in Section 7.8, shall be subject to the Owner's prior approval. The total rental cost of any such equipment may not exceed the purchase price of any comparable item.

§ 7.5.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ 7.5.4 Costs of the Construction Manager's site office, including general office equipment and supplies.

§ 7.5.5 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

§ 7.6 Miscellaneous Costs

§ 7.6.1 Premiums for that portion of insurance and bonds required by the Contract Documents that can be directly attributed to this Contract.

§ 7.6.1.1 Costs for self-insurance, for either full or partial amounts of the coverages required by the Contract Documents, with the Owner's prior approval.

§ 7.6.1.2 Costs for insurance through a captive insurer owned or controlled by the Construction Manager, with the Owner's prior approval.

§ 7.6.2 Sales, use, or similar taxes, imposed by a governmental authority, that are related to the Work and for which the Construction Manager is liable.

§ 7.6.3 Fees and assessments for the building permit, and for other permits, licenses, and inspections, for which the Construction Manager is required by the Contract Documents to pay.

§ 7.6.4 Fees of laboratories for tests required by the Contract Documents; except those related to defective or nonconforming Work for which reimbursement is excluded under Article 13 of AIA Document A201–2017 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 7.7.3.

§ 7.6.5 Royalties and license fees paid for the use of a particular design, process, or product, required by the Contract Documents.

§ 7.6.5.1 The cost of defending suits or claims for infringement of patent rights arising from requirements of the Contract Documents, payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims, and payments of settlements made with the Owner's consent, unless the Construction Manager had reason to believe that the required design, process, or product was an infringement of a copyright or a patent, and the Construction Manager failed to promptly furnish such information to the Architect as required by Article 3 of AIA Document A201–2017. The costs of legal defenses, judgments, and settlements shall not be included in the Cost of the Work used to calculate the Construction Manager's Fee or subject to the Guaranteed Maximum Price.

§ 7.6.6 Costs for communications services, electronic equipment, and software, directly related to the Work and located at the site, with the Owner's prior approval.

§ 7.6.7 Costs of document reproductions and delivery charges.

§ 7.6.8 Deposits lost for causes other than the Construction Manager's negligence or failure to fulfill a specific responsibility in the Contract Documents.

§ 7.6.9 Legal, mediation and arbitration costs, including attorneys' fees, other than those arising from disputes between the Owner and Construction Manager, reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner's prior approval, which shall not be unreasonably withheld.

§ 7.6.10 Expenses incurred in accordance with the Construction Manager's standard written personnel policy for relocation and temporary living allowances of the Construction Manager's personnel required for the Work, with the Owner's prior approval.

§ 7.6.11 That portion of the reasonable expenses of the Construction Manager's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

§ 7.7 Other Costs and Emergencies

§ 7.7.1 Other costs incurred in the performance of the Work, with the Owner's prior approval.

§ 7.7.2 Costs incurred in taking action to prevent threatened damage, injury, or loss, in case of an emergency affecting the safety of persons and property, as provided in Article 10 of AIA Document A201–2017.

§ 7.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Subcontractors, or suppliers, provided that such damaged or nonconforming Work was not caused by the negligence of, or failure to fulfill a specific responsibility by, the Construction Manager, and only to the extent that the cost of repair or correction is not recovered by the Construction Manager from insurance, sureties, Subcontractors, suppliers, or others.

§ 7.7.4 The costs described in Sections 7.1 through 7.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201–2017 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 7.9.

§ 7.8 Related Party Transactions

§ 7.8.1 For purposes of this Section 7.8, the term "related party" shall mean (1) a parent, subsidiary, affiliate, or other entity having common ownership of, or sharing common management with, the Construction Manager; (2) any entity in which any stockholder in, or management employee of, the Construction Manager holds an equity interest in excess of ten percent in the aggregate; (3) any entity which has the right to control the business or affairs of the Construction Manager; or (4) any person, or any member of the immediate family of any person, who has the right to control the business or affairs of the Construction Manager.

§ 7.8.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction in writing, then the cost incurred shall be included as a cost to be reimbursed, and the Construction Manager shall procure the Work, equipment, goods, or service, from the related party, as a Subcontractor, according to the terms of Article 9. If the Owner fails to authorize the transaction in writing, the Construction Manager shall procure the Work, equipment, goods, or service from some person or entity other than a related party according to the terms of Article 9.

§ 7.9 Costs Not To Be Reimbursed

§ 7.9.1 The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation of the Construction Manager's personnel stationed at the Construction Manager's principal office or offices other than the site office, except as specifically provided in Section 7.2, or as may be provided in Article 14;
- .2 Bonuses, profit sharing, incentive compensation, and any other discretionary payments, paid to anyone hired by the Construction Manager or paid to any Subcontractor or vendor, unless the Owner has provided prior approval;
- .3 Expenses of the Construction Manager's principal office and offices other than the site office;
- .4 Overhead and general expenses, except as may be expressly included in Sections 7.1 to 7.7;
- .5 The Construction Manager's capital expenses, including interest on the Construction Manager's capital employed for the Work;

- .6 Except as provided in Section 7.7.3 of this Agreement, costs due to the negligence of, or failure to fulfill a specific responsibility of the Contract by, the Construction Manager, Subcontractors, and suppliers, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable;
- .7 Any cost not specifically and expressly described in Sections 7.1 to 7.7;
- .8 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded; and
- .9 Costs for services incurred during the Preconstruction Phase.

ARTICLE 8 DISCOUNTS, REBATES, AND REFUNDS

§ 8.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included the amount to be paid, less such discount, in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, refunds, and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 8.2 Amounts that accrue to the Owner in accordance with the provisions of Section 8.1 shall be credited to the Owner as a deduction from the Cost of the Work.

ARTICLE 9 SUBCONTRACTS AND OTHER AGREEMENTS

§ 9.1 Those portions of the Work that the Construction Manager does not customarily perform with the Construction Manager's own personnel shall be performed under subcontracts or other appropriate agreements with the Construction Manager. The Owner may designate specific persons from whom, or entities from which, the Construction Manager shall obtain bids. The Construction Manager shall obtain bids from Subcontractors, and from suppliers of materials or equipment fabricated especially for the Work, who are qualified to perform that portion of the Work in accordance with the requirements of the Contract Documents. The Construction Manager shall deliver such bids to the Architect and Owner with an indication as to which bids the Construction Manager intends to accept. The Owner then has the right to review the Construction Manager's list of proposed subcontractors and suppliers in consultation with the Architect and, subject to Section 9.1.1, to object to any subcontractor or supplier. Any advice of the Architect, or approval or objection by the Owner, shall not relieve the Construction Manager of its responsibility to perform the Work in accordance with the Contract Documents. The Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objection.

§ 9.1.1 When a specific subcontractor or supplier (1) is recommended to the Owner by the Construction Manager; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, but the Owner requires that another bid be accepted, then the Construction Manager may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ 9.2 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the Owner's prior written approval. If a subcontract is awarded on the basis of cost plus a fee, the Construction Manager shall provide in the subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Article 10.

ARTICLE 10 ACCOUNTING RECORDS

The Construction Manager shall keep full and detailed records and accounts related to the Cost of the Work, and exercise such controls, as may be necessary for proper financial management under this Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager's records and accounts, including complete documentation supporting accounting entries, books, job cost reports, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor's proposals, Subcontractor's invoices, purchase orders, vouchers, memoranda, and other data relating to this Contract. The Construction Manager shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law.

ARTICLE 11 PAYMENTS FOR CONSTRUCTION PHASE SERVICES

§ 11.1 Progress Payments

§ 11.1.1 Based upon Applications for Payment submitted to the Architect by the Construction Manager, and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum, to the Construction Manager, as provided below and elsewhere in the Contract Documents.

§ 11.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

Application for Payment can be submitted upon the completion of each of the three BEP Scope of Work Items: Masonry; Windows, and Roof. Payment will be made to the Construction Manager upon receipt of funds equal to the Application for Payment from Garrett Family Community Partners.

§ 11.1.3 Provided that an Application for Payment is received by the Architect not later than the day of a month, the Owner shall make payment of the amount certified to the Construction Manager not later than the day of the month. If an Application for Payment is received by the Architect after the application date fixed above, payment of the amount certified shall be made by the Owner not later than **Ninety (90)** days after the Architect receives the Application for Payment.

§ 11.1.4 With each Application for Payment, the Construction Manager shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner or Architect to demonstrate that payments already made by the Construction Manager on account of the Cost of the Work equal or exceed progress payments already received by the Construction Manager, plus payrolls for the period covered by the present Application for Payment, less that portion of the progress payments attributable to the Construction Manager's Fee.

§ 11.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among: (1) the various portions of the Work; (2) any contingency for costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order; and (3) the Construction Manager's Fee.

§ 11.1.5.1 The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. The schedule of values shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

§ 11.1.5.2 The allocation of the Guaranteed Maximum Price under this Section 11.1.5 shall not constitute a separate guaranteed maximum price for the Cost of the Work of each individual line item in the schedule of values.

§ 11.1.5.3 When the Construction Manager allocates costs from a contingency to another line item in the schedule of values, the Construction Manager shall submit supporting documentation to the Architect.

§ 11.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work and for which the Construction Manager has made payment or intends to make payment prior to the next Application for Payment, by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ 11.1.7 In accordance with AIA Document A201-2017 and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 11.1.7.1 The amount of each progress payment shall first include:

- .1 That portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the most recent schedule of values;

- .2 That portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction or, if approved in writing in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified; and
- .4 The Construction Manager's Fee, computed upon the Cost of the Work described in the preceding Sections 11.1.7.1.1 and 11.1.7.1.2 at the rate stated in Section 6.1.2 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work included in Sections 11.1.7.1.1 and 11.1.7.1.2 bears to a reasonable estimate of the probable Cost of the Work upon its completion.

§ 11.1.7.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201–2017;
- .3 Any amount for which the Construction Manager does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Construction Manager intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A201–2017;
- .5 The shortfall, if any, indicated by the Construction Manager in the documentation required by Section 11.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .6 Retainage withheld pursuant to Section 11.1.8.

§ 11.1.8 Retainage

§ 11.1.8.1 For each progress payment made prior to Substantial Completion of the Work, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

0%

§ 11.1.8.1.1 The following items are not subject to retainage:

§ 11.1.8.2 Reduction or limitation of retainage, if any, shall be as follows:

§ 11.1.8.3 Except as set forth in this Section 11.1.8.3, upon Substantial Completion of the Work, the Construction Manager may submit an Application for Payment that includes the retainage withheld from prior Applications for Payment pursuant to this Section 11.1.8. The Application for Payment submitted at Substantial Completion shall not include retainage as follows:

§ 11.1.9 If final completion of the Work is materially delayed through no fault of the Construction Manager, the Owner shall pay the Construction Manager any additional amounts in accordance with Article 9 of AIA Document A201–2017.

§ 11.1.10 Except with the Owner's prior written approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and suitably stored at the site.

§ 11.1.11 The Owner and the Construction Manager shall agree upon a mutually acceptable procedure for review and approval of payments to Subcontractors, and the percentage of retainage held on Subcontracts, and the Construction Manager shall execute subcontracts in accordance with those agreements.

§ 11.1.12 In taking action on the Construction Manager's Applications for Payment the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager, and such action shall not

be deemed to be a representation that (1) the Architect has made a detailed examination, audit, or arithmetic verification, of the documentation submitted in accordance with Section 11.1.4 or other supporting data; (2) that the Architect has made exhaustive or continuous on-site inspections; or (3) that the Architect has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations, audits, and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

§ 11.2 Final Payment

§ 11.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Construction Manager when

- .1 the Construction Manager has fully performed the Contract, except for the Construction Manager's responsibility to correct Work as provided in Article 12 of AIA Document A201–2017, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Construction Manager has submitted a final accounting for the Cost of the Work and a final Application for Payment; and
- .3 a final Certificate for Payment has been issued by the Architect in accordance with Section 11.2.2.2.

§ 11.2.2 Within 30 days of the Owner's receipt of the Construction Manager's final accounting for the Cost of the Work, the Owner shall conduct an audit of the Cost of the Work or notify the Architect that it will not conduct an audit.

§ 11.2.2.1 If the Owner conducts an audit of the Cost of the Work, the Owner shall, within 10 days after completion of the audit, submit a written report based upon the auditors' findings to the Architect.

§ 11.2.2.2 Within seven days after receipt of the written report described in Section 11.2.2.1, or receipt of notice that the Owner will not conduct an audit, and provided that the other conditions of Section 11.2.1 have been met, the Architect will either issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and Owner in writing of the Architect's reasons for withholding a certificate as provided in Article 9 of AIA Document A201–2017. The time periods stated in this Section 11.2.2 supersede those stated in Article 9 of AIA Document A201–2017. The Architect is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 11.2.2.3 If the Owner's auditors' report concludes that the Cost of the Work, as substantiated by the Construction Manager's final accounting, is less than claimed by the Construction Manager, the Construction Manager shall be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Article 15 of AIA Document A201–2017. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 11.2.3 The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows:

§ 11.2.4 If, subsequent to final payment, and at the Owner's request, the Construction Manager incurs costs, described in Sections 7.1 through 7.7, and not excluded by Section 7.9, to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager for such costs, and the Construction Manager's Fee applicable thereto, on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. If adjustments to the Contract Sum are provided for in Section 6.1.7, the amount of those adjustments shall be recalculated, taking into account any reimbursements made pursuant to this Section 11.2.4 in determining the net amount to be paid by the Owner to the Construction Manager.

§ 11.3 Interest

Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

Zero percent % 0

ARTICLE 12 DISPUTE RESOLUTION

§ 12.1 Initial Decision Maker

§ 12.1.1 Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 12 and Article 15 of AIA Document A201–2017. However, for Claims arising from or relating to the Construction Manager’s Preconstruction Phase services, no decision by the Initial Decision Maker shall be required as a condition precedent to mediation or binding dispute resolution, and Section 12.1.2 of this Agreement shall not apply.

§ 12.1.2 The Architect will serve as the Initial Decision Maker pursuant to Article 15 of AIA Document A201–2017 for Claims arising from or relating to the Construction Manager’s Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker.

§ 12.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by mediation pursuant to Article 15 of AIA Document A201–2017, the method of binding dispute resolution shall be as follows:

- ☒ Arbitration pursuant to Article 15 of AIA Document A201–2017
- ☐ Litigation in a court of competent jurisdiction
- ☐ Other: *(Specify)*

If the Owner and Construction Manager do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

ARTICLE 13 TERMINATION OR SUSPENSION

§ 13.1 Termination Prior to Execution of the Guaranteed Maximum Price Amendment

§ 13.1.1 If the Owner and the Construction Manager do not reach an agreement on the Guaranteed Maximum Price, the Owner may terminate this Agreement upon not less than seven days’ written notice to the Construction Manager, and the Construction Manager may terminate this Agreement, upon not less than seven days’ written notice to the Owner.

§ 13.1.2 In the event of termination of this Agreement pursuant to Section 13.1.1, the Construction Manager shall be compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination, in accordance with the terms of this Agreement. In no event shall the Construction Manager’s compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.3 Prior to the execution of the Guaranteed Maximum Price Amendment, the Owner may terminate this Agreement upon not less than seven days’ written notice to the Construction Manager for the Owner’s convenience and without cause, and the Construction Manager may terminate this Agreement, upon not less than seven days’ written notice to the Owner, for the reasons set forth in Article 14 of A201–2017.

§ 13.1.4 In the event of termination of this Agreement pursuant to Section 13.1.3, the Construction Manager shall be equitably compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination. In no event shall the Construction Manager’s compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.5 If the Owner terminates the Contract pursuant to Section 13.1.3 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price Amendment, the Owner shall pay to the Construction Manager an amount calculated as follows, which amount shall be in addition to any compensation paid to the Construction Manager under Section 13.1.4:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager’s Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager’s Fee is stated as a fixed sum in that

- Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and
- .3 Subtract the aggregate of previous payments made by the Owner for Construction Phase services.

§ 13.1.6 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.1.5.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders. All Subcontracts, purchase orders and rental agreements entered into by the Construction Manager will contain provisions allowing for assignment to the Owner as described above.

§ 13.1.6.1 If the Owner accepts assignment of subcontracts, purchase orders or rental agreements as described above, the Owner will reimburse or indemnify the Construction Manager for all costs arising under the subcontract, purchase order or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order or rental agreement and the Owner will pay the Construction Manager the costs necessarily incurred by the Construction Manager because of such termination.

§ 13.2 Termination or Suspension Following Execution of the Guaranteed Maximum Price Amendment

§ 13.2.1 Termination

The Contract may be terminated by the Owner or the Construction Manager as provided in Article 14 of AIA Document A201–2017.

§ 13.2.2 Termination by the Owner for Cause

§ 13.2.2.1 If the Owner terminates the Contract for cause as provided in Article 14 of AIA Document A201–2017, the amount, if any, to be paid to the Construction Manager under Article 14 of AIA Document A201–2017 shall not cause the Guaranteed Maximum Price to be exceeded, nor shall it exceed an amount calculated as follows:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager's Fee, computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .3 Subtract the aggregate of previous payments made by the Owner; and
- .4 Subtract the costs and damages incurred, or to be incurred, by the Owner under Article 14 of AIA Document A201–2017.

§ 13.2.2.2 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.2.2.1.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders.

§ 13.2.3 Termination by the Owner for Convenience

If the Owner terminates the Contract for convenience in accordance with Article 14 of AIA Document A201–2017, then the Owner shall pay the Construction Manager a termination fee as follows:

Amount equal to Construction Manager payments to subcontractor that have not been paid by the Owner, limited to the amount received from the Garrett Family Community Partners.

§ 13.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2017; in such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Article 14 of AIA Document A201–2017, except that the term “profit” shall be understood to mean the Construction Manager’s Fee as described in Sections 6.1 and 6.3.5 of this Agreement.

ARTICLE 14 MISCELLANEOUS PROVISIONS

§ 14.1 Terms in this Agreement shall have the same meaning as those in A201–2017. Where reference is made in this Agreement to a provision of AIA Document A201–2017 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 14.2 Successors and Assigns

§ 14.2.1 The Owner and Construction Manager, respectively, bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section 14.2.2 of this Agreement, and in Section 13.2.2 of A201–2017, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 14.2.2 The Owner may, without consent of the Construction Manager, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner’s rights and obligations under the Contract Documents. The Construction Manager shall execute all consents reasonably required to facilitate the assignment.

§ 14.3 Insurance and Bonds

§ 14.3.1 Preconstruction Phase

The Construction Manager shall maintain the following insurance for the duration of the Preconstruction Services performed under this Agreement. If any of the requirements set forth below exceed the types and limits the Construction Manager normally maintains, the Owner shall reimburse the Construction Manager for any additional cost.

§ 14.3.1.1 Commercial General Liability with policy limits of not less than **One Million Dollars (\$ 1,000,000)** for each occurrence and **Three Million Dollars (\$ 3,000,000)** in the aggregate for bodily injury and property damage.

§ 14.3.1.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than **One Million Dollars (\$ 1,000,000)** per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 14.3.1.3 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided that such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 14.3.1.1 and 14.3.1.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 14.3.1.4 Workers’ Compensation at statutory limits and Employers Liability with policy limits not less than **One Million Dollars (\$ 1,000,000)** each accident, **One Million Dollars (\$ 1,000,000)** each employee, and **One Million Dollars (\$ 1,000,000)** policy limit.

§ 14.3.1.5 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than **Two Million Dollars (\$ 2,000,000)** per claim and **Two Million Dollars (\$ 2,000,000)** in the aggregate.

§ 14.3.1.6 Other Insurance

Coverage

Limits

§ 14.3.1.7 **Additional Insured Obligations.** To the fullest extent permitted by law, the Construction Manager shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

§ 14.3.1.8 The Construction Manager shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 14.3.1.

§ 14.3.2 Construction Phase

After execution of the Guaranteed Maximum Price Amendment, the Owner and the Construction Manager shall purchase and maintain insurance as set forth in AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, Exhibit B, Insurance and Bonds, and elsewhere in the Contract Documents.

§ 14.3.2.1 The Construction Manager shall provide bonds as set forth in AIA Document A133™–2019 Exhibit B, and elsewhere in the Contract Documents.

§ 14.4 Notice in electronic format, pursuant to Article 1 of AIA Document A201–2017, may be given in accordance with a building information modeling exhibit, if completed, or as otherwise set forth below:

§ 14.5 Other provisions:

ARTICLE 15 SCOPE OF THE AGREEMENT

§ 15.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 15.2 The following documents comprise the Agreement:

- .1 AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price
- .2 AIA Document A133™–2019, Exhibit A, Guaranteed Maximum Price Amendment, if executed
- .3 AIA Document A133™–2019, Exhibit B, Insurance and Bonds
- .4 AIA Document A201™–2017, General Conditions of the Contract for Construction
- .5 Building Information Modeling Exhibit, if completed:

.6 Other Exhibits:

[] AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, dated as indicated below:
(Insert the date of the E234-2019 incorporated into this Agreement.)

[] Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
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.7 Other documents, if any, listed below:

Exhibit C: Blight Elimination Program Grant and Procurement Requirements

This Agreement is entered into as of the day and year first written above.

OWNER

Antoinette Shippers, Mayor

CONSTRUCTION MANAGER

Brent Bowen, Vice President

)

FOR
BY
DATE

BLIGHT ELIMINATION PROGRAM GRANT IMPLEMENTATION AGREEMENT

This Blight Elimination Program Grant Implementation Agreement (the "Agreement") is made as of September 4, 2025, and is by and between Garrett Family Community Partners, a Michigan not-for-profit corporation (the "Owner"); and the City of Cadillac, a Michigan municipal corporation (the "City").

PREMISES

- A. The Owner is engaged in the redevelopment of the former Cooly School at 211 Granite Street in Cadillac, Michigan (the "Project") into 23 apartments, at least 12 of which will be at rents and for income qualified households of 120% Area Median Income (AMI) or less residential uses and improvements.
- B. The Michigan State Land Bank Authority ("SLBA") has awarded to the City a grant of \$676,127.00 (the "Grant") under the federal American Rescue Plan Act ("ARP") and state PA 1 of 2023 that appropriated monies to SLBA for blight elimination grants for demolition or stabilization of public or privately-owned structures (the "Grant Eligible Activities"). The Grant will be administered under a Grant contract (the "Grant Contract") to be executed between the City and SLBA.
- C. The City shall contract ("City CM Contract") with Pinnacle Construction Group, Inc. ("City CM") to serve as the Construction Manager for the City for the Grant Eligible Activities as follows: 1) Masonry Repairs; 2) Window Removal, Repair and Replacement; and 3) Roof Removal and Replacement.
- D. The Owner will fund and desires to conduct and be reimbursed for Grant Eligible Activities under the SLBA BEP Grant Contract.
- E. The City has determined in furtherance of its purposes and to accomplish its goals that it is in the best interest of the City to reimburse the cost of Grant Eligible Activities on the Project Property, and the City has entered the Grant Contract.

In consideration of the premises and the mutual covenants contained in this Agreement, the Owner and the City hereby enter into this Agreement and covenant and agree as follows.

- 1) Construction. Pinnacle Construction Group, Inc. will serve as the Construction Manager for the City Grant Eligible Activities in accordance with applicable construction standards, the Grant Contract, the City CM Contract, and this Agreement.

The Owner shall be responsible for all other construction activities to complete the Project.

On behalf of the City, Pinnacle will prepare the bid documents, in conjunction with Garrett and review by the SLBA, issue the Request for Bids, receive and evaluated all bids, select the contractors, and execute the contracts with the selected contractors. There are anticipated to be three separate bid packages and contracts for the three BEP scopes of work.

Pinnacle will provide on-site construction management for BEP scopes of work, as well as all other project redevelopment activities, including contract management, invoice approval and processing and Davis Bacon and other documentation review and compilation.

If construction does not proceed and an occupancy permit cannot be secured within five years of the date of this Agreement, the Owner shall be obligated to repay the full amount of Grant Funds expended for Grant Eligible Activities, if required by SLBA.

2) Payment and Reimbursement for Grant Eligible Activities.

- a) Invoices from all contractors for each of the three component of the Grant Eligible Activities will be compiled and approved by Pinnacle and provided to the City with copies to Garrett. Once approved by the City and Garrett, Garrett will deposit the invoice amount to the City and the City will pay the City CM who will pay the subcontractors.
- b) Upon the satisfactory completion of the Grant Eligible Activities by the City CM, the City CM will provide all the necessary documentation as required by the SLBA under the Grant Contract and request reimbursement from SLBA for Grant Eligible Activities.
- c) It is anticipated that SLBA will then review and provide preliminary approval or request additional information as may be required under the terms of the Grant Contract, which will be provided by the City, City CM or Owner, as necessary.
- d) Upon SLBA preliminary approval, the City and the Owner will cooperate with SLBA in the preparation of any additional documentation as may be required under the terms of the Grant Contract for SLBA final approval of Grant payment.
- e) Within 5 days of receipt of Grant Funds by the City from SLBA for Grant Eligible Activities, the City shall reimburse the Owner either by check or EFT transfer, as agreed to by the Owner and the City.
- f) The City has contracted with Mac Consulting Service, LLC ("City Consultant") to assist the City, City CM, and Owner in contractor procurement, compliance, reporting, and meeting the Grant Contract obligations.
- g) If the Owner incurs any expenses or costs for any activities other than the Grant Eligible Activities or if the costs exceed the maximum cost of authorized Grant Eligible Activities as set forth in the Grant Contract, or approval of the SLBA or the City, the Owner shall bear such excess costs without any obligation on the part of City. If the costs of Grant Eligible Activities set forth in the Grant Contract, as amended or supplemented, are less than such maximum cost, then the Owner shall have no further right of reimbursement beyond its actual costs.
- h) It is anticipated that there will be sufficient Grant Funds to meet the reimbursement obligations as to Grant Eligible Activities under this Agreement. However, if for any reason the Grant does not provide sufficient funds to satisfy such obligations, the Owner agrees and understands that it will have no claim or further recourse of any kind or nature against the City except from available Grant Funds, and if for any reason the Grant Funds are

insufficient or there are none, then Owner assumes full responsibility for any such loss or cost. The parties acknowledge and agree that nothing in the preceding shall limit or restrict the Owner's ability to request an amendment to the Grant Contract, subject to City's review process and full discretion to approve, modify or deny any proposed amendment.

3) Indemnification.

- a) The Owner shall indemnify and hold the City, including its members, officers, agents, and employees (each an "Indemnified Person") harmless from any loss, expense (including reasonable counsel fees) or liability of any nature due to any and all suits, actions, legal or administrative proceedings, or claims arising or resulting from injuries to persons or property as a result of the ownership or operation, use or maintenance of the Owner Project from and after the date hereof.
 - b) If any suit, action or proceeding is brought against any Indemnified Person, the Indemnified Person promptly shall give notice to the Owner and the Owner shall defend such Indemnified Person with counsel selected by the Owner, which counsel shall be reasonably satisfactory to the Indemnified Person. In any such proceeding, the Indemnified Person shall cooperate with the Owner and the Owner shall have the right to settle, compromise, pay or defend against any such claim on behalf of such Indemnified Person, except that the Owner may not settle or compromise any claim if the effect of doing so would be to subject the Indemnified Person to criminal penalties, unless such Indemnified Person gives its consent. The Owner shall not be liable for payment or settlement of any such claim or proceeding made without its consent.
 - c) The Owner also shall indemnify the Indemnified Persons for all reasonable costs and expenses, including reasonable counsel fees, incurred in enforcing any obligation of the Owner under this Agreement or any related agreement.
 - d) The Owner shall not be obligated to indemnify any Indemnified Person if the liability arises out of the Indemnified Person's negligence, willful misconduct, or breach of this Agreement or out of the negligence or willful misconduct of any person or entity acting by, through, or under any indemnified Person.
 - e) The indemnity provisions shall survive the term of this Agreement.
- 4) Site Access. The Owner shall grant to City, or to their designated agents, access to the site to exercise their respective rights related to the purposes and pursuant to the terms of this Agreement. The City shall give the Owner notice of at least 24 hours of its intent to access the site whenever possible. If notice cannot be given due to an emergency or any other unforeseen circumstance, the City shall give notice as is reasonable and practicable under the circumstances.
- 5) Conditions Precedent to Owner's Obligations. The obligations of Owner to construct the Project, as contemplated herein, are subject to the following conditions precedent which must be satisfied by the City, as required herein, or waived by the Owner, except as specifically provided herein:

- a) No condition, event, action, suit, proceeding or investigation shall be pending before any court, public board or body to which the Owner or the City is a party, or threatened against the Owner or the City contesting the validity or binding effect of this Agreement or the Grant Work Plan.
 - b) There shall have been no default by the City and no action or inaction by the City that could become an Event of Default.
 - c) The Owner and the City shall have performed all of the terms and conditions to be performed by it pursuant to this Agreement.
 - d) The Owner has received the consent of any affected utility for relocation, burial or other activity necessary to construct their respective portions of the Project and/or Public Improvements.
 - e) There has been no change in statutes or other law that would negatively impact either party's ability to meet (a)-(d) above.
- 6) Representations and Warranties of City. City represents and warrants to the Owner that:
- a) City is a Michigan municipal corporation with all necessary corporate powers to enter into and perform this Agreement.
 - b) The execution and delivery of this Agreement has been duly authorized by all requisite action on the part of the City, and this Agreement constitutes a valid and binding agreement of the City enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.
 - c) Neither the execution nor delivery of this Agreement nor the consummation of the transactions contemplated hereby is in violation of any provision of any existing law or regulation, order or decree of any court or governmental entity, or any agreement to which the City is a party or by which the City is bound.
- 7) Representations and Warranties of the Owner. The Owner represents and warrants to the City that:
- a) The Owner (i) is duly organized and validly existing as a limited liability corporation in good standing under the laws of the State of Michigan, with power under the laws of such state to carry on its business as now being conducted; (ii) is duly qualified to do business in the State of Michigan; and (iii) has the power and authority to consummate the transactions contemplated under this Agreement by the Owner.
 - b) There is no violation or default by the Owner of any provision of its Articles of Organization or Operating Agreement, or under any indenture, contract, mortgage, lien, agreement, lease, loan agreement, note, order, judgment, decree of other instrument of any kind or character to which it is a party and by which it is bound, or to which it or any of its assets are

subject, and compliance with the terms, conditions and provisions of this Agreement does not conflict with and will not result in or constitute a breach of or default under any of the foregoing, wherein default, breach or violation would materially and adversely affect any of the transactions contemplated by or the validity of this Agreement.

- c) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part of the Owner and this Agreement constitutes a valid and binding agreement of the Owner in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.
 - d) Except as a part of the performance and completion of Eligible Activities under the terms of this Agreement, the Owner, its contractors or subcontractors shall not use the Eligible Property for the storage, treatment or disposal of hazardous or toxic wastes of unaffiliated third parties and shall comply with all applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees and orders in connection with any use of the Eligible Property, and shall obtain all necessary permits in connection therewith.
 - e) The Owner warrants that it will comply with all obligations, covenants and conditions required of it or its agents or contractors under the terms of Agreement.
- 8) Insurance. The Owner and any contractor(s) or subcontractor(s) shall purchase and maintain insurance not less than the limits set forth below. The Owner and contractor(s) and subcontractor(s) shall maintain such other insurances as it deems appropriate for its own protection.
- a) Worker's Disability Compensation Insurance including Employers Liability Coverage in accordance with all applicable statutes of the State of Michigan.
 - b) Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$1,000,000 per occurrence and \$2,000,000 aggregate combined single limit. Coverage shall include the following: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Endorsement or Equivalent.
 - c) Motor Vehicle Liability Insurance, including Michigan No-Fault Coverage, with limits of liability of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles.
 - d) Contractor's Pollution Liability Insurance provided by Contractors, sub-contractors and site work contractors engaging in environmental response activities, covering any sudden and non-sudden pollution or environmental impairment, including clean up costs and defense, with limits of liability of not less than \$1,000,000 per occurrence (with first party and third party coverage).

- e) It is understood and agreed that 30 days advanced written notice of cancellation, non-renewal, reduction and/or material change shall be sent to the City.
 - f) The Commercial General Liability Insurance, Motor Vehicle Liability Insurance and Contractor's Pollution Liability Insurance, as described above, held by the Owner and their Contractors and subcontractors, shall have an endorsement including the City as additional insureds.
 - g) The Owner shall make available copies of certificates of insurance for each of the policies mentioned above to the City upon request. If so requested, certified copies of all policies will be furnished.
- 9) Alternative Dispute Resolution. If a dispute arises between the parties to this Agreement, the parties shall seek an alternative means of resolving the dispute as a condition precedent to litigation. Therefore, the parties agree to the following terms and conditions:
- a) The party bringing in a claim shall give notice to the other party and, in writing, propose a meeting in which to discuss and attempt to resolve the claim within seven days after the claim arises.
 - b) In the event the meeting between the parties to resolve the claim does not resolve the dispute or does not take place within said seven-day period, the parties shall designate, by mutual agreement, an independent mediator who shall convene a meeting of the parties within a period of 21 days after the initial meeting between the parties. The mediator shall render his/her decision within 10 days of meeting with the parties. In the event that the mediator does not render a decision within said time-period, the party bringing the claim shall have the right to proceed with litigation.
 - c) The purpose of the mediator is to attempt to resolve the dispute between the parties. The mediator shall not be empowered with the authority to render a binding opinion or award.
 - d) During the pendency of this alternative dispute resolution process, the parties agree that the time period set forth in any statute of limitations applicable to a claim or claims that are the subject of this mediation process shall be tolled.
- 10) Remedies upon Event of Default. Upon the occurrence of default by a party under this Agreement, the non-defaulting party shall have the right to terminate this Agreement with the defaulting party or, at the election of such non-defaulting party, may obtain any form of relief permitted under the applicable laws and court rules of the State of Michigan, including the right to seek and obtain a decree of specific performance by a court of competent jurisdiction.
- 11) Other Terms.
- a) Term. The term of this Agreement shall commence on the date first written above and shall expire upon payment in full of the City's obligations under the debt obligation.
 - b) Assignment of this Agreement. No party to this Agreement may transfer, assign or delegate to any other person or entity all or any part of its rights or obligations arising under

this Agreement without the prior written consent of all other parties hereto, which consent will not be unreasonably withheld. Notwithstanding the foregoing, the Owner shall have the right to assign its right to receive reimbursement payments under this Agreement to a lender which provides construction financing to Owner for any portion of the Eligible Activities ("Owner's Lender"). The City will promptly execute and deliver to Owner's Lender such consent, acknowledgment, estoppel certificate or other documentation that is reasonably requested by Owner's Lender.

- c) Notices. All notices, certificates or communications required by this Agreement to be given shall be in writing and shall be sufficiently given and shall be deemed delivered when personally served, or when received if mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the respective parties as follows:

If to City:

Marcus Peccia, City Manager
City of Cadillac
200 North Lake Street
Cadillac, Michigan 49601

If to the Owner:

Board President
Garrett Family Community Partners
1000 Front Ave NW
Grand Rapids, Michigan 49504

or to such other address as such party may specify by appropriate notice.

- d) Amendment and Waiver. No amendment or modification to or of this Agreement shall be binding upon any party hereto until such amendment or modification is reduced to writing and executed by all parties hereto. No waiver of any term of this Agreement shall be binding upon any party until such waiver is reduced to writing, executed by the party to be charged with such waiver, and delivered to the other parties hereto.
- e) Entire Agreement. This Agreement contains all agreements between the parties as to the Grant. There are no other representations, warranties, promises, agreements or understandings, oral, written or implied, among the parties as to the Grant, except to the extent reference is made thereto in this Agreement.
- f) Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.
- g) Captions. The captions and headings in this Agreement are for convenience only and in no way limit, define or describe the scope or intent of any provision of this Agreement.
- h) Applicable Law. This Agreement shall be governed in all respects, whether as to validity, construction, performance, and otherwise, by the internal laws of the State of Michigan, without regard to choice-of-law rules or principles.

- i) Mutual Cooperation. Each party to this Agreement shall take all actions required of it by the terms of this Agreement as expeditiously as possible and shall cooperate to the fullest extent possible with the other parties to this Agreement and with any individual entity or governmental agency involved in or with jurisdiction over the engineering, design, construction or operation of the Improvements or the Project, or any other improvements which are undertaken in connection with the foregoing, in the granting and obtaining of all easements, rights of way, permits, licenses, approvals and any other permissions necessary for the construction or operation thereof. Each party to this Agreement shall execute and deliver all documents necessary to accomplish the purposes and intent of this Agreement including, but not limited to, such documents or agreements as may be required by the Owner's lenders with respect to the Project to secure the Owner financing from such lenders. Each party to this Agreement also shall use its best efforts to assist the other parties to this Agreement in the discharge of their respective obligations hereunder and to assure that all conditions precedent to the collection of tax increment financing revenue and the completion of the Project are timely satisfied.
- j) Binding Effect. This Agreement shall be binding upon the parties hereto and upon their respective successors and assigns.

Signature page follows

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

CITY OF CADILLAC

OWNER

By: Garrett Family Community Partners

Antoinette Schippers, Mayor

, Board President

967761v4

September 2, 2025

Council Communication

RE: Resolution to amend Section 46-427 of the Code of Ordinances

The Cadillac Planning Commission unanimously voted at their August 28th, 2025, meeting to approve and recommend City Council approve the adoption of the amendment to Section 46-427 of the City of Cadillac Zoning Ordinance. The amendment would allow for Short-term rentals subject to Special Land Use in the B-3 (General Business) District.

Short-term rentals are defined by ordinance as a furnished residential unit, including an apartment, house, room, or any living space in a house or apartment that owners rent out for periods of fewer than 30 continuous days in any one month. Currently, Short-term rentals are permitted by right in the TS-1, TS-2 (Tourist Service) and the B-1 (Auxiliary Business) Districts and with special approval in the B-2 (Central Business) District. In addition to short-term rentals, each district provides for other forms of temporary lodging.

The B-3 District is intended to support a wide range of business activities, including many uses allowed in the TS, B-1, and B-2 Districts. It already permits forms of residential lodging such as apartments (restricted to upper stories in the DDA District), motels, and group shelters. Despite this, short-term rentals have not previously been listed as either permitted or special use in B-3. The proposed amendment would add short-term rentals as a use allowed with special conditions in B-3, aligning it with similar districts.

Recommended Action

Council is being asked to adopt a resolution to introduce an ordinance amending Section 46-427 of the code of ordinances, City of Cadillac, Michigan and set a public hearing for September 15, 2025.

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Tiyi Schippers

Mayor Pro-Tem
Robert J. Engels

Councilmembers
Bryan Elenbaas
Ruthann French
Scott Hopkins

RESOLUTION NO. _____

RESOLUTION TO INTRODUCE ORDINANCE NO. ____

**AN ORDINANCE TO AMEND SECTION 46-427 OF THE CODE OF
ORDINANCES, CITY OF CADILLAC, MICHIGAN**

At a meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held on the 2nd day of September 2025, at 6:00 p.m.

PRESENT: _____

ABSENT: _____

The following preamble and resolution was offered by _____ and seconded by _____.

WHEREAS, pursuant to the Michigan Zoning Enabling Act, Act 110 of 2006, MCL 125.3101 et seq. ("MZEA"), the City of Cadillac ("City") has authority to adopt and amend zoning ordinances regulating the use of land in the City; and

WHEREAS, the City desires to amend the City's Zoning Ordinance regarding the use of land as a short-term rental; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the proposed amendment on August 25, 2025; and

WHEREAS, the Planning Commission voted to recommend City Council approve the proposed amendment; and

WHEREAS, the City desires to consider adopting the proposed amendment.

NOW, THEREFORE, the Cadillac City Council of the City of Cadillac, Wexford County, resolves as follows:

1. Pursuant to Section 5.2 of the City Charter, the City introduces Ordinance No. 2025-____, An Ordinance to Amend Section 46-427 of the Code of Ordinances, City of Cadillac, Michigan (**Exhibit A**).

2. A public hearing regarding the Ordinance shall be held on the 15th day of September 2025, at 6:00 p.m.

3. The City Clerk is directed to publish a summary of the Ordinance in a newspaper of general circulation in the City, together with a notice setting the time and place for a public hearing on the Ordinance, within seven (7) days. The summary and notice of the hearing shall be substantially the form of **Exhibit B**.

4. A copy of the Ordinance shall be available for examination at the office of the City Clerk, and copies may be provided for a reasonable charge.

5. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS: _____

NAYS: _____

STATE OF MICHIGAN)
)
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and complete copy of Resolution No. ____, duly adopted at a meeting of the City Council held on the 2nd day of September, 2025.

Sandra Wasson
Cadillac City Clerk

EXHIBIT A

CITY OF CADILLAC

ORDINANCE NO. 2025-____

AN ORDINANCE TO AMEND SECTIONS 46-427 OF THE CODE OF ORDINANCES, CITY OF CADILLAC, MICHIGAN

The City of Cadillac ordains:

Section 1. Purpose.

The purpose of this Ordinance is to allow short-term rentals as a principal use permitted subject to special conditions in the B-3 General Business zoning district.

Section 2. Amendment of Section 46-427 of the City Zoning Ordinance.

Section 46-427 of the City Zoning Ordinance, which regulates principal uses permitted subject to special conditions in the B-3 General Business zoning district, is amended by the addition of a new subsection 11, which reads as follows:

Sec. 46-427. - Principal uses permitted subject to special conditions.

. . .

- (11) Short-term rentals, subject to the requirements of Article VI – Special Land Uses.

Section 3. Severability.

If any provision of this Ordinance is found invalid for any reason, such holding will not affect the validity of the remaining provision of this Ordinance.

Section 4. Repealer.

Any ordinances that conflict with this Ordinance are repealed to the extent necessary to give this Ordinance full force and effect.

Section 5. Effective Date.

This Ordinance takes effect 20 days after its adoption.

EXHIBIT B

**NOTICE OF PUBLIC HEARING ON
AN ORDINANCE TO AMEND SECTIONS 46-427 OF THE CODE OF ORDINANCES, CITY OF
CADILLAC, MICHIGAN**

NOTICE IS HEREBY GIVEN that a Public Hearing will be held in the Council Chambers, Cadillac Municipal Complex, 200 Lake Street, Cadillac, Michigan, on September 15, 2025, at 6:00 p.m., at a meeting of the City Council.

At this meeting, the City Council will consider and hold a public hearing on a proposed ordinance that would allow short-term rentals as a principal permitted use, subject to special conditions, in the B-3 General Business zoning district. The proposed ordinance is available for examination at the office of the City Clerk and copies may be provided at a reasonable charge.

The City Council is receiving written comments concerning the proposed ordinance at the City Hall, 200 Lake Street, Cadillac, Michigan. Comments must be received by the City prior to the start of the public hearing on September 15, 2025, at 6:00 p.m.

The City of Cadillac complies with the "Americans with Disabilities Act." If auxiliary aids or services are required at a public meeting for individuals with disabilities, please contact Sandra Wasson, City Clerk, at least three (3) business days prior to any such meeting.

CITY COUNCIL OF THE
CITY OF CADILLAC, MICHIGAN

By: Sandra Wasson, City Clerk
Cadillac Municipal Complex
200 Lake Street
Cadillac, Michigan 49601
Telephone No: (231) 775-0181



Planning Commission
July 28th, 2025, Meeting Minutes

Call to Order

Meeting was called to order at 6:00PM

Roll Call

Planning Commission members present: Bunce, VanPelt, Putvin, Baumann, Host, Bosscher, Schippers

Planning Commission members absent: Rice, Fent

Staff: Waldo, Adams, Timmer & Genovich with Foster Swift

Approval of Agenda for July 28, 2025

- A. Motion to approve July 28, 2025, agenda with the moving of 4B to 4A and 4A to 4B by Baumann. Supported by Bunce.
 - a. Motion approved unanimously.

Approval of for June 23, 2025, Meeting Minutes

- A. Motion to approve June 23, 2025, minutes by Schippers. Supported by Host.
 - a. Motion approved unanimously.

Communications

- A. Introduce Theresa Waldo
 - a. Waldo introduced herself to the commission, giving a brief overview of her working history.
- B. Zoning Ordinance RFP Update
 - a. Waldo updated the commission on the status of the RFP for the zoning code rewrite. Waldo stated that staff is ranking the proposals via rubric and the proposals are scheduled to be presented to Council in August.
- C. MSU Citizen Planner Training
 - a. Waldo stated there is an educational opportunity for commissioners to participate in the Citizen Planner program offered by MSU. Waldo encouraged the commissioners to contact herself or Timmer to register.

Public Hearings

- A. An application filed by Munger Ventures LLC-Robert Munger, owner of the property located at parcel number 10-105-00-027-01, on Kentucky Ave, for sketch plan approval for a Special Land Use Residential Planned Unit Development (R-PUD) Site Condominium
 - a. Waldo gave a brief presentation regarding the development and its request for Special Land Use RPUD Site Condominium project.
 - b. Munger addressed the board. Munger stated that he had worked with the surrounding neighbors regarding the design of the project and thanked the neighbors for constructive discourse. Munger stated that the previous higher density RPUD request was unable to be carried out due to the cost of that style of project.

- c. Putvin opened the public hearing
 - d. Carol Wolfgram; 204 Kentucky, stated that she has not been talked to by Munger and that she is greatly affected by this development. Wolfgram voiced her concerns regarding the speed of traffic in that area. Wolfgram voiced her concern on the need for Kentucky to be paved and for the responsibility to not fall on the homeowners.
 - e. Michelle Trivieri, 2011 Pennsylvania Ave, Trivieri shared her observation of wildlife in the area and voiced her support of the conservation of the area.
 - f. Diane from Edgeview condos, thanked Munger for communicating with the condo association and taking their thoughts into consideration. Diane voiced her concerns with the wetlands on the property.
 - g. Lori Soreneson 258 Greenview Circle, President of Edge View Condominiums, stated that Munger has been in communication with the association and great communication. Sorensen expressed that the board members like the proposed plan and would like to remain good neighbors. Soreneson stated that there were a few concerns from the condo members regarding the renting of the duplexes verse selling.
 - h. Munger stated that his plan is to sell the units, not rent. However, given the changes in the market, renting may have to be done.
 - i. Christophe Lavigne, president of Highfield Boats, voiced his support for the housing development. Lavigne voiced the need for housing in the community. Lavigne voiced the need for growth in the community to support the businesses.
 - j. Bethany Miller, Cadillac Area Chamber of Commerce, voiced support for the housing development. Miller stated that the vast majority of the Chamber members have voiced the need of housing for their employees.
 - k. Putvin closed the public hearing
 - l. Board discussion took place
 - i. Schippers requested the need for special lighting to not interfere with the wildlife. Schippers asked for the paving of Kentucky. Munger stated that he will be sure that the lighting is adjusted accordingly to not interfere. Adams voiced that impacts this development generates are rather minimal. Schippers stated that she will communicate with public safety regarding the speeding issues voiced tonight.
 - ii. Bosscher asked Munger if he is able to build an attractive development only accessible by a dirt road. Munger stated that he hopes the city will see the taxable value of the development and pave the road in return. Bosscher asked Munger if this development will utilize Brownfield. Munger stated his plan is to utilize Brownfield and the grant monies received from MEDC.
 - m. Motion by Schippers to approve the Sketch Plan for Kentucky Ave as present by staff subject to the conditions list by staff. Supported by Baumann.
 - i. Motion approved unanimously.
- B. An application filed by KMF Construction, owner of the properties 10-083-00-092-00, 10-101-00-001-00, 10-083-00-108-00, 10-089-00-025-00, 10-083-00-106-00, 10-083-00-099-00 & 10-083-00-097-00 for Special Land Use Residential Planned Unit Development (R-PUD) sketch plan approval, to construct 7 apartment buildings consisting of 252 apartment units and 3 storage buildings consisting of 60 storage units.
- a. Waldo gave a brief presentation on the proposed development.
 - b. Kyle Frier, KMF Construction applicant, addressed the board. Frier shared that the other members of the team are present tonight as well, Aaron Kutsche and Adam Feenstra should the commission have questions for them as well. Frier shared that his team would

- like to bring work force housing to Cadillac. Frier shared a brief video of the proposed development.
- c. Putvin opened the public hearing
 - d. David Anderson, 200 Cobb St, voiced his concerns with the wetlands and the railroad tracks. Anderson voiced his concern for children's safety around the railroad tracks.
 - e. Jenny Freeze, 222 Cobb St, voiced her concern of traffic and speeding in the area of the current volume of traffic. Freeze voiced her concerns of Cobb St & Mitchell St intersection and Hobart, Cobb & Cedar intersection. Freeze voiced concerns of emergency vehicles being able to get to the hospital. Freeze voiced the need for housing but wants to be sure that traffic concerns are addressed.
 - f. Cheryl Smith, lives on the corner of Copier & Wilcox, voiced her concern about soil contaminants due to a past landfill. Smith voiced her concern about her yard being disturbed during construction of utility lines.
 - g. Niki Schultz, Alliance for Economic Success (AES), shared the need for housing. Schultz stated that housing is not easy and that Frier is choosing Cadillac to invest in. Schultz voiced her support of the housing development.
 - h. Melaine Robinson, 126 Cobb St, voiced her concerns regarding the driveway placement.
 - i. Adam Feenstra, applicants engineer, gave details regarding greenspace and driveway placement.
 - j. Jane Foster, 130 Mosser St, voiced her concern with the condition of Mosser St. Foster voiced her concern on the size of the development and contaminated soil.
 - k. Kyle Frier, applicant, stated that Mosser St will be used as the secondary access. Frier stated that a traffic study is being conducted to help answer the traffic concerns. Frier stated that elevation changes rather drastically near the edge of the property and the railroad tracks he estimated that there is about a 10ft berm. Frier stated that an environmental study was done on all parcels with the main contamination being on the DTE parcel. Clean up of the DTE site was done. Frier stated that wetland delineation was performed on the site as well.
 - l. Putvin closed the public hearing.
 - m. Board Discussion took place
 - i. Bosscher asked about the storage units. Frier stated that the storage units will be for the residents of the development, not the general public.
 - ii. Discussion took place on access points to the development as well as the need for the traffic study and timing of such study.
 - iii. Motion by Baumann to approve the Sketch Plan subject to the conditions as proposed by staff, especially the need for a formal traffic study to be completed prior to final site plan approval and consideration of a fence or barrier along the west edge of the development for light. Supported by VanPelt.
 - Motion approved unanimously.

New Business

A. B-3 District Memo

- a. Adams presented on the memo prepared regarding the B-3 zoning district found in the packet. Adams stated that should the commission wish to allow for Short-Term rentals in the B-3 district the commission could pass a motion to allow staff to prepare and process a zoning amendment to allow for such use to be presented at the next Planning Commission meeting.

- i. Motion by Baumann that the Commission direct staff to prepare and process an ordinance amendment subject to the requirements of the Cadillac City Code permitting Short-Term Rentals by Special Land Use in the B-3 District. Supported by Schippers.
 1. Motion unanimously approved.

Public Comment

- A. David Anderson stated that the ability to establish a road to the development off of Paluster could alleviate a lot of the traffic issues.
- B. Waldo stated that she met with the Chair and Vice Chair of the commission. Waldo proposed a guest speaker being a part of the Planning Commission agenda. Waldo explained how she has run this in past communities. Schippers compared this to the Community Spotlight portion of a Council Meeting. The Commission voiced their general support of such practice on a lighter agenda night, possibly done quarterly.

Adjourn at 7:54pm