

NOTICE OF PONTIAC CITY COUNCIL MEETING
September 8, 2020
at 6:00 p.m.

THE MEETING WILL BE HELD ELECTRONICALLY

The City Council of the City of Pontiac will hold a Study Session on September 8, 2020 at 6:00 p.m. This meeting will be held electronically pursuant to the Open Meetings Act and Governor Whitmer's Executive Order 2020-154. The agenda of the Study Session is attached. Pursuant to Executive Order 2020-129, the Pontiac City Council gives notice of the following:

1. **Reason for Electronic Meeting.** The Pontiac City Council is meeting electronically because of Executive Order 2020-154.
2. **Procedures.** The public may view the meeting electronically through the following method.
<http://pontiac.mi.us/council/pontiactv/index.php>
3. **Public Comment.** For individuals who desire to make a public comment, please submit your name and comment in writing to publiccomments@pontiac.mi.us. Additionally, you may submit your public comment in writing directly to the Office of the City Clerk during regular business hours. All public comments must be received no later than 5:30 p.m. on September 8, 2020. Public comments are limited to three (3) minutes. The City Clerk will read your comments during the public comment section of the meeting.
4. **Persons with Disabilities.** Persons with disabilities may participate in the meeting through the methods set forth in paragraph 2. Individuals with disabilities requiring auxiliary aids or services in order to attend electronically should notify the Interim City Clerk, Garland Doyle at (248) 758-3200 or clerk@pontiac.mi.us at least 24 hours in advance of the meeting.

Dated 9-4-2020, 5:00 p.m.
Garland S. Doyle, Interim City Clerk
City of Pontiac
47450 Woodward Ave. Pontiac, MI 48342 Phone: (248) 758-3200

PONTIAC CITY COUNCIL

Kermit Williams, District 7
President
Randy Carter, District 4
President Pro Tem



Patrice Waterman, District 1
Megan Shramski, District 2
Mary Pietila, District 3
Gloria Miller, District 5
Dr. Doris Taylor Burks, District 6

It is this Council's mission "To serve the citizens of Pontiac by committing to help provide an enhanced quality of life for its residents, fostering the vision of a family-friendly community that is a great place to live, work and play."

Website: http://pontiac.mi.us/council/meeting_agendas_and_minutes/index.php

STUDY SESSION

September 8, 2020

6:00 P.M.

188th Session of the 10th Council

Call to order

Roll Call

Authorization to Excuse Councilmembers

Amendments to and Approval of the Agenda

Approval of the Minutes

1. September 1, 2020

Public Comment

Discussion

2. Status Update on Dream Cruise Budget Allocation

Special Presentation (The Special Presentation is limited to 10 minutes.)

3. Election 2020 Update
Presentation Presenter: Garland Doyle, Interim City Clerk

(The Council requested that this presentation be deferred for one week at the Council Meeting on September 1, 2020.)

Agenda Items

Resolutions

Community Development

4. Resolution to support Letter of Apology to Detroit Regional Parking Authority. **(The item is being brought back by the Administration since no Council Member made a motion to support the resolution.)**
5. Resolution to approve the 2020 Oakland County Brownfield Consortium Agreement between Oakland County and the City of Pontiac.

Garland S. Doyle, M.P.A., Interim City Clerk

Office of the City Clerk 47450 Woodward Pontiac, Michigan 48342 Phone (248) 758-3200

Website: <http://pontiaccityclerk.com>

Department of Public Works

6. Resolution to extend contract with Great Lakes Power and Lighting until January 1, 2021.

Finance

7. Resolution to authorize the Interim City Clerk to publish a notice in a newspaper of general circulation at least one week before consideration of the proposed budget amendment to increase account 101-000-532.000 in the amount of \$90,000.00. The City has received two grants for the U.S. Census from the Michigan Municipal League (\$25,000.00) and the Community Foundation of Southeast Michigan (\$65,000.00).

Information Technology (I.T.)

8. Resolution to approve contract with Ricoh to update printers in City Hall not to exceed \$77,062.80.

Communication from the Mayor

9. Tax Impact on Pontiac Residents and Businesses in the event of Phoenix Center Default Report

Adjournment**Upcoming Special Presentations****September 15, 2020**

1. City of Pontiac Retired Employees Association (CPREA) Status Update
2. Blight Court Update
3. Update: The Village at Bloomfield

September 29, 2020

Pontiac Votes Community Challenge

#1

MINUTES

September 1, 2020 Formal

**Official Proceedings
Pontiac City Council
187th Session of the Tenth Council**

Call to order

A Formal Meeting of the City Council of Pontiac, Michigan was called to order electronically on Tuesday, September 1, 2020 at 6:02 p.m. by Council President Kermit Williams.

Invocation

Interim Clerk Garland Doyle

Pledge of Allegiance

Roll Call

Members Present: Carter, Pietila, Shramski, Taylor-Burks, Waterman and Williams.

Members Absent: Miller

Mayor Waterman was present.

Clerk announced a quorum.

Excuse Council Members

20-402 **Excuse Councilmember Gloria Miller for personal reasons.** Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

Ayes: Pietila, Shramski, Taylor-Burks, Waterman, Williams and Carter

No: None

Motion Carried.

Amendments to the Agenda

20-403 **Motion to move items 12, 13 and 14 before item #2.** Moved by Councilperson Taylor-Burks and second by Councilperson Pietila.

Ayes: Miller, Pietila, Shramski, Taylor-Burks, Waterman, Williams and Carter

No: None

Motion Carried

Councilwoman Gloria Miller arrived at 6:11 p.m.

20-404 **Motion to add discussion and curfew under item #1.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Shramski, Taylor-Burks, Waterman, Williams, and Carter

No: Miller and Pietila

Motion Carried.

September 1, 2020 Formal

20-405 **Approval of the Agenda as amended.** Moved by Councilperson Shramski and second by Councilperson Taylor-Burks.

Ayes: Taylor-Burks, Waterman, Williams, Carter, Pietila and Shramski

No: Miller

Motion Carried

Emergency Report

City of Pontiac and Oakland County Sheriff Action Plan for Addressing the Increasing Problem of Gun Violence in Pontiac: Appointment of an Advisory Commission to Study and Present a Collaborative Plan on Decreasing Illegal Guns and Violent Crime Statistics in Pontiac.

Report Presenters: Mayor Waterman and Captain Ewing

Resolutions

Resolution to deny a Zoning Map Amendment request [ZMA 20-02] for Parcel #64-14-31-381-027 to amend the current site zoning C-1 Local Business to M-1 Light Manufacturing zoning district with CR Conditional Rezoning.

There was discussion on the resolution. During the discussion, Councilperson Waterman called for the vote.

20-406 **Resolution to deny a Zoning Map Amendment request [ZMA 20-02] for Parcel #64-14-31-381-027 to amend the current site zoning C-1 Local Business to M-1 Light Manufacturing zoning district with CR Conditional Rezoning.** Moved by Councilperson Miller and second by Councilperson Shramski.

Whereas, The City has received an application for a Zoning Map Amendment with Conditions for 645 S. Telegraph, identified as PIN 64-14-31-381-027 from Vincent Serio for the rezoning of the aforementioned parcel; and

Whereas, The Planning Division has reviewed the applicant's rezoning request in regards to the City's Master Plan and the request does not conform to the goals and vision contained within the plan; and

Whereas, The Planning Division has reviewed the applicant's rezoning request and the requirements set forth by Section 6.804 of the Zoning Ordinance, and the Planning Division has determined the aforementioned request and proposed intended use of the property does not comply with the City of Pontiac Zoning Ordinance; and

Whereas, In accordance with the procedures outlined in the Zoning Ordinance, Section 6.802 as it relates to Zoning Map Amendments, the request has undergone the required: Technical Review, Public Hearing, and Planning Commission Recommendation; and

Whereas, on August 5, 2020, a Public Hearing was held, and in consideration of public opinion, the Planning Commission recommends City Council to deny the Zoning Map Amendment with Conditions request for 645 S. Telegraph Road from C-1 Local Business zoning district to M-1 Light Manufacturing zoning district with Conditions; and

Now, Therefore, Be It Resolved, that the City Council for the City of Pontiac deny the Zoning Map Amendment with Conditions (ZMA 20-02) request for 645 S. Telegraph Road, also known as Parcel No.

September 1, 2020 Formal

64-14-31-381-027 to amend the current site zoning from C-1 Local Business to M-1 Light Manufacturing zoning district with Conditions.

Ayes: Waterman, Williams, Miller, Shramski and Taylor-Burks

No: Carter and Pietila

Resolution Passed.

20-407 **Resolution to approve a Zoning Map Amendment request [ZMA 20-03] for Parcel 64-14-08-356-001 to amend the current site zoning R-1 One Family Dwelling to M-1 Light Manufacturing zoning district with CR Conditional Rezoning. (Note: Ordinance 2363 the Zoning Ordinance for Medical Marihuana Section 2.544 E Licensing 2. "Medical Marihuana Grower uses are not permitted outside the Cesar Chavez and Walton Blvd Medical Marihuana Overlay Districts." Section 2.545 E Licensing 2. "Medical Marihuana Processor uses are not permitted outside the Cesar Chavez and Walton Blvd Medical Marihuana Overlay Districts." The City Council submitted a proposed zoning map amendment to the Planning Commission to allow grower and processor facilities to locate outside of the Walton Blvd and Cesar Chavez Overlay Districts in January 2020. The Planning Commission has not submitted a recommendation to the City Council.)** Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

Whereas, The City has received an application for a Zoning Map Amendment at W. New York & Richard Ave. identified as PIN 64-14-08-356-001 from Ryan Fried for the rezoning of the aforementioned parcel; and

Whereas, The Planning Division has reviewed the applicant's rezoning request in regards to the City's Master Plan and the request conforms to the goals and vision contained within the plan; and

Whereas, The Planning Division has reviewed the applicant's rezoning request and the requirements set forth by Section 6.804 of the Zoning Ordinance, and the Planning Division has determined the aforementioned request and proposed intended use of the property complies with the City of Pontiac Zoning Ordinance; and

Whereas, In accordance with the procedures outlined in the Zoning Ordinance, Section 6.802 as it relates to Zoning Map Amendments, the request has undergone the required: Technical Review, Public Hearing, and Planning Commission Recommendation; and

Whereas, on July 8, 2020, a Public Hearing was held, and in consideration of public opinion, the Planning Commission recommends City Council to approve the Zoning Map Amendment request for W. New York and Richard Avenue approving the change from the current R-1 One Family Dwelling zoning district to M-1 Light Manufacturing zoning district; and

Now, Therefore, Be It Resolved, that the City Council for the City of Pontiac approve the Planning Commission recommendation for the Zoning Map Amendment with Conditions (ZMA 20-03) request for Parcel No. 64-14-08-356-001 to amend the current site zoning from R-1 One Family Dwelling to M-1 Light Manufacturing zoning district.

Ayes: Williams, Carter, Miller, Pietila, Shramski, Taylor-Burks and Waterman

No: None

Resolution Passed.

September 1, 2020 Formal

20-408 **Resolution to approve a Zoning Map Amendment request [ZMA 20-04] for Parcel #64-14-31-226-020 to amend the current site zoning C-1 Local Business to C-3 Corridor Commercial zoning district.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

Whereas, The City has received an application for a Zoning Map Amendment for 500 Auburn Avenue identified as PIN 64-14-33-226-020 from Samuel Peleg for the rezoning of the aforementioned parcel; and

Whereas, The Planning Division has reviewed the applicant's rezoning request in regards to the City's Master Plan and the request conforms to the goals and vision contained within the plan; and

Whereas, The Planning Division has reviewed the applicant's rezoning request and the requirements set forth by Section 6.804 of the Zoning Ordinance, and the Planning Division has determined the aforementioned request and proposed intended use of the property complies with the City of Pontiac Zoning Ordinance; and

Whereas, In accordance with the procedures outlined in the Zoning Ordinance, Section 6.802 as it relates to Zoning Map Amendments, the request has undergone the required: Technical Review, Public Hearing, and Planning Commission Recommendation; and

Whereas, on August 5, 2020, a Public Hearing was held, and in consideration of public opinion, the Planning Commission recommends City Council approve the Zoning Map Amendment request for 500 Auburn Avenue, approving the change from the current C-1 Local Business zoning district to C-3 Corridor Commercial zoning district; and

Now, Therefore, Be It Resolved, that the City Council for the City of Pontiac approve the Planning Commission recommendation for the Zoning Map Amendment with Conditions (ZMA 20-04) request for 500 Auburn Avenue, also known as Parcel No. 64-14-33-226-020 to amend the current site zoning from C-1 Local Business to C-3 Corridor Commercial zoning district.

Ayes: Carter, Miller, Pietila, Shramski, Taylor-Burks, Waterman and Williams

No: None

Resolution Passed.

Approval of the Minutes

20-409 **Approval of minutes for August 18, 2020.** Moved by Councilperson Carter and second by Councilperson Taylor-Burks.

Ayes: Miller, Pietila, Shramski, Taylor-Burks, Waterman, Williams and Carter

No: None

Motion Carried.

20-410 **Approval of minutes for August 25, 2020.** Moved by Councilperson Miller and second by Councilperson Shramski.

Ayes: Pietila, Shramski, Taylor-Burks, Waterman, Williams, Carter and Miller

No: None

Motion Carried.

Special Presentations

Medical Marihuana Monthly Application Review Process Update
Presentation Presenter: Garland Doyle, Interim City Clerk

Election 2020 Update

Presentation Presenter: Garland Doyle, Interim City Clerk

Council President Williams requested that this presentation be deferred to September 8, 2020. The Interim Clerk agreed to give the presentation next week. The Interim Clerk informed the Council that the Clerk's Office now has a drop box by the City Hall Welcome Desk. Voters are able to drop off their absentee ballot application. The Clerk's Office will begin mailing ballots on September 24, 2020 and voters will be able to return their ballots to the City Hall Drop Box.

Analysis and Next Steps in response to Communication Re: Offer from Ottawa Towers owners as read into record by Council President Williams at August 25, 2020 Council Meeting

Presentation Presenters: Mayor Waterman, Anthony Chubb, City Attorney, Matt Gibb, Special Legal Counsel and Irwin Williams, Interim Finance Director.

Council President Pro-Tem Randy Carter left the meeting.

Resolutions Cont.

20-411 **Motion to have Commission seats filled before approving their roles.** Council President Kermit Williams called for the roll call.

Ayes: Shramski, Taylor-Burks, Waterman, Williams, Miller and Pietila

No: None

Motion Carried.

Councilwoman Gloria Miller left the meeting.

Councilwoman Mary Pietila left the meeting.

20-412 **Joint Proclamation between Mayor and City Council to Proclaim through October 31, 2020, as Pontiac Social Distance Restaurant Dining Season.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

WHEREAS, the City of Pontiac continuing efforts to address the critical issues of the novel coronavirus COVID-19 is a respiratory disease easily spread from person to person presenting a public health concern that requires extraordinary protective measures and vigilance; and

WHEREAS, the Mayor and City of Pontiac City Council are committed to encouraging economic activity and assisting local businesses impacted by the COVID-19 pandemic to ease back into operation while containing the spread of COVID-19; and

September 1, 2020 Formal

WHEREAS, to stimulate the recovery of the restaurant business in the City and to support local restaurants, the enforcement of certain provisions of the City's ordinances regulation the serving of food and drink outdoors on private and public property and should be temporary suspended until October 31, 2020; and

WHEREAS, the Mayor and City of Pontiac City Council congratulate the Pontiac Little Art Theatre, Alley Cat Café and Fillmore 13 for their expressed interest in applying and receiving a Temporary COVID-19 Outdoor Dining Permit from the City that adheres to the Mayor's Executive Order No. 2020-01 standards.

NOW THEREFORE, I, Mayor Dr. Deirdre Waterman, Council President Kermit William and the Pontiac City Council do hereby proclaim through October 31, 2020 as Pontiac Social Distance Restaurant Dining Season. Accordingly, I encourage our citizens to join our restaurants in participation of enjoyment and activities.

Ayes: Taylor-Burks, Waterman, Williams and Shramski

No: None

Proclamation Passed.

20-413 **Motion to receive mayoral monthly reports (item #15, #16 and #17.)** Moved by Councilperson Taylor-Burks and second by Councilperson Shramski.

Ayes: Waterman, Williams, Shramski and Taylor-Burks

No: None

Motion Carried.

Public Comment

Ten (10) individuals submitted a public comment read by the City Clerk

Mayor, Clerk and Council Closing Comments

Mayor Waterman, Interim Clerk Garland Doyle, Councilwoman Doris Taylor-Burks, Councilwoman Megan Shramski, Councilwoman Gloria Miller and Councilwoman Patrice Waterman made closing comments.

Adjournment

Council President Kermit Williams adjourned the meeting at 8:56 p.m.

GARLAND S DOYLE
INTERIM CITY CLERK

#3

**SPECIAL
PRESENTATION**



CITY COUNCIL PRESENTATION





September 8, 2020

“Working to Ensure Everyone Can Vote in 2020”



**Office of the City Clerk
Garland S. Doyle
Interim City Clerk
(248) 758-3200**



RECENT VOTER TURNOUT HISTORY

AV BALLOTS	AUG Ballots Issued	AUG Ballots Returned	AUG Return Rate	NOV Applications	NOV Ballots Issued	NOV Ballots Returned	NOV Return Rate
2016 - Presidential	1,859	1,647	89%	///	4,769	4,604	97%
2018 - Governor	2,517	2,328	92%	///	4,934	4,569	92%
2020 - Presidential	8,004	5,925	74%	10,000			

Voter Turnout	AUG AV	AUG Polls	TOTAL	Primary Voter Turnout	NOV AV	NOV Polls	TOTAL	General Voter Turnout
2016 - Presidential	1,647	2,287	3,934	8.54%	4,604	15,539	20,143	43.73%
2018 - Governor	2,328	6,066	8,394	18.22%	4,569	11,178	15,747	34.18%
2020 - Presidential	5,925	3,008	8,933	19.39%				
Number of Registered Voters in Pontiac – 46,061								

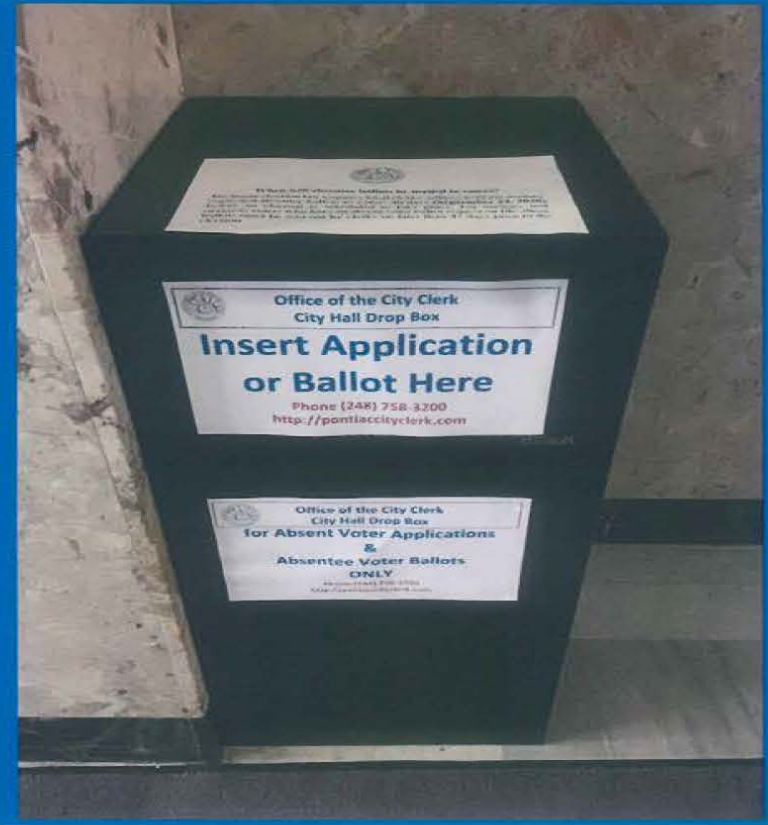
THINGS TO KNOW

- The City Clerk will begin mailing Absentee Ballots on September 24, 2020 in compliance with state law (40 days before Election).
- The City of Pontiac will have 8 drop boxes. There will be a drop box located inside and outside of City Hall. The drop box located outside of City Hall will serve as the District 7 drop box. The remaining 6 drop boxes will be located in voting districts 1-6. One box will be placed at each district.
- Voters can drop their ballots in any of the drop boxes.
- Drop boxes will be available in October.



- In light of the pandemic, the City Clerk will be mailing an absentee voter application to every voter who has not already requested one approximately 35,000 voters
- Absentee Voting Days

INSIDE CITY HALL DROP BOX



THINGS TO KNOW

The Clerk's Office will be open an additional 81.5 hours (extended & weekend hours) to serve the public.

- Extended Hours
- The Clerk's Office will have extended hours beginning October 5th - October 29th
Monday – Thursday 8:30a.m. – 8:00p.m.
Friday 8:30a.m. – 4:30p.m.
- Weekend Hours (Open the Last Two Weekends Before the Election)
Saturday, October 23rd 9:00a.m. – 1:00p.m.
Sunday, October 24th 10:30a.m. – 2:30p.m.
Friday, October 30th 8:30a.m. – 8:00p.m.
Saturday, October 31st 9:00a.m. – 4:00p.m.
Sunday, November 1st 9:00a.m. – 4:00p.m.
- Election Newsletter

WORKING TO ENSURE EVERYONE CAN VOTE IN 2020 INITIATIVES



- The Clerk's Office is establishing the Pontiac City Clerk Service Team. Team members will be deputized so they can pick up ballots from the elderly or residents who are unable to make it to a dropbox. The Service Team will also be responsible for retrieving ballots from the dropboxes. They will be available to deliver ballots to voters if necessary as well.

WORKING TO ENSURE EVERYONE CAN VOTE IN
2020
INITIATIVES



VOTE



PONTIAC MATTERS!

The campaign is a voter outreach effort to communities of color & minorities in Pontiac.

WORKING TO ENSURE EVERYONE CAN VOTE IN 2020 INITIATIVES



WHAT IS THE PONTIAC VOTES CHALLENGE?

The Pontiac Votes Challenge is a nonpartisan initiative of the Pontiac City Clerk's Office and the 2020 Elections Advisory Committee. Its goal is to increase voter engagement and turnout.

HOW DOES IT WORK? **As a friendly competition...**

This will encourage districts to compete in hopes of increasing voter turnout throughout the city.

Each Pontiac Council district will compete to increase voter turnout in two categories

- **% increase in voter registration** (based on the 2016 election)
- **% increase in voter turnout** (based on the 2016 election)

The winner in each category will be formally recognized by the City Clerk's Office.

The campaign will kickoff on September 14th.

WORKING TO ENSURE EVERYONE CAN VOTE IN 2020 INITIATIVES

Clerk in the Community

- The City Clerk and staff are available to make presentations at your church, civic or community event (virtual) about the upcoming election.
- To request the Clerk to speak, please complete the speaker request form at <http://pontiaccityclerk.com/clerk-in-the-community>
- The City Clerk made a presentation on August 24, 2020 at the Northern Oakland NAACP Membership Meeting.

HOW CAN I HELP?

- **Sign Up to be a Poll Worker**
The application can be found on our website
<http://pontiaccityclerk.com/elections>
- **Training Sessions begin on September 21st**
- **Invite the Clerk to Speak at your Church or Community Event**
<http://pontiaccityclerk.com/clerk-in-the-community>
- **Join our growing number of nonprofit and nonpartisan civic partners ACLU, Northern Oakland NAACP and Oakland Forward**

Website: <http://pontiaccityclerk.com>



Pontiac City Clerk



PontiacClerk



Pontiac City Clerk



Pontiac City Clerk

#4

RESOLUTION



**EXECUTIVE OFFICE
CITY OF PONTIAC**

47450 Woodward Ave | PONTIAC, MICHIGAN 48342-5009

Mayor Deirdre Waterman

TO: HONORABLE COUNCIL PRESIDENT WILLIAMS AND CITY COUNCIL MEMBERS

FROM: MAYOR DEIRDRE WATERMAN

DATE: SEPTEMBER 2, 2020

CC: ANTHONY CHUBB, CITY ATTORNEY; DAN RINGO, DPW DIRECTOR; JOHN BALINT, CITY ENGINEER, HRC; AND IRWIN WILLIAMS, INTERIM FINANCE DIRECTOR

SUBJECT: RESOLUTION TO SUPPORT LETTER OF APOLOGY TO DETROIT REGIONAL CONVENTION PARKING AUTHORITY.

In early March 2020, the Executive Office presented the City Council with a unique proposal from the Detroit Regional Convention Parking Authority to help us operate and maintain the parking deck of the Phoenix Center.

Unlike past contracts, their proposal sought to promote and generate new excitement for the Phoenix Center and our downtown businesses. A partnership with the Detroit Regional Convention Parking Authority would have saved the City a total of \$96,720.00 annually in operational expenditures. Additionally, any profit derived from the operation of the parking lot would have been split 50/50 with the City. As parking professionals, they were anticipating a profit of \$290,000.00 annually, which if realized, would have ultimately provided the City with a revenue of \$124,000.00 annually.

In an effort to further strengthen the City's relationship with the business community, I respectfully invite the City Council to join me by signing the attached letter of apology to the Detroit Regional Convention Parking Authority.

The following resolution is presented for your consideration:

Whereas, the City of Pontiac embraces a positive business environment that encourages new businesses to build in our community; and

Whereas, the City of Pontiac is committed to professional integrity and sound business relationships; and

Whereas, the City of Pontiac understands the importance of building good partnerships with the business community.

Now therefore, the City Council joins the Mayor of Pontiac by supporting the attached letter of apology to the Detroit Regional Convention Parking Authority.

Attachment

July 28, 2020

Mr. Patrick S. Bero
C.E.O/C.F.O.
Detroit Regional Convention Facility Authority
One Washington Blvd.
Detroit, MI 48226

Dear Mr. Bero:

It is with great regret that we received the news that the Detroit Regional Convention Facility Authority was standing down in the offer to operate and maintain the Phoenix Center Parking Structure in Pontiac. Without a doubt, we see this as a result of the City Council Meeting that was attended via Zoom on Tuesday, March 24th.

The manner in which the Pontiac City Council treated you and your attorney Ebony Duff was appalling. This is not how the City of Pontiac wants to conduct business. The Mayor's office and the executive staff, specifically the Department of Public Works, was extremely excited to be working with the caliber of employees and managers your organization brings. We were also excited about bringing the Phoenix Center back to an asset vs. a liability for the City.

We would like to thank you and your staff for your interest in this project and well as for the time spent to date investigating and preparing work plans and contracts. If there is any way to resurrect this opportunity, the City Administration would like to push forward and work to get the agreement approved by our City Council. I may be reached directly at (248) 758-3181.

Sincerely,

Mayor Deirdre Waterman
City of Pontiac

CC: Dan Ringo, Interim Director DPW
John Balint, Special DPW Consultant

#5

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President and City Council Members

FROM: Linnette Phillips, Director, Economic Development

THROUGH: Mayor Deirdre Waterman

DATE: September 8, 2020

RE: Resolution for the City Council to Adopt the Oakland County Brownfield Consortium Agreement between Oakland County and the City of Pontiac

Attached to this memorandum is the 2020 Oakland County Brownfield Consortium Agreement Between Oakland County and the City of Pontiac. Oakland County formed a coalition to apply for and Environmental Protect Agency Consortium, and the agency applied for the EPA 2013 Brownfield Coalition Assessment Grant. Because the Consortium is not a legal entity and because only one member of the consortium could submit the grant application and be the grant recipient, the County submitted the 2020 Brownfield Coalition Assessment Grant on behalf of the members of the Consortium, of which the City of Pontiac is a member.

The County was awarded a \$600,000 Brownfield Coalition Assessment Grant to be used by the Consortium. The 2020 Guidelines for Brownfield Assessment Grants require that the Consortium members execute an agreement documenting the site selections process, distribution of funds and the mechanism for implementing the work to be performed with grant funds.

RESOLUTION ON FOLLOWING PAGE



CITY OF PONTIAC CITY COUNCIL

**RESOLUTION TO ADOPT THE OAKLAND COUNTY BROWNFIELD
CONSORTIUM AGREEMENT BETWEEN OAKLAND COUNTY AND THE CITY
OF PONTIAC**

As such, the resolution below is submitted for your consideration:

Whereas, the 2020 Oakland County Brownfield Consortium Agreement is entered into between the County of Oakland and the City of Pontiac.

Whereas, the County and formed a coalition to apply for an Environmental Protect Agency (EPA) 2009 Brownfield Coalition Assessment Grant on behalf of the City of Pontiac along with other cities in Oakland County (Farmington Hills, Ferndale, Hazel Park, Madison Heights and Southfield).

Whereas, the Consortium which is not a legal entity and because only one member of the consortium could submit the grant application and be the grant recipient , the County entered into a Cooperative Agreement, Number BF-00E02004.

Whereas, the County was awarded a \$600,000 Brownfield Coalition Assessment Grant to be used by the Consortium.

Whereas, the 2020 Guidelines for the Brownfield Assessment Grant requires that the Consortium members execute an agreement documenting the site selection process, distribution of funds and the mechanisms for implementing the work to be performed with grant funds.

Now Therefore be it Resolved, that the City Council approves the 2020 Oakland County Brownfield Consortium Agreement Between Oakland County and the City of Pontiac.

Attachment:

2020 Oakland County Brownfield Consortium Agreement

**2020 OAKLAND COUNTY BROWNFIELD CONSORTIUM AGREEMENT
BETWEEN
OAKLAND COUNTY
AND
CITY OF PONTIAC**

The 2020 Oakland County Brownfield Consortium Agreement ("the Agreement") is entered into between the County of Oakland, a Constitutional and Municipal Corporation, 1200 North Telegraph, Pontiac, Michigan 48341 ("County"), and the City of Pontiac, Pontiac, Michigan, 47450 Woodward Avenue, a Michigan Municipal Corporation ("Municipality"). In this Agreement the County and the Municipality may also be referred to individually as "Party" or jointly as "Parties".

PURPOSE OF AGREEMENT. The County and the cities of Farmington Hills, Ferndale, Hazel Park, Madison Heights, and Pontiac formed a coalition to apply for an the Environmental Protect Agency ("EPA") 2009 Brownfield Coalition Assessment Grant. Subsequently, the City of Southfield joined the Consortium, and the Consortium applied for the EPA 2013 Brownfield Coalition Assessment Grant. The consortium now consisting of the County and the cities of Farmington Hills, Ferndale, Hazel Park, Madison Heights, Southfield, and Pontiac (collectively known as the "Oakland County Brownfield Consortium") applied for the EPA 2020 Brownfield Coalition Assessment Grant. Because the Consortium is not a legal entity and because only one member of the Consortium could submit the grant application and be the grant recipient, the County submitted the 2020 Brownfield Coalition Assessment Grant on behalf of the members of the Consortium. Brownfield Assessment grants provide funding for developing inventories of brownfields, prioritizing sites, conducting community involvement activities, and conducting site assessments and clean-up planning related to brownfield sites.

The County was awarded a six hundred thousand dollar (\$600,000.00) Brownfield Coalition Assessment Grant to be used by the Consortium. On July 1, 2020 the EPA and the County entered into a Cooperative Agreement, Number BF-00E02004, with respect to the six hundred thousand dollar (\$600,000.00) Brownfield Coalition Assessment Grant.

The 2020 Guidelines for Brownfield Assessment Grants require that the Consortium members execute an agreement documenting the site selection process, distribution of funds and the mechanisms for implementing the work to be performed with grant funds.

Therefore, pursuant to the 2020 Guidelines for Brownfield Assessment Grant and pursuant to the Urban Cooperation Act of 1967, 1967 PA 7, MCL 124.501, *et seq.*, the County and the Municipality enter into this Agreement for the purpose of delineating the relationship and responsibilities between the County and the Municipality regarding the 2020 Brownfield Coalition Assessment Grant and EPA Cooperative Agreement Number BF-00E02004.

In consideration of the mutual promises, obligations, representations, and assurances in this Agreement, the Parties agree to the following:

1. **DEFINITIONS.** The following words and expressions used throughout this Agreement, whether used in the singular or plural, within or without quotation marks, or possessive or nonpossessive, shall be defined, read, and interpreted as follows:

1.1. **Agreement** means the terms and conditions of this Agreement, the Exhibits attached hereto, and any other mutually agreed to written and executed modification, amendment, or addendum.

1.2. **Claim** means any and all losses, complaints, demands for relief, damages, lawsuits, causes of action, proceedings, judgments, deficiencies, penalties, costs and expenses arising under or relating to this agreement, including, but not limited to, reimbursement for reasonable attorney fees, witness fees, court costs, investigation, litigation expenses, amounts paid in settlement, and/or any other amount for which either Party becomes legally and/or contractually obligated to pay a third party, whether direct, indirect, or consequential, whether based upon any alleged violation of the constitution (federal or state), any statute, rule, regulation, or the common law, whether in law or equity, tort, contract, or otherwise, and/or whether commenced or threatened.

1.3. **Cooperative Agreement** means the agreement awarded to the County by the Environmental Protection Agency Number BF-00E02004 and attached as Exhibit A to this Agreement.

1.4. **County** means the County of Oakland, a Constitutional and Municipal Corporation including, but not limited to, its Board, any and all of its departments, divisions, elected and appointed officials, directors, board members, council members, commissioners, authorities, committees, employees, agents, volunteers, and/or any such persons successors.

1.5. **Day** means any calendar day beginning at 12:00 a.m. and ending at 11:59 p.m.

1.6. **Municipality** means the City of Pontiac, a Michigan Municipal Corporation including, but not limited to, its Council, Board, any and all of its departments, its divisions, elected and appointed officials, directors, board members, council members, commissioners, authorities, committees, employees, agents, subcontractors, attorneys, volunteers, and/or any such persons successors.

1.7. **Oakland County Brownfield Consortium or Consortium** means the coalition formed by the County and the cities of Farmington Hills, Ferndale, Hazel Park, Madison Heights, Pontiac, and Southfield for the purposes of applying for and performance of the 2020 Brownfield Coalition Assessment Grant.

1.8. **Project Manager** means the individual designated by the Municipality to participate in the Consortium and to be the contact person for this Agreement.

2. **AGREEMENT EXHIBITS.** The Exhibits listed below and their properly promulgated amendments are incorporated and are part of this Agreement.

2.1. **Exhibit A** – Cooperative Agreement, Number BF-00E02004, between the County and the EPA

3. COUNTY RESPONSIBILITIES.

- 3.1. The County shall act as the fiscal agent/fiduciary for the Consortium relating only to receipt and disbursement of grant funds for the 2020 Brownfield Coalition Assessment Grant as required by the Cooperative Agreement and this Agreement.
- 3.2. The County shall be responsible for the management of the Cooperative Agreement.
- 3.3. The County shall comply with all terms and conditions of the Cooperative Agreement and all applicable statutes and regulations.
- 3.4. The County shall follow the 2020 Guidelines for Brownfield Assessment Grants.
- 3.5. The County shall promptly inform all members of the Brownfield Consortium of any changes to the Cooperative Agreement and how these changes may apply to the Municipality. The County and EPA may make changes to the Cooperative Agreement without the approval of the Municipality.
- 3.6. The County shall provide the Municipality with timely reports regarding the management of the Cooperative Agreement.
- 3.7. The County shall have quarterly meetings for the Consortium.
- 3.8. The Project Manager and the County shall determine the brownfield sites for assessment.
- 3.9. The County shall select and retain the consultant to perform the assessment of the brownfield site(s) chosen by the Project Manager and the County. The selection and retention of the consultant shall include issuing request for proposals or request for qualifications for a consultant and negotiating and executing a contract with the consultant.

4. MUNICIPALITY RESPONSIBILITIES.

- 4.1. The Municipality shall comply with all applicable terms and conditions of the Cooperative Agreement and all applicable statutes and regulations.
- 4.2. The Municipality shall follow the 2020 Guidelines for Brownfield Assessment Grants.
- 4.3. The Municipality shall designate an individual and an alternate to act as a Project Manager. This individual shall act as a liaison between the County and Municipality regarding this Agreement and shall be responsible for the following: (1) meeting with the County to determine brownfield sites to be assessed and (2) acting as a liaison with local or community organizations involved with the application of the Brownfield Coalition Assessment Grant. The names of these individuals shall be conveyed to the individuals listed in Section 17.1.

5. FINANCIAL RESPONSIBILITIES.

- 5.1. Any funds awarded to the County under the Cooperative Agreement shall be allocated and expended only as provided for and permitted by this Agreement, the Cooperative Agreement,

the 2020 Guidelines for Brownfield Assessment Grants, and any applicable statutes or regulations.

- 5.2. The Municipality shall be allocated sixty thousand dollars (\$60,000.00) to be used to assess brownfield sites in its geographic area.
- 5.3. Notwithstanding Section 5.2 or anything else herein to the contrary, the County may reallocate, at its sole discretion, the unused grant funds allocated to Municipality to any other member(s) of the Consortium. Furthermore, Municipality may receive grant funds in excess of the amount allocated in Section 5.2, at the sole discretion of County, if grant funds are reallocated to Municipality from other members of the Consortium.

6. DURATION OF THE AGREEMENT.

- 6.1. The Agreement and any amendments hereto shall be effective when executed by both Parties, with resolutions passed by the governing bodies of each Party and when the Agreement is filed according to MCL 124.510.
- 6.2. Unless terminated pursuant to Section 8 of this Agreement, this Agreement shall end ninety (90) days after the date the Grant period ends (including any extensions to the original Grant period).

7. ASSURANCES/LIABILITY.

- 7.1. Each Party shall comply with all federal, state, and local ordinances, regulations, administrative rules, laws, and requirements applicable to its activities performed under this Agreement, including but not limited to the Cooperative Agreement and the 2020 Guidelines for Brownfield Assessment Grants.
- 7.2. Each Party shall be responsible for any Claims made against that Party by a third party, and for the acts of its employees or agents, arising under or related to this Agreement.
- 7.3. In any Claims that may arise under or relate to this agreement, each Party shall seek its own legal representation and bear the costs associated with such representation, including any attorney fees.
- 7.4. A Party who is non-compliant with this Agreement, the Cooperative Agreement, the 2020 Guidelines for Brownfield Assessment Grants or any applicable federal, state, and local ordinances, regulations, administrative rules or laws assumes sole risk and liability for its non-compliance including but not limited to liability for any penalties imposed by the EPA or other governmental entity or any other fines, fees or costs associated with its non-compliance.
- 7.5. Except as otherwise provided in this Agreement, neither Party shall have any right under any legal principle to be indemnified by the other Party or any of its employees or agents in connection with any Claim.

- 7.6. The Parties have taken all actions and secured all approvals necessary to authorize and complete this Agreement. The persons signing this Agreement on behalf of each Party have legal authority to sign this Agreement and bind the Parties to the terms and conditions contained herein.
8. **TERMINATION OR CANCELLATION OF AGREEMENT.** Either Party may terminate and/or cancel this Agreement upon thirty (30) Days notice to the other Party. The effective date of termination and/or cancellation shall be clearly stated in the notice if this Agreement is terminated and/or cancelled. Termination of this Agreement does not release any Party from any obligations that Party has pursuant to the 2020 Guidelines for Brownfield Assessment Grants, the Cooperative Agreement or as provided by law. If the Municipality terminates this Agreement, the grant funds which were allocated to the Municipality, but not yet used shall be reallocated to other members of the Consortium at the County's discretion.
 9. **NO THIRD PARTY BENEFICIARIES.** Except as provided for the benefit of the Parties, this Agreement does not and is not intended to create any obligation, duty, promise, contractual right or benefit, right to indemnification, right to subrogation, and/or any other right, in favor of any other person or entity.
 10. **DISCRIMINATION.** The Parties shall not discriminate against their employees, agents, applicants for employment, or another persons or entities with respect to hire, tenure, terms, conditions, and privileges of employment, or any matter directly or indirectly related to employment in violation of any federal, state or local law.
 11. **PERMITS AND LICENSES.** Each Party shall be responsible for obtaining and maintaining, throughout the term of this Agreement, all licenses, permits, certificates, and governmental authorizations necessary to carry out its obligations and duties pursuant to this Agreement.
 12. **RESERVATION OF RIGHTS.** This Agreement does not, and is not intended to waive, impair, divest, delegate, or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty, or immunity of the Parties.
 13. **DELEGATION/SUBCONTRACT/ASSIGNMENT.** Neither Party shall delegate, subcontract, and/or assign any obligations or rights under this Agreement without the prior written consent of the other Party.
 14. **NO IMPLIED WAIVER.** Absent a written waiver, no act, failure, or delay by a Party to pursue or enforce any rights or remedies under this Agreement shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Agreement. No waiver of any term, condition, or provision of this Agreement, whether by conduct or otherwise, in one or more instances, shall be deemed or construed as a continuing waiver of any term, condition, or provision of this Agreement. No waiver by either Party shall subsequently affect its right to require strict performance of this Agreement.
 15. **SEVERABILITY.** If a court of competent jurisdiction finds a term, or condition, of this Agreement to be illegal or invalid, then the term, or condition, shall be deemed severed from this Agreement. All other terms, conditions, and provisions of this Agreement shall remain in full force.

16. **CAPTIONS.** The section and subsection numbers, captions, and any index to such sections and subsections contained in this Agreement are intended for the convenience of the reader and are not intended to have any substantive meaning. The numbers, captions, and indexes shall not be interpreted or be considered as part of this Agreement. Any use of the singular or plural number, any reference to the male, female, or neutral genders, and any possessive or nonpossessive use in this Agreement shall be deemed the appropriate plurality, gender or possession as the context requires.

17. **NOTICES.** Notices given under this Agreement shall be in writing and shall be personally delivered, sent by express delivery service, certified mail, or first class U.S. mail postage prepaid, and addressed to the person listed below. Notice will be deemed given on the date when one of the following first occur: (1) the date of actual receipt; (2) the next business day when notice is sent express delivery service or personal delivery; or (3) three days after mailing first class or certified U.S. mail.

17.1. If Notice is sent to the County, it shall be addressed and sent to: Oakland County Board of Commissioners Chairperson, 1200 North Telegraph, Pontiac, Michigan 48341, with a copy to Oakland County Economic Development and Community Affairs, Attention: Environmental Program Coordinator, 2100 Pontiac Lake Road, Waterford, Michigan , 48328.

17.2. If Notice is sent to the Municipality, it shall be addressed to: Anthony Chubb, City Attorney, 47450 Woodward Avenue, Pontiac, Michigan 48432, with a copy sent to City of Pontiac Economic Development Department and Procurement Department at the same address.

17.3. Either Party may change the address and/or individual to which Notice is sent by notifying the other Party in writing of the change.

18. **GOVERNING LAW.** This Agreement shall be governed, interpreted, and enforced by the laws of the State of Michigan.

19. **AGREEMENT MODIFICATIONS OR AMENDMENTS.** Any modifications, amendments, rescissions, waivers, or releases to this Agreement must be in writing and executed by both Parties.

20. **ENTIRE AGREEMENT.** This Agreement represents the entire agreement and understanding between the Parties. This Agreement supersedes all other oral or written agreements between the Parties. The language of this Agreement shall be construed as a whole according to its fair meaning, and not construed strictly for or against any Party.

IN WITNESS WHEREOF, David T. Woodward, Chairperson, Oakland County Board of Commissioners, hereby acknowledges that he has been authorized by a resolution of the Oakland County Board of Commissioners, a certified copy of which is attached, to execute this Agreement on behalf of the Oakland County, and hereby accepts and binds the Oakland County to the terms and conditions of this Agreement.

EXECUTED: _____
Chairperson

DATE: _____

Oakland County Board of Commissioners

WITNESSED: _____

Clerk/Register of Deeds
County of Oakland

DATE: _____

[Municipality Signature Block]

#6

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Pontiac City Council

FROM: Deidre Waterman, Mayor, at the request of
Dan Ringo, Interim Director of DPW

DATE: September 2, 2020

RE: Great Lakes Power & Light Contract Extension

In 2017, the City of Pontiac advertised for "Street Light Maintenance" and awarded a contract to Great Lakes P&L. This contract was a one-year contract with options for years two and three. In the three years working with Great Lakes P&L, they have been a very responsive company to work with. We feel that their work product and ability to respond to outages and repairs is the best we have seen since contracting out the street light maintenance. Additionally, their pricing is also some of the lowest in the area for parts and labor, saving the City money on costly repairs.

Great Lakes P&L has been a trusted contractor for the 3 years of this contract and has done exemplary work repairing our public lighting system. Their knowledge of the City's public lighting system is unmatched and takes time and effort to figure out and understand.

At this time, the original Great Lakes P&L contract has expired. The Department of Public Works is still in need of assistance for "Street Light Maintenance" until such time as we can prepare a new Request for Proposal and take bids on the work.

We request to extend the current contract with Great Lakes P&L who has agreed to maintain current pricing. We are requesting to extend this for a period of 6 Months to allow for a new RFP to be drafted, advertised, bids to be reviewed and a new contract to be brought to City Council.

Funding for this contract is in the Major Street Fund.

Based upon the above and attached information, it is the recommendation of the Department of Public Works to extend the contract with Great Lakes P&L for 6 Months.

WHEREAS, The City of Pontiac has mutually agreed with Great Lakes P&L to extend the contract for 6 Months at current rates;

WHEREAS, Great Lakes P&L has done exemplary work over the 3 years of their contract;

WHEREAS, The Department of Public Works is still in need of assistance for "Street Light Maintenance";

NOW, THEREFORE,

BE IT RESOLVED,

The Pontiac City Council authorizes the Mayor to extend the contract with Great Lakes P&L until January 1, 2021.

AHC

#7

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President Kermit Williams, and City Council Members

FROM: Irwin Williams, CPA, Interim Finance Director

CC: Honorable Mayor Deirdre Waterman, Jane Bais-DiSessa

DATE: August 18, 2020

RE: **Resolution to approve a budget amendment for fiscal year 2020/2021 to increase budgeted revenues and appropriations related to Census grants**

The City has received two grants for the U.S. Census from the Michigan Municipal League (\$25,000) and the Community Foundation of Southeast Michigan (\$65,000). The grants are to be used for census related expenditures. The expenditures and grant revenue will help to ensure the citizens of Pontiac are counted in the 2020 census, and the City receives the state and federal funding it is entitled to based on population.

As such, the following resolution is recommended for your consideration:

Whereas, the City of Pontiac timely approved the 2020-2021 budget on June 30, 2020 and;

Whereas, the City has received two grants from the Michigan Municipal League and Community Foundation of Southeast Michigan, and;

Whereas, the Mayor is proposing to the City Council to increase the budgeted revenue for the current fiscal year 2020-2021 in the amount of \$90,000 for grant income, and increase the appropriations in the amount of \$90,000, representing reimbursed grant expenditures.

Whereas, the increased appropriations will not cause the fund balance in the General Fund to go below the policy mandated thresholds and;

NOW THEREFORE be resolved that the City Council hereby authorizes the Interim City Clerk to publish a notice in a newspaper of general circulation at least one week before consideration of the proposed budget amendment to increase budgeted revenues in the amount of \$90,000 to the General Fund in account 101-000-532.000 –Grant Income, and appropriations in the amount of \$90,000 to the following General Fund account:

101-690-818.013 Census Expenditures \$ 90,000

#8

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Council President and Members of the City Council

FROM: Information Technology Department

THRU: Office of Mayor Deirdre Waterman

DATE: September 2, 2020

RE: **Ricoh Printers Contract**

Problem:

1. City Hall has eight 12-year old Ricoh printers that are in constant need of repair.
2. Replacement parts are no longer available for the printers.
3. Departments have become reliant on desktop printers because they cannot trust the reliability of the old Ricoh printers.
4. Cost of printing to the smaller printers are four times more than the cost of printing to a Ricoh and printing is six times slower.

Solution:

1. Replace existing Ricohs with new models.
2. Use desktop printers only as a backup for the new Ricohs to save costs.
3. Do not replace existing desktop printers when they breakdown.

Costs:

1. We currently pay around \$1,845 a month. This includes what we pay for toner and maintenance on the old Ricohs and the cost of toners for the current desktop printers.
2. We will pay \$1,249.33 a month total to lease eight new Ricoh printers plus \$612.75 service costs (toner and on-site service) for a total of \$1,858.24 per month.
3. For \$13 more per month, we can get eight new Ricohs.
4. Ricoh has a contact that will buy our current fleet.
5. The lease is for 60 months. At the end of the 60 months, the city owns the new Ricohs.

Capabilities of new Ricoh printers that we currently do not have:

1. New Ricohs print 60 pages per minute.
2. You can scan directly from the printer to your home or shared drive.
3. Scan to USB flash drive.
4. Full 10.1" color touchscreen operation panel.
5. Besides staples, there is a staple less finishing feature. Some models will have a booklet maker and saddle stitching.
6. Scan to USB flash drive.
7. Wireless connectivity so you are not restricted to locations with a network port.
8. Mobile printing and scanning from tablets or smartphones.

Conclusion:

Whereas, City Hall utilizes eight Ricoh printers that are 12 years old; and

Whereas, Maintenance for these outdated printers' costs approximately \$1,845 per month; and

Whereas, the current vendor can replace these printers with new printers on a lease for \$1,858.24 per month, including maintenance; and

Whereas, at the end of the 60-month lease the City will own the printers;

Now Therefore, Be It Resolved that the Pontiac City Council approves the lease and maintenance of the new Ricoh printers at a rate of \$1,858.24 per month for a period of 60 months, and authorizes the Mayor to execute contracts necessary to complete the transaction.



Ricoh USA, Inc.
300 Eagleview Blvd #200
Exton, PA 19341

Product Schedule with Purchase Option

Product Schedule Number: _____
Master Lease Agreement Number: _____

This Product Schedule with Purchase Option (this "Schedule") is between Ricoh USA, Inc. ("we" or "us") and CITY OF PONTIAC, as customer or lessee ("Customer" or "you"). This Schedule constitutes a "Schedule," "Product Schedule," or "Order Agreement," as applicable, under the RICOH MASTER LEASE AGREEMENT (together with any amendments, attachments and addenda thereto, the "Lease Agreement") identified above, between you and _____. All terms and conditions of the Lease Agreement are incorporated into this Schedule and made a part hereof. If we are not the lessor under the Lease Agreement, then, solely for purposes of this Schedule, we shall be deemed to be the lessor under the Lease Agreement. It is the intent of the parties that this Schedule be separately enforceable as a complete and independent agreement, independent of all other Schedules to the Lease Agreement.

CUSTOMER INFORMATION

CITY OF PONTIAC				FRANK FANTOUN			
Customer (Bill To) 47450 WOODWARD AVE. FL. 1				Billing Contact Name 47450 WOODWARD AVE.			
Product Location Address PONTIAC OAKLAND MI 48342				Billing Address (if different from location address) PONTIAC OAKLAND MI 48342			
City	County	State	Zip	City	County	State	Zip
Billing Contact Telephone Number (248) 758-3106			Billing Contact Facsimile Number NA		Billing Contact E-Mail Address fantoun@pontiac.mi.us		

PRODUCT DESCRIPTION ("Product")

Qty	Product Description: Make & Model
4	MP4055SP
2	MP5055SP
3	IMC3500
1	MPC6004EX

Qty	Product Description: Make & Model

PAYMENT SCHEDULE

Minimum Term (months) 60	Minimum Payment (Without Tax) \$ 1,284.38	Interest Rate 5.37 % per annum *(see note below)	Minimum Payment Billing Frequency <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Other: _____	Advance Payment <input checked="" type="checkbox"/> 1 st Payment <input type="checkbox"/> 1 st & Last Payment <input type="checkbox"/> Other: _____
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* Only applicable if the Purchase Option Price below is the \$1.00 Purchase Option.

Sales Tax Exempt: Yes (Attach Exemption Certificate) Customer Billing Reference Number (P.O.#, etc.) _____
 I.R.C. Section 103 Interest Tax Exempt: Yes
 Addendum Attached: Yes (Check if yes and indicate total number of pages: _____)

TERMS AND CONDITIONS

- The first Payment will be due on the Effective Date. If the Lease Agreement uses the terms "Lease Payment" and "Commencement Date" rather than "Payment" and "Effective Date," then, for purposes of this Schedule, the term "Payment" shall have the same meaning as "Lease Payment," and the term "Effective Date" shall have the same meaning as "Commencement Date."
- You, the undersigned Customer, have applied to us to rent the above-described Product for lawful commercial (non-consumer) purposes. **THIS IS AN UNCONDITIONAL, NON-CANCELABLE AGREEMENT FOR THE MINIMUM TERM INDICATED ABOVE**, except as otherwise provided in any non-appropriation provision of the Lease Agreement, if applicable. If we accept this Schedule, you agree to rent the above Product from us, and we agree to rent such Product to you, on all the terms hereof, including the terms and conditions of the Lease Agreement. **THIS WILL ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND THIS SCHEDULE AND THE LEASE AGREEMENT AND HAVE RECEIVED A COPY OF THIS SCHEDULE AND THE LEASE AGREEMENT.**
- Purchase Option:
 (a) Purchase Option Price:
 Fair Market Value Purchase Option (plus any applicable tax)
 \$1.00 Purchase Option (plus any applicable tax)

- (b) Unless the above Purchase Option price is the \$1.00 Purchase Option, Customer agrees that this transaction is a true rental. If the above Purchase Option price is the \$1.00 Purchase Option, then
- (i) notwithstanding anything to the contrary in the Lease Agreement, with respect to this Schedule only: It is the mutual intention of the parties that Customer shall be considered the owner of the Product (excluding all Software, which is owned and licensed to you by the Software Supplier) for various purposes, including federal income tax purposes, as of the Effective Date. You are entitled to all federal income tax benefits afforded to the owner of the Product, but we shall not be liable to you if you fail to secure or obtain such benefits. You will keep the Product free of all liens and encumbrances. You hereby grant to us a security interest in the Product covered by this Schedule (including any replacements, substitutions, additions, attachments and proceeds) as security for the payment of the amounts due or to become due under each Schedule. You are required to file all property tax returns where applicable and promptly pay all property taxes that may be assessed against the Product and, if we are required by the applicable taxing jurisdiction to pay such taxes, you shall promptly reimburse us for such tax payments.”;
 - (ii) in the event of default under the Lease Agreement or this Schedule, we may exercise all rights and remedies of a secured party under applicable law, in addition to any and all rights and remedies we may otherwise have under the Lease Agreement, including, without limitation, the right to repossess the Product free and clear of any of your rights and interests in the Product;
 - (iii) notwithstanding anything to the contrary in the Lease Agreement, if no default has occurred and is continuing under the Lease Agreement or this Schedule and all of your obligations under this Schedule have been satisfied, we will release any security interest that we may have in the Product, you shall have no obligation to provide any end-of-term notice to us, and this Schedule will terminate and not be renewed; and
 - (iv) the total cost of the Product is an amount equal to the sum of the Minimum Payments set forth above over the Minimum Term set forth above, discounted to present value at the constant per annum Interest Rate set forth above.
- (c) If the above Purchase Option price is the Fair Market Value Purchase Option, then notwithstanding anything to the contrary in the Lease Agreement, if no default has occurred and is continuing under the Lease Agreement or this Schedule, you will have the option at the end of the original term, or any renewal term, of this Schedule to purchase, for the above Purchase Option price, all (but not less than all) of the related Product covered by this Schedule at a purchase price equal to the then-existing fair market value of such Product. You must give us at least thirty (30) days written notice, by certified or registered mail, before the end of the original term of this Schedule, or any renewal term, that you will purchase the related Product or that you will return the related Product to us. In the event that you exercise such option, fair market value of the Product will be defined as the price a willing buyer will pay to a willing seller with no obligation to sell or purchase the Product in an open market. If both parties cannot agree to a price, you may request an independent appraisal by an appraiser approved by us, and both parties agree to the value as determined by the appraiser. All appraisal costs are to be borne by you. You agree to pay all sales tax, use tax and other similar tax payable in connection with the purchase of the Product. If you do not give us such written notice or if you do not purchase or return the related Product in accordance with the terms and conditions of the Lease Agreement and this Schedule, the original term of this Schedule, or any renewal term, will automatically renew in accordance with the terms of Section 14 of the Lease Agreement. This purchase option shall not apply to any Software.
- (d) If the above Purchase Option price is the Fair Market Value Purchase Option, then upon receipt by us of payment of the Purchase Option price described in clause (c) of this Paragraph 3, we will transfer our interest in the related Product to you “AS IS, WHERE IS” without any representation or warranty whatsoever, and this Schedule will terminate.
4. Both parties intend to comply with all applicable laws. In no event will we charge or collect any amounts in excess of those allowed by applicable law. Any part of the Lease Agreement or this Schedule that could, but for this Section, be read under any circumstance to allow for a charge higher than that allowable under applicable law is limited and modified by this Section to limit the amounts chargeable to the maximum amount allowed. If, in any circumstance, any amount in excess of that allowed by law is charged or received, any such charge will be deemed limited by the amount legally allowed and any amount received by us in excess of that legally allowed will be applied by us to the payment of amounts legally owed under the Lease Agreement or refunded to Customer.
5. WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE LEGAL, TAX OR ACCOUNTING TREATMENT OF THE LEASE AGREEMENT, THIS SCHEDULE OR THE TRANSACTIONS EVIDENCED THEREBY. YOU ACKNOWLEDGE THAT WE ARE NOT AN AGENT OR A FIDUCIARY OF CUSTOMER. YOU WILL OBTAIN YOUR OWN LEGAL, TAX AND ACCOUNTING ADVICE AND WILL MAKE YOUR OWN DETERMINATION OF THE PROPER TREATMENT OF THE LEASE AGREEMENT AND THIS SCHEDULE.
6. Additional Provisions (if any) are: _____

THE PERSON SIGNING THIS SCHEDULE ON BEHALF OF THE CUSTOMER REPRESENTS THAT HE/SHE HAS THE AUTHORITY TO DO SO.

<p>CUSTOMER</p> <p>By: <input checked="" type="checkbox"/> _____ Authorized Signer Signature</p> <p>Printed Name: _____</p> <p>Title: _____ Date: _____</p>	<p>Accepted by: RICOH USA, INC.</p> <p>By: _____ Authorized Signer Signature</p> <p>Printed Name: _____</p> <p>Title: _____ Date: _____</p>
---	---

Master Lease Agreement

Number: _____

CUSTOMER INFORMATION

Full Legal Name				
City of Pontiac				
Address				
47450 Woodward Ave				
City	State	Zip	Contact	Telephone Number
Pontiac	MI	48342-5021	Frank Antoun	248-758-3106
Federal Tax ID Number*	Facsimile Number		E-mail Address	
38-6005034			fantoun@pontiac.mi.us	

(Do Not Insert Social Security Number)

*Not required for State and Local Government entities.

This Master Lease Agreement ("Lease Agreement") has been written in clear, easy to understand English. When we use the words "you", "your" or "Customer" in this Lease Agreement, we mean you, our customer, as indicated above. When we use the words "we", "us" or "our" in this Lease Agreement, we mean Ricoh USA, Inc. ("Ricoh") or, if we assign this Lease Agreement or any Schedules executed in accordance with this Lease Agreement, pursuant to Section 13 below, the Assignee (as defined below). Our corporate office is located at 300 Eagleview Blvd #200, Exton, PA 19341.

- Agreement.** We agree to lease or rent, as specified in any equipment schedule executed by you and us and incorporating the terms of this Lease Agreement by reference (a "Schedule"), to you, and you agree to lease or rent, as applicable, from us, subject to the terms of this Lease Agreement and such Schedule, the personal and intangible property described in such Schedule. The personal and intangible property described on a Schedule (together with all attachments, replacements, parts, substitutions, additions, repairs, and accessories incorporated in or affixed to the property and any license or subscription rights associated with the property) will be collectively referred to as "Product." The manufacturer of the tangible Product shall be referred to as the "Manufacturer." To the extent the Product includes intangible property or associated services such as periodic software licenses and prepaid data base subscription rights, such intangible property shall be referred to as the "Software."
- Schedules: Delivery and Acceptance.** Each Schedule that incorporates this Lease Agreement shall be governed by the terms and conditions of this Lease Agreement, as well as by the terms and conditions set forth in such individual Schedule. Each Schedule shall constitute a complete agreement separate and distinct from this Lease Agreement and any other Schedule. In the event of a conflict between the terms of this Lease Agreement and any Schedule, the terms of such Schedule shall govern and control, but only with respect to the Product subject to such Schedule. The termination of this Lease Agreement will not affect any Schedule executed prior to the effective date of such termination. When you receive the Product, you agree to inspect it to determine it is in good working order. Scheduled Payments (as specified in the applicable Schedule) will begin on the Product delivery and acceptance date ("Effective Date"). You agree to sign and return to us a delivery and acceptance certificate (which, at our request, may be done electronically) within three (3) business days after any Product is installed.
- Term; Payments.** The first scheduled Payment (as specified in the applicable Schedule) ("Payment") will be due on the Effective Date or such later date as we may designate. The remaining Payments will be due on the same day of each subsequent month, unless otherwise specified on the applicable Schedule. If any Payment or other amount payable under any Schedule is not received within ten (10) days of its due date, you will pay to us, in addition to that Payment, a one-time late charge of 5% of the overdue Payment (but in no event greater than the maximum amount allowed by applicable law). You also agree to pay all shipping and delivery costs associated with the ownership or use of the Product, which amounts may be included in your Payment or billed separately. You also agree to pay \$25.00 for each check returned for insufficient funds or for any other reason. You also agree that, except as set forth in Section 18 below, THIS IS AN UNCONDITIONAL, NON-CANCELABLE AGREEMENT FOR THE MINIMUM TERM INDICATED ON ANY SCHEDULE TO THIS LEASE AGREEMENT. All Payments to us are "net" and unconditional and are not subject to set off, defense, counterclaim or reduction for any reason. You agree that you will remit payments to us in the form of company checks (or personal checks in the case of sole proprietorships), direct debit or wires only. You also agree that cash and cash equivalents are not acceptable forms of payment for this Lease Agreement or any Schedule and that you will not remit such forms of payment to us. Payment in any other form may delay processing or be returned to you. Furthermore, only you or your authorized agent as approved by us will remit payments to us.
- Product Location; Use and Repair.** You will keep and use the Product only at the Product Location shown in the applicable Schedule. You will not move the Product from the location specified in the applicable Schedule or make any alterations, additions or replacements to the Product without our prior written consent, which consent will not be unreasonably withheld. At your own cost and expense, you will keep the Product eligible for any Manufacturer's certification as to maintenance and in compliance with applicable laws and in good condition, except for ordinary wear and tear. You shall engage Ricoh, its subsidiaries or affiliates, or an independent third party (the "Servicer") to provide maintenance and support services pursuant to a separate agreement for such purpose ("Maintenance Agreement"). All alterations, additions or replacements will become part of the Product and our property at no cost or expense to us. We may inspect the Product at any reasonable time.
- Taxes and Fees.** In addition to the payments under this Lease Agreement, you agree to pay all taxes, assessments, fees and charges governmentally imposed upon our purchase, ownership, possession, leasing, renting, operation, control or use of the Product. If we are required to file and pay property tax, you agree, at our discretion, to either: (a) reimburse us for all personal property and other similar taxes and governmental charges associated with the ownership, possession or use of the Product when billed by the jurisdictions; or (b) remit to us each billing period our estimate of the pro-rated equivalent of such taxes and governmental charges. In the event that the billing period sums include a separately stated estimate of personal property and other similar taxes, you acknowledge and agree that such amount represents our estimate of such taxes that will be payable with respect to the Product during the term of the applicable Schedule. As compensation for our internal and external costs in the administration of taxes related to each unit of Product, you agree to pay us a "Property Tax Administrative Fee" in an amount not to exceed the greater of 10% of the invoiced property tax amount or \$10 each time such tax is invoiced during the term of the applicable Schedule, not to exceed the maximum amount permitted by applicable law. The Property Tax Administrative Fee, at our sole discretion, may be increased by an amount not exceeding 10% thereof for each subsequent year during the term of the applicable Schedule to reflect our increased cost of administration and we will notify you of any such increase by indicating such increased amount in the relevant invoice or in such other manner as we may deem appropriate. If we are required to pay upfront sales or use tax and you opt to pay such tax over the term of the lease and not as a lump sum at lease inception, then you agree to pay us a "Sales Tax Administrative Fee" equal to 3.5% of the total tax due per year. Sales and use tax, if applicable, will be charged until a valid sales and use tax exemption certificate is provided to us.

6. **Warranties:** We transfer to you, without recourse, for the term of each Schedule, any written warranties made by the Manufacturer or Software Supplier (as defined in Section 10 of this Lease Agreement) with respect to the Product leased or rented pursuant to such Schedule. YOU ACKNOWLEDGE THAT YOU HAVE SELECTED THE PRODUCT BASED ON YOUR OWN JUDGMENT AND YOU HEREBY AFFIRMATIVELY DISCLAIM RELIANCE ON ANY ORAL REPRESENTATION CONCERNING THE PRODUCT MADE TO YOU. However, if you enter into a Maintenance Agreement with Servicer with respect to any Product, no provision, clause or paragraph of this Lease Agreement shall alter, restrict, diminish or waive the rights, remedies or benefits that you may have against Servicer under such Maintenance Agreement. WE MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. AS TO US AND OUR ASSIGNEE, YOU LEASE OR RENT THE PRODUCT "AS-IS." The only warranties, express or implied, made to you are the warranties (if any) made by the Manufacturer and/or Servicer to you in any documents, other than this Lease Agreement, executed by and between the Manufacturer and/or Servicer and you. YOU AGREE THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY, WE ARE NOT RESPONSIBLE FOR, AND YOU WILL NOT MAKE ANY CLAIM AGAINST US FOR, ANY CONSEQUENTIAL, SPECIAL, OR INDIRECT DAMAGES.
7. **Loss or Damage.** You are responsible for any theft of, destruction of, or damage to the Product (collectively, "Loss") from any cause at all, whether or not insured, from the time of Product delivery to you until it is delivered to us at the end of the term of the Schedule. You are required to make all Payments even if there is a Loss. You must notify us in writing immediately of any Loss. Then, at our option, you will either (a) repair the Product so that it is in good condition and working order, eligible for any Manufacturer's certification, (b) pay us the amounts specified in Section 12 below, or (c) replace the Product with equipment of like age and capacity from Ricoh.
8. **Indemnity, Liability and Insurance.** (a) To the extent not prohibited by applicable law, you agree to indemnify us, defend us and hold us harmless from all claims arising out of the death or bodily injury of any person or the damage, loss or destruction of any tangible property caused by or to the Product, except to the extent caused by our negligence or willful misconduct. (b) You agree to maintain insurance to cover the Product for all types of loss, including, without limitation, theft, in an amount not less than the full replacement value and you will name us as an additional insured and loss payee on your insurance policy. In addition, you agree to maintain comprehensive public liability insurance, which, upon our request, shall be in an amount acceptable to us and shall name us as an additional insured. Such insurance will provide that we will be given thirty (30) days advance notice of any cancellation. Upon our request, you agree to provide us with evidence of such insurance in a form reasonably satisfactory to us. If you fail to maintain such insurance or to provide us with evidence of such insurance, we may (but are not obligated to) obtain insurance in such amounts and against such risks as we deem necessary to protect our interest in the Product. Such insurance obtained by us will not insure you against any claim, liability or loss related to your interest in the Product and may be cancelled by us at any time. You agree to pay us an additional amount each month to reimburse us for the insurance premium and an administrative fee, on which we or our affiliates may earn a profit. In the event of loss or damage to the Product, you agree to remain responsible for the Payment obligations under this Lease Agreement until the Payment obligations are fully satisfied.
9. **Title; Recording.** We are the owner of and will hold title to the Product (except for any Software). You will keep the Product free of all liens and encumbrances. Except as reflected on any Schedule, you agree that this Lease Agreement is a true lease. However, if any Schedule is deemed to be intended for security, you hereby grant to us a purchase money security interest in the Product covered by the applicable Schedule (including any replacements, substitutions, additions, attachments and proceeds) as security for the payment of the amounts under each Schedule. You authorize us to file a copy of this Lease Agreement and/or any Schedule as a financing statement, and you agree to promptly execute and deliver to us any financing statements covering the Product that we may reasonably require; provided, however, that you hereby authorize us to file any such financing statement without your authentication to the extent permitted by applicable law.
10. **Software or Intangibles.** To the extent that the Product includes Software, you understand and agree that we have no right, title or interest in the Software, and you will comply throughout the term of this Lease Agreement with any license and/or other agreement ("Software License") entered into with the supplier of the Software ("Software Supplier"). You are responsible for entering into any Software License with the Software Supplier no later than the Effective Date.
11. **Default.** Each of the following is a "Default" under this Lease Agreement and all Schedules: (a) you fail to pay any Payment or any other amount within thirty (30) days of its due date, (b) any representation or warranty made by you in this Lease Agreement is false or incorrect and/or you do not perform any of your other obligations under this Lease Agreement or any Schedule and/or under any other agreement with us or with any of our affiliates and this failure continues for thirty (30) days after we have notified you of it, (c) a petition is filed by or against you or any guarantor under any bankruptcy or insolvency law or a trustee, receiver or liquidator is appointed for you, any guarantor or any substantial part of your assets, (d) you or any guarantor makes an assignment for the benefit of creditors, (e) any guarantor dies, stops doing business as a going concern or transfers all or substantially all of such guarantor's assets, or (f) you stop doing business as a going concern or transfer all or substantially all of your assets.
12. **Remedies.** If a Default occurs, we may do one or more of the following: (a) we may cancel or terminate this Lease Agreement and/or any or all Schedules, and/or any or all other agreements that we have entered into with you; (b) we may require you to immediately pay to us, as compensation for loss of our bargain and not as a penalty, a sum equal to: (i) all past due Payments and all other amounts then due and payable under this Lease Agreement or any Schedule; and (ii) the present value of all unpaid Payments for the remainder of the term of each Schedule plus the present value of our anticipated value of the Product at the end of the initial term of any Schedule (or any renewal of such Schedule), each discounted at a rate equal to 3% per year to the date of default, and we may charge you interest on all amounts due us from the date of default until paid at the rate of 1.5% per month, but in no event more than the maximum rate permitted by applicable law. We agree to apply the net proceeds (as specified below in this Section) of any disposition of the Product to the amounts that you owe us; (c) we may require you to deliver the Product to us as set forth in Section 14; (d) we or our representative may peacefully repossess the Product without court order and you will not make any claims against us for damages or trespass or any other reason; (e) we may exercise any and all other rights or remedies available to a lender, secured party or lessor under the Uniform Commercial Code ("UCC"), including, without limitation, those set forth in Article 2A of the UCC, and at law or in equity; (f) we may immediately terminate your right to use the Software including the disabling (on-site or by remote communication) of any Software; (g) we may demand the immediate return and obtain possession of the Software and re-license the Software at a public or private sale; (h) we may cause the Software Supplier to terminate the Software License, support and other services under the Software License, and/or (i) at our option, we may sell, re-lease, or otherwise dispose of the Product under such terms and conditions as may be acceptable to us in our discretion. You agree to pay all of our costs of enforcing our rights against you, including reasonable attorneys' fees, and all costs related to the sale or disposition of the Product including, without limitation, incidental damages expended in the repossession, repair, preparation, and advertisement for sale or lease or other disposition of the Product. If we take possession of the Product (or any Software, if applicable), we may sell or otherwise dispose of it with or without notice, at a public or private disposition, and to apply the net proceeds (after we have deducted all costs, including reasonable attorneys' fees) to the amounts that you owe us. You agree that, if notice of sale is required by law to be given, five (5) days' notice shall constitute reasonable notice. You will remain responsible for any deficiency that is due after we have applied any such net proceeds.
13. **Ownership of Product; Assignment.** YOU HAVE NO RIGHT TO SELL, TRANSFER, ENCUMBER, SUBLET OR ASSIGN THE PRODUCT OR THIS LEASE AGREEMENT OR ANY SCHEDULE WITHOUT OUR PRIOR WRITTEN CONSENT (which consent shall not be unreasonably withheld). You agree that we may sell or assign all or a portion of our interests in the Product and/or this Lease Agreement or any Schedule without notice to you even if less than all the Payments have been assigned. In that event, the assignee (the "Assignee") will have such rights as we assign to them but none of our obligations (we will keep those obligations) and the rights of the Assignee will not be subject to any claims, defenses or set offs that you may have against us. No assignment to an Assignee will release Ricoh from any obligations Ricoh may have to you hereunder. The Maintenance Agreement you have entered into with a Servicer will remain in full force and effect with Servicer and will not be affected by any such assignment. You acknowledge that the Assignee did not manufacture or design the Product and that you have selected the Manufacturer, Servicer and the Product based on your own judgment.
14. **Renewal; Return of Product.** AFTER THE MINIMUM TERM OR ANY EXTENSION OF ANY SCHEDULE TO THIS LEASE AGREEMENT, SUCH SCHEDULE WILL AUTOMATICALLY RENEW ON A MONTH-TO-MONTH BASIS UNLESS EITHER PARTY NOTIFIES THE OTHER IN WRITING AT LEAST THIRTY (30) DAYS, BUT NOT MORE THAN ONE HUNDRED TWENTY (120) DAYS, PRIOR TO THE EXPIRATION OF THE MINIMUM TERM OR EXTENSION OF SUCH SCHEDULE; PROVIDED, HOWEVER, THAT AT ANY TIME DURING ANY MONTH-TO-MONTH RENEWAL, WE HAVE THE RIGHT, UPON THIRTY (30) DAYS

NOTICE, TO DEMAND THAT YOU RETURN THE PRODUCT TO US IN ACCORDANCE WITH THE TERMS OF THIS SECTION 14. Notwithstanding the foregoing, nothing herein is intended to provide, nor shall be interpreted as providing, (a) you with a legally enforceable option to extend or renew the terms of this Lease Agreement or any Schedule, or (b) us with a legally enforceable option to compel any such extension or renewal. At the end of or upon termination of each Schedule, you will immediately return the Product subject to such expired Schedule to us (or our designee), to the location designated by us, in as good condition as when you received it, except for ordinary wear and tear. You will bear all shipping, de-installing, and crating expenses of the Product and will insure the Product for its full replacement value during shipping. You must pay additional monthly Payments at the same rate as then in effect under a Schedule, until the Product is returned by you and is received in good condition and working order by us or our designees. Notwithstanding anything to the contrary set forth in this Lease Agreement, the parties acknowledge and agree that we shall have no obligation to remove, delete, preserve, maintain or otherwise safeguard any information, images or content retained by or resident in any Products leased by you hereunder, whether through a digital storage device, hard drive or other electronic medium ("Data Management Services"). If desired, you may engage Ricoh to perform Data Management Services at then-prevailing rates. You acknowledge that you are responsible for ensuring your own compliance with legal requirements in connection with data retention and protection and that we do not provide legal advice or represent that the Products will guarantee compliance with such requirements. The selection, use and design of any Data Management Services, and any decisions arising with respect to the deletion or storage of data, as well as the loss of any data resulting therefrom, shall be your sole and exclusive responsibility.

15. Miscellaneous. It is the intent of the parties that this Lease Agreement and any Schedule shall be deemed and constitute a "finance lease" as defined under and governed by Article 2A of the UCC. ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. YOU AGREE THAT THE TERMS AND CONDITIONS CONTAINED IN THIS LEASE AGREEMENT AND IN EACH SCHEDULE MAKE UP THE ENTIRE AGREEMENT BETWEEN US REGARDING THE LEASING OR RENTAL OF THE PRODUCT AND SUPERSEDE ALL PRIOR WRITTEN OR ORAL COMMUNICATIONS, UNDERSTANDINGS OR AGREEMENTS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER CONTAINED HEREIN, INCLUDING, WITHOUT LIMITATION, PURCHASE ORDERS. Any purchase order, or other ordering documents, will not modify or affect this Lease Agreement or any Schedule, nor have any other legal effect and shall serve only the purpose of identifying the equipment ordered. You authorize us to supply any missing "configure to order" number ("CTO"), other equipment identification numbers (including, without limitation, serial numbers), agreement/schedule identification numbers and/or dates in this Lease Agreement or any Schedule. You acknowledge that you have not been induced to enter into this Lease Agreement by any representation or warranty not expressly set forth in this Lease Agreement. Neither this Lease Agreement nor any Schedule is binding on us until we sign it. Any change in any of the terms and conditions of this Lease Agreement or any Schedule must be in writing and signed by us. If we delay or fail to enforce any of its rights under this Lease Agreement with respect to any or all Schedules, we will still be able to enforce those rights at a later time. All notices shall be given in writing and sent either (a) by certified mail or recognized overnight delivery service, postage prepaid, addressed to the party receiving the notice at the address shown on the front of this Lease Agreement, or (b) by facsimile transmission, with oral confirmation, to the facsimile number shown below such party's signature on this Lease Agreement. Either party may change its address or facsimile number by giving written notice of such change to the other party. Notices shall be effective on the date sent. Each of our respective rights and indemnities will survive the termination of this Lease Agreement and each Schedule. If more than one customer has signed this Lease Agreement or any Schedule, each customer agrees that its liability is joint and several. It is the express intent of the parties not to violate any applicable usury laws or to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable law, and any such excess payment will be applied to payments in the order of maturity, and any remaining excess will be refunded to you. We make no representation or warranty of any kind, express or implied, with respect to the legal, tax or accounting treatment of this Lease Agreement and any Schedule and you acknowledge that we are an independent contractor and not your fiduciary. You will obtain your own legal, tax and accounting advice related to this Lease Agreement or any Schedule and make your own determination of the proper accounting treatment of this Lease Agreement or any Schedule. We may receive compensation from the Manufacturer or supplier of the Product in order to enable us to reduce the cost of leasing or renting the Product to you under this Lease Agreement or any Schedule below what we otherwise would charge. If we received such compensation, the reduction in the cost of leasing or renting the Product is reflected in the Minimum Payment specified in the applicable Schedule. You authorize us, our agent and/or our Assignee to obtain credit reports and make credit inquiries regarding you and your financial condition and to provide your information, including payment history, to our Assignee and third parties having an economic interest in this Lease Agreement, any Schedule or the Product. You agree to provide updated annual and/or quarterly financial statements to us upon request.
16. Governing Law; Jurisdiction; Waiver of Trial By Jury and Certain Rights and Remedies Under The Uniform Commercial Code. YOU AGREE THAT THIS LEASE AGREEMENT AND ANY SCHEDULE WILL BE GOVERNED UNDER THE LAW FOR STATE OF MICHIGAN.. THE PARTIES TO THIS LEASE AGREEMENT EACH WAIVE THE RIGHT TO TRIAL BY JURY IN THE EVENT OF A LAWSUIT. TO THE EXTENT PERMITTED BY APPLICABLE LAW, YOU WAIVE ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CUSTOMER OR LESSEE BY ARTICLE 2A OF THE UCC THAT YOU MAY HAVE AGAINST US (BUT NOT AGAINST THE MANUFACTURER OF THE PRODUCT). TO HELP THE GOVERNMENT FIGHT THE FUNDING OF TERRORISM AND MONEY LAUNDERING ACTIVITIES, FEDERAL LAW REQUIRES ALL FINANCIAL INSTITUTIONS TO OBTAIN, VERIFY AND RECORD INFORMATION THAT IDENTIFIES EACH PERSON WHO OPENS AN ACCOUNT. WHAT THIS MEANS FOR YOU: WHEN YOU OPEN AN ACCOUNT, WE WILL ASK FOR YOUR NAME, ADDRESS AND OTHER INFORMATION THAT WILL ALLOW US TO IDENTIFY YOU. WE MAY ASK TO SEE IDENTIFYING DOCUMENTS.
17. Counterparts; Facsimiles. Each Schedule may be executed in counterparts. The counterpart which has our original signature and/or is in our possession or control shall constitute chattel paper as that term is defined in the UCC and shall constitute the original agreement for all purposes, including, without limitation, (a) any hearing, trial or proceeding with respect to such Schedule, and (b) any determination as to which version of such Schedule constitutes the single true original item of chattel paper under the UCC. If you sign and transmit a Schedule to us by facsimile or other electronic transmission, the facsimile or such electronic transmission of such Schedule, upon execution by us (manually or electronically, as applicable), shall be binding upon the parties. You agree that the facsimile or other electronic transmission of a Schedule containing your facsimile or other electronically transmitted signature, which is manually or electronically signed by us, shall constitute the original agreement for all purposes, including, without limitation, those outlined above in this Section. You agree to deliver to us upon our request the counterpart of such Schedule containing your original manual signature.
18. State and Local Government Provisions. If the Customer is a State or political subdivision of a State, as those terms are defined in Section 103 of the Internal Revenue Code, the following additional terms and conditions shall apply:
- (a) Essentiality. During the term of this Lease Agreement and any Schedule, the Product will be used solely for the purpose of performing one or more governmental or proprietary functions consistent with the permissible scope of your authority. You represent and warrant that the use of the Product is essential to performing such governmental or proprietary functions.
- (b) Non-Appropriation/Non-Substitution. (i) If all of the following shall occur: (A) your governing body fails to appropriate sufficient monies in any fiscal period for rentals and other payments coming due under a Schedule to this Lease Agreement in the next succeeding fiscal period for any equipment which will perform services and functions which in whole or in part are essentially the same services and functions performed by the Product covered by any such Schedule, (B) other funds are not available for such payments, and (C) the non-appropriation of funds did not result from any act or failure to act on your part, then a "Non-Appropriation" shall be deemed to have occurred. (ii) If a Non-Appropriation occurs, then: (A) you must give us immediate notice of such Non-Appropriation and provide written notice of such failure by your governing body at least sixty (60) days prior to the end of the then current fiscal year or if Non-Appropriation has not occurred by such date, immediately upon Non-Appropriation, (B) no later than the last day of the fiscal year for which appropriations were made for the rental due under any Schedule to this Lease Agreement (the "Return Date"), you shall return to us all, but not less than all, of the Product covered by such Schedule to this Lease Agreement, at your sole expense, in accordance with the terms hereof; and (C) any Schedule to this Lease Agreement shall terminate on the Return Date without penalty or expense to you and you shall not be obligated to pay the rentals beyond such fiscal year, provided that (x) you shall pay any and all rentals and other payments due up through the end of the last day of the fiscal year for which appropriations were made and (y) you shall pay month-to-month rent at the rate set forth in any such Schedule for each month or part thereof that you fail to return the Product as required herein. (iii) Upon any such Non-Appropriation, upon our request, you will provide, upon our request, an opinion of independent counsel (who shall be reasonably acceptable to us), in form reasonably acceptable to us, confirming the Non-Appropriation and providing reasonably sufficient proof of such Non-Appropriation.

- (c) **Funding Intent.** You represent and warrant to us that you presently intend to continue this Lease Agreement and any Schedule hereto for the entire term of such Schedule and to pay all rentals relating to such Schedule and to do all things lawfully within your power to obtain and maintain funds from which the rentals and all other payments owing under such Schedule may be made. The parties acknowledge that appropriation for rentals is a governmental function to which you cannot contractually commit yourself in advance and this Lease Agreement shall not constitute such a commitment. To the extent permitted by law, the person or entity in charge of preparing your budget will include in the budget request for each fiscal year during the term of each Schedule, respectively, to this Lease Agreement an amount equal to the rentals (to be used for such rentals) to become due in such fiscal year, and will use all reasonable and lawful means available to secure the appropriation of money for such fiscal year sufficient to pay all rentals coming due during such fiscal year.
- (d) **Authority and Authorization.** (i) You represent and warrant to us that: (A) you are a State or political subdivision of a State, as those terms are defined in Section 103 of the Internal Revenue Code; (B) you have the power and authority to enter into this Lease Agreement and all Schedules to this Lease Agreement; (C) this Lease Agreement and all Schedules to this Lease Agreement have been duly authorized, executed and delivered by you and constitute valid, legal and binding agreement(s) enforceable against you in accordance with their terms; and (D) no further approval, consent or withholding of objections is required from any governmental authority with respect to this Lease Agreement or any Schedule to this Lease Agreement. (ii) If and to the extent required by us, you agree to provide us with an opinion of independent counsel (who shall be reasonably acceptable to us) confirming the foregoing and other related matters, in form and substance acceptable to us. (iii) You agree to take all required actions and to file all necessary forms, including IRS Forms 8038-G or 8038-GC, as applicable, to preserve the tax exempt status of this Lease Agreement and all Schedules thereto. (iv) You agree to provide us with any other documents that we may reasonably request in connection with the foregoing and this Lease Agreement.
- (e) **Assignment.** You agree to acknowledge any assignment to the Assignee in writing, if so requested, and, if applicable, to keep a complete and accurate record of all such assignments in a manner that complies with Section 149(a) of the Internal Revenue Code and the regulations promulgated thereunder.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the dates set forth below.

THE PERSON SIGNING THIS LEASE AGREEMENT ON BEHALF OF THE CUSTOMER REPRESENTS THAT HE/SHE HAS THE AUTHORITY TO DO SO.

<p>CUSTOMER</p> <p>By: X _____ <i>Authorized Signer Signature</i></p> <p>Printed Name: _____</p> <p>Title: _____ Date: _____</p> <p>Facsimile Number: _____</p>	<p>Accepted by: RICOH USA, INC.</p> <p>By: _____ <i>Authorized Signer Signature</i></p> <p>Printed Name: _____</p> <p>Title: _____ Date: _____</p> <p>Facsimile Number: _____</p>
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RICOH

ORDER AGREEMENT

Sales Type: LEASE

ORDER AGREEMENT CONSISTS OF THIS PAGE AND THE TERMS AND CONDITIONS ATTACHED

EQUIPMENT BILL TO INFORMATION			
Customer Legal Name: CITY OF PONTIAC			
Address Line 1: 47450 WOODWARD AVE		Contact: FRANK ANTOUN	
Address Line 2:		Phone: (124)875-8310x6	
City: PONTIAC		E-mail: fantoun@pontiac.mi.us	
ST/Zip: M1/48342-5021	County: OAKLAND	Fax:	

Check all that apply:

- D PO Included PO# D PS Service (Subject to and governed by additional Terms and Conditions)
- D TS PO# (if applicable)
- 2 Sales Tax Exempt (Attach Valid Exemption Certificate) D IT Service (Subject to and governed by additional Terms and Conditions)
- 2 Syndication 2 Fixed Rate Service Term 60 Months
- D Add to Existing Service Contract #

SERVICE INFORMATION			
SERVICE BILL TO INFORMATION			
Customer Legal Name: CITY OF PONTIAC			
Address Line 1: 47450 WOODWARD AVE		Contact: FRANK ANTOUN	
Address Line 2:		Phone: (124)875-8310x6	
City: PONTIAC		E-mail: fantoun@pontiac.mi.us	
ST/Zip: M1/48342-5021	County: OAKLAND	Fax:	
Service Term (Months)	Base Billing Frequency	Overage Billing Frequency	Service Type
60	QUARTERLY	QUARTERLY	GOLD

SHIP TO INFORMATION							
Customer Name	Address Line 1 Address Line 2	City ST/Zip County	Contact	Phone E-mail Fax			
CITY OF PONTIAC	47450 WOODWARD AVE	PONTIAC M1/48342-5021 OAKLAND	FRANK ANTOUN	(124)875-8310x6 fantoun@pontiac.mi.us			
PRODUCT INFORMATION							
Product Description	QTY	Service Level	Total B/W Allowance <small>QUARTERLY</small>	B/W Ovg	Total Color Allowance <small>QUARTERLY</small>	Color Ovg	Service Base <small>QUARTERLY</small>
RICOH MP4055SP CONFIGURABLE PTO MODEL	4	GOLD	0	0.0058	0	0	\$0.00

SHIP TO INFORMATION				
Customer Name	Address Line 1 Address Line 2	City ST/Zip	Contact	Phone E-mail
CITY OF PONTIAC	47450 WOODWARD AVE	PONTIAC M1/48342-5021 OAKLAND	FRANK ANTOUN	(124)875-8310x6 fantoun@pontiac.mi.us



CITY OF PONTIAC	47450 WOODWARD AVE	County PONTIAC MI/48342-5021 OAKLAND	FRANK ANTOUN	Fax (124)875-8310x6 fantoun@pontiac.mi.us			
PRODUCT INFORMATION							
Product Description	QTY	Service Level	Total B/W Allowance QUARTERLY	B/W Ovg	Total Color Allowance QUARTERLY	Color Ovg	Service Base QUARTERLY
RICOH MP5055SP CONFIGURABLE PTO MODEL	2	GOLD	0	0.0058	0	0	\$0.00

SHIP TO INFORMATION							
Customer Name	Address Line 1 Address Line 2	City ST/Zip County	Contact	Phone E-mail Fax			
CITY OF PONTIAC	47450 WOODWARD AVE	PONTIAC MI/48342-5021 OAKLAND	FRANK ANTOUN	(124)875-8310x6 fantoun@pontiac.mi.us			
PRODUCT INFORMATION							
Product Description	QTY	Service Level	Total B/W Allowance QUARTERLY	B/W Ovg	Total Color Allowance QUARTERLY	Color Ovg	Service Base QUARTERLY
RICOH IMC3500 CONFIGURABLE PTO MODEL	3	GOLD	0	0.0068	0	0.045	\$0.00

SHIP TO INFORMATION							
Customer Name	Address Line 1 Address Line 2	City ST/Zip County	Contact	Phone E-mail Fax			
CITY OF PONTIAC	47450 WOODWARD AVE	PONTIAC MI/48342-5021 OAKLAND	FRANK ANTOUN	(124)875-8310x6 fantoun@pontiac.mi.us			
PRODUCT INFORMATION							
Product Description	QTY	Service Level	Total B/W Allowance QUARTERLY	B/W Ovg	Total Color Allowance QUARTERLY	Color Ovg	Service Base QUARTERLY
RICOH MPC6004EX CONFIGURABLE PTO MODEL	1	GOLD	0	0.0058	0	0.045	\$0.00

BASIC CONNECTIVITY / PS / IT SERVICES INFORMATION	
BASIC CONNECTIVITY / PS / IT Services Description	Quantity
TS NETWORK & SCAN CONNECT -SEG 3	4
TS NETWORK & SCAN CONNECT - SEG4	2
TS NETWORK & SCAN CONNECT - SEG BC3	3
TS NETWORK & SCAN - SEG BC4	1
RETURN CHARGE - SEGMENT 2 OR GREATER DEVICES	1
RETURN CHARGE - SEGMENT 2 OR GREATER DEVICES	1
RETURN CHARGE - SEGMENT 2 OR GREATER DEVICES	1
RETURN CHARGE - SEGMENT 2 OR GREATER DEVICES	1
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RETURN CHARGE - SEGMENT 2 OR GREATER DEVICES	1
RETURN CHARGE - SEGMENT 2 OR GREATER DEVICES	1
RETURN CHARGE - SEGMENT 2 OR GREATER DEVICES	1



ORDER TOTALS	
Service Type Offerings: <i>Gold: Includes all supplies and staples. Excludes paper.</i>	Product Total:
BASIC	CONNECTIVITY / PS / IT Services :
Silver: Includes all supplies. Excludes paper and staples.	BuyOut After Promotions:
Bronze: Parts and labor only. Excludes paper, staples and supplies.	Grand Total:
Additional Provisions: <i>Insert ANY additional provisions here</i>	(Excludes Tax)

Accepted by Customer	Accepted: Ricoh USA, Inc.
Authorized Signature:	Authorized Signature:
Printed Name:	Printed Name:
Title:	Title:
Date	Date

Initials

TERMS AND CONDITIONS MAINTENANCE SERVICE ONLY

Customer may acquire maintenance services ("Services") for equipment, software and/or hardware products from Ricoh USA, Inc. ("Ricoh") by executing and delivering to Ricoh this Order for acceptance.

Services. (a) This Order for Services must identify the specific Services to be performed, including, if applicable, the equipment to be serviced (the "Serviced Products"), the Term of the Service engagement, the location at which Services shall be performed and the applicable Service Charges for such Order. Ricoh will not be responsible to provide Services for Serviced Products in the event the Term and location(s) are not identified on the Order accepted by Ricoh.

(b) Ricoh will repair or replace in accordance with the terms and conditions of this Order and the manufacturer's specifications, any part of the Serviced Products that becomes unserviceable due to normal usage (other than consumable supplies). Replacement parts will be furnished on an exchange basis and will be new, reconditioned or used. All parts removed due to replacement will become the property of Ricoh.

(c) The maintenance and repair Services provided by Ricoh under an Order will not include the following: (i) repairs resulting from misuse (including without limitation improper voltage or the use of supplies that do not conform to the manufacturer's specifications) or the failure to provide, or the failure of, adequate electrical power, air conditioning or humidity control; (ii) repairs made necessary by service performed by persons other than Ricoh representatives; (iii) unless covered under an extended hour service contract, service calls or work which Customer requests to be performed outside of Normal Business Hours (defined below) and Service calls or work which Customer requests to be performed on Ricoh Holidays (defined below); (iv) removable cassette, copy cabinet, exit trays, or any item not related to the mechanical or electrical operation of the Serviced Products; (v) consumable supplies such as paper, staples, clear toner and white toner, unless expressly provided for in the applicable Order; (vi) repairs, service calls and/or connectivity of attachments not purchased from Ricoh; (vii) any software, system support or related connectivity unless specified in writing by Ricoh; (viii) parts no longer available from the applicable manufacturer; (ix) electrical work external to the Serviced Products, including problems resulting from overloaded or improper circuits; (x) installation or de-installation and/or movement of the Serviced Products from one location to another unless specified in writing by Ricoh; (xi) repairs of damage or increase in service time caused by force majeure events; (xii) reconditioning and similar major overhauls of Serviced Products; (xiii) any obligation to remove, delete, preserve, maintain or otherwise safeguard any information, images or content retained by or resident in any Serviced Products, whether through a digital storage device, hard drive or other electronic medium ("Data Management Services"), unless Customer engages Ricoh to perform such Data Management Services at then-prevailing rates pursuant to an Order for such purpose; and (xiv) engineering changes which provide additional capabilities to the Ricoh Equipment (defined below) covered herein unless made at Customer's request and paid at Ricoh's applicable time and material rates then in effect. Damage to Serviced Products or parts arising from causes beyond the control of Ricoh are not covered by this Order. Ricoh may terminate its Service obligations under this Order for Serviced Products that have been modified, damaged, altered or serviced by personnel other than those employed by Ricoh.

Service Calls. Unless otherwise specified in this Order, service calls will be made during 9:00am - 5:00pm local service time, Monday through Friday ("Normal Business Hours") at the installation address shown on the applicable Order. Service does not include coverage on Ricoh holidays, which include New Year's Day, Memorial Day, 4th of July, Labor Day, Thanksgiving, the day after Thanksgiving and Christmas Day (collectively, "Ricoh



Holidays"). Travel and labor-time for the service calls after Normal Business Hours, on weekends and on Ricoh Holidays, if and when available and only in the event and to the extent that Ricoh agrees to provide such non-standard coverage, will be charged at overtime rates in effect at the time the service call is made. While on-site at any Customer location, Ricoh personnel shall comply with Customer's reasonable policies pertaining to access, security and use of Customer sites and systems, provided that such policies are provided to Ricoh in advance and in writing and do not conflict with the terms and conditions of this Order.

Service Charges. (a) Service charges ("Service Charges") will be set forth on an Order. Service Charges will not include any charges for repairs or Service that are otherwise covered by the applicable manufacturer's limited warranty during the period covered by any such warranty, to the extent Ricoh has agreed with such manufacturer not to charge a customer for any such charges. Customer acknowledges and agrees that: (i) alterations, attachments, specification changes, or use by Customer of sub-standard supplies that cause excessive service calls may require an increase in Service Charges; (ii) the transfer of the Serviced Products from the location indicated on the applicable Order may result in an increase of Service Charges or the termination of the Order; and (iii) to the extent that Customer requests that Ricoh registers with a third-party vendor prequalification service and Ricoh agrees to register, Customer will be charged for Ricoh's registration and any other related fees for registering with such service and this Order shall be the only terms and conditions to govern such registration and service. Customer shall be responsible for any costs related to freight (including fuel surcharges, which may be imposed from time to time), postage/ mailing expense (meter rentals) and/or administrative and processing fees and, to the extent Ricoh pays such costs, Customer shall immediately reimburse Ricoh.

(b) Unless otherwise specified in an Order, Service Charges are based on standard 8.5x11 images. Ricoh reserves the right to assess additional images charges for non-standard images, including 11x17 images. Customer acknowledges that pricing is based on the prevailing rates at the time of the Order. Unless otherwise expressly agreed to in writing, if the Term (defined below) of this Order exceeds twelve (12) months, the Service Charges and any rate expressly stated in this Order may be increased by Ricoh up to 3% of the then-current Service Charges and rates annually for each year beyond the initial twelve (12) month period, and Customer expressly consents to such adjustment without additional notice.

Term; Early Termination. This Order shall become effective on the date that Ricoh accepts the Order, and shall continue for the term identified in the Order. At the expiration of the term identified in the Order, it will automatically renew for successive twelve (12) month periods unless notice of termination as specified below is given. The duration of the initial term and any extension or renewal thereto are collectively referred to as the "Term." Customer may terminate this Order for convenience prior to expiration of its Term so long as Customer is not then in default and provides Ricoh at least thirty (30) days prior written notice. Ricoh may terminate this Order for convenience prior to expiration of its Term so long as Ricoh is not then in default and provides Customer at least sixty (60) days prior written notice. Should Customer elect to terminate an Order for convenience that has a Term of at least thirty-six (36) months, Customer shall pay to Ricoh, as liquidated damages and not as a penalty, an early termination fee in accordance with the following ("Termination Fee"): (i) if the termination occurs in months one (1) through twelve (12) of the Term, an amount equal to twelve (12) times the Monthly Service Charge (as defined below); (ii) if the termination occurs in months thirteen (13) through twenty-four (24) of the Term, an amount equal to nine (9) times the Monthly Service Charge; and (iii) if the termination occurs any time after the twenty-fourth (24th) month of the Term, an amount equal to the lesser of six (6) times the Monthly Service Charge or the number of months remaining under the then current Term of such Order. For an Order having a Term of less than thirty-six (36) months, the Termination Fee shall be equal to the lesser of six (6) times the Monthly Service Charge or the number of months remaining under the Term of such Order. For the purposes herein, the "Monthly Service Charge" shall equal (i) the base monthly Service Charge set forth in the Order; or (ii) in the event the Order does not contain a base monthly Service Charge, the average monthly Order charges for the six (6) month period prior to the date of Customer's termination. If such termination date occurs less than six (6) months after the effective date of the Order, the Monthly Service Charge will be equal to the average monthly Order charges for the number of months the Order was in effect.

Payment; Taxes. Payment terms are net ten (10) days. If invoices are unpaid and overdue, Customer agrees to pay Ricoh a late charge of one and one-half percent (1.5%) per month on any unpaid amounts or the maximum allowed by law, whichever is less, and in addition shall pay Ricoh all costs and expenses of collection, or in the enforcement of Ricoh's rights hereunder, including, but not limited to, reasonable internal and external legal costs, whether or not suit is brought. Ricoh has no obligation to use Customer's invoicing or billing portals, processes, methods or invoicing formats specific to Customer billing requirements. All remedies hereunder or at law are cumulative. Except to the extent of any applicable and validated exemption, Customer agrees to pay any applicable taxes that are levied on or payable as a result of the use, sale, possession or ownership of the Products and/or Services covered hereunder, other than income taxes of Ricoh.

Title; Risk of Loss. Unless otherwise agreed upon by both parties in writing, Products are deemed delivered and title passes to Customer: (i) upon delivery by Ricoh to common carrier; or (ii) in the case of an arranged delivery by a local Ricoh installation vehicle, upon delivery by such vehicle to Customer shipping point. Upon delivery in either case, Customer assumes all risk of theft, loss or damage to the Products, no matter how occasioned.

Default. In addition to any other rights or remedies which either party may have under this Order or at law or equity, either party shall have the right to cancel the applicable Services specified in an Order immediately: (i) if the other party fails to pay any fees or charges or any other payments required under the Order when due and payable, and such failure continues for a period of ten (10) days after being notified in writing of such failure; or (ii) if the other party fails to perform or observe any other material covenant or condition of this Order as incorporated into the Order, and such failure or breach shall continue un-remedied for a period of thirty (30) days after such party is notified in writing of such failure or breach; or (iii) if the other party becomes insolvent, dissolves, or assigns its assets for the benefit of its creditors, or files or has filed against it any bankruptcy or reorganization proceeding. Failure to permit Ricoh to repair or replace the Serviced Products shall constitute a material breach of this Order and excuse Ricoh from any and all future performance hereunder. Except as expressly permitted by this Order, no refund or credit will be given for any early termination of this Order or this Order. If Customer defaults in its obligations



hereunder, Ricoh may, in addition to any other remedies available at law or equity, require Customer to immediately pay to Ricoh all past due payments under all Orders, and the Termination Fee.

Use of Recommended Supplies; Meter Readings. (a) It is not a condition of this Order that Customer use only Ricoh-provided supplies. If Customer uses other than manufacturer-recommended supplies, including paper, developer, toner, and fuser oil, and if such supplies are defective or not acceptable for use on the Serviced Products or cause abnormally frequent service calls or service problems, then Ricoh may, at its option, assess a surcharge or terminate the applicable Order with respect to such Serviced Products. If so terminated, Customer will be offered Service on a "per call" basis at Ricoh's then-prevailing time and material rates. If Ricoh determines that Customer has used more Ricoh-provided supplies than the manufacturer's recommended specifications, then Customer will pay reasonable charges for those excess supplies and/or Ricoh may refuse Customer additional supply shipments.

(b) Customer is required to provide Ricoh actual and accurate meter readings in accordance with the billing schedule set forth on an Order. Ricoh may, at its discretion and dependent upon Serviced Product capabilities, collect remote meter readings and utilize equipment monitoring services using automatic meter reading solutions ("AMR"). This may allow for automated meter reading and submission, automatic placement of low toner alerts, automatic placement of service calls in the event of a critical Serviced Product failure and may enable firmware upgrades. The meter count and other information collected by AMR ("Data") is sent via the internet to remote servers some of which may be located outside the U.S. AMR cannot and does not collect Customer document content. Ricoh uses reasonably available technology to maintain the security of the Data; however, Customer acknowledges that no one can guaranty security of information maintained on computers and on the Internet. Ricoh retains full rights to the Data (but not Customer documents or information), which it or its authorized third parties may use to service the Serviced Products. Ricoh may also use the Data for its normal business purposes including product development and marketing research, however, the Data will not be provided to any non-Ricoh third party in a form that personally identifies the Customer. Ricoh may dispose of the Data at any time and without notice. AMR technology is the confidential and proprietary information of Ricoh and/or its licensors protected by copyright, trade secret and other laws and treaties. Ricoh retains full title, ownership and all intellectual property rights in and to AMR.

(c) If an actual and accurate meter reading is not supplied to Ricoh in accordance with the billing schedule set forth on an Order, Ricoh may calculate an estimated meter reading from previous meter readings and Customer agrees to pay Service Charges based on such calculated estimate. Appropriate adjustments will be made by Ricoh in a subsequent billing cycle following Customer providing actual and accurate meter readings. If Ricoh contacts Customer to obtain a meter reading, then Ricoh may assess an administrative fee in an amount equal to fifteen dollars (\$15.00) per meter reading collected per billing period for the time and expense associated with meter collection activity in addition to the Service Charges. If Ricoh visits Customer location to obtain a meter reading, Ricoh may assess a fee according to the hourly service charge rate.

Customer Obligations. Customer agrees to provide a proper place for the use of the Serviced Products, including but not limited to, electric service, as specified by the manufacturer. Customer will provide adequate facilities (at no charge) for use by Ricoh representatives in connection with the Service of the Serviced Products hereunder within a reasonable distance of the Serviced Products. Customer agrees to provide such access to its facilities, networks and systems as may be reasonably necessary for Ricoh to perform its Services, including but not limited to "360 degree" service access to the Serviced Products. Customer will provide a key operator for the Serviced Products and will make operators available for instruction in use and care of the Serviced Products. Unless otherwise agreed upon by Ricoh in writing or designated in the applicable Order, all supplies for use with the Serviced Products will be provided by Customer and will be available "on site" for servicing. Customer agrees that (i) any equipment not serviced by Ricoh which utilizes identical supplies to the Serviced Products must be covered under a separate inclusive non-Ricoh service program; and (ii) any Serviced Products under one Ricoh Service Level may not utilize any supplies provided to other Serviced Products with a different Ricoh Service Level (i.e., no sharing of supplies across different Ricoh Service Levels).

Connectivity and Professional Services. Ricoh shall provide the Professional Services at Customer's location(s) or on a remote basis as set forth in the Order. Customer shall provide Ricoh with such access to its facilities, networks and systems as may be reasonably necessary for Ricoh to perform the Professional Services. Customer acknowledges that Ricoh's performance of the Professional Services is dependent upon Customer's timely and effective performance of its responsibilities as set forth in the Order. Estimated delivery and/or service schedules contained in this Order are non-binding estimates. Intellectual property rights, if any, arising from the Professional Services provided under this Order shall remain the property of Ricoh. Unless connectivity Services are specifically identified in the Order as part of the Services to be performed by Ricoh, Ricoh shall have no obligation to perform and no responsibility for the connection of any hardware or software to any Customer network or system.

Insurance. Each party certifies that it maintains, through self-insurance or otherwise, reasonable amounts of general liability, auto and personal property insurance, and workers' compensation insurance in the amount required by law, and that such insurance will remain in effect during the Term of an Order. Such insurance shall be primary and non-contributory. Limits provided may not be construed to limit liability. General liability insurance shall include the other party as an additional insured and contain no exclusions for cross liability between insureds. Upon request, each party agrees to deliver the other party evidence of such insurance coverage. Failure to maintain adequate insurance does not relieve liability under this Order.

Indemnification. Each party (Indemnifying Party") shall indemnify, defend and hold harmless the other ("Indemnified Party") from all third-party claims incurred by the Indemnified Party arising out of the death or bodily injury of any agent, employee, or business invitee of the Indemnified Party, or the damage, loss, or destruction of any tangible property of the Indemnified Party to the extent proximately caused by the negligent acts or omissions or willful misconduct of the Indemnifying Party, its employees, or agents. Without intending to create any limitation relating to the survival of any other provisions of this Order, Ricoh and Customer agree that the terms of this paragraph shall survive the expiration or earlier termination of this Order. Each party shall promptly notify the other in the event of the threat or initiation of any claim, demand, action or proceeding to which the indemnification obligations set forth in this Section may apply.



Limitations. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT FOR CUSTOMERS PAYMENT OBLIGATIONS HEREIN AND ANY LIABILITY RESULTING FROM THE INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 9 HEREIN, THE AMOUNT OF ANY DIRECT LIABILITY OF A PARTY TO THE OTHER OR ANY THIRD-PARTY, FOR ONE OR MORE CLAIMS ARISING FROM OR RELATING TO THIS ORDER, SHALL NOT EXCEED, IN THE AGGREGATE, THE AMOUNT PAID TO RICOH FOR THE PERFORMANCE OF SERVICES UNDER THIS ORDER DURING THE SIX-MONTH PERIOD PRECEDING THE DATE ON WHICH THE CLAIM AROSE. IN NO EVENT SHALL RICOH BE LIABLE TO CUSTOMER FOR ANY DAMAGES RESULTING FROM OR RELATED TO ANY FAILURE OF ANY SOFTWARE PROVIDED HEREUNDER, INCLUDING, BUT NOT LIMITED TO, LOSS OF DATA, OR DELAY OF DELIVERY OF SERVICES UNDER THIS ORDER. RICOH ASSUMES NO OBLIGATION TO PROVIDE OR INSTALL ANY ANTI-VIRUS OR SIMILAR SOFTWARE AND THE SCOPE OF SERVICES CONTEMPLATED HEREBY DOES NOT INCLUDE ANY SUCH SERVICES.

Returns; Damaged Products. No Products may be returned without Ricoh's prior written consent. Only consumable goods invoiced within sixty (60) days will be considered for return. On authorized returns, Customer agrees to pay a restocking charge equivalent to thirty percent (30%) of the purchase price. Products returned without written authorization from Ricoh may not be accepted by Ricoh and is the sole responsibility of Customer. All nonsaleable merchandise (that has been opened or partially used) will be deducted from any credit due to Customer. All claims for damaged Products or delay in delivery shall be deemed waived unless made in writing and delivered to Ricoh within five (5) days after receipt of Products.

Warranty. Ricoh agrees to perform its Services in a professional manner, consistent with applicable industry standards. Ricoh will re-perform any Services not in compliance with this warranty and brought to Ricoh's attention in writing within a reasonable time, but in no event more than thirty (30) days after such Services are performed, which shall be an exclusive remedy for such non-compliance. For any Products manufactured by Ricoh ("RicoH Equipment"), Ricoh further warrants that, at the time of delivery and for a period of ninety (90) days thereafter the RicoH Equipment will be in good working order and will be free from any defects in material and workmanship. Ricoh's obligations under this warranty are limited solely to the repair or replacement (at Ricoh's option) of parts proven to be defective upon inspection. The foregoing warranty shall not apply if (a) the RicoH Equipment is installed, wired, modified, altered, moved or serviced by anyone other than Ricoh, (b) the RicoH Equipment is installed, stored and utilized and/or maintained in a manner not consistent with Ricoh specifications, (c) a defective or improper non-Ricoh accessory or supply or part is attached to or used in the RicoH Equipment, or (d) the RicoH Equipment is relocated to any place where RicoH services are not available. CUSTOMER ACKNOWLEDGES THAT THE LIMITED WARRANTY CONTAINED HEREIN DOES NOT ASSURE UNINTERRUPTED OPERATION AND USE OF THE RICOH EQUIPMENT. In connection with any other Product sale, Ricoh shall transfer to Customer any Product warranties made by the applicable Product manufacturer, to the extent transferable and without recourse, and Ricoh makes no additional warranty or guaranty with respect to any such third-party Products. Physical or electronic copies of any applicable Product warranty will be delivered by Ricoh to Customer only upon Customer's specific written request. Customer agrees to comply with any applicable license agreement or license terms relating to intangible property or associated services included in any Serviced Products or Products, such as software licenses and/or prepaid data base subscription rights ("Software License"), whether pursuant to written, click-through, shrink-wrap or other agreements for such purpose, with the licensor of the software ("Software Supplier"). Ricoh has no right, title or interest in any third-party software. Customer is solely responsible for entering into Software Licenses with the applicable Software Supplier and acknowledges that its rights and obligations with respect to such software as well as those of the Software Supplier are solely as set forth in such Software Licenses. EXCEPT AS EXPRESSLY SET FORTH IN THIS ORDER, RICOH DISCLAIMS ALL WARRANTIES AND REPRESENTATIONS, EXPRESS OR IMPLIED, OF ANY NATURE WHATSOEVER, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR USE, OR FITNESS FOR A PARTICULAR PURPOSE.

Assignment; Force Majeure. Customer shall neither assign any right or interest arising under this Order nor delegate any obligations hereunder, whether voluntarily or by process of law, without the prior written consent of Ricoh. Any such attempted assignment or delegation shall be void. Ricoh shall not be liable for failure to deliver or delays in delivery of Products or Services occasioned by causes beyond Ricoh's control, including without limitation, strikes, lockout, fires, embargoes, war or other outbreak of hostilities, inability to obtain materials or shipping space, receipt of orders in excess of Ricoh's or its supplier's then-scheduled production capacity, machinery breakdowns, delays of carrier or suppliers, governmental acts and regulations, unavailability of Services, personnel or materials or other causes beyond Ricoh's control.

Non-Solicitation; Independent Contractors. Customer agrees that during the Term of this Order and for a period of one (1) year after termination or expiration of the last Order to be executed hereunder, it shall not directly or indirectly solicit, hire, or otherwise retain as an employee or independent contractor any employee of Ricoh that is or was involved with or part of the Services. The relationship of the parties is that of independent contractors.

Electronic Signatures. Each party agrees that electronic signatures of the parties on this Order will have the same force and effect as manual signatures.

Advice of Counsel. Customer represents and warrants that it has obtained or has had the opportunity to obtain the advice of legal counsel of its choice prior to executing this Order and thereby executes this Order knowingly and willingly after receiving such legal advice.



Governing Law; Entire Agreement. This Order shall be governed by and construed and interpreted in accordance with the laws of the State of Michigan without regard to its conflict of laws principles. The parties hereto also agree to submit to the non-exclusive jurisdiction of the courts of the Commonwealth of Pennsylvania to resolve any action under this Order. The Uniform Computer Information Transactions Act shall not apply to this Order. This Order constitutes the entire agreement between the parties with respect to the subject matter contained in this Order, supersedes all proposals, oral and written, and all other communications between the parties relating to the Products and Services and may not be amended except in writing and signed by an officer or authorized representative of both parties. Customer agrees and acknowledges that it has not relied on any representation, warranty or provision not explicitly contained in this Order, whether in writing, electronically communicated or in oral form. Any and all representations, promises, warranties, or statements by any Ricoh agent, employee or representative, including but not limited to, statements or representations made in sales presentations or sales proposals that differ in any way from the terms of this Order shall be given no force or effect. Purchase orders issued to Ricoh for Products and/or Services, even if they do not expressly reference or incorporate this Order, shall: (i) be subject to this Order; (ii) serve only to identify the Products and/or Services (along with pricing and quantities) ordered; and (iii) not be deemed to alter or otherwise modify the terms and conditions of this Order. The delay or failure of either party to enforce at any time any of the provisions of this Order shall in no way be construed to be a waiver of such provision or affect the right of such party thereafter to enforce each and every provision of this Order. If any provision of this Order is held to be invalid or unenforceable, this Order shall be construed as though it did not contain the particular provision held to be invalid or unenforceable. Ricoh may accept this Order by either its signature or by commencing performance (e.g. Product delivery, initiating Services, etc.). Ricoh may accept or reject any order in the exercise of its discretion and may rely upon this order submitted by Customer as a binding commitment. No local, general or trade custom or usage or course of prior dealings between the parties shall be relevant to supplement or explain any term used herein. Ricoh shall comply with all applicable laws in its performance under this Order in delivering Products and Services. This Order may be executed in one or more counterparts which, taken together, shall constitute one and the same original document. Any notices required under this Order should be sent to: Ricoh USA, Inc., 3920 Arkwright Road Macon, GA 31210 Attn: Quality Assurance.

Accepted by Customer	Accepted: Ricoh USA, Inc.
Authorized Signature:	Authorized Signature:
Printed Name:	Printed Name:
Title:	Title:
Date	Date

Initials



ONE DOLLAR (\$1.00) PURCHASE OPTION ATTACHMENT

THIS ONE DOLLAR (\$1.00) PURCHASE OPTION ATTACHMENT (this "Attachment"), dated as of the 17th day of August, 2020, is to that certain agreement/product schedule no. _____ - _____ (the "Agreement"), between Ricoh USA, Inc. ("we" or us") and CITY OF PONTIAC as customer ("Customer" or "you"). Except to the extent modified by this Attachment, the terms and conditions of the Agreement will remain unchanged and shall continue in full force and effect.

The parties, intending to be legally bound, agree that the Agreement shall be modified as follows:

1. This Attachment is incorporated into and made a part of the Agreement, effective as of the same day as the Agreement. To the extent of any conflict between the terms of this Attachment and the terms of the Agreement, the terms of this Attachment will prevail and control.
2. Notwithstanding anything to the contrary in the Agreement, if no default has occurred and is continuing under the Agreement and all your obligations under the Agreement have been satisfied, we will release any security interest that we may have in the Equipment. You shall have no obligation to provide any end-of-term notice to us, and the Agreement will terminate and not be renewed.
3. It is the mutual intention of the parties that Customer shall be considered the owner of the Equipment (excluding all Software, which is owned and licensed to you by the Software Supplier) for various purposes, including federal income tax purposes, as of the Effective Date. You are entitled to all federal income tax benefits afforded to the owner of the Equipment, but we shall not be liable to you if you fail to secure or obtain such benefits. You will keep the Equipment free of all liens and encumbrances. You hereby grant to us a security interest in the Equipment (including any replacements, substitutions, additions, attachments and proceeds) as security for the payment of the amounts due or to become due under the Agreement. In the event of a default under the Agreement, we may exercise all rights and remedies of a secured party under applicable law, in addition to any and all rights and remedies we may otherwise have under the Agreement, including, without limitation, the right to repossess the Equipment free and clear of any of your rights and interests in the Equipment.
4. In addition to the payments under the Agreement, you agree to pay all sales, use, excise, gross receipts and other taxes, charges and fees upon or with respect to the Equipment or the possession, ownership, use or operation, control or maintenance thereof and relating to the Agreement, whether due before or after the end of the term of the Agreement, to the extent legally permissible. You agree to file all required property tax returns and promptly pay all property taxes that may be assessed against the Equipment and, if we request, provide us with proof of payment. If we are required by the applicable taxing jurisdiction to pay such taxes, you shall promptly reimburse us for such tax payments.
5. WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE LEGAL, TAX OR ACCOUNTING TREATMENT OF THE AGREEMENT, THIS ATTACHMENT OR THE TRANSACTIONS EVIDENCED



THEREBY. YOU ACKNOWLEDGE THAT WE ARE NOT AN AGENT OR A FIDUCIARY OF CUSTOMER. YOU WILL OBTAIN YOUR OWN LEGAL, TAX AND ACCOUNTING ADVICE AND WILL MAKE YOUR OWN DETERMINATION OF THE PROPER TREATMENT OF THE AGREEMENT AND THIS ATTACHMENT.

IN WITNESS WHEREOF, each party has caused its duly authorized officer to execute this Attachment, as of the date first written above.

CUSTOMER

Ricoh USA, Inc.

X _____
Authorized Signature Date

X _____
Authorized Signature Date

Print Authorized Signer Name Title

Print Authorized Signer Name Title



#9

RESOLUTION

MEMORANDUM

TO: Mayor Deirdre Waterman, Council President Williams, Members of Council

FROM: Matthew Gibb, Special Legal Counsel for Economic Development

DATE: September 3, 2020
For City Council Agenda of 9/8/2020

RE: **Mayoral Report – Tax Impact on Pontiac Businesses and Residences in the event of Phoenix Center Default**

DUE DILIGENCE

In preparation for all aspects of the likely court action following the City's failure to comply with the terms of the Settlement Agreement, the administration has begun to calculate the impact on its tax payers if the court might impose a tax levy to meet the estimated damages that might be charged to the City. This report is an outline of the impact, intended to raise awareness, but is not a reflection of what may actually occur, or be imposed. This is for the sole purpose of diligence in understanding the possible areas of exposure for the City.

BACKGROUND

In 2018, the Pontiac City Council approved the Settlement Agreement to resolve litigation against the City over the Phoenix Center. Council approved the terms and binding obligations contained in the agreement and committed the City to their completion. The rejection of both the recommended bids that would commence required work under the Settlement Agreement and the prior rejection of full funding through capital improvement bonds has left this matter without direction and has placed the City in substantial jeopardy. There now remains less than 60 days for the City to provide a solution, either in directed work and funding, or in preparation for default.

On May 1, 2020 this Council was presented a complete outline of all critical and necessary work to meet the City's obligations, including professional estimates that the costs would be not less than \$16.8 million. The council rejected the report and recommendation and instead independently allocated \$7 million of general fund balance towards the work necessary to meet the City's obligations. This allocation was accompanied by demands that the administration, and the professionals contracted by Council, would have to work within that partial funding resource. On repeated occasions the Council has had on its agenda reports, memorandum and breakdown of work that could be completed within the Council's limited allocation, as well as the commitments that could not be met. Budgets, timelines and proposed bids were proposed to Council, but Council removed and postponed agenda items and refused to pass resolutions committing the City to a timeline or finding a funding solution. Those contracted to assist the City in fulfilling the commitments made when council approved the Settlement Agreement are now without direction as to what Council is willing to do and is asking for clarification. In early July, the Mayor presented to Council recommendations to award a first phase of bids

and get \$7 million worth of work on the Phoenix Center started. This resulted in Council's request for a complete package of all bid materials to be reviewed at a special meeting. The materials were delivered, but the meeting was cancelled because the amount of documentation was too great to be individually delivered. A web portal was created to allow Council members to review the materials electronically, but that too was not used. The bid recommendations were postponed and delayed, and finally on August 11, 2020, without comment or discussion from the professionals contracted to help the City, Council voted to reject the bids.

PROSPECTIVE DAMAGES IN THE EVENT OF DEFAULT

As was outlined at the council meeting of September 1, 2020, the following is an estimated outline of expected damage argument in the event the Plaintiff seeks enforcement through supplemental proceedings:

- a. A general damage award in the amount of the agreed upon improvements, thereby placing the Plaintiff in a position to complete the work itself. This exposure would result in a money damage award in the amount of the AUCH estimates, plus costs and attorney fees, this is estimated at \$16,900,000.00.
- b. A supplemental award for additional lost rents and use, this is estimated at \$6,000,000.00.
- c. Acceleration of pending damages, this is \$2,100,000.00.
- d. Whether the ownership of the garage should transfer to the Plaintiff.
- e. Other additional relief including injunctions, demand for completion, and attorney fees, this is estimates at \$5,000,000.00.

Counsel for the City is estimating that the city is exposed to an estimated damage award of \$30,000,000.00. This is, of course, a worse case estimate, but it must be analyzed as if this exposure could be realized.

IMPACT ON PONTIAC BUSINESSES

If the Court were to convert all of this to a Judgment, the City is not fiscally capable of paying this amount ether in one payment or over a short period of time. In anticipation that the court could impose a one-time tax levy against the residents and businesses of Pontiac, the attached summary has been prepared to show how tax payers may be assessed to meet any potential judgment.



MAYORAL REPORT

COUNCIL AGENDA SEPTEMBER 8, 2020

“Tax Impact on Pontiac Businesses and Residences in the event of Phoenix Center Default”

CAN A COURT FORCE PONTIAC TO PAY THROUGH A TAX LEVY?

Judgment levies are imposed as a result of lawsuits against local units of government. lawsuits against people or businesses can result in liens or other actions to ensure payments, but in the case of lawsuits against governments, the payments must come from tax generated resources. When the governments do not have sufficient resources on hand, usually because of the size of the settlement, the law provides that courts may mandate the charging of a tax to raise the money necessary to pay the judgment on behalf of a local government – all without a vote of the people.

This is called a judgment levy, and results in a new tax for every taxpayer

EXAMPLES WHERE THE COURT ORDERED PAYMENT THROUGH A TAX LEVY?

In 2013, the Oakland County Circuit Court ordered a tax levy on taxpayers in the Pontiac School District for the district's failure to pay its bills for employee health care premiums. The leaders of the Pontiac School District opted over several years not to fund the district's health care obligations. With the school district in arrears, the health care provider for public school employees, MESSA, sued and beginning with the summer 2013 levy, the court ordered the district to levy a 0.3071 mill annually for ten years to finance the \$7.8 million judgement.

More recently, the City of Inkster announced that it would levy two new taxes at a combined rate of 6.92 mills to pay for settlements involving alleged police abuse.

Similarly, cash-strapped Wayne County will levy a new tax to fund a court-ordered \$49 million payment into a county retirement fund.

In each of these specific cases, the judgment levies create a tax rate in excess of the current statutory and voter-approved millage capacity.

