AGENDA

St. Clair County Board of Commissioners
Judiciary/Public Safety Committee

Board of Commissioners' Room
County Administrative Office Building, 2nd Floor
200 Grand River Avenue
Port Huron, MI 48060

January 6, 2022 at 6:00 PM

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1. **Roll Call/Opening**
2. **Additions/Deletions/Changes to the Agenda**
3. **Citizens to be Heard**
4. **Updates**
5. **Conceptual Initiatives**
6. **Old Business**
7. **New Business**
    - A. Contract for Part-Time Arraignment Attorney - Office of the Public Defender
    - B. St. Clair County Recovery High School (RHS) - Grant Award - FINAL ACTION
    - C. Contract Approval Request - Romine Group - FINAL ACTION
    - D. Contract Approval Request - Schultz Ventures, LLC
8. **Other Judiciary/Public Safety Matters**
9. **Information Only**
10. **Receive and File Packets**
11. **Adjournment**

Committee Chair: Greg McConnell

Note: The County complies with the "Americans with Disabilities Act" and if auxiliary aids or services are required at the meeting for individuals with disabilities, please contact Administrator/Controller's Office, Suite 203, 200 Grand River Avenue, Port Huron, MI 48060, (810) 989-6900 three days prior to said meeting.

Contract for Part-Time Arraignment Attorney - Office of the Public Defender

Summary:

ATTACHMENTS:

	Description	Upload Date	Type
	Contract for Part-Time Arraignment Attorney - Office of the Public Defender	12/21/2021	Cover Memo

MEMORANDUM

TO: Board of Commissioners

FROM: Office of the Public Defender

DATE: December 17, 2021

SUBJECT: Contract for Part-Time Arraignment Attorneys

Part of the mission of the Public Defender's Office (as mandated by the standards imposed by the Michigan Indigent Defense Commission), is to appear with Defendants for all arraignments on criminal charges. This includes jail arraignments, arraignments in court in Port Huron and Marine City, and arraignments on bench warrants or probation violations that pop up each day. This takes a great deal of manpower and time for our staff each and every day.

Because of the large number of arraignments we do, and the amount of time the arraignments require each day, our office originally requested funding in our 2020-2021 budget with the State of Michigan for 2 part time contract arraignment attorneys. These attorneys would work approximately 15 to 20 hours a week and solely do arraignments. Each attorney would be paid $25,000.00 per year for these services. The State of Michigan approved the original request, and has again as part of our 2021-2022 budget.

The attached contract was drafted for the contract attorney position. We had forwarded it to Karry Hepting previously, and then made changes after it was reviewed by Gary Fletcher's office.

Our first contract arraignment attorney, Teresa Novosel, has worked out very well. We now have a very well qualified candidate for the second spot – Kelly Turner. Kelly was one of our staff attorneys for approximately a year and a half. Due to her growing family, she recently decided full time employment wasn't her best option. The contact arraignment attorney position would be a perfect opportunity for her. She is well-respected by everyone in the court system, and would do an excellent job.

CONTRACT ARRAIGNMENT ATTORNEY AGREEMENT

I. The Parties. This Agreement is made between St. Clair County ("the County") with a mailing address of 302 Michigan Street, City of Port Huron, State of Michigan, and Kelly Turner, ("Contractor") with a mailing address of 4920 Bowman Rd., City of St. Clair, State of Michigan.

WHEREAS the County intends to pay the Contractor for services provided, effective __________________________, 2022, under the following terms and conditions:

II. Scope of Work. The Contractor agrees to perform the following: Providing legal representation to clients at Arraignment Hearings at the St. Clair County Intervention Center and the County Courthouses as scheduled by the County.

Hereinafter known as the "Services".

III. Payment. In consideration for the services to be performed by the Contractor, the County agrees to pay the contractor $25,000.00 per year for the completion of Services performed. Completion shall be defined as the fulfillment of Services as described in Section II in accordance with industry standards and to the approval of the County, not to be unreasonably withheld.

The Contractor agrees to be paid monthly.

IV. Expenses. The Contractor shall be responsible for all expenses related to providing the Services under this Agreement. This includes, but is not limited to, supplies, equipment, operating costs, business costs, employment costs, taxes, Social Security contributions/payments, disability insurance, unemployment taxes, and any other cost that may or may not be in connection with the Services provided Contractor.

V. Liability Insurance (Minimum ($) Amount). The Contractor agrees to bear all responsibility for the actions related to themselves and their employees or personnel under this Agreement. In addition, the Contractor agrees to obtain malpractice insurance coverage ("Professional Liability Insurance"). The Contractor shall provide evidence of such insurance prior to the start of the agreement.

The minimum amount ($) for the Liability Insurance shall be a minimum amount of $ 250,000.00/$500,000.00.

VI. Termination. This Agreement shall terminate one year from the execution of this agreement.

In addition, the County or Contractor may terminate this Agreement, and any obligations stated hereunder, with reasonable cause by providing written notice of a material breach of the other party.

VII. Option to Terminate. The County and the Contractor shall have the option to terminate this Agreement at any time by providing 7 days' written notice.

VIII. Independent Contractor Status. The Contractor, under the code of the Internal Revenue Service (IRS), is an independent contractor, and the Contractor is not deemed an employee of the County.

In its capacity as an independent contractor, Contractor has the right to perform services for others during the term of this Agreement.

IX. Business Licenses. The Contractor represents and warrants that all he/she is properly licensed to practice law in The State of Michigan.

X. Federal and State Taxes. Under this Agreement, the County shall not be responsible for: Withholding FICA, Medicare, Social Security, or any other federal or state withholding taxes from the Contractor's payments to employees or personnel or make payments on behalf of the Contractor; make federal or state unemployment compensation contributions on the Contractor's behalf; and the payment of all taxes incurred related to or while performing the Services under this Agreement, including all applicable income taxes and, if the Contractor is not a corporation, all applicable self-employment taxes. Upon demand, the Contractor shall provide the County with proof that such payments have been made.

XI. Unemployment Compensation. The Contractor shall not be entitled to unemployment compensation in connection with the Services performed under this Agreement.

XII. Workers' Compensation. The Contractor shall not be entitled to Worker's Compensation benefits in connection with the Services performed under this Agreement. The Contractor is responsible for obtaining and maintaining their own Workers' Compensation insurance to protect themselves and their employees in accordance with all Michigan statutes and laws.

XIII. Indemnification. The Contractor shall indemnify and hold the County harmless from any loss or liability from performing the Services under this Agreement.

XIV. Confidentiality. The Contractor acknowledges that it will be necessary for the County to disclose certain confidential and proprietary information to the Contractor in order for the Contractor to perform their duties under this Agreement. The Contractor acknowledges that disclosure to a third party or misuse of this proprietary or confidential information would irreparably harm the County. Accordingly, the Contractor will not disclose or use, either during or after the term of this Agreement, any proprietary or confidential information of the County without the County's prior written permission except to the extent necessary to perform services on the County's behalf.

Proprietary or confidential information includes, but is not limited to: the written, printed, graphic, or electronically recorded materials furnished by the County for Contractor to use; Any written or tangible information stamped "confidential," "proprietary," or with a similar legend, or any information that the County makes reasonable efforts to maintain the secrecy of business or marketing plans or strategies, customer lists, or operating procedures. Upon termination of the Contractor's services to the County, or at the County's request, the Contractor shall deliver to the County all materials in the Contractor's possession relating to the County's business. The Contractor acknowledges any breach or threatened breach of confidentiality that this Agreement will result in irreparable harm to the County for which damages would be an inadequate remedy. Therefore, the County shall be entitled to equitable relief, including an injunction, in the event of such breach or threatened breach of confidentiality. Such equitable relief shall be in addition to the County's rights and remedies otherwise available at law.

XV. Proprietary Information. Proprietary information, under this Agreement, shall include:

The product of all work performed under this Agreement ("Work Product"), including without limitation all notes, reports, case information and documentation, will be the sole property of the County, and Contractor hereby assigns to the County all right, title and interest therein. Contractor retains no right to use the Work Product and agrees not to challenge the validity of the County's ownership in the Work Product;

Contractor hereby assigns to the County all right, title, and interest in any and all photographic images and videos or audio recordings made by the County during Contractor's work for them.

XVI. No Partnership. This Agreement does not create a partnership relationship between the County and the Contractor.

XVII. Governing Law. This Agreement shall be governed under the laws in the State of Michigan.

XIII. Severability. This Agreement shall remain in effect in the event a section or provision is unenforceable or invalid. All remaining sections and provisions shall be deemed legally binding unless a court rules that any such provision or section is invalid or unenforceable, thus, limiting the effect of another provision or section. In such case, the affected provision or section shall be enforced as so limited.

XIX. Breach Waiver. Any waiver by the Client of a breach of any section of this Agreement by the Contractor shall not operate or be construed as a waiver of any subsequent breach by the Contractor.

XX. **Entire Agreement**. This Agreement, along with any attachments or addendums, represents the entire agreement between the parties. Therefore, this Agreement supersedes any prior agreements, promises, conditions, or understandings between the Employer and Employee.

Public Defender's Signature ______________________ Date 12-20-21

Print Name MICHAEL BOUCHER

Administrator/Controller's Signature ______________________ Date ______________

Print Name ______________________

Contractor's Signature Kelly Turner Date 12/17/2021

Print Name Kelly Turner

St. Clair County Recovery High School (RHS) - Grant Award - FINAL ACTION

Summary:

ATTACHMENTS:

	Description	Upload Date	Type
	St. Clair County Recovery High School (RHS) - Grant Award - FINAL ACTION	12/21/2021	Cover Memo

STATE OF MICHIGAN

ST. CLAIR COUNTY COURTS

201 McMORRAN BLVD.
PORT HURON, MICHIGAN 48060
Circuit Court (810) 985-2031
District Court-Port Huron (810) 985-2076
District Court-Marine City (810) 765-4057
Adult Probate (810) 985-2066
Family Division (810) 985-2155

HON. MICHAEL WEST
CHIEF JUDGE
HON. ELWOOD BROWN
PROBATE JUDGE
HON. JOHN TOMLINSON
PROBATE JUDGE
HON. CYNTHIA LANE
CIRCUIT JUDGE

HON. JOHN MONAGHAN
CHIEF JUDGE PRO TEM
HON. MICHAEL HULEWICZ
DISTRICT JUDGE
HON. MONA ARMSTRONG
DISTRICT JUDGE
HON. DANIEL DAMMAN
CIRCUIT JUDGE

To: St. Clair County Board of Commissioners
From: Michael McMillan, Court Administrator
Date: December 21, 2021
RE: Recovery High School

The following is a request to approve the grant award with MDHHS for year 2 of the St. Clair County Recovery High School. We just received the contract from MDHHS and the grant period began on December 1; therefore, we are respectfully requesting FINAL ACTION.

<u>Recovery High School</u>

The St. Clair County Recovery High School (RHS) will serve youth who are 14-17 years of age who are experiencing significant issues with drugs and alcohol. The youth will attend school through the St. Clair County Intervention Academy and will be simultaneously participating in intensive substance abuse therapy, positive peer group activities, AA/NA meetings and other healthy social functions. The normal relapse rate for a teenager leaving traditional treatment is about 70%, while those youth who attend Recovery High Schools experience a relapse rate of 30%.

The RHS mission is to provide a supportive and sober learning environment to meet the individual educational needs of adolescents in recovery. RHS will support sustained recovery/abstinence, through a healthy campus environment and coordination of care with referring treatment providers. RHS will provide a quality education, addressing the varied learning styles of each student and improving all students' academic skills so they can maximize their post-Secondary Education options. RHS will foster the spiritual, moral, and academic growth of each student as a whole person.

RHS Model in St. Clair County

As mentioned above, there are two components to the Recovery High School; education and recovery. The educational portion of the Recovery High School will be the responsibility of the St. Clair County Intervention Academy, while the treatment side will be the duty of the 31st Circuit Court Family Division.

- **Education:** The Intervention Academy will use State education funds to pay for the teacher and related education expenses.

- **Recovery:** The requested grant funds will cover expenses incurred by the Court.
    - The Court will contract with the Romine Group who will provide staff to conduct substance abuse and mental health counseling, AA/NA meetings, and the Alternative Peer Groups. The vendor will:
        - Meet individually with each student and offer recovery coaching services.
        - A coach shall check the student's progress, identify where they need additional work in their recovery program and help set their individual recovery goals.
        - Facilitate the Alternative Peer Group.
        - Facilitate AA/NA meetings.
        - Weekend groups.
        - The vendor will provide 40 hours of services per week.
    - The funds will pay for a part-time At Risk Youth Worker to support the program. The funds will also cover materials related to recovery curriculum, marketing and incentives for youth.

This is the second year of this grant award. The Court has been working very closely with the Intervention Academy, Port Huron Schools, and other partner stakeholders to bring this cutting edge program to the children and families of our county.

We are respectfully requesting that the MDHHS award be approved for FINAL ACTION:

Please feel free to contact me if you have any questions or concerns about this topic, or any topic pertaining to the Circuit, Family or Probate Courts - (810) 985-2181.

Recovery High School Revenue/Expense

Educational Component – Intervention Academy

Income - From the State of Michigan - $160,000

- **2022 school year** = $8,000 Est. per student 20 Students X $8,000 = $160,000

Expenses - $100,000

- **2022 Intervention Academy Recovery H.S. EXPENSES:**

1. Teacher Salary - $50,000 + Benefits (If the same teacher continues with his experience and degrees)
2. License for online educational program - $1,500 per year/per student X 20 students = $30,000
3. Lap top computer expense. Each Recovery H.S. Student will need a lap top computer. 20 students X $1,000 per computer = $20,000

All expenses incurred by the Intervention Academy will utilize State/Federal funding. Any shortages in the first year due to the missed Count Day will be taken from the fundbalance.

Recovery Component – 31st Circuit Court

Income: - $150,000

- **2022 School Year** - Recovery High School Grant - $150,000

Expenses: - $150,000

- **2022 Circuit Court Expenses**

1. Staffing – 31st Circuit Court Employees - $34,258
    a. At-Risk Youth Worker – Dedicated 100% to the Recovery High School.
2. Contract with the Romine Group - $95,000
    a. The contract with the Romine Group will cover all of the expenses related to the Recovery Support Services that are necessary for the Recovery High School.
3. Supplies and recovery Materials - $10,000
4. Marketing - $5,000
5. Incentives for youth - $5,742

Grant Agreement Between
Michigan Department of Health and Human Services
hereinafter referred to as the "Department"
and
County of St. Clair - 31st Circuit Court
201 McMorran Blvd Rm 2800
Port Huron MI 48060 4000
Federal I.D.#: 38-6006420, DUNS#: 069823615
hereinafter referred to as the "Grantee"
for
Recovery Support High School Program - 2022
Part 1

1. Period of Agreement:

This Agreement will commence on the date of the Grantee's signature or December 1, 2021, whichever is later, and continue through September 30, 2022. No activity will be performed and no costs to the state will be incurred prior to December 1, 2021 or the effective date of the Agreement, whichever is later. Throughout the Agreement, the date of the Grantee's signature or December 1, 2021, whichever is later, shall be referred to as the start date. This Agreement is in full force and effect for the period specified.

2. Program Budget and Agreement Amount:

A. Agreement Amount

The total amount of this Agreement is $150,000.00. Under the terms of this Agreement, the Department will provide funding not to exceed $150,000.00. The source of funding provided by the Department and approved indirect rate shall be followed as described in Attachment 1 of this Agreement, which is part of this Agreement.

The Agreement is designated as a:
Subrecipient relationship (federal funding); or
X Recipient (non-federal funding).

The Agreement is designated as:
Research and development project; or
X Not a research and development project.

B. Equipment Purchases and Title

Any Grantee equipment purchases supported in whole or in part through this Agreement must be listed in the supporting Equipment Inventory Schedule which should be attached to the Final Financial Status Report. Equipment means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. Title to items having a unit acquisition cost of less than $5,000 shall vest with the Grantee upon acquisition. The Department reserves the right to retain or transfer the title to all items of equipment having a unit acquisition cost of $5,000 or more, to the extent that the Department's proportionate interest in such equipment supports such retention or transfer of title.

C. Deviation Allowance

A deviation allowance modifying an established budget category by $10,000 or 15%, whichever is greater, is permissible without prior written approval of the Department. Any modification or deviations in excess of this provision, including any adjustment to the total amount of this Agreement, must be made in writing and executed by all parties through an amendment to this Agreement before the modifications can be implemented. This deviation allowance does not authorize new categories, subcontracts, equipment items or positions not shown in the attached Program Budget Summary and supporting detail schedules.

3. Purpose:

The purpose of the program is to fund recovery community organizations to expand recovery support services to individuals.

4. Statement of Work:

The Grantee agrees to undertake, perform and complete the activities described in Attachment A, which is part of this Agreement.

5. Financial Requirements:

The financial requirements shall be followed as described in Part 2 and Attachment B, which are part of this Agreement.

6. Performance/Progress Report Requirements:

The progress reporting methods shall be followed as described in Part 2 and Attachment C, which are part of this Agreement.

7. General Provisions:

The Grantee agrees to comply with the General Provisions as described in Part 2, which are part of this Agreement.

8. **Administration of the Agreement:**

The person acting for the Department in administering this Agreement (hereinafter referred to as the Contract Manager) is:

Name	Title	Telephone No.	Email Address
Angela Smith	Contract Manager	(517) 373-7898	smitha8@michigan.gov

9. **Grantee's Financial Contact for the Agreement:**

The financial contact acting on behalf of the Grantee for this Agreement is:

Name	Title
Dena Alderdyce	Accountant

E-Mail Address	Telephone No.
dalderdyce@stclaircounty.org	(810) 989-6324

10. Special Conditions:

A. This Agreement is valid upon approval and execution by the Department which may be contingent upon approval by the State Administrative Board and signature by the Grantee.

B. This Agreement is conditionally approved subject to and contingent upon the availability of funds.

C. Based on the availability of funding, the Department may specify the amount of funding the Grantee may expend during a specific time period within the Agreement Period.

D. The Department will not assume any responsibility or liability for costs incurred by the Grantee prior to the start date of this Agreement.

E. The Grantee is required by 2004 PA 533 to receive payments by electronic funds transfer.

11. Special Certification:

The individual or officer signing this Agreement certifies by their signature that they are authorized to sign this Agreement on behalf of the responsible governing board, official or Grantee.

12. Signature Section:

FOR the GRANTEE
County of St. Clair - 31st Circuit Court

Nathan Roskey Administrator

Name Title Date

For the Michigan Department of Health and Human Services

Jeanette Hensler 12/13/2021

Jeanette Hensler, Grants Division Director Date
Bureau of Grants and Purchasing

Part 2
General Provisions

I. Responsibilities - Grantee

The Grantee, in accordance with the general purposes and objectives of this Agreement shall:

A. Publication Rights

1. Copyright materials only when the Grantee exclusively develops books, films or other such copyrightable materials through activities supported by this Agreement. The copyrighted materials cannot include recipient information or personal identification data. Grantee provides the Department a royalty-free, non-exclusive and irrevocable license to reproduce, publish and use such materials copyrighted by the Grantee and authorizes others to reproduce and use such materials.
2. Obtain prior written authorization from the Department’s Office of Communications for any materials copyrighted by the Grantee or modifications bearing acknowledgment of the Department's name prior to reproduction and use of such materials. The state of Michigan may modify the material copyrighted by the Grantee and may combine it with other copyrightable intellectual property to form a derivative work. The state of Michigan will own and hold all copyright and other intellectual property rights in any such derivative work, excluding any rights or interest granted in this Agreement to the Grantee. If the Grantee ceases to conduct business for any reason or ceases to support the copyrightable materials developed under this Agreement, the state of Michigan has the right to convert its licenses into transferable licenses to the extent consistent with any applicable obligations the Grantee has.
3. Obtain written authorization, at least 14 days in advance, from the Department’s Office of Communications and give recognition to the Department in any and all publications, papers and presentations arising from the Agreement activities.
4. Notify the Department’s Bureau of Grants and Purchasing 30 days before applying to register a copyright with the U.S. Copyright Office. The Grantee must submit an annual report for all copyrighted materials developed by the Grantee through activities supported by this Agreement and must submit a final invention statement and certification within 60 days of the end of the Agreement period.
5. Not make any media releases related to this Agreement, without prior written authorization from the Department’s Office of Communications.

B. Fees

1. Guarantee that any claims made to the Department under this Agreement shall not be financed by any sources other than the Department under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to budget the additional source of funds and reflect the source of funding on the Financial Status Report.
2. Make reasonable efforts to collect 1st and 3rd party fees, where applicable, and report those collections on the Financial Status Report. Any under recoveries of otherwise available fees resulting from failure to bill for eligible activities will be excluded from reimbursable expenditures.

C. Grant Program Operation

Provide the necessary administrative, professional and technical staff for operation of the grant program. The Grantee must obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of this Agreement.

Use an accounting system that can identify and account for the funds received from each separate grant, regardless of funding source, and assure that grant funds are not commingled.

D. Reporting

Utilize all report forms and reporting formats required by the Department at the start date of this Agreement and provide the Department with timely review and commentary on any new report forms and reporting formats proposed for issuance thereafter.

E. Record Maintenance/Retention

Maintain adequate program and fiscal records and files, including source documentation, to support program activities and all expenditures made under the terms of this Agreement, as required. The Grantee must assure that all terms of the Agreement will be appropriately adhered to and that records and detailed documentation for the grant project or grant program identified in this Agreement will be maintained for a period of not less than four years from the date of termination, the date of submission of the final expenditure report or until litigation and audit findings have been resolved. This section applies to the Grantee, any parent, affiliate, or subsidiary organization of the Grantee and any subcontractor that performs activities in connection with this Agreement.

F. Authorized Access

1. Permit within 10 calendar days of providing notification and at reasonable times, access by authorized representatives of the Department, Federal Grantor Agency, Inspector Generals, Comptroller General of the United States and State Auditor General, or any of their

duly authorized representatives, to records, papers, files, documentation and personnel related to this Agreement, to the extent authorized by applicable state or federal law, rule or regulation.

2. Acknowledge the rights of access in this section are not limited to the required retention period. The rights of access will last as long as the records are retained.

3. Cooperate and provide reasonable assistance to authorized representatives of the Department and others when those individuals have access to the Grantee's grant records.

G. Audits

This section only applies to Grantees designated as subrecipients by the Department (see Part 1, Section II. A.).

1. Required Audit or Audit Exemption Notice

Submit to the Department either a Single Audit, Financial Related Audit or Audit Exemption Notice as described below. A Financial Related Audit is applicable to for-profit Grantees that are designated as subrecipients. If submitting a Single Audit or Financial Related Audit, Grantees must also submit a corrective action plan prepared in accordance with 2 CFR 200.511(c) for any audit findings that impact the Department funded programs, and management letter (if issued) with a corrective action plan.

a. Single Audit

Grantees that are a state, local government or non-profit organization that expend $750,000 or more in federal awards during the Grantee's fiscal year must submit a Single Audit to the Department, regardless of the amount of funding received from the Department. The Single Audit must comply with the requirements of 2 CFR 200 Subpart F. The Single Audit reporting package must include all components described 2 CFR 200.512 (c).

b. Financial Related Audit

Grantees that are for-profit organizations that expend $750,000 or more in federal awards during the Grantee's fiscal year must submit either a financial related audit prepared in accordance with Government Auditing Standards relating to all federal awards, or an audit that meets the requirements contained in 2 CFR 200 Subpart F, if required by the federal awarding agency.

c. Audit Exemption Notice

Grantees exempt from the Single Audit and Financial Related Audit requirements (a. and b. above) must submit an Audit Exemption Notice that certifies these exemptions. The template Audit Exemption Notice and further instructions are available at State of Michigan - MDHHS by selecting Inside MDHHS – MDHHS Audit - Audit Reporting.

2. Financial Statement Audit

Grantees exempt from the Single Audit and Financial Related Audit requirements (that are required to submit an Audit Exemption Notice as described above) must submit to the Department a Financial Statement Audit prepared in accordance with generally accepted auditing standards if the audit includes disclosures that may negatively impact the Department funded programs including but not limited to fraud, going concern uncertainties, financial statement misstatements and violations of the Agreement requirements. If submitting a Financial Statement Audit, Grantees must also submit a corrective action plan for any audit findings that impact the Department funded programs.

3. Due Date and Where to Send

The required audit and any other required submissions (i.e., corrective action plan, and management letter with a corrective action plan), and/or Audit Exemption Notice must be submitted to the Department within nine months of the end of the Grantee's fiscal year by e-mail to MDHHS-AuditReports@michigan.gov. Single Audit reports must be submitted simultaneously to the Department and Federal Audit Clearinghouse, in accordance with 2 CFR 200.512(a). The required submissions must be assembled in PDF files and compatible with Adobe Acrobat (read only). The subject line must state the agency name and fiscal year end. The Department reserves the right to request a hard copy of the audit materials if for any reason the electronic submission process is not successful.

4. Penalty

a. Delinquent Single Audit or Financial Related Audit

If the Grantee does not submit the required Single Audit or Financial Related Audit, including any management letter and applicable corrective action plan(s) within nine months after the end of the Grantee's fiscal year, the Department may withhold from any payment from the Department to the Grantee an amount equal to five percent of the audit year's grant funding (not to exceed $200,000) until the required filing is received by the Department. The Department may retain the amount withheld if the Grantee is more than 120 days delinquent in meeting the filing requirements. The Department may terminate any current grant agreements if the Grantee is more than 180 days delinquent in meeting the filing requirements.

b. Delinquent Audit Exemption Notice

Failure to submit the Audit Exemption Notice, when required, may result in withholding from any payment from Department to the Grantee an amount equal to one percent of the audit year's grant funding until the Audit Exemption Notice is received.

5. Other Audits

The Department or federal agencies may also conduct or arrange for agreed upon procedures or additional audits to meet their needs.

H. Subrecipient/Contractor Monitoring

1. When passing federal funds through to a subrecipient (if the Agreement does not prohibit the passing of federal funds through to a subrecipient), the Grantee must:

   a. Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information required by 2 CFR 200.332.

   b. Ensure the subrecipient complies with all the requirements of this Agreement.

   c. Evaluate each subrecipient's risk for noncompliance as required by 2 CFR 200.332(b).

   d. Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations and the terms and conditions of the subawards; that subaward performance goals are achieved; and that all monitoring requirements of 2 CFR 200.332(d) are met including reviewing financial and programmatic reports, following up on corrective actions and issuing management decisions for audit findings.

   e. Verify that every subrecipient is audited as required by 2 CFR 200 Subpart F.

2. Develop a subrecipient monitoring plan that addresses the above requirements and provides reasonable assurance that the subrecipient administers federal awards in compliance with laws, regulations and the provisions of this Agreement, and that performance goals are achieved. The subrecipient monitoring plan should include a risk-based assessment to determine the level of oversight and monitoring activities, such as reviewing financial and performance reports, performing site visits and maintaining regular contact with subrecipients.

3. Establish requirements to ensure compliance for for-profit subrecipients as required by 2 CFR 200.501(h), as applicable.

4. Ensure that transactions with subrecipients/contractors comply with laws, regulations and provisions of contracts or grant agreements in compliance with 2 CFR 200.501(h), as applicable.

I. Notification of Modifications

Provide timely notification to the Department, in writing, of any action by its governing board or any other funding source that would require or result in significant modification in the provision of activities, funding or compliance with operational procedures.

J. Software Compliance

Ensure software compliance and compatibility with the Department's data systems for activities provided under this Agreement, including but not limited to stored data, databases and interfaces for the production of work products and reports. All required data under this Agreement shall be provided in an accurate and timely manner without interruption, failure or errors due to the inaccuracy of the Grantee's business operations for processing data. All information systems, electronic or hard copy, that contain state or federal data must be protected from unauthorized access.

K. Human Subjects

Comply with Federal Policy for the Protection of Human Subjects, 45 CFR 46. The Grantee agrees that prior to the initiation of the research, the Grantee will submit Institutional Review Board (IRB) application material for all research involving human subjects, which is conducted in programs sponsored by the Department or in programs which receive funding from or through the state of Michigan, to the Department's IRB for review and approval, or the IRB application and approval materials for acceptance of the review of another IRB. All such research must be approved by a federally assured IRB, but the Department's IRB can only accept the review and approval of another institution's IRB under a formally approved interdepartmental agreement. The manner of the review will be agreed upon between the Department's IRB Chairperson and the Grantee's authorized official.

L. Mandatory Disclosures

1. Disclose to the Department in writing within 14 days of receiving notice of any litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") involving Grantee, a subcontractor or an officer or director of Grantee or subcontractor that arises during the term of this Agreement including:
   a. All violations of federal and state criminal law involving fraud, bribery, or gratuity violations potentially affecting the Agreement.
   b. A criminal Proceeding;
   c. A parole or probation Proceeding;
   d. A Proceeding under the Sarbanes-Oxley Act;
   e. A civil Proceeding involving:
      1. A claim that might reasonably be expected to

adversely affect Grantee’s viability or financial stability; or

2. A governmental or public entity’s claim or written allegation of fraud; or

f. A Proceeding involving any license that Grantee is required to possess in order to perform under this Agreement.

2. Notify the Department, at least 90 calendar days before the effective date, of a change in Grantee’s ownership or executive management.

M. Statement of Work Progress Reports

Submit quarterly Statement of Work progress reports to the Department via the http://egrams-mi.com/mdhhs website by the 15th day of the month following the end of the quarter and a final report no later than 15 days following the end of this Agreement.

N. Conflict of Interest and Code of Conduct Standards

1. Be subject to the provisions of 1968 PA 317, as amended, 1973 PA 196, as amended, and 2 CFR 200.318 (c)(1) and (2).
2. Uphold high ethical standards and be prohibited from the following:
   a. Holding or acquiring an interest that would conflict with this Agreement;
   b. Doing anything that creates an appearance of impropriety with respect to the award or performance of this Agreement;
   c. Attempting to influence or appearing to influence any state employee by the direct or indirect offer of anything of value; or
   d. Paying or agreeing to pay any person, other than employees and consultants working for Grantee, any consideration contingent upon the award of this Agreement.
3. Immediately notify the Department of any violation or potential violation of these standards. This Section applies to Grantee, any parent, affiliate, or subsidiary organization of Grantee, and any subcontractor that performs activities in connection with this Agreement.

O. Travel Costs

1. Be reimbursed for travel cost (including mileage, meals, and lodging) budgeted and incurred related to activities provided under this Agreement.
   a. If the Grantee has a documented policy related to travel reimbursement for employees and if the Grantee follows that documented policy, the Department will reimburse the Grantee for travel costs at the Grantee’s documented reimbursement rate for employees. Otherwise, the state of Michigan travel reimbursement rate applies.

b. State of Michigan travel rates may be found at the following website: http://www.michigan.gov/dtmb/0,5552,7-358-82548_13132---,00.html.

c. International travel must be pre-approved by the Department and itemized in the budget.

P. Federal Funding Accountability and Transparency Act (FFATA)

1. Complete and upload the FFATA Executive Compensation report to the EGrAMS agency profile if:

   a. The Grantee's federal revenue was 80% or more of the Grantee's annual gross revenue; AND

   b. Grantee's gross revenue from federal awards was $25,000,000 or more; AND

   c. The public does not have access to the information about executive officers' compensation through periodic reports filed under Section 13(a) or 15(d) of the Securities Exchange Act of 1934 or Section 6104 of the Internal Revenue Code of 1986.

2. The FFATA Executive Compensation report template can be found in EGrAMS documents.

Q. Insurance Requirements

1. Maintain at least a minimum of the insurances or governmental self-insurances listed below and be responsible for all deductibles. All required insurance or self-insurance must:

   a. Protect the state of Michigan from claims that may arise out of, are alleged to arise out of, or result from Grantee's or a subcontractor's performance;

   b. Be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the state; and

   c. Be provided by a company with an A.M. Best rating of "A-" or better and a financial size of VII or better.

2. Insurance Types

   a. Commercial General Liability Insurance or Governmental Self-Insurance: Except for Governmental Self-Insurance, policies must be endorsed to add "the state of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 20 10 12 19 and CG 20 37 12 19.

      If the Grantee will interact with children, schools, or the cognitively impaired, the Grantee must maintain appropriate insurance coverage related to sexual abuse and molestation liability.

b. Workers' Compensation Insurance or Governmental Self-Insurance: Coverage according to applicable laws governing work activities. Policies must include waiver of subrogation, except where waiver is prohibited by law.

c. Employers Liability Insurance or Governmental Self-Insurance

d. Privacy and Security Liability (Cyber Liability) Insurance: cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.

3. Require that subcontractors maintain the required insurances contained in this Section.

4. This Section is not intended to and is not to be construed in any manner as waiving, restricting or limiting the liability of the Grantee from any obligations under this Agreement.

5. Each Party must promptly notify the other Party of any knowledge regarding an occurrence which the notifying Party reasonably believes may result in a claim against either Party. The Parties must cooperate with each other regarding such claim.

R. Fiscal Questionnaire

1. Complete and upload the yearly fiscal questionnaire to the EGrAMS agency profile within three months of the start of the Agreement.

2. The fiscal questionnaire template can be found in EGrAMS documents.

S. Criminal Background Check

1. Conduct or cause to be conducted a search that reveals information similar or substantially similar to information found on an Internet Criminal History Access Tool (ICHAT) check and a national and state sex offender registry check for each new employee, employee, subcontractor, subcontractor employee, or volunteer who under this Agreement works directly with clients or has access to client information.

   a. ICHAT: http://apps.michigan.gov/ichat

   b. Michigan Public Sex Offender Registry: http://www.mipsor.state.mi.us

   c. National Sex Offender Registry: http://www.nsopw.gov

2 Conduct or cause to be conducted a Central Registry (CR) check for each new employee, employee, subcontractor, subcontractor employee, or volunteer who under this Agreement works directly with children.

   a. Central Registry: https://www.michigan.gov/mdhhs/0,5885,7-339-73971_7119_50648_48330-180331--,00.html

3. Require each new employee, employee, subcontractor, subcontractor employee, or volunteer who, under this Agreement, works directly with clients or who has access to client information to notify the Grantee in writing of criminal convictions (felony or misdemeanor), pending felony charges, or placement on the Central Registry as a perpetrator, at hire or within 10 days of the event after hiring.
4. Determine whether to prohibit any employee, subcontractor, subcontractor employee, or volunteer from performing work directly with clients or accessing client information related to clients under this Agreement, based on the results of a positive ICHAT response or reported criminal felony conviction or perpetrator identification.
5. Determine whether to prohibit any employee, subcontractor, subcontractor employee or volunteer from performing work directly with children under this Agreement, based on the results of a positive CR response or reported perpetrator identification.
6. Require any employee, subcontractor, subcontractor employee or volunteer who may have access to any databases of information maintained by the federal government that contain confidential or personal information, including but not limited to federal tax information, to have a fingerprint background check performed by the Michigan State Police.

II. Responsibilities - Department

The Department in accordance with the general purposes and objectives of this Agreement will:

A. Reimbursement

Provide reimbursement in accordance with the terms and conditions of this Agreement based upon appropriate reports, records and documentation maintained by the Grantee.

B. Report Forms

Provide any report forms and reporting formats required by the Department at the start date of this Agreement, and provide to the Grantee any new report forms and reporting formats proposed for issuance thereafter at least 30 days prior to their required usage in order to afford the Grantee an opportunity to review.

III. Assurances

The following assurances are hereby given to the Department:

A. Compliance with Applicable Laws

The Grantee will comply with applicable federal and state laws, guidelines, rules and regulations in carrying out the terms of this Agreement. The Grantee will also comply with all applicable general administrative requirements, such as 2 CFR 200, covering cost principles, grant/agreement principles and audits, in carrying out the terms of this Agreement. The Grantee will comply with all applicable requirements in the original grant awarded to the Department if the Grantee is a subgrantee. The Department may determine that the Grantee has not complied with applicable federal or state laws, guidelines, rules and regulations in carrying out the terms of this Agreement and may then terminate this Agreement under Part 2, Section V.

B. Anti-Lobbying Act

The Grantee will comply with the Anti-Lobbying Act (31 U.S.C. 1352) as revised by the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.), Federal Acquisition Regulations 52.203.11 and 52.203.12, and Section 503 of the Departments of Labor, Health & Human Services and Education, and Related Agencies section of the current FY Omnibus Consolidated Appropriations Act. Further, the Grantee shall require that the language of this assurance be included in the award documents of all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

C. Non-Discrimination

1. The Grantee must comply with the Department's non-discrimination statement: The Michigan Department of Health and Human Services will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, marital status, gender identification or expression, sexual orientation, partisan considerations, or a disability or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. The Grantee further agrees that every subcontract entered into for the performance of any contract or purchase order resulting therefrom, will contain a provision requiring non-discrimination in employment, activity delivery and access, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot-Larsen Civil Rights Act (1976 PA 453, as amended; MCL 37.2101 et seq.) and the Persons with Disabilities Civil Rights Act (1976 PA 220, as amended; MCL 37.1101 et seq.), and any breach thereof may be regarded as a material breach of this Agreement.
2. The Grantee will comply with all federal and state statutes relating to nondiscrimination. These include but are not limited to:
    a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination based on race, color or national origin;
    b. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, 1685-1686), which prohibits discrimination based on sex;
    c. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination based on

disabilities;

d. The Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination based on age;

e. The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination based on drug abuse;

f. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination based on alcohol abuse or alcoholism;

g. Sections 523 and 527 of the Public Health Service Act of 1944 (42 U.S.C. 290 dd-2), as amended, relating to confidentiality of alcohol and drug abuse patient records;

h. Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made; and

i. The requirements of any other nondiscrimination statute(s) which may apply to the application.

3. Additionally, assurance is given to the Department that proactive efforts will be made to identify and encourage the participation of minority-owned and women-owned businesses, and businesses owned by persons with disabilities in contract solicitations. The Grantee shall include language in all contracts awarded under this Agreement which (1) prohibits discrimination against minority-owned and women-owned businesses and businesses owned by persons with disabilities in subcontracting; and (2) makes discrimination a material breach of contract.

D. Debarment and Suspension

The Grantee will comply with federal regulation 2 CFR 180 and certifies to the best of its knowledge and belief that it, its employees and its subcontractors:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or contractor;

2. Have not within a five-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) or private transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;

3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in section 2;
4. Have not within a five-year period preceding this Agreement had one or more public transactions (federal, state or local) terminated for cause or default; and
5. Have not committed an act of so serious or compelling a nature that it affects the Grantee's present responsibilities.

E. Federal Requirement: Pro-Children Act

1. The Grantee will comply with the Pro-Children Act of 1994 (P.L. 103-227; 20 U.S.C. 6081, et seq.), which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development activities, education or library activities to children under the age of 18, if the activities are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's activities that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's activities provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; activity providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The Grantee also assures that this language will be included in any subawards which contain provisions for children's activities.
2. The Grantee also assures, in addition to compliance with P.L. 103-227, any activity funded in whole or in part through this Agreement will be delivered in a smoke-free facility or environment. Smoking shall not be permitted anywhere in the facility, or those parts of the facility under the control of the Grantee. If activities are delivered in facilities or areas that are not under the control of the Grantee (e.g., a mall, restaurant or private work site), the activities shall be smoke-free.

F. Hatch Act and Intergovernmental Personnel Act

The Grantee will comply with the Hatch Act (5 U.S.C. 1501-1508, 5 U.S.C. 7321-7326), and the Intergovernmental Personnel Act of 1970 (P.L. 91-648) as amended by Title VI of the Civil Service Reform Act of 1978 (P.L. 95-454). Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally assisted programs.

G. **Employee Whistleblower Protections**

The Grantee will comply with 41 U.S.C. 4712 and shall insert this clause in all subcontracts.

H. **Clean Air Act and Federal Water Pollution Control Act**

The Grantee will comply with the Clean Air Act (42 U.S.C. 7401-7671(q)) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended.

1. This Agreement and anyone working on this Agreement will be subject to the Clean Air Act and Federal Water Pollution Control Act and must comply with all applicable standards, orders or regulations issued pursuant to these Acts. Violations must be reported to the Department.

I. **Victims of Trafficking and Violence Protection Act**

The Grantee will comply with the Victims of Trafficking and Violence Protection Act of 2000 (P.L. 106-386), as amended.

1. This Agreement and anyone working on this Agreement will be subject to P.L. 106-386 and must comply with all applicable standards, orders or regulations issued pursuant to this Act. Violations must be reported to the Department

J. **Procurement of Recovered Materials**

The Grantee will comply with section 6002 of the Solid Waste Disposal Act of 1965 (P.L. 89-272), as amended.

1. This Agreement and anyone working on this Agreement will be subject to section 6002 of P.L. 89-272, as amended, and must comply with all applicable standards, orders or regulations issued pursuant to this Act. Violations must be reported to the Department.

K. **Subcontracts**

For any subcontracted activity or product, the Grantee will ensure:

1. That a written subcontract is executed by all affected parties prior to the initiation of any new subcontract activity or delivery of any subcontracted product. Exceptions to this policy may be granted by the Department if the Grantee asks the Department in writing within 30 days of execution of the Agreement.
2. That any executed subcontract to this Agreement shall require the subcontractor to comply with all applicable terms and conditions of this Agreement. In the event of a conflict between this Agreement and the provisions of the subcontract, the provisions of this Agreement shall prevail.

   A conflict between this Agreement and a subcontract, however, shall not be deemed to exist where the subcontract:

   a. Contains additional non-conflicting provisions not set forth in this Agreement;

b. Restates provisions of this Agreement to afford the Grantee the same or substantially the same rights and privileges as the Department; or

c. Requires the subcontractor to perform duties and/or activities in less time than that afforded the Grantee in this Agreement.

3. That the subcontract does not affect the Grantee's accountability to the Department for the subcontracted activity.

4. That any billing or request for reimbursement for subcontract costs is supported by a valid subcontract and adequate source documentation on costs and activities.

5. That the Grantee will submit a copy of the executed subcontract if requested by the Department.

L. Procurement

Grantee will ensure that all purchase transactions, whether negotiated or advertised, shall be conducted openly and competitively in accordance with the principles and requirements of 2 CFR 200. Funding from this Agreement shall not be used for the purchase of foreign goods or activities. Records shall be sufficient to document the significant history of all purchases and shall be maintained for a minimum of four years after the end of the Agreement period.

M. Health Insurance Portability and Accountability Act

To the extent that the Health Insurance Portability and Accountability Act (HIPAA) is applicable to the Grantee under this Agreement, the Grantee assures that it is in compliance with requirements of HIPAA including the following:

1. The Grantee must not share any protected health information provided by the Department that is covered by HIPAA except as permitted or required by applicable law; or to a subcontractor as appropriate under this Agreement.

2. The Grantee will ensure that any subcontractor will have the same obligations as the Grantee not to share any protected health data and information from the Department that falls under HIPAA requirements in the terms and conditions of the subcontract.

3. The Grantee must only use the protected health data and information for the purposes of this Agreement.

4. The Grantee must have written policies and procedures addressing the use of protected health data and information that falls under the HIPAA requirements. The policies and procedures must meet all applicable federal and state requirements including the HIPAA regulations. These policies and procedures must include restricting access to the protected health data and information by the Grantee's employees.

5. The Grantee must have a policy and procedure to immediately report to the Department any suspected or confirmed unauthorized use or disclosure of protected health information that falls under the HIPAA requirements of which the Grantee becomes aware. The Grantee will work with the Department to mitigate the breach and will provide assurances to the Department of corrective actions to prevent further unauthorized uses or disclosures. The Department may demand specific corrective actions and assurances and the Grantee must provide the same to the Department.
6. Failure to comply with any of these contractual requirements may result in the termination of this Agreement in accordance with Part 2, Section V.
7. In accordance with HIPAA requirements, the Grantee is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data and information, including without limitation the Department's costs in responding to a breach, received by the Grantee from the Department or any other source.
8. The Grantee will enter into a business associate agreement should the Department determine such an agreement is required under HIPAA.

N. Website Incorporation

The Department is not bound by any content on Grantee's website or other internet communication platforms or technologies, unless expressly incorporated directly into this Agreement. The Department is not bound by any end user license agreement or terms of use unless specifically incorporated in this Agreement or any other agreement signed by the Department. The Grantee may not refer to the Department on the Grantee's website or other internet communication platforms or technologies without the prior written approval of the Department.

O. Survival

The provisions of this Agreement that impose continuing obligations will survive the expiration or termination of this Agreement.

P. Non-Disclosure of Confidential Information

1. The Grantee agrees that it will use confidential information solely for the purpose of this Agreement. The Grantee agrees to hold all confidential information in strict confidence and not to copy, reproduce, sell, transfer or otherwise dispose of, give or disclose such confidential information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Agreement or to use such confidential information for any purpose whatsoever other than the performance of this Agreement. The Grantee must take all reasonable precautions to safeguard the confidential information. These precautions must be at least as great as the precautions the Grantee takes to protect its own confidential or proprietary information.

2. Meaning of Confidential Information

   For the purpose of this Agreement the term "confidential information" means all information and documentation that:

   a. Has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party;
   b. If disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning;
   c. Should reasonably be recognized as confidential information of the disclosing party;
   d. Is unpublished or not available to the general public; or
   e. Is designated by law as confidential.

3. The term "confidential information" does not include any information or documentation that was:

   a. Subject to disclosure under the Michigan Freedom of Information Act (FOIA);
   b. Already in the possession of the receiving party without an obligation of confidentiality;
   c. Developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights;
   d. Obtained from a source other than the disclosing party without an obligation of confidentiality; or
   e. Publicly available when received or thereafter became publicly available (other than through an unauthorized disclosure by, through or on behalf of, the receiving party).

4. The Grantee must notify the Department within one business day after discovering any unauthorized use or disclosure of confidential

information. The Grantee will cooperate with the Department in every way possible to regain possession of the confidential information and prevent further unauthorized use or disclosure.

Q. Cap on Salaries

None of the funds awarded to the Grantee through this Agreement shall be used to pay, either through a grant or other external mechanism, the salary of an individual at a rate in excess of Executive Level II. The current rates of pay for the Executive Schedule are located on the United States Office of Personnel Management web site, http://www.opm.gov, by navigating to Policy — Pay & Leave — Salaries & Wages. The salary rate limitation does not restrict the salary that a Grantee may pay an individual under its employment; rather, it merely limits the portion of that salary that may be paid with funds from this Agreement.

IV. Financial Requirements

A. Operating Advance

An operating advance may be requested by the Grantee to assist with program operations. The request should be addressed to the Contract Manager identified in Part 1, Section VIII. The operating advance will be administered as follows:

1. The operating advance amount requested must be reasonable in relation to factors including but not limited to program requirements, the period of the Agreement, and the financial obligation. In no case may the advance exceed the amount required for 60 days of operating expenses. Operating advances will be monitored and adjusted by the Department relative to the Agreement amount.
2. The operating advance must be recorded as an account payable liability to the Department in the Grantee's financial records. The operating advance payable liability must remain in the Grantee's financial records until fully recovered by the Department.
3. The reimbursement for actual expenditures by the Department should be used by the Grantee to replenish the operating advance used for program operations.
4. The operating advance must be returned to the Department within 30 days of the end date of this Agreement unless the Grantee has a recurring agreement with the Department. Subsequent Department agreements may not be executed if an outstanding operational advance has not been repaid.

The Department may obtain the Michigan Department of Treasury's assistance in collecting outstanding operating advances. The Department will comply with the Michigan Department of Treasury's Due Process procedures prior to forwarding claims to Treasury. Specific

Due Process procedures include the following:

a. An offer from the Department of a hearing to dispute the debt, identifying the time, place and date of such hearing.

b. A hearing by an impartial official.

c. An opportunity for the Grantee to examine the Department's associated records.

d. An opportunity for the Grantee to present evidence in person or in writing.

e. A hearing official with full authority to correct errors and decide not to forward debt to Treasury.

f. Grantee representation by an attorney and presentation of witnesses if necessary.

5. If the Grantee has a recurring agreement with the Department, the Department requires an annual confirmation of the outstanding operating advance. At the end of either the Agreement period or Department's fiscal year, whichever is first, the Grantee must respond to the Department's request for confirmation of the operating advance. Failure to respond to the confirmation request may result in the Department recovering all or part of an outstanding operating advance.

B. Reimbursement Method

The Grantee will be paid for allowable expenditures incurred by the Grantee, submitted for reimbursement on the Financial Status Reports (FSRs) and approved by the Department. Reimbursement from the Department is based on the understanding that Department funds will be paid up to the total Department allocation as agreed to in the approved budget. Department funds are the first source after the application of fees and earmarked sources unless a specific local match condition exists.

C. Financial Status Report Submission

The Grantee shall electronically prepare and submit FSRs to the Department via the EGrAMS website http://egrams-mi.com/mdhhs.

FSRs must be submitted on a monthly basis, no later than 30 days after the close of each calendar month. The monthly FSRs must reflect total actual program expenditures, up to the total agreement amount. Failure to meet financial reporting responsibilities as identified in this Agreement may result in withholding future payments.

The Grantee representative who submits the FSR is certifying to the best of their knowledge and belief that the report is true, complete and accurate and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of this Agreement. The individual submitting the FSR should be aware that any false, fictitious or fraudulent information, or the omission of any material facts, may subject them to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

The instructions for completing the FSR form are available on the EGrAMS website http://egrams-mi.com/mdhhs. Send FSR questions to FSRMDHHS@michigan.gov.

D. Reimbursement Mechanism

All Grantees must register using the on-line vendor self-service site to receive all state of Michigan payments as Electronic Funds Transfers (EFT)/Direct Deposits, as mandated by MCL 18.1283a. Vendor registration information is available through the Department of Technology Management and Budget's web site: https://www.michigan.gov/sigmavss.

E. Final Obligations and Financial Status Reporting Requirements

1. Obligation Report

The Obligation Report, based on annual guidelines, must be submitted by the due date established by and using the format provided by the Department's Expenditures Operations Division. The Grantee must provide an estimate of unbilled expenditures for the entire Agreement period. The information on the report will be used to record the Department's year-end accounts payable and receivable for this Agreement.

2. Department-wide Payment Suspension

A temporary payment suspension is in effect on agreements during the Department's year-end closing period. The Department will notify the Grantee of the date by which FSRs should be submitted to ensure payment prior to the payment suspension period.

3. Final FSRs

Final FSRs are due 30 days following the end of the Agreement period. The final FSR must be clearly marked "Final." Final FSRs not received by the due date may result in the loss of funding requested on the Obligation Report and may result in a potential reduction in a subsequent year Agreement amount.

F. Unobligated Funds

Any unobligated balance of funds held by the Grantee at the end of the Agreement period will be returned to the Department within 30 days of the end of the Agreement or treated in accordance with instructions provided by the Department.

G. Indirect Costs

The Grantee may use an approved federal or state indirect rate in their budget calculations and financial status reporting. If the Grantee does not have an existing approved federal or state indirect rate, they may use a 10% de minimis rate in accordance with 2 CFR 200 to recover their indirect costs. Governmental Grantees with an existing cost allocation plan may budget accordingly in lieu of an indirect cost rate. Non-governmental Grantees may use a cost allocation plan only if the plan was in place prior to December 26, 2014.

V. Agreement Termination

This Agreement may be terminated without further liability or penalty to the Department for any of the following reasons:

A. By either party by giving 30 days written notice to the other party stating the reasons for termination and the effective date.

B. By either party with 30 days written notice upon the failure of either party to carry out the terms and conditions of this Agreement, provided the alleged defaulting party is given notice of the alleged breach and fails to cure the default within the 30-day period.

C. Immediately if the Grantee or an official of the Grantee or an owner is convicted of any activity referenced in Part 2 Section III. D. of this Agreement during the term of this Agreement or any extension thereof.

VI. Stop Work Order

The Department may suspend any or all activities under this Agreement at any time. The Department will provide the Grantee with a written stop work order detailing the suspension. Grantee must comply with the stop work order upon receipt. The Department will not pay for activities, Grantee’s incurred expenses or financial losses, or any additional compensation during a stop work period.

VII. Final Reporting Upon Termination

Should this Agreement be terminated by either party, within 30 days after the termination, the Grantee shall provide the Department with all financial, performance and other reports required as a condition of this Agreement. The Department will make payments to the Grantee for allowable reimbursable costs not covered by previous payments or other state or federal programs. The Grantee shall immediately refund to the Department any funds not authorized for use and any payments or funds advanced to the Grantee in excess of allowable reimbursable expenditures.

VIII. Severability

If any part of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, that part will be deemed deleted from this Agreement and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining parts of the Agreement will continue in full force and effect.

IX. Waiver

Failure by the Department to enforce any provision of this Agreement will not constitute a waiver of the Department’s right to enforce any other provision of this Agreement.

X. Amendments

Any changes to this Agreement will be valid only if made in writing and executed by all parties through an amendment to this Agreement. Any change proposed by the Grantee which would affect the Department funding of any project must be submitted in writing to the Department immediately upon determining the need for such change. The Department has sole discretion to approve or deny the amendment request. The Grantee shall, upon request of the Department and receipt of a proposed amendment, amend this Agreement.

XI. Liability

The Grantee assumes all liability to third parties, loss, or damage because of claims, demands, costs, or judgments arising out of activities, such as but not limited to direct activity delivery, to be carried out by the Grantee in the performance of this Agreement, under the following conditions:

A. The liability, loss, or damage is caused by, or arises out of, the actions of or failure to act on the part of the Grantee, any of its subcontractors, or anyone directly or indirectly employed by the Grantee.

B. Nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the Grantee or its employees by statute or court decisions.

The Department is not liable for consequential, incidental, indirect or special damages, regardless of the nature of the action.

XII. State of Michigan Agreement

This is a state of Michigan Agreement and must be exclusively governed by the laws and construed by the laws of Michigan, excluding Michigan’s choice-of-law principle. All claims related to or arising out of this Agreement, or its breach, whether sounding in contract, tort, or otherwise, must likewise be governed exclusively by the laws of Michigan, excluding Michigan’s choice-of-law principles. Any dispute because of this Agreement shall be resolved in the state of Michigan.

Attachment 1

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES SCHEDULE OF FINANCIAL ASSISTANCE

County of St. Clair - 31st Circuit Court

Source of Funds		Catalog of Federal Domestic Assistance (CFDA)		Federal Award				
Federal / State	**Federal Agency Name**	**Number**	**Title**	**Award Number**	**Title**	**Federal Award Identification No.**	**Award Date**	**Amount**
State General Funds (01000)								150,000.00
			Total Allocation					150,000.00

The federal funding provided by the Department is $0.00.

Attachment 1b - APPROVED INDIRECT RATE

APPROVED INDIRECT RATE (S)

Rate Description	Indirect Rate %	Rate Base $	Total Approved Indirect Costs
Total Approved Indirect Costs			

A Attachment A - Statement of Work

Objective : 90% of students will successfully attend classroom instruction.

Activity : Students will actively attend classroom instruction each day that school is in
session. Missed school days due to illness, etc. will be within acceptable limits.

Responsible Staff : Michael McMillan

Date Range : 12/01/2021 - 09/30/2022

Expected Outcome : 90% of students will attend classes as required and will do so with passing
grades.

Measurement : Attendance and discipline records will be evaluated. Academic progress will be
monitored.

Objective : 90% of students will participate in recovery programming.

Activity : Students will actively participate in clinically led group sessions, daily checkin's,
closing sessions, and participate in individual counseling sessions.

Responsible Staff : Michael McMillan

Date Range : 12/01/2021 - 09/30/2022

Expected Outcome : All students will actively participate in all recovery sessions with the goal of
abstinence, positive behavior modification and positive peer interactions.

Measurement : Attendance of all sessions will be evaluated. Therapists will determine if a
student's participation is leading to improvements in behavior choices and
positive social interactions.

Objective : 80% of students will maintain abstinence from substances and will actively work
towards sobriety.

Activity : Students will actively participate in recovery programming designed to lessen
and negate their use of illicit substances.

Responsible Staff : Michael McMillan

Date Range : 12/01/2021 - 09/30/2022

Expected Outcome : Students will decrease/stop use of illicit substances and alcohol. Relapses will
be addressed accordingly.

Measurement : Students will submit to frequent and random drug and alcohol testing.

B1 Attachment B1 - Program Budget Summary

PROGRAM Recovery Support High School Program - 2022		**DATE PREPARED** 12/13/2021	
CONTRACTOR NAME County of St. Clair - 31st Circuit Court		**BUDGET PERIOD** From : 12/1/2021 To : 9/30/2022	
MAILING ADDRESS (Number and Street) 201 McMorran Blvd Rm 3400		**BUDGET AGREEMENT** ☑ Original ☐ Amendment	**AMENDMENT #** 0
CITY Port Huron	**STATE** MI	**ZIP CODE** 48060-4000	**FEDERAL ID NUMBER** 38-6006420

	Category	Total	Amount
DIRECT EXPENSES			
Program Expenses			
1	Salary & Wages	31,624.00	31,624.00
2	Fringe Benefits	2,634.00	2,634.00
3	Travel	0.00	0.00
4	Supplies & Materials	15,000.00	15,000.00
5	Contractual	95,000.00	95,000.00
6	Subawards – Subrecipient Services	0.00	0.00
7	Equipment	0.00	0.00
8	Other Expense	5,742.00	5,742.00
Total Program Expenses		150,000.00	150,000.00
TOTAL DIRECT EXPENSES		150,000.00	150,000.00
INDIRECT EXPENSES			
Indirect Costs			
1	Indirect Costs	0.00	0.00
2	Cost Allocation Plan	0.00	0.00
Total Indirect Costs		0.00	0.00
TOTAL INDIRECT EXPENSES		0.00	0.00
TOTAL EXPENDITURES		**150,000.00**	**150,000.00**

SOURCE OF FUNDS

	Category	Total	Amount	Cash	Inkind
1	**Source of Funds**				
	Fees and Collections	0.00	0.00	0.00	0.00
	State Agreement	150,000.00	150,000.00	0.00	0.00
	Local	0.00	0.00	0.00	0.00

	Federal	0.00	0.00	0.00	0.00
	Other	0.00	0.00	0.00	0.00
	Total Source of Funds	150,000.00	150,000.00	0.00	0.00
	Totals	150,000.00	150,000.00	0.00	0.00

B2 **Attachment B2 - Program Budget - Cost Detail Schedule**

	Line Item	Qty	Rate	Units	UOM	Total
DIRECT EXPENSES						
Program Expenses						
1	**Salary & Wages**					
	Case Worker	1.0000	31624.000	0.000	FTE	31,624.00
2	**Fringe Benefits**					
	Composite Rate Notes : FICA -$1961 Medicare -$458 Unemployment -$25 Workers Comp -$190	0.0000	8.330	31624.000		2,634.00
3	**Travel**					
4	**Supplies & Materials**					
	Materials, supplies and other costs Notes : Classroom supplies, school/programming materials, recovery textbooks and materials.	0.0000	0.000	0.000		10,000.00
	Printing Notes : marketing materials, printing and publishing of information related to recruitment of students.	0.0000	0.000	0.000		5,000.00
Total for Supplies & Materials						15,000.00
5	**Contractual**					
	Subcontracting Agency-The Romine Group - Recovery Therapy Contact Details : The Romine Group 7877 Stead , Utica ,MI,48317, Phone : 5867315300	0.0000	0.000	0.000		95,000.00
6	**Subawards – Subrecipient Services**					
7	**Equipment**					
8	**Other Expense**					

	Line Item	Qty	Rate	Units	UOM	Total
	Incentives Notes : Incentives for students. Gym and club memberships for students in the program.	0.0000	0.000	0.000		5,742.00
Total Program Expenses						150,000.00
TOTAL DIRECT EXPENSES						150,000.00
INDIRECT EXPENSES						
Indirect Costs						
1	**Indirect Costs**					
2	**Cost Allocation Plan**					
Total Indirect Costs						0.00
TOTAL INDIRECT EXPENSES						0.00
TOTAL EXPENDITURES						**150,000.00**

Contract Approval Request - Romine Group - FINAL ACTION

Summary:

ATTACHMENTS:

	Description	Upload Date	Type
🗋	Contract Approval Request - Romine Group	12/21/2021	Cover Memo

STATE OF MICHIGAN

ST. CLAIR COUNTY COURTS
201 McMORRAN BLVD.
PORT HURON, MICHIGAN 48060
Circuit Court (810) 985-2031
District Court-Port Huron (810) 985-2076
District Court-Marine City (810) 765-4057
Adult Probate (810) 985-2066
Family Division (810) 985-2155

HON. MICHAEL WEST
CHIEF JUDGE
HON. ELWOOD BROWN
PROBATE JUDGE
HON. JOHN TOMLINSON
PROBATE JUDGE
HON. CYNTHIA LANE
CIRCUIT JUDGE

HON. JOHN MONAGHAN
CHIEF JUDGE PRO TEM
HON. MICHAEL HULEWICZ
DISTRICT JUDGE
HON. MONA ARMSTRONG
DISTRICT JUDGE
HON. DANIEL DAMMAN
CIRCUIT JUDGE

To: St. Clair County Board of Commissioners
From: Michael McMillan, Court Administrator
Date: December 21, 2021
RE: Recovery High School

The following is a request to approve the contract with the Romine Group to provide clinical services to the youth who are participating in the Recovery High School. We just received the contract from MDHHS and the grant period began on December 1; therefore, we are respectfully requesting FINAL ACTION.

This is the second year of this grant award. The Court has been working very closely with the Intervention Academy, Port Huron Schools, and other partner stakeholders to bring this cutting edge program to the children and families of our county.

We are respectfully requesting that the contract be approved for FINAL ACTION.

COUNTY OF ST.CLAIR

COUNTY OF ST. CLAIR, MICHIGAN

PROFESSIONAL SERVICE CONTRACT

Contract Expiration Date: September 30, 2022

Contract – NOT TO EXCEED $ 95,000

*Not to exceed specified amount without written authorization from a St. Clair County authorized representative.

This "Contract" is made between the COUNTY OF ST. CLAIR, a Michigan Constitutional Corporation, hereinafter called "County", and the "Contractor" as further described in the following Table. In this Contract, either Contractor or the County may also be referred to individually as a "Party" or jointly as the "Parties".

COUNTY OF ST. CLAIR, MICHIGAN 200 Grand River Port Huron, MI 48060 (herein, the "County")	The Romine Group 7877 Stead Utica, Michigan 48317 (herein, the "Contractor")

This Contract is organized and divided into the following "Section" or "Sections" for the convenience of the Parties.

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

§ 1. CONTRACT DOCUMENTS AND DEFINITIONS

The following words and expressions when printed with the first letter capitalized as shown herein, whether used in the singular or plural, possessive or non-possessive, and/or either within or without quotation marks, shall be defined and interpreted as follows:

1.1. **"**Contractor Employee" means without limitation, any employees, officers, directors, members, managers, trustees, volunteers, attorneys, and representatives of Contractor, and also includes any Contractor licenses, concessionaires, contractors, subcontractors, independent contractors, contractor's supplies, subsidiaries, joint ventures or partners, and/or any such persons, successors or predecessors, employees, (whether such persons act or acted in their personal, representative or official capacities), and/or any and all persons acting by, through, under, or in concert with any person who was a Contractor Employee at anytime during the term of this contract but, for any reason, is no longer employed, appointed, or elected in that capacity.

1.2. "Claims" means any alleged losses, claims, complaints, demands for relief or damages, suits, causes of action, proceedings, judgments, deficiencies, liability, penalties, litigation, costs, and expenses, including, but not limited to, reimbursement for reasonable attorney fees, witness fees, courts costs, investigation expenses, litigation expenses, amounts paid in settlement, and/or amounts or liabilities of any kind which are imposed on, incurred by, or asserted against the county, or for which the county may become legally and/or contractually obligated to pay or defend against, whether direct, indirect or consequential, whether based upon any alleged violation of the federal or the state constitution, any federal or state statute, rule, regulation, or any all alleged violation of federal or state common law, whether any such claims are brought in law or equity, tort, contract, or otherwise, and/or whether commenced or threatened.

1.3. "County" means the County of St. Clair, a Municipal and Constitutional Corporation, its departments, divisions, authorities, boards, committees, and "County Agent" as defined below.

1.4. "County Agent" means all elected and appointed officials, directors, board members, council members, commissioners, employees, volunteers, representatives, and/or any such persons' successors (whether such person act or acted in their personal representative or official capacities), and/or any persons acting by, through, under, or in concert with any of them. "County Agent" shall also include any person who was a "County Agent" anytime during the term of this Contract but, for any reason, is no longer employed, appointed, or elected and serving as an Agent.

1.5. "Day" means any calendar day, which shall begin at 12:00:01 a.m. and end at 11:59:59 p.m.

1.6. "Contract Documents" This contract includes and fully incorporates herein all of the following documents:

1.6.1. Attachment I: Scope of Contractor's Services

1.6.2. Attachment II: Contractor's Fee Schedule

1.6.3. Attachment III: Contractor Insurance Requirements

§ 2. CONTRACT EFFECTIVE DATE AND TERMINATION

2.1. The effective date of this Contract shall be December 1, 2021, and unless otherwise terminated or canceled as provided below, it shall end at 11:59:59 p.m. on the "Contract Expiration Date" shown on the first page of this Contract, at which time this Contract expires without any further act or notice of either Party being required. The Parties under no obligation are to renew or extend this Contract after Contract Expiration Date. Notwithstanding the above, under no circumstances shall this Contract be effective and binding and no payments to the Contractor shall be due or owing for any Contractor services until and unless:

2.1.1. This Contract is signed by Contractor Employee, legally authorized to bind the Contractor.

2.1.2. Any and all Contractor Certificates of Insurance, and any other conditions Precedent to the Contract have been submitted and accepted by the County.

2.1.3. An authorized agent of the County of St. Clair, Michigan as provided for on the signature page of this Contract, shall be the final signatory to this Contract.

2.2. Upon the expiration of this Contract the County has the option, at the County's sole discretion, of extending this Contract for an additional term determined by the extensions on the same terms and conditions contained herein. The County shall not be obligated to pay Contractor any contract extension fee if the County elects to extend.

2.3. As a government entity, County of St. Clair tax ID#38-6006420, the County is exempt from Federal Excise, State Sales Tax, Personal Property Tax, and Use Tax.

2.4. The County may cancel the contract for its convenience, in whole or in part, by giving the contractor written notice 30 days prior to the date of cancellation. If the County chooses to cancel this contract in part, the charges payable under this contract shall be equitably adjusted to reflect those services that are cancelled.

§ 3. SCOPE OF CONTRACTOR'S SERVICES

3.1. The Contractor shall perform all services identified and itemized in Attachment I: "Scope of Contractor's Services" which is attached hereto and incorporated and made part of this Contract.

§ 4. COUNTY PAYMENT OBLIGATIONS FOR CONTRACTOR'S SERVICES

4.1. Except as otherwise expressly provided for in this Contract, the County's sole financial obligation to the Contractor for any Contractor services under this Contract shall be as defined in Attachment II: "Contractor's Fee Schedule" which is attached hereto and incorporated and made a part of this Contract.

4.1.1. In no event, shall the County's amount due and owing the Contractor for any and all services rendered exceed the amount identified as the "NOT TO EXCEED AMOUNT" on the first page of this Contract. In the event the Contractor can reasonably foresee the total billings for its services will exceed this "NOT TO EXCEED AMOUNT," the Contractor shall provide the County with notice of this contingency at least 30 days before this event.

4.1.2. The Contractor will invoice the County per event for services rendered. The Contractor will provide a work sheet detailing the work that was completed per the Contractor proposal. The County shall have no obligation to make payment until a proper invoice of service is submitted.

4.1.3. The Contract has no security deposit requirements and no money down. The County will not be responsible for any documentation fees, filing fees, title fees, and insurance fees.

4.1.4. The invoices shall be submitted in the form requested by the County. All invoices pertaining to this Contract will reference County purchase order number **(PO#____).** Invoices are due within 30 days of service.

4.2. Under no circumstances shall the County be responsible for any cost, fee, fine, penalty, or direct, indirect, special, incidental or consequential damages incurred or suffered by Contractor in connection with or resulting from the Contractor's providing any services under this Contract arising out of this Contract or any claimed breach of this Contract.

§ 5. CONTRACTOR'S ASSURANCES AND WARRANTIES

5.1. Service Warranty. Contractor warrants that all services performed hereunder will be performed in a manner that complies with all applicable laws, statutes, regulations, ordinances, and professional standards.

5.2. Business and Professional Licenses. The Contractor will obtain and maintain at all times during the term of this Contract all applicable business and professional licenses necessary to provide the contracted services.

5.3. Services and Supplies. The Contractor is responsible for providing services and supplies not expressly required to be provided by the County herein.

5.4. Taxes. The Contractor shall pay, its own local, state and federal taxes, including without limitation, social security taxes, and unemployment compensation taxes. The County shall not be liable to or required to reimburse the Contractor for any federal, state and local taxes or fees of any kind. The Contractor shall be responsible for any and all personal property taxes on any and all equipment provided under this Contract. The County shall not be liable to or required to reimburse the Contractor for personal property taxes paid.

5.5. Contractor's Incidental Expenses. Except as otherwise expressly provided in this Contract, the Contractor shall be solely responsible and liable for all costs and expenses incident to the performance of all services for the County including, but not limited to, any professional dues, association fees, license fees, fines, taxes, and penalties.

5.6. Right to Inspect. The County may, at reasonable times, inspect the plant, place of business, or work site of the Contractor or Subcontractor, which is pertinent to the performance of this contract.

5.7. Contractor Employees.

5.7.1. Contractor shall employ and assign qualified Contractor Employees as necessary and appropriate to provide the services under this Contract. Contractor shall ensure all Contractor Employees have all the necessary knowledge, skill, and qualifications necessary to perform the required services and possess any necessary licenses, permits, certificates, and governmental authorizations as may required by law.

5.7.2. Contractor shall solely control, direct, and supervise all Contractor Employees with respect to all Contractor obligations under this Contract. Contractor will be solely responsible for and fully liable for the conduct and supervision of any Contractor Employee.

5.7.3. All Contractor Employees assigned to work under this Contract may, at the County's discretion, be subject to a security check and clearance by the County. Such Contractor Employees will be required to sign a Confidentiality Agreement provided by the Contractor if requested by the County. This documentation may, upon the County's request, be made available for review and verification.

5.8. Contractor Employee-Related Expenses. All Contractor Employees shall be employed at the Contractor's sole expense (including employment-related taxes and insurance) and the Contractor warrants that all Contractor Employees shall fully comply with and adhere to all of the terms of this Contract. Contractor shall be solely and completely liable for any and all applicable Contractor Employee's federal, state, or local payment withholdings or contributions and/or any and all Contractor Employees related pension or welfare benefits plan contribution under federal or state law. Contractor shall indemnify and hold the County harmless for all Claims against the County by any Contractor Employee, arising out of any contract for hire or employer-employee relationship between the Contractor and any Contractor Employee, including, but not limited to, Worker's Compensation, disability pay or other insurance of any kind.

5.9. Full Knowledge of Service Expectations and Attendant Circumstances. Contractor warrants that before submitting its Proposal and/or entering into this Contract, it had a full opportunity to review the proposed services, and review all County requirements and/or expectations under this Contract. The Contractor is responsible for being adequately and properly prepared to execute this Contract. Contractor has satisfied all material in respects that it will be able to perform all obligations under the Contract as specified herein.

5.10. The Contractor's Relationship To The County Is That Of An Independent Contractor. Nothing in this Contract is intended to establish an employer-employee relationship between the County and either the Contractor or any Contractor Employee. All Contractor Employees assigned to provide services under this Contract by the Contractor shall, in all cases, be deemed employees of the Contractor and not employees, agents, or sub-contractors of the County.

§ 6. CONTRACTOR INDEMNIFICATION and INSURANCE REQUIREMENTS

6.1. Indemnification.

6.1.1. Contractor shall indemnify and hold the County harmless from any and all Claims which are incurred by or asserted against the County by any person or entity, alleged to have been caused or found to arise, from the acts, performances, errors, or omissions of Contractor or Contractor's Employees, including, without limitation, all Claims relating to injury or death of any person or damage to any property.

6.1.2. The indemnification rights contained in this Contract are in excess and over and above any valid and collectible insurance rights/policies. During the term of this Contract, if the validity or collectability of the Contractor's insurance is disputed by the insurance company, the Contractor shall indemnify the County for all claims asserted against the County and if the insurance company prevails, the Contractor shall indemnify the County of non-collectible accounts.

6.1.3. Contractor shall have no rights against the County for any indemnification (e.g., contractual, equitable, or by implication), contribution, subrogation, and/or any other right to be reimbursed by the County except as expressly provided herein.

6.1.4. Contractor waives and releases all actions, liabilities, loss and damage including any subrogation rights it may have against the County based upon any Claim brought against the County suffered by a Contractor Employee.

6.2. Insurance Requirements.

6.2.1 At all times during this Contract, the Contractor shall obtain and maintain insurance according to the specifications indicated in Attachment III.

§ 7. GENERAL TERMS AND CONDITIONS

7.1 Cumulative Remedies. A Party's exercise of any remedy shall not preclude the exercise of any other remedies, all of which shall be cumulative. A Party shall have the right, in its sole discretion, to determine which remedies are to be exercised and in which order.

7.2. Survival of Terms and Conditions. The following terms and conditions shall survive and continue in full force beyond the termination and/or cancellation of this Contract (or any part thereof) until the terms and conditions are fully satisfied or expire by their very nature:

"CONTRACTOR'S ASSURANCES AND WARRANTIES";
"CONTRACTOR PROVIDED INSURANCE AND INDEMNIFICATION";
"DAMAGE CLEAN UP TO COUNTY PROPERTY AND/OR PREMISES";
"AUDIT";
"SEVERABILITY";
"GOVERNING LAW/CONSENT TO JURISDICTION AND VENUE"; AND
"SURVIVAL OF TERMS AND CONDITIONS".

7.3. County Right to Suspend Services. Upon written notice, the County may suspend performance of this Contract if Contractor has failed to comply with Federal, State, or Local laws, or any requirements contained in this Contract. The right to suspend services is in addition to the County's right to terminate and/or cancel this Contract. The County shall incur no penalty, expense, or liability to Contractor if the County suspends services under this Section.

7.4. No Third Party Beneficiaries. Except as provided for the benefit of the Parties, this contract does not and is not intended to create any obligation, duty, promise, contractual right or benefit, right to be indemnified, right to be subrogated to the Parties' rights in this Contract, and/or any other right, in favor of any other person or entity.

7.5. Compliance with Laws. Contractor shall comply with all federal, state, and local laws, statutes, ordinances, regulations, insurance policy requirements, and requirements applicable to its activities under this Contract.

7.6. Permits and Licenses. Contractor shall be responsible for obtaining and maintaining throughout the term of this Contract all licenses, permits, certificates, and governmental authorizations necessary to perform all of its obligations under this Contract and to conduct business under this Contract. Upon request by the County, Contractor shall furnish copies of any permit, license, certificate or governmental authorizations necessary to provide services under this Contract.

7.7. Discrimination. Contractor shall not discriminate against any employee or applicant for employment because of sex, race, religion, color, national origin, or handicap, or other protected category in violation of State and Federal law.

7.7.1 Contractor shall promptly notify the County of any complaint or charge filed and/or determination by any Court or administrative agency of illegal discrimination by Contractor.

7.7.2 The County, in its discretion, may consider any illegal discrimination described above as breach of this Contract and may terminate or cancel this Contract immediately with notice.

7.8. Reservation of Rights. This Contract does not, and is not intended to impair, divest, delegate, or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty, or immunity of the County.

7.9. Conflict of Interest. Pursuant to Public Act 317 and 318 of 1968, as amended (MCL 15.321, et seq.), no contracts shall be entered into between the County, including all agencies and departments thereof, and any County Agent. To avoid any real or perceived conflict of interest, Contractor shall identify any Contractor Employee or relative of Contractor's Employees who are presently employed by the County. Contractor shall give the County notice if there are any County Agents or relatives of County Agents who are presently employed by Contractor.

7.10. Damage Clean Up to County Property and/or Premises. Contractor shall be responsible for any unexpected and/or unnecessary damage to any County property, its premises, or a County Agent that is caused by Contractor or Contractor's Employees. If damage occurs, Contractor shall make necessary repairs and/or replacements to the damaged property to the satisfaction of the County. If the damage cannot be completed to the County's satisfaction, Contractor shall reimburse the County the actual cost for repairing or replacing the damaged property. The Contractor shall be responsible for assuring that all County and municipal sites are restored to their original condition.

7.11. Contractor Use of Confidential Information. The Contractor and/or Contractor Employees shall not reproduce, provide, disclose, or give access to Confidential Information to any third party, or to any Contractor Employee. The Contractor and the Contractor Employee shall not use the Confidential Information for any purpose other than performing its services under this Contract.

7.11.1 This Contract imposed no obligation upon Contractor with respect to any Confidential Information which Contractor can establish by legally sufficient evidence: (i) was in the possession of, or was known by Contractor, prior to its receipt from the County, without an obligation to maintain its confidentiality; or (ii) is obtained by Contractor from a third party having the right to disclose it, without an obligation to keep such information confidential.

7.11.2 As used in this Contract, Confidential Information means all information that the County is required or permitted by law to keep confidential.

7.12. Grant Compliance. If any part of this Contract is supported or paid with any state or federal funds granted to the County, the Contractor shall comply with all applicable grant requirements.

7.13. Delegation/Subcontract/Assignment. Contractor shall not delegate, assign, or subcontract any obligations or rights under this Contract without the prior written consent of the County.

7.13.1 The rights and obligations under this Contract shall not be diminished in any manner by assignment, delegation or subcontract.

7.13.2 Any assignment, delegation, or subcontract by Contractor and approved by the County, must include a requirement that the assignee, delegate, or subcontractor will comply with the rights and obligations contained in this Contract.

7.13.3 The Contractor shall remain primarily liable for all work performed by any subcontractors. Contractor shall remain liable to the County for any obligations under the Contract not completely performed by any Contractor delegate or subcontractor.

7.13.4 Should a subcontractor fail to provide the established level of service and response, the Contractor shall contract with another agency for these services in a timely manner. Any additional costs associated with securing a competent subcontractor shall be the sole responsibility of the Contractor.

7.13.5 This Contract cannot be sold.

7.13.6 In the event that a Petition in Bankruptcy is filed and there is an assignment of this Contract by a Court, the County may declare this Contract null and void.

7.14. Non Exclusive Contract. No provision in this Contract limits, or is intended to limit, in any way the Contractor's right to offer and provide its services to the general public, other business entities, municipalities, or governmental agencies during or after the term of this Contract. Similarly, this Contract is a non-exclusive agreement and the County may freely engage other persons to perform the same work that the Contractor performs. Except as provided in this Contract, this Contract shall not be construed to guarantee the Contractor or any Contractor Employee any number of fixed or certain number or quantity of hours or services to be rendered to the County.

7.15. No Implied Waiver. Absent a written waiver, no act, failure, or delay by a Party to pursue or enforce any right or remedy under this Contract shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Contract. No waiver of any term, condition, or provision of this Contract, 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 Contract. No waiver by either Party shall subsequently affect its right to require strict performance of this Contract.

7.16. Severability. If a court of competent jurisdiction finds a term, condition, or provision of this Contract to be illegal or invalid, then the term, condition, or provision shall be deemed severed from this Contract. All other terms, conditions, and provisions of this Contract shall remain in full force and effect. Notwithstanding the above, if Contractor's promise to indemnify or hold the County harmless is found illegal or invalid, Contractor shall contribute the maximum it is permitted to pay by law toward the payment and satisfaction of any Claims against the County.

7.17. Captions. The section and subsection numbers, captions, and any index to such sections and subsections contained in this Contract are intended for the convenience of the reader and are not intended to have a substantive meaning and shall not be interpreted to limit or modify any substantive provisions of this Contract. Any use of the singular or plural number, any reference to the male, female, or neuter genders, and any possessive or non-possessive use in this Contract shall be deemed the appropriate plurality, gender or possession as the context requires.

7.18. Notices. Notices given under this Contract shall be in writing addressed to the person listed below and shall be delivered by certified mail with signature required. Notice will be deemed given when the person listed below has signed the certified receipt of mailed letter.

7.18.1. If notice is sent to the Contractor, it shall be addressed to:

The Romine Group
7877 Stead
Utica, Michigan
48317

7.18.2. If notice is sent to the County, it shall be addressed to:

County of St Clair, MI
Attn: Accounts Payable
200 Grand River, Ste 203
Port Huron, MI 48060

7.18.3 Either Party may change the address or individual to which notice is sent by notifying the other party in writing of the change.

7.19. Contract Modifications of Amendments. Any modifications, amendments, recessions, waivers, or releases to this Contract must be in writing agreed to by both Parties. Unless otherwise agreed, the modification, amendment, recession, waiver, or release shall be signed by an expressly authorized Contractor Employee and by the same person who signed the Contract for the County or other County Agent as authorized by the County Administrator/Controller.

7.20. Precedence of Documents. In the event of a conflict between the terms and conditions in any of the documents comprising this Contract, the conflict shall be resolved as follows:

7.20.1 The terms and conditions contained in this main Contract document shall prevail and take precedence over any allegedly conflicting provisions in all other attachments or documents.

7.21. Governing Laws/Consent to Jurisdiction and Venue. This Contract shall be governed, interpreted, and enforced by the laws of the State of Michigan. Except as otherwise required by law or court rule, any action brought to enforce, interpret, or decide any Claim arising under or related to this Contract shall be brought in the 31st Circuit Court of the State of Michigan or the 72nd District Court of the State of Michigan, as dictated by applicable jurisdiction of the court. Except as otherwise required by law or court rule, venue is proper in the courts set forth above. The choice of forum set forth above shall not be deemed to preclude the enforcement of any judgment obtained in such forum or taking action under this Contract to enforce such judgment in any appropriate jurisdiction.

7.22. Entire Contract. This Contract represents the entire Contract and understanding between the Parties. This Contract supersedes all other prior oral or written understandings, communications, agreements or Contracts between the Parties. The language of this Contract shall be construed as a whole according to its fair meaning, and not construed strictly for or against any Party.

The undersigned executes this Contract on behalf of Contractor and the County, and by do so legally obligates and binds Contractor and the County to the terms and conditions of this Contract.

FOR THE CONTRACTOR:

BY: ________________________________ DATE: ______________

Authorized Signer

FOR THE COUNTY:

BY: ____ DATE: ______________

Karry Hepting, Administrator/Controller

ATTACHMENT I

SCOPE OF CONTRACTOR'S SERVICES

Monday- Friday
Once a week, a recovery coach shall meet individually with each student for 45-minute sessions and offer recovery coaching services. A coach shall check the student's progress, identify where they need additional work in their recovery program and help set their individual recovery goals. The vendor will provide 40 hours of services per week.

The following services shall also be provided:

7:30am-1:30pm - Morning process group; individual sessions; administrative tasks.
2:30pm-3:30pm- End of day check in, nightly goal setting and 12 step recovery education.
3:30pm-5:30pm - APG after school group (Tuesday/Friday)
5:30pm-630pm - NA meeting (Tuesday/Friday)

Saturday or Sunday
12-3 APG Weekend group (when scheduled, will have to flex time)

In addition to the above, the Contractor will reasonably:

1. Maintain relations with parents, parent groups, school volunteers, and outside agencies.
2. Interact with students in a constructive manner to encourage each individual to perform at their highest level.
3. Maintain and provide tracking information monthly as required by the court to ensure eligibility for State reimbursement.
4. Maintain respect at all times for confidential information, e.g., student files, student IEP's, medical records, personnel files, and required documentation.
5. Keeps the Superintendent informed on the activities and needs of the building.
6. Works closely with all members of the administrative team.
7. Perform other duties as reasonably assigned.

ATTACHMENT II

CONTRACTOR'S FEE SCHEDULE

For the period of December 1, 2021 through September 30, 2022 the County shall pay the contractor $95,000 This shall be in monthly installments of $9,500

ATTACHMENT III

CONTRACTOR INSURANCE REQUIREMENTS

The contractor, and any and all of their subcontractors, shall not commence work in the County of St. Clair until they have obtained the insurance required under this paragraph. All coverage shall be with insurance companies licensed and admitted to do business in the State of Michigan. All coverage(s) shall be with insurance carriers acceptable to the County of St. Clair.

☒ **Workers' Compensation Insurance**: The contractor shall procure and maintain during the life of the contract, Workers' Compensation Insurance, including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

☒ **Commercial General Liability Insurance**: The contractor shall procure and maintain during the life of the proposed contract, Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than $1,000,000.00 per occurrence and aggregate for Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included; (E) Deletion of all Explosion, Collapse and Underground Exclusions, if applicable.

☒ **Motor Vehicle Liability**: The contractor shall procure and maintain during the life of this contract Motor Vehicle Liability Insurance, including Michigan No-Fault Coverages, with limits of liability not less than $1,000,000.00 per occurrence combined single limit for Personal Injury, Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles.

☒ **Additional Insured**: Commercial General Liability and Motor Vehicle Liability, as described above, shall include an endorsement stating that the following shall be *Additional Insureds*: The County of St. Clair, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming the County of St. Clair as additional insured, coverage afforded is considered to be primary and any other insurance the County of St. Clair may have in effect shall be considered secondary and/or excess.

Cancellation Notice

Workers' Compensation Insurance, Commercial General Liability Insurance, and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating that it is understood and agreed that Thirty (30) days Advance Written Notice of Cancellation, Ten (10) days for non-payment of premium, Non-Renewal, Reduction, and/or Material Change shall be sent to: County of St. Clair, Attn: Lori Parent, Risk Management Coordinator, 200 Grand River Ave., Ste. 203, Port Huron, MI 48060.

If any of the above coverages expire during the term of the contract, the contractor shall deliver renewal certificates and/or policies to the County of St. Clair at least Ten (10) days prior to the expiration date.

Proof of Insurance Coverage

The contractor shall provide the County of St. Clair at the time of execution of the contracts, a copy of Certificates of Insurance **as well as required endorsements** for all coverage listed above.

Please direct all questions or inquiries
relative to contractor insurance requirements to:
Lori Parent, Risk Management Coordinator
County of St. Clair
200 Grand River Ave., Ste. 203
Port Huron, MI 48060
Phone: (810) 989-6313
Fax: (810) 985-3463
Email: lparent@stclaircounty.org

Contract Approval Request - Schultz Ventures, LLC

Summary:

ATTACHMENTS:

	Description	Upload Date	Type
🗋	Contract Approval Request - Schultz DTF	12/28/2021	Cover Memo
🗋	new storage and towing DTF	12/28/2021	Cover Memo

COUNTY OF ST.CLAIR
Purchasing Division

CONTRACT APPROVAL REQUEST

☒ NEW CONTRACT ☐ CONTRACT RENEWAL ☐ CONSOLIDATION OF EXISTING CONTRACTS

☐ BIDS REQUIRED ☒ NO BIDS REQUIRED
☐ BIDS RECEIVED ☐ SINGLE SOURCE
☐ CONTRACT EXTENSION
☒ BOC POLICY COMPLIANCE ☐ INCREASE WITHIN CPI-U
☐ REVIEWED BY CORP COUNSEL ☐ VALUE LESS THAN THRESHOLD

VENDOR: Schultz Ventures, LLC

VALUE: $151,200

TERM: 2/1/22 – 1/31/29

CONTRACT TYPE: Building Lease

SERVICE DESCRIPTION: Lease of storage building

DEPARTMENT(S): Sheriff

COMMENTS: This lease is for heated/unheated storage for DTF.

Please contact the Purchasing Department at (810) 989-6375 with any questions.

LEASE

This Lease made and entered into on the 21st day of December, 2021, to be effective as of February 1, 2022, by and between **SCHULTZ VENTURES, LLC**, whose address is 1313 12TH Avenue, Port Huron, MI 48060 hereinafter referred to as "Landlord" and **ST. CLAIR COUNTY**, a Michigan Municipal Corporation, whose address is 201 Grand River Avenue, Suite 203, Port Huron, Michigan, hereinafter referred to as "Tenant".

WITNESSETH:

1. Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed by the Tenant, leases to the Tenant a portion of real estate located at 1313 12th Avenue, Port Huron, Michigan, 48060, (hereinafter referred to as the "Property"), which is located within a secured and fenced area of the Property, and identified as follows:

A. The South one-half (1/2) being 40 feet x 40 feet of an existing 40'x 80' heated building located along the west property line, as set forth in Exhibit A, and;
B. The North 40 feet, of a building to be constructed immediately South, of the building as set forth in ¶1A, the unit size being 40 feet x 40 feet. This unit shall be unheated. At Tenant's request, Landlord shall provide a doorway allowing access between the two units.
C. Outside storage access in the existing gated/fenced located at 1313 12th Avenue. (Collectively the "leased premises").

Tenant understands that the other portions of the buildings will be used by other entities. However, the leased premises shall be secure and exclusive to Tenant.

2. This Lease is for a term of Seven (7) years from this date. The Tenant shall pay to the Landlord for rent of said premises for said term, the sum of ONE HUNDRED FIFTY-ONE THOUSAND TWO HUNDRED ($151,200.00) Dollars, payable in monthly installments of Eighteen Hundred ($1,800.00) Dollars in advance, beginning on the 1st day of February, 2022, and the 1st day of each month thereafter for the entire term.

3. The term of this Lease may be extended at the option of the Tenant, provided Tenant is not in default in any terms hereof, for a consecutive period of Three (3) years, which option to extend shall be exercised by Tenant by giving written notice to the Landlord not less than thirty (30) days prior to the expiration of the existing term of seven (7) years. Tenant's option to extend the lease term is conditioned

the repairing and restoration is delayed, there shall be no abatement of rental during the period of such resulting delay, and provided further that there shall be no abatement of rental if such fire or other cause damaging or destroying the leased premises shall result from the negligence or willful act of the Tenant, his agents or employees, and provided further that if the Tenant shall use any part of the leased premises for storage during the period of repair a reasonable charge shall be made therefor against the Tenant, and provided further that in case the leased premises, or the building of which they are a part, shall be destroyed to the extent of more than one-half of the value thereof, the Landlord may at his option terminate this Lease forthwith by a written notice to the Tenant.

9. Except as provided in paragraph 8 hereof, the Tenant further covenants and agrees that it will, at his own expense, during the continuation of this Lease, keep the leased premises and every part thereof in as good repair and at the expiration of the term yield and deliver up the same in like condition as when taken, reasonable use and wear thereof and damage by the elements excepted. The Tenant shall not make any significant alterations, additions or improvements to the leased premises without the Landlord's written consent, which shall not be unreasonably withheld. All alterations, additions or improvements made by either of the parties hereto upon the leased premises shall be the property of the Landlord and shall remain upon and be surrendered with the premises at the termination of this Lease without molestation or injury.

10. If the whole or any substantial part of the premises hereby leased shall be taken by any public authority under the power of eminent domain, then the terms of this Lease shall cease on the part so taken from the day the possession of that part shall be required for any public purpose and the rent shall be paid up to that day, and from that day the Tenant shall have the right either to cancel this Lease and declare the same null and void or to continue in possession of the remainder of the same under the terms herein provided, except that the rent shall be reduced in proportion to the amount of the premises taken. All damages awarded for such taking shall belong to and be the property of the Landlord whether such damages shall be awarded as compensation for diminution in value to the leasehold or to the fee of the premises herein leased.

11. The Tenant shall not perform any acts or carry on any practices which may injure the building or be a nuisance or menace to other Tenants of the Property. **Landlord** shall keep the Property clean and free from rubbish, dirt, snow and ice at all times.

12. Tenant shall, at its expense, maintain the leased premises, including the plate glass windows, in good condition and repair. Except

in the case of emergency repairs, any repairs made by Tenant shall be done by a contractor approved in writing by Landlord before such work is commenced.

13. Landlord shall carry fire and extended coverage insurance on the building(s) in which the leased premises are located and shall maintain insurance on the contents, which insurance shall contain a waiver of subrogation provision as against the Tenant. Tenant shall maintain insurance on the plate glass windows and on the contents of the leased premises, which insurance shall contain a waiver of subrogation provision as against the Landlord. Tenant may satisfy its insurance requirements of this Lease via self-insurance. To the extent permitted by law and except for liability arising out of the negligent acts / omissions or breaches of Landlord or Landlord's employees, owners, contractors or agents or Preferred Towing, Inc., and its employees, owners, contractors and agents, Tenant shall indemnify Landlord against any and all liability which might arise directly, or indirectly, out of Tenant's use and occupancy of the leased premises, including but not by way of limitation, indemnification against any and all liability for damages to any person or property in or about the leased premises. .

14. It is hereby agreed that in the event of the Tenant herein holding over after the termination of this Lease, thereafter the tenancy shall be from month to month on the same terms and conditions herein in the absence of a written agreement to the contrary.

15. The Landlord will pay all utility charges made against said leased premises including gas, heat and electricity during the continuance of this Lease, as the same shall become due. Landlord shall pay water and sewer charges and all real property taxes.

16. Recognizing that the buildings subject to this Lease are located within a secured and fenced storage yard, and that security in the yard is of paramount importance, in the event any items (motor vehicles, boats, trailers, 4-wheelers, etc.), whether motorized or non-motorized, are to be towed/transported to the Property, if Tenant has discretion to determine the tow company and the owner of the item(s) towed does not have an arrangement with another tow company, then Tenant shall direct that Preferred Towing, Inc. tow items to the leased premises. In such case, for the duration of the term of this Lease, Preferred Towing, Inc. shall be entitled to a fee of $125.00 per tow.

17. Tenant will be provided 24/7 access to the Property, including the leased premises.

18. In case any rent shall be due and unpaid or if default be made in any of the covenants herein contained, or if said leased premises

shall be deserted or vacated, then Landlord may seek a Writ of Restitution / Order of Eviction from a Court of competent jurisdiction concerning the leased premises.

19. The Landlord covenants that the said Tenant shall and may peacefully and quietly have, hold and enjoy the said demised premises for the term aforesaid.

20. It is agreed that each and every of the rights, remedies and benefits provided by this Lease shall be cumulative, and shall not be exclusive of any other said rights, remedies and benefits, or of any other rights, remedies and benefits allowed by law.

21. One or more waivers of any covenant or condition by the Landlord shall not be construed as a waiver of a further breach of the same covenant or condition.

22. It is understood that if the Tenant shall be unable to enter into and occupy the premises hereby leased at the time above provided, by reason of the said premises not being ready for occupancy, or by reason of the holding over of any previous occupant of said premises, or as a result of any cause or reason beyond the direct control of the Landlord, the Landlord shall not be liable in damages to the Tenant thereof, but during the period the Tenant shall be unable to occupy said premises as hereinabove provided, the rental therefor shall be abated and the Landlord is to be the sole judge as to when the premises are ready for occupancy.

23. Tenant shall not assign, or in any way encumber this Lease, not any part, right or interest thereof, nor shall Tenant let or sublet or permit any part of the premises to be used or occupied by others for any reason whatsoever, unless Landlord shall consent thereto in writing in each and every case and instance, which consent shall not be unreasonably withheld; a requirement that Tenant shall remain fully liable on this Lease shall not be deemed an unreasonable requirement to the giving of consent. Provided, nothing herein shall be construed to limit or restrict Tenant's ability to store items on the leased premises for other entities or to allow other entities to store items on the leased premises.

24. Whenever, under this Lease, a provision is made for notice of any kind, it shall be deemed sufficient notice and service thereof if such notice to the Tenant is in writing addressed to the Tenant at his last known Post Office address or at the leased premises and deposited in the mail with postage prepaid and if such notice to the Landlord is in writing addressed to the last known Post Office address of the Landlord and deposited in the mail with postage prepaid. Notice need be sent only to

one Tenant or Landlord where the Tenant or Landlord is more than one person.

25. It is agreed that in this Lease the word "he" shall be used as synonymous with the words "she," "it" and "they," and the word "his" synonymous with the word "her," "its" and "their."

26. The covenants, conditions and agreements made and entered into by the parties hereto are declared binding on their respective heirs, successors, representatives and assigns.

Signed and witnessed ____________________, 2021.

SCHULTZ VENTURES, LLC,

Donald Schultz

Donald Schultz, Lessor
By: Donald Schultz
Its: Member/Manager

____

____

COUNTY OF ST. CLAIR

____

______________________________, Lessee
By:
Its:

Drafted By:

DAVID R. HEYBOER (P27975)
Heyboer Law PLC
3051 Commerce Drive; Suite 1
Fort Gratiot, MI 48059
(810) 982-9800
(810) 982-1148 - FAX