CITY OF MIDDLEBURG HEIGHTS, OHIO

Council Agenda

June 14, 2022

7:00 P.M. REGULAR MEETING

- CALL TO ORDER
- ROLL CALL
- PLEDGE OF ALLEGIANCE

Minutes of the Regular Meeting of May 24, 2022
Minutes of the Public Hearing of May 24, 2022

COMMUNICATIONS
Memorandum from Planning Commission dated May 25, 2022 advising members recommended approval with conditions of the WXZ Development Stage 2 Planned Mixed Use Development. Development plans on file in council office.

Letter from Southwest General Health Center requesting the list of organizations be updated and approved by council. List updated by clerk.

AUDIENCE PARTICIPATION

APPOINTMENTS AND CONFIRMATIONS

ORDINANCES, RESOLUTIONS AND MOTIONS
1. City Parks, Recreation & Services Committee – Mr. Ali, Chairman
2. Finance, Taxation & Assessments Committee – Mr. Bortolotto, Chairman
3. Legislation & Rules Committee – Mr. Ference, Chairman
4. Public Health, Safety & Relief Committee – Mr. McGregor, Chairman
5. Public Improvements Committee – Mr. Sage, Chairman
6. Streets, Utilities & Railroad Committee – Mr. Meany, Chairman
7. Zoning & Building Code Committee – Mr. Grech, Chairman

MAYOR'S REPORT
1. Law Director
2. Finance Director
3. Recreation Director
4. Economic Development Director
5. Service Director
6. Executive Assistant

ADJOURNMENT

UN-NUMBERED LEGISLATION

INTRODUCED BY COUNCIL PRESIDENT BORTOLOTTO
An Ordinance to make supplemental appropriations for current expenditures and expenses for the City of Middleburg Heights for the calendar year 2022 and declaring an emergency

INTRODUCED BY COUNCIL PRESIDENT BORTOLOTTO
A Resolution authorizing the sale of certain city owned vehicles and equipment no longer needed for any municipal purpose

INTRODUCED BY COUNCIL PRESIDENT BORTOLOTTO
A Resolution authorizing the service director to dispose of a 2007 Ford F-350 truck no longer needed for any municipal purpose

INTRODUCED BY COUNCIL PRESIDENT BORTOLOTTO
A Resolution authorizing the mayor and finance director to enter into a contract with the Ohio Association of Public Treasurers and Sedgwick for Workers' Compensation Group Retrospective Rating Program for the year 2023

INTRODUCED BY COUNCIL PRESIDENT BORTOLOTTO
A Resolution adopting the Alternative Tax Budget Information of the City of Middleburg Heights, Ohio, for the fiscal year beginning January 1, 2023, and submitting the same to the Budget Commission of Cuyahoga County

INTRODUCED BY COUNCIL PRESIDENT BORTOLOTTO
An Ordinance authorizing the mayor and finance director to enter into a contract with ADP, Inc.

INTRODUCED BY COUNCILMAN McGREGOR
An Ordinance amending Chapter 1351 "Fire Walls" of the Middleburg Heights Codified Ordinances

INTRODUCED BY COUNCILMAN MEANY
A Resolution accepting the bid of J.D. Striping & Services, Inc. for pavement markings

INTRODUCED BY MAYOR CASTELLI
A Resolution accepting the consortium bid of Cargill, Inc. Salt, Road Safety for **treated sodium chloride** for the 2022-2023 season (11/1/2022 – 10/31/2023)

INTRODUCED BY MAYOR CASTELLI
A Resolution accepting the consortium bid of Cargill, Inc. Salt, Road Safety for **untreated sodium chloride** for the 2022-2023 season (11/1/2022 – 10/31/2023)

INTRODUCED BY MAYOR CASTELLI

An Ordinance authorizing an agreement with OMNI Middleburg Heights LLC or an affiliate, providing for a project and a property tax exemption pursuant to the Ohio Community Reinvestment Area Program, and declaring an emergency

INTRODUCED BY MAYOR CASTELLI

An Ordinance declaring the improvement to certain parcels of real property within the city to be a public purpose and exempt from taxation pursuant to ORC 5709.40(B); providing for the collection and deposit of service payments and specifying the purposes for which those service payments may be expended; specifying the public infrastructure improvements directly benefiting the parcels; and authorizing school compensation payments

ZONING & BUILDING CODE COMMITTEE – Mr. Grech, Chairman

9-24-19	Discussion regarding ordinance regulating fences
11-23-21	Rezoning application received from MVAH Holding LLC to rezone property on Pearl Road for a senior independent living development

FINANCE, TAXATION & ASSESSMENTS COMMITTEE – Mr. Bortolotto, Chairman

CITY PARKS, RECREATION & SERVICES COMMITTEE – Mr. Ali, Chairman

11-13-18	Ordinance No. 2018-92, Dedicated space for seniors in community center
2-26-19	Proposed Charter Amendments – mayor term limits/firing of directors

LEGISLATION & RULES COMMITTEE – Mr. Ference, Chairman

2-26-13	Vote Abstention Rule
9-10-19	Term Limits

PUBLIC HEALTH, SAFETY & RELIEF COMMITTEE – Mr. McGregor, Chairman

9-22-20	Hotel/Motel Security Legislation

PUBLIC IMPROVEMENTS COMMITTEE – Mr. Dan Sage, Chairman

STREETS, UTILITIES & RAILROAD COMMITTEE – Mr. Meany, Chairman

1-22-19	Letter from Diane Bickett, Executive Director, dated January 7, 2019 regarding ratification of the Cuyahoga County Solid Waste Management Plan update

AD-HOC COMMITTEE

12-22-09	Preservation of the Little Red School House

Boards and Commissions

CITY OF MIDDLEBURG HEIGHTS

15700 Bagley Road • Middleburg Heights, Ohio 44130 • 440-239-6252 • Fax 440-234-9092
kearley@middleburgheights.com

Kim Earley
Secretary

Norman H. Herwerden
Building Commissioner

MEMORANDUM

TO: MARY ANN MEOLA, CLERK OF COUNCIL

FROM: KIM EARLEY, BOARDS AND COMMISSIONS SECRETARY

DATE: MAY 25, 2022

SUBJECT: WXZ DEVELOPMENT, 6780 PEARL ROAD

On May 25, 2022 the Planning Commission recommended approval with conditions of the WXZ Development Stage 2 Planned Mixed Use Development, 6780 Pearl Road, in accordance with Section 1137.08(d)(3)(B)(bb) of the Eight Draft of the new Zoning Code. The conditions are: The applicant complies with the items listed in Jay Stewart's memorandum of May 19, 2022, the applicant complies with the items listed in Michael Mackay's memorandum of April 29, 2022, Michael Mackay approves the traffic study, and the applicant addresses the accessibility and connectivity concerns. I have attached the development plans reviewed by the Planning Commission and the above-mentioned memorandums . Please return four copies of the plans after City Council takes action.

Southwest General
Partnering with University Hospitals

May 27, 2022

The Honorable
Matthew J. Castelli
Mayor of Middleburg Heights
City of Middleburg Heights
15700 Bagley Road
Middleburg Heights, OH 44130

David Bortolotto
President of Council
City of Middleburg Heights
15700 Bagley Road
Middleburg Heights, OH 44130

Dear Mayor Castelli and Council President Bortolotto:

In looking ahead to the 2023 Annual Meeting of Delegates for the Southwest Community Health System, your assistance is requested.

Requested is an approved list by the legislative body of all civic, educational, fraternal, and religious organizations of adults in the taxing district of Middleburg Heights. The organizations will be eligible to name delegates to the Southwest Community Health System to participate in an annual meeting, elect certain Trustees to the Southwest Community Health System Board and from time-to-time are called upon to vote on important issues regarding the Health System.

The following is a timeline and are some reminders in honoring this request:

- We respectfully ask that the Middleburg Heights legislative body review the enclosed list and approve a new list noting any organizational additions or deletions it deems appropriate. The list was last approved and provided by your legislative body.
- As a reminder, the organizational documents of the Southwest Community Health System provide that an organization is considered to be in your community if it maintains its headquarters or generally holds its meetings in your community.
- **By August 31, 2022, please return a legislative body approved list** by mail through the enclosed postage paid envelope or via email to Sarah Brooks at sbrooks@swgeneral.com.

Once approved lists are received, Southwest General will in turn notify each organization that it is entitled to identify one delegate and/or one alternate delegate. If you should have any questions or would like further clarification, please contact Sarah Brooks, corporate boards liaison, on her direct line at 440-816-6702 or via email at sbrooks@swgeneral.com.

Your assistance is very much appreciated.

Sincerely,

David Bortolotto

David Bortolotto
Secretary, Board of Trustees

Enclosure

cc: Clerk of Council

18697 Bagley Road
Middleburg Heights, OH 44130
Phone: 440.816.8000
swgeneral.com

CITY 6/08/2022	ORGANIZATION TYPE	ORGANIZATION NAME	LAST NAME	FIRST NAME	ADDRESS	CITY/ZIP CODE
Middleburg Heights	Civic 440-243-5599	Chamber of Commerce	Henry	Phil	P.O. Box 30161	Middleburg Hts., 44130
Middleburg Heights	Civic 440-234-8811	Middleburg Heights City Council	Bortolotto	David	15700 Bagley Rd.	Middleburg Hts., 44130
Middleburg Heights	Civic	Democratic Club (Inactive)			P.O. Box 30439	Middleburg Hts., 44130
Middleburg Heights	Civic 440-234-3600	Friends of the Library	Farris	Jay	15600 Bagley Rd.	Middleburg Hts., 44130
Middleburg Heights	Civic 440-234-9632	Kiwanis Club	Karl	Jon	7302 Markal Drive	Middleburg Hts., 44130
Middleburg Heights	Civic 440-821-6151	Women's Club	James	Janet	P.O. Box 30454	Middleburg Hts., 44130
Middleburg Heights	Civic 216-570-1829	Middleburg Heights City Club	Crea	Anthony	P.O. Box 30241	Middleburg Hts., 44130
Middleburg Heights	Civic 216-362-0044	Middleburg Heights Food Pantry	Barbato	Michele	6877 Middlebrook Blvd.	Middleburg Hts., 44130
Middleburg Heights	Educational 216-898-8303	Big Creek Elementary School PTA	Perry	Matrice	7247 Big Creek Pkwy.	Middleburg Hts., 44130
Middleburg Heights	Educational 440-666-5884	Middleburg Heights Junior High PTA	Valek	Stephanie	7000 Paula Dr.	Middleburg Hts., 44130
Middleburg Heights	Educational 440-891-7600	Polaris Vocational Center	Timmons	Bob	7285 Old Oak Blvd.	Middleburg Hts., 44130
Middleburg Heights	Religious 440-843-6663	Bethel Lutheran Church	Kuntz	Laura (Interim Pastor)	7171 Pearl Rd.	Middleburg Hts., 44130
Middleburg Heights	Religious 440-842-5930	Church of the Harvest - Church of God **	Goode	Kevin (Pastor)	7430 W. 130th St.	Middleburg Hts., 44130
Middleburg Heights	Religious 440-243-4885	Grace Church	Schaeffer	Jonathan (Pastor)	7393 Pearl Rd.	Middleburg Hts., 44130
Middleburg Heights	Religious 216-676-0252	Immanuel Assembly of God	Bell	Galen (Pastor)	6486 W. 130th St.	Middleburg Hts., 44130
Middleburg Heights	Religious 440-842-7743	Middleburg Heights United Church of Christ	McGaw	Vicki (Pastor)	7165 Big Creek Pkwy.	Middleburg Hts., 44130
Middleburg Heights	Religious 216-676-5344	Park Heights Baptist Church	Bogen	Larry (Pastor)	16189 Sheldon Rd.	Middleburg Hts., 44130

Middleburg Heights	Religious 440-845-1244	Pleasant Hills United Methodist Church **	Wolcott	Karen (Pastor)	13200 E. Bagley Rd.	Middleburg Hts., 44130
Middleburg Heights	Religious 440-243-7592	Southwest Christian Church	McIntosh	J.D. (Pastor)	6717 Fry Rd.	Middleburg Hts., 44130
Middleburg Heights	Religious 440-842-5400	St. Bartholomew Catholic Church	DeChant	Leo (Administrator)	14865 Bagley Rd.	Middleburg Hts., 44130
Middleburg Heights	Religious	Old Oak Bible Church – Closed (Relocated)				
Middleburg Heights	Religious 440-885-0298	Trinity Church	Deal	Aaron (Pastor)	14040 E. Bagley Rd.	Middleburg Hts., 44130

** UNABLE TO CONFIRM

DELIVERED JUN 0 9 2022

City of Middleburg Heights, Ohio

Ordinance No. 2022-_____

Introduced by: Mr. Bortolotto, Mr. Meany, and Mr. Grech

**AN ORDINANCE
TO MAKE SUPPLEMENTAL APPROPRIATIONS
FOR CURRENT EXPENDITURES AND EXPENSES
FOR THE CITY OF MIDDLEBURG
HEIGHTS FOR THE CALENDAR YEAR 2022
AND DECLARING AN EMERGENCY**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, CUYAHOGA COUNTY, STATE OF OHIO:

Section 1. That in order to provide for current expenditures and expenses for the City of Middleburg Heights for the calendar year 2022, the following sums be appropriated from the SCM&R Fund:

Description	Increase (Decrease)
Streets - Other - Pro. Service (Signal Service) - Insurance Reimb.	$ 22,740.00
Total Increase to the SCM&R Fund	$ 22,740.00

Section 2. That it is hereby found and determined that all formal actions of this council concerning and relating to the passage of this ordinance were adopted in an open meeting of this council, and that all deliberations of this council and any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements including chapter 107 of the Codified Ordinances and section 121.22 of Ohio Revised Code.

Section 3. That this ordinance is hereby declared to be an emergency measure, immediately necessary for the preservation of the public peace, health and safety of the citizens of the City of Middleburg Heights, Ohio. Such emergency being the necessity of supplementing appropriations from the above listed funds and accounts in order to allow the City to pay outstanding obligations of the City for the year 2022. Therefore, this ordinance shall take effect and be in force immediately upon its passage and approval by the Mayor.

PASSED_____ _____
PRESIDENT OF COUNCIL

ATTEST:

_____
CLERK OF COUNCIL

PRESENTED TO MAYOR_____ APPROVED ON:_____

	YEAS	NAYS
BORTOLOTTO	_____	_____
ALI	_____	_____
SAGE	_____	_____
MEANY	_____	_____
MCGREGOR	_____	_____
FERENCE	_____	_____
GRECH	_____	_____

_____
MAYOR

DELIVERED JUN 0 9 2022

City of Middleburg Heights, Ohio

Ordinance No. 2022-_____

Introduced by: Mr. Bortolotto, Mr. Meany, and Mr. Grech

A RESOLUTION
AUTHORIZING THE SALE OF CERTAIN CITY OWNED VEHICLES AND EQUIPMENT NO LONGER NEEDED FOR ANY MUNICIPAL PURPOSE

WHEREAS, the City has title to a 2013 Dodge Charger VIN 2C3CDXAT1DH693167 which is no longer needed for any municipal purpose.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, STATE OF OHIO, AS FOLLOWS:

Section 1: That the Service Director is hereby authorized to sell the above listed vehicle through the Greater Cleveland Auto Auction.

Section 2. That it is hereby found and determined that all formal actions of this council concerning and relating to the passage of this ordinance were adopted in an open meeting of this council, and that all deliberations of this council and any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements including chapter 107 of the Codified Ordinances and section 121.22 of Ohio Revised Code.

PASSED_____

_____
PRESIDENT OF COUNCIL

ATTEST:

_____
CLERK OF COUNCIL

PRESENTED TO MAYOR_____

APPROVED ON: _____

	YEAS	NAYS
BORTOLOTTO	_____	_____
ALI	_____	_____
SAGE	_____	_____
MEANY	_____	_____
MCGREGOR	_____	_____
FERENCE	_____	_____
GRECH	_____	_____

_____
MAYOR

DELIVERED JUN 0 9 2022

City of Middleburg Heights, Ohio

Ordinance No. 2022-_____

Introduced by: Mr. Bortolotto, Mr. Meany, and Mr. Grech

A RESOLUTION
AUTHORIZING THE SERVICE DIRECTOR TO DISPOSE OF
A 2007 FORD F-350 TRUCK
NO LONGER NEEDED FOR ANY MUNICIPAL PURPOSE

WHEREAS, the City has title to a 2007 Ford F-350 truck, VIN 1FTWF31557EB18918 which is no longer needed for any municipal purpose; and

WHEREAS, the Cuyahoga County Agricultural Society, dba: Cuyahoga County Fairgrounds, has requested the City to donate said equipment to the Fairgrounds for use on the Fairgrounds property only.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, STATE OF OHIO, AS FOLLOWS:

Section 1: That the Service Director is hereby authorized to transfer ownership of the 2007 Ford F-350 truck, VIN 1FTWF31557EB18918 to the Cuyahoga County Agricultural Society.

Section 2. That it is hereby found and determined that all formal actions of this council concerning and relating to the passage of this ordinance were adopted in an open meeting of this council, and that all deliberations of this council and any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements including chapter 107 of the Codified Ordinances and section 121.22 of Ohio Revised Code.

PASSED_____

_____
PRESIDENT OF COUNCIL

ATTEST:

_____
CLERK OF COUNCIL

PRESENTED TO MAYOR_____

APPROVED ON: _____

	YEAS	NAYS
BORTOLOTTO	____	____
ALI	____	____
SAGE	____	____
MEANY	____	____
MCGREGOR	____	____
FERENCE	____	____
GRECH	____	____

_____
MAYOR

DELIVERED JUN 0 9 2022

CITY OF MIDDLEBURG HEIGHTS

Workers Comp Group Res 2023.doc

RESOLUTION NUMBER 2022-_____

Introduced by: Mr. Bortolotto, Mr. Meany, and Mr. Grech

**A RESOLUTION
AUTHORIZING THE MAYOR AND FINANCE DIRECTOR
TO ENTER INTO A CONTRACT WITH THE OHIO ASSOCIATION OF
PUBLIC TREASURERS AND SEDGWICK
FOR WORKERS' COMPENSATION GROUP RETROSPECTIVE
RATING PROGRAM FOR THE YEAR 2023**

WHEREAS, The Council of the City of Middleburg Heights desires that the City maintain Workers' Compensation coverage for its employees at the lowest possible cost; and

WHEREAS, The City of Middleburg Heights has been invited to participate in one group retrospective rating program for Workers' Compensation coverage, and

WHEREAS, The City of Middleburg Heights has been invited to participate in the Ohio Association of Public Treasurer's Workers' Compensation Retrospective Group Rating Program, with Sedgwick, as program administrator; and,

WHEREAS, It is estimated that the City of Middleburg Heights will save $68,395 for the 2023 plan year through its participation in the program;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, CUYAHOGA COUNTY, STATE OF OHIO:

Section 1. That the Mayor and Finance Director enter into an agreement with The Ohio Association of Public Treasurers and CompManagement for Workers' Compensation coverage through its Workers' Compensation Group Rating Program for a twelve-month period commencing January 1, 2023, through December 31, 2023, for the rating year 2023.

Section 2. That the Director of Finance be authorized to pay a fee of $4,875 to Sedgwick for enrollment fees.

Section 3. It is found and determined that all formal actions of this council concerning and relating to the passage of this resolution were adopted in an open meeting of this council and that all deliberations of this council and any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of Ohio Revised Code.

PASSED_____

_____
PRESIDENT OF COUNCIL

ATTEST:

_____
CLERK OF COUNCIL

PRESENTED TO MAYOR_____ APPROVED ON:_____

	YEAS	NAYS
BORTOLOTTO	____	____
ALI	____	____
SAGE	____	____
MEANY	____	____
MCGREGOR	____	____
FERENCE	____	____
GRECH	____	____

_____
MAYOR

sedgwick

GROUP RETRO

March 22, 2022

JASON STEWART
CITY OF MIDDLEBURG HEIGHTS
15700 E BAGLEY ROAD
CLEVELAND, OH 44130

Re: 2023 Group Retrospective Rating Re-Enrollment for Policy # 31807602

We are pleased to announce that your organization has qualified for re-enrollment in the 2023 Ohio SchoolComp group retro program.

2023 Group Retrospective Rating projection:

Target Refund %	42%
Target Refund $*	$ 68,395

*Refund is based on estimated standard premium of $162,846.

Our group retrospective programs are successful and consistently generate significant refunds because of our focus on safety best practices, client education, and aggressive claims management.

To re-enroll, simply sign and return the enclosed U-153 enrollment form with invoice and payment, or enroll online at www.sedgwick.com/ohiotpa/enroll.

Join our program and receive these services:

- Claims Management
- Hearing Representation
- Review of BWC Rates and Invoices
- Online Account Access
- Educational Opportunities
- BWC Updates

To discuss our Group Retrospective Rating Program or related services, please contact **Mark Milano** at **(330) 966-2329** or **Mark.Milano@sedgwick.com.**

As a reminder, when enrolling in a group retrospective rating program, BWC does not allow the stacking of discounts with any of the following programs: $15k Medical Deductible, Drug Free Safety, Industry Specific Safety, Transitional Work Bonus and One Claim. However, Group Retro has the potential to provide **significant refunds** in comparison to these other alternative rating programs.

Ohio | Bureau of Workers' Compensation

Employer Statement for Group-Retrospective-Rating Program

Instructions

- Please print or type.
- Return completed statement to the attention of the sponsoring organization you are joining.
- The sponsoring organization's third-party administrator will submit this form.
- If you have any questions, please call BWC at (614) 466-6773.

Note: This application must be review and approve by BWC's employers programs unit BEFORE it becomes effective.

Employer Name	Telephone number	BWC Policy Number
CITY OF MIDDLEBURG HEIGHTS	440 234 8989	31807602

Address	City	State	Nine-digit Zip Code
15700 E BAGLEY ROAD	CLEVELAND	OH	44130

Group-retrospective-rating program enrollment

I agree to comply with the Ohio Bureau of Workers' Compensation Group-Retrospective-Rating Program rules (Ohio Administrative Rule 4123-17-73). I understand that my participation in the program is contingent on such compliance.

This form supersedes any previously executed U-153.

I understand only a BWC Group-Retrospective-Rating Program certified sponsor can offer membership into the program. I also understand if the sponsoring organization listed below, is not certified, this application is null and void.

I am a member of the **Ohio Association of Public Treasurers Retro Group** sponsoring organization or a certified affiliate organization and would like to be included in the Group-Retrospective-Rating Program it sponsors for the policy year beginning **January 1, 2023**. I understand the employer roster submitted by the group will be the final, official determination of the group in which I will or will not participate. Submission of their form does not guarantee participation.

I understand the sponsoring organization's representative **Sedgwick #000900-80** (currently, as determined by the sponsoring organization) is the only representative I may have in risk-related matters while I remain a member of the group. I also understand the representative for the Group-Retrospective-Rating Program will continue as my individual representative in the event that I no longer participate in the program. At the time I am no longer a member of the program, I understand I must file a *Permanent Authorization* (AC-2) to cancel or change individual representation.

I understand a new U-153 shall be filed each policy year I participate in the Group-Retrospective-Rating Program.

I am associated with the sponsoring organization or a certified affiliate sponsoring organization. ☒ Yes ☐ No

Ohio Association of Public Treasurers Retro Group (Name of sponsor or affiliate sponsor) — 1581124 (Sponsor or affiliate sponsor policy number)

Note: For injuries that occur during the period an employer is enrolled in the Group-Retrospective-Rating Program, employers may not use or participate in the Deductible Program, Group Rating, Retrospective Rating, Safety Council Performance Rebate Program, $15,000 Medical-Only Program or the Drug-Free Safety Program.

Certification

_____ (Officer Name) certifies that he/she is the _____ (Title) of

_____ (Employer Name), the employer referred to above, and that all of the information is true to the best of his/her knowledge, information, and belief, after careful investigation.

X _____ (Officer Signature) _____ (Date)

EXHIBIT A
To view the Sedgwick service agreement referenced in this Exhibit, visit
https://viaoneohio.sedgwick.com/Rating/2023PEgroupcontract.pdf
password: group2023

sedgwick

RENEWAL INVOICE

Bill To:

JASON STEWART
CITY OF MIDDLEBURG HEIGHTS
15700 E BAGLEY ROAD
CLEVELAND, OH 44130

Invoice Date: March 22, 2022
Invoice #: 1341936
Policy #: 31807602
Group #: 6142
Rating Year: 2023
Due Date: Upon Receipt

GROUP RETROSPECTIVE RATING

The enrollment fee covers:	Annual Fee:
♦ Services for the annual contract period beginning **9/1/2022** ♦ Policy Year: Group Retrospective Rating enrollment for **1/1/2023 to 12/31/2023** ♦ Ohio Association of Public Treasurers membership dues	**$4,875**

Please sign and return enclosed U-153 enrollment form and invoice with remittance

For checks make payable and send to:

Sedgwick
PO Box 89456
Cleveland, OH 44101-6456

OR

VISA DISCOVER

Credit card account number:
Amount to be charged: **$ 4,875** Expiration date
Print name as it appears on card:
Signature:

By signing above you authorize Sedgwick to charge your credit card in the amount as shown above, and agree to pay the amount shown above according to your credit card agreement.

Or to enroll and pay online visit www.sedgwick.com/ohiotpa/enroll

By returning this invoice or by remittance of the service fee, Client acknowledges and accepts all terms and conditions of the workers' compensation service agreement. Said agreement is hereby incorporated by reference herein (see link above).

This invoice is for Sedgwick's workers' compensation third party administration services pursuant to a service agreement between your company and Sedgwick. Client acknowledges that payment of this invoice does not constitute or guarantee enrollment in any workers' compensation discount/alternative rating program.

Printed Name | Signature | Title | Date

jstewart@middleburgheights.com
Email Address

440 234 8989
Phone number

If your organization has merged with or acquired another company in the last year, or plans to up through the policy year noted above, initial here and contact our office immediately to review your options.

Questions? Contact Mark Milano at (330) 966-2329 or Mark.Milano@sedgwick.com

If a W-9 is needed visit https://viaoneohio.sedgwick.com/Rating/SedgwickW9.pdf

sedgwick

2023 Group Retrospective Rating Analysis

Employer:	City Of Middleburg Heights	**TM:**	-5%
Policy No.:	31807602	**EMR:**	0.95
Max Refund:	64.40%	**Max Assessment:**	15%

Target Refund : 42% **Target Refund: $ 68,395**

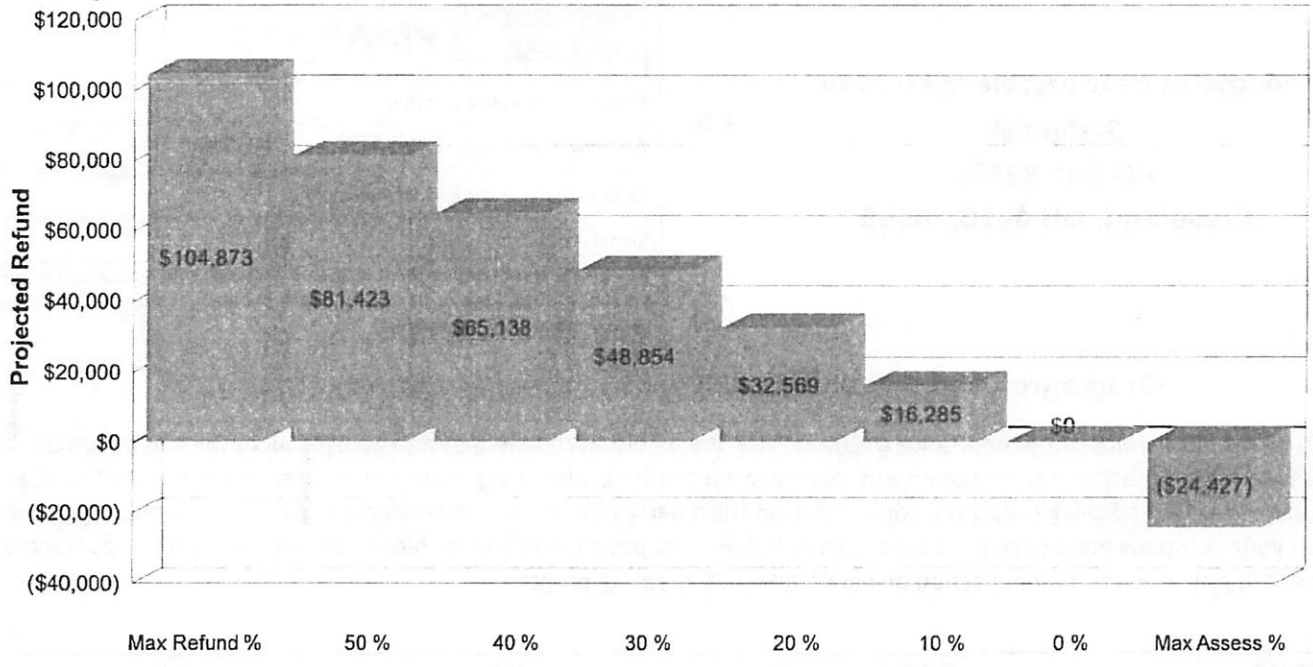
Estimated Individual Premium:	$206,067
Less BWC Admin & DWRF:	$43,221
Estimated Standard Premium:	$162,846

Estimated Maximum Savings:	$104,873
Estimated Maximum Assessment:	$24,427

BWC will conduct three (3) annual evaluations to determine the refund/assessment.
Your projected annual refunds are:

1st Evaluation Refund	$54,716
2nd Evaluation Refund	$12,311
3rd Evaluation Refund	$1,368

Estimated Refund Range



*The 2023 premium amounts are for the payroll period from 1/01/2023 to 12/31/2023.

Actual group refunds/assessments will be dependent on the performance of the entire group.
This projection is to be used as a guideline only for decision making purposes. The results should not be construed as actual.

Copyright (c) 2022 Sedgwick. ALL RIGHTS RESERVED. Any use of this material, including reproduction, modification, distribution or republication, without the prior written consent of Sedgwick is strictly prohibited.

DELIVERED JUN 0 9 2022

City of Middleburg Heights, Ohio

Resolution No. 2022-_____

Introduced by: Mr. Bortolotto, Mr. Meany and Mr. Grech

A RESOLUTION ADOPTING THE ALTERNATIVE TAX BUDGET INFORMATION OF THE CITY OF MIDDLEBURG HEIGHTS, OHIO, FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2023, AND SUBMITTING THE SAME TO THE BUDGET COMMISSION OF CUYAHOGA COUNTY

WHEREAS, on October 11, 2002, the Cuyahoga County Budget Commission with an affirmative vote of all members waived the requirement for taxing authorities of subdivisions or other taxing units (including schools) to adopt a Tax Budget as provided under O.R.C. Section 5705.281, but instead requires the filing of Alternative Tax Budget Information on an annual basis; and,

WHEREAS, the Alternative Tax Budget Information for the City of Middleburg Heights, Ohio for the fiscal year beginning January 1, 2023 has been prepared and presented to the Council; and,

WHEREAS, Council, after due consideration, desires that the said Alternative Tax Budget Information be adopted;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, CUYAHOGA COUNTY, STATE OF OHIO:

Section 1: That the Alternative Tax Budget Information of the City of Middleburg Heights, Ohio for the fiscal year beginning January 1, 2023 be and the same is hereby adopted and placed on file with the Director of Finance.

Section 2: That the Director of Finance be and is hereby directed to forward a copy of said Alternative Tax Budget Information to the Budget Commission of Cuyahoga County, Ohio, at the earliest possible time.

Section 3. That it is hereby found and determined that all formal actions of this council concerning and relating to the passage of this resolution were adopted in an open meeting of this council, and that all deliberations of this council and any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements including chapter 107 of the Codified Ordinances and section 121.22 of Ohio Revised Code.

PASSED_____ _____
PRESIDENT OF COUNCIL

ATTEST:

_____
CLERK OF COUNCIL

PRESENTED TO MAYOR_____ APPROVED ON:_____

	YEAS	NAYS
BORTOLOTTO	____	____
ALI	____	____
SAGE	____	____
MEANY	____	____
MCGREGOR	____	____
FERENCE	____	____
GRECH	____	____

_____
MAYOR

City of Middleburg Heights, Ohio

DIVISION OF TAXES LEVIED

(Levies Inside & Outside 10 Mill Limitation, Inclusive Of Debt Levies)
(List All Levies Of The Taxing Authority)

SCHEDULE 1 - 2023

I	II	III	IV	V	VI	VII	VIII	IX
Fund	Purpose	Authorized by Voters on MM/DD/YY	Levy Type	Number of Years Levy to Run	Tax Year Begins/Ends	Collection Year Begins/Ends	Maximum Rate Authorized	$ Amount Requested of Budget Commission
General Fund	Current Expenses		Inside	Continuous			3.75 mills or Max available	$ 3,000,000
Bond Retirement Fund	Debt Retirement		Inside	Continuous			.1 mill	$ 65,000
Police Pension	Current Expenses		Inside	Continuous			.3 mills	$ 200,000
Fire Pension	Current Expenses		Inside	Continuous			.3 mills	$ 200,000
Southwest General Health Center	Current Expenses	11/5/2019	Special Levy	5	2020-2024	2021-2025	1 mill	$ 250,000

City of Middleburg Heights, Ohio

STATEMENT OF FUND ACTIVITY

SCHEDULE 2 - 2023

Fund By Type	Beginning Estimated Fund Balance	Property Taxes and Local Government Revenue	Other Sources Receipts	Total Estimated Receipts	Total Resources Available For Expenditures	Total Estimated Expenditures & Encumbrances	Ending Estimated Unencumbered Balance
TOTAL ALL FUNDS	$ 14,012,800.00	$ 2,961,000.00	$ 33,998,800.00	$ 36,959,800.00	$ 50,972,600.00	$ 37,072,400.00	$ 13,900,200.00
General Fund (101)	8,060,000.00	2,330,000.00	21,440,000.00	23,770,000.00	31,830,000.00	23,040,000.00	8,790,000.00
S.C.M.& R. Fund (201)	1,310,000.00		1,980,000.00	1,980,000.00	3,290,000.00	2,190,000.00	1,100,000.00
State Highway Fund (202)	260,000.00		95,000.00	95,000.00	355,000.00	65,000.00	290,000.00
Recreation Fund (204)	200,000.00		3,010,000.00	3,010,000.00	3,210,000.00	3,010,000.00	200,000.00
Court Computer Fund (207)	27,000.00		4,500.00	4,500.00	31,500.00	12,000.00	19,500.00
L.E. Education (208)	6,000.00		2,700.00	2,700.00	8,700.00	-	8,700.00
L.E. Drug Penalty (210)	12,000.00		-	-	12,000.00	-	12,000.00
L.E. Contra Seizure (211)	24,000.00		-	-	24,000.00	2,000.00	22,000.00
L.E. Drug Fine (212)	8,000.00		-	-	8,000.00	-	8,000.00
Police Prof. Training Fund (213)	18,000.00		-	-	18,000.00	6,000.00	12,000.00
Medical Transport Fund (215)	251,000.00		187,000.00	187,000.00	438,000.00	102,000.00	336,000.00
FEMA Grant Fund (217)	-		-	-	-	-	-
Coronavirus Relief Fund (218)	-		-	-	-	-	-
Local Fiscal Recovery Fund (219)	1,616,000.00		-	-	1,616,000.00	-	1,616,000.00
PACE Special Assessment Fund (220)	-		323,500.00	323,500.00	323,500.00	323,500.00	-
Bond Retirement (302)	500,000.00	62,000.00	1,563,000.00	1,625,000.00	2,125,000.00	1,664,000.00	461,000.00
Capital Improvements (401)	54,000.00		1,174,000.00	1,174,000.00	1,228,000.00	1,174,000.00	54,000.00
Street/Infrastructure Improvements (402)	530,000.00		793,000.00	793,000.00	1,323,000.00	793,000.00	530,000.00
Health Insurance Reserve (555)	890,000.00		3,226,000.00	3,226,000.00	4,116,000.00	3,723,000.00	393,000.00
Police Pension Fund (701)	27,000.00	187,000.00	-	187,000.00	214,000.00	190,000.00	24,000.00
Fire Pension Fund (702)	27,000.00	187,000.00	-	187,000.00	214,000.00	190,000.00	24,000.00
Architect Trust Fund (712)	5,000.00		5,000.00	5,000.00	10,000.00	10,000.00	-
Builders Bond Trust (713)	50,000.00		30,000.00	30,000.00	80,000.00	80,000.00	-
Examination of Plans (714)	10,000.00		50,000.00	50,000.00	60,000.00	60,000.00	-
Yard Grade Trust (715)	2,000.00		2,000.00	2,000.00	4,000.00	4,000.00	-
Sidewalk Grade Trust (716)	-		100.00	100.00	100.00	100.00	-
Tree Planting Trust (717)	7,000.00		500.00	500.00	7,500.00	7,500.00	-
Misc Inspection Deposit (718)	20,000.00		15,500.00	15,500.00	35,500.00	35,500.00	-
Unclaimed Monies Trust (720)	90,000.00		12,000.00	12,000.00	102,000.00	102,000.00	-
Veterans Memorial (722)	7,400.00		-	-	7,400.00	7,400.00	-
Rental Deposit Fund (723)	1,400.00		-	-	1,400.00	1,400.00	-
Flexible Spending Fund (724)	-		80,000.00	80,000.00	80,000.00	80,000.00	-
Tri-City Bark Park Fund (725)	-		-	-	-	-	-
Bd. of Building Stds. (790)	-		5,000.00	5,000.00	5,000.00	5,000.00	-
Southwest General (799)	-	195,000.00	-	195,000.00	195,000.00	195,000.00	-

UNVOTED GENERAL OBLIGATION DEBT

(Include General Obligation Debt to Be Paid From Inside/Charter Millage Only)
(Do Not Include General Obligation Debt Being Paid By Other Sources)
(Do Not Include Special Obligation Bonds & Revenue Bonds)

SCHEDULE 3 - 2023

I	II	III	IV	V	VI
Purpose of Bonds or Notes	Date of Issue	Final Maturity Date	Principal Amount Outstanding At The Beginning Of The Calendar Year	Amount Required to Meet Calendar Year Principal & Interest Payments	Amount Receivable From Other Sources To Meet Debt Payments
Street Improvements, Series 2021	2021	2032	3,475,000.00	375,387.50	375,387.50
Various Purpose Improvements, Series 2022	2022	2047	14,850,000.00	1,147,256.26	1,147,256.26
Totals			**18,325,000.00**	**1,522,643.76**	**1,522,643.76**

DELIVERED JUN 0 9 2022

City of Middleburg Heights, Ohio

Ordinance No. 2022-___

Introduced by: Mr. Bortolotto, Mr. Meany, and Mr. Grech

AN ORDINANCE
AUTHORIZING THE MAYOR AND FINANCE DIRECTOR
TO ENTER INTO A CONTRACT WITH
ADP, INC.

WHEREAS, the City's purchasing policy requires City Council approval on any single purchase of products or services exceeding $25,000 or any professional service contract exceeding $10,000, with the exception of items purchased through or at an amount equal to an approved cooperative purchasing agreement; and

WHEREAS, the City desires to retain the services of a competent and qualified contractor to provide certain products/services to the City; and

WHEREAS, ADP, Inc. is competent and qualified to furnish products and/or services to the City and has provided a responsive and responsible proposal, and desires to provide Payroll, HR and Time and Attendance Services and Software

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, CUYAHOGA COUNTY, STATE OF OHIO:

Section 1. That the Mayor and Finance Director is hereby authorized to enter into a contract with ADP, Inc. to provide certain products and/or services to the City, a copy of which is attached hereto and marked "Exhibit A".

Section 2. That there is hereby appropriated an additional $17,500 from the General Fund to implement this Ordinance.

Section 3. That it is hereby found and determined that all formal actions of this council concerning and relating to the passage of this ordinance were adopted in an open meeting of this council, and that all deliberations of this council and any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements including chapter 107 of the Codified Ordinances and section 121.22 of Ohio Revised Code.

PASSED_____

_____
PRESIDENT OF COUNCIL

ATTEST:

_____
CLERK OF COUNCIL

PRESENTED TO MAYOR_____

APPROVED ON: _____

	YEAS	NAYS
BORTOLOTTO	_____	_____
ALI	_____	_____
SAGE	_____	_____
MEANY	_____	_____
MCGREGOR	_____	_____
FERENCE	_____	_____
GRECH	_____	_____

_____
MAYOR

Investment Summary

Quote Number
02-2022-100701 2

Company Information

City Of Middleburg Heights
15700 Bagley Rd
Cleveland, OH 44130-4832
United States

Executive Contact

Jason Stewart
Director of Finance
jstewart@middleburgheights.com
(440) 234-8811

230
Total Employees

$11,475.00
Implementation Costs

$48,190.80
Total Annual Investment

($11,205.00)
Total Annual Savings during promotional period; See Terms

Expiration

3/23/2022

ADP Sales Associate

Sarah Pozek
UMDM
sarah.pozek@adp.com
(216) 548-1216

** This Investment Summary has been made available for illustration purposes only and shall not become incorporated into or made a part of any sales order or services agreement governing the services contemplated thereby.

GLOBAL MASTER SERVICES AGREEMENT

Effective Date: _____, 20___

As between:

ADP, INC.
(Referred to in this agreement as "**ADP**")
One ADP Boulevard
Roseland, NJ 07068

-and-

City Of Middleburg Heights
(Referred to in this agreement as "**Client**")
15700 Bagley Rd
Cleveland, OH 44130-4832

ADP and Client agree that ADP shall provide Client with the following services in accordance with the terms set forth in this Global Master Services Agreement and the applicable Sales Order (as defined herein):

- ADP Payroll Services – delivered via ADP Workforce Now
- ADP Compliance on Demand
- ADP DataCloud
- ADP Document Cloud
- ADP Marketplace
- ADP Time & Attendance Services
- Benefit Services – delivered via ADP Workforce Now
- Employment Verification Services
- ESS & MSS Technology
- Essential ACA Services
- History Conversion Services
- Human Resources Administration Services – delivered via ADP Workforce Now
- Talent Activation Services – delivered via ADP Workforce Now

ADP, INC.	**City Of Middleburg Heights**
_____	_____
Signature of Authorized Representative	Signature of Authorized Representative
_____	_____
Name - Please Print	Name - Please Print
_____	_____
Title	Title

Notwithstanding any Investment Summary that may precede this Global Master Services Agreement and the page numbering below, this signature page is the first page of the Global Master Services Agreement and the Investment Summary that precedes it is for illustration purposes only and shall not become part of the Global Master Services Agreement.

Appendices

Appendix: History Conversion Services

Global Master Terms and Conditions

1 Definitions

1.1 **ADP HCM Services**. Only those Services, as defined below, that have been purchased by Client (as listed on the cover page, a Sales Order or otherwise) will be applicable.

1.1.1 **ADP Compliance on Demand.** A workforce management solution that provides clients with access to information and best practice guidance. ADP Compliance on Demand may include access to (1) a self-service library of human resources compliance information, (2) an online community to collaborate with other clients, (3) Tier 1 human resources professionals available to support and assist clients with their workforce management administration requirements, and (4) Tier 2 compliance experts who are available for up to a total of four (4) contacts per year.

1.1.2 **ADP Data Cloud.** Provide tools to analyze and understand data.

1.1.2.1 **Analytics.** Enables an employer to gain insight from data for key Human Capital Management (HCM) metrics.

1.1.3 **ADP Document Cloud.** Integrated solution to support maintenance and retrieval of employee-specific documents via cloud-based technology.

1.1.4 **ADP Marketplace.** Enable Client to build applications and/or purchase available applications via online store. Provide access to certain Client data stored in ADP systems via industry-standard Application Programming Interfaces (APIs).

1.1.5 **ADP Payroll Services.** Administration and processing of payroll including performing gross-to-net calculations and generating and/or transmitting of payment instructions, and also including:

1.1.5.1 **ADP Employment Tax Services.** Coordination of payroll-related tax and/or regulatory agency deposits, filings and reconciliations on behalf of employers.

1.1.5.2 **ADP Wage Garnishment Payment Services.** Garnishment payment processing and disbursement of payments to appropriate Payees as directed by Client.

1.1.5.3 **ADP Wage Payment Services.** Payment of wages, commissions, consulting fees, or similar compensation or work-related expenses in the employment context to employees and independent contractors via direct deposit, check or payroll debit cards, in each case only to the extent applicable.

1.1.5.4 **Print and Online Statement Services.** Print and distribution of payroll checks, pay statements, and/or year-end statements, as well as online posting of pay statements and/or year-end statements.

1.1.5.5 **State Unemployment Insurance (SUI) Management Services.** ADP becomes the unemployment insurance address of record. ADP requests the state to send unemployment insurance claims, charges, tax rates and related information to ADP and Client receives a quarterly summary of all claims.

1.1.6 **ADP Time & Attendance Services.** Support of time-related services, including time data collection, employee scheduling, timecard reviews and approvals, and consistent application of time-related policies.

1.1.7 **ADP Workforce Now.** ADP's web-based portal which provides a single point of access to ADP online solutions and employee-facing websites and resources related to payroll, HR, benefits, talent, and time and attendance.

1.1.8 **Benefit Services.** Technology to facilitate the administration of employee benefits, including applying eligibility rules, facilitating online enrollment and changes and calculating payroll deductions within a unified system, as well as providing data to carriers through ADP carrier connection services.

1.1.9 **Employment Verification Services.** Management of employment and income verification requests.

1.1.10 **ESS & MSS Technology.** Employee self-service (ESS) and Manager self-service (MSS) functionality provides all Client Users (practitioners, managers and employees) 24x7 online access to ADP Application Programs.

1.1.11 **Essential ACA Services.** A technology and software solution to assist Client in managing compliance needs related to the Affordable Care Act (ACA), including eligibility calculations and affordability determinations, preparation and electronic filing of Forms 1094-C and 1095-C, access to evidence of benefit offering information and benefit offering audit reports.

1.1.12 **History Conversion Services.** Conversion and loading of certain Client historical payroll or other human capital management data elements into ADP's systems or a standalone history viewer, as applicable.

1.1.13 **Human Resources Administration Services**. Administration of human resource functions using a unified system to process and audit employee lifecycle events, provide compliance tracking and reporting, including new hire reporting, and automate notification and approval processes via self-service/direct access, and also including:

1.1.13.1 **WFN EI-9 Services.** Electronic I-9 administration and onboarding services to help facilitate and manage I-9 and related employment eligibility verification processes.

1.1.14 **Talent Activation Services.** Talent activation services made up of the following:

1.1.14.1 **Essential Engagement.** An engagement measurement tool that provides Client leaders with tools, insights, and data to improve performance by observing employee engagement real time.

1.2 General

1.2.1 **"ADP"** has the meaning set forth on the cover page.

1.2.2 **"ADP Application Programs"** means the computer software programs and related Documentation, including any updates, modifications or enhancements thereto, that are either delivered or made accessible to Client through a hosted environment by ADP in connection with the Services.

1.2.3 **"ADPCheck"** means checks printed and distributed by ADP to Payees pursuant to Client's direction.

1.2.4 **"ADPCheck Services"** refers to ADP's payment of Client's Payees for Permitted Payments through ADPCheck.

1.2.5 **"ADP Direct Deposit Services"** means ADP's full service direct deposit services which includes ADP's payment of Client's Payees who have elected to receive Permitted Payments by direct deposit into an account at a financial institution of such Payee's selection.

1.2.6 **"Affiliate"** means, with respect to any entity, any other entity that controls, is controlled by or under control with such first entity. For purposes of this Agreement, "control" (or variants of it) means the ability, whether directly or indirectly, to direct the management and action of an entity by means of ownership, contract or otherwise.

1.2.7 **"Agreement"** means this Global Master Services Agreement, consisting of the signature pages, the Global Master Terms and Conditions, all exhibits, annexes, appendices, addenda and schedules, and each Amendment, if any.

1.2.8 **"Amendment"** means a written amendment to this Agreement modifying, supplementing or amending the terms and conditions of this Agreement.

1.2.9 **"API"** means application programming interface.

1.2.10 **"Approved Country"** means each country in which, subject to the terms of this Agreement, Client is authorized to use or receive the Services. The following is the list of Approved Countries for the Services: United States.

1.2.11 **"Biometric Data"** includes the information collected by timeclocks and software that use finger and/or hand scan technology, which potentially may include Biometric Identifiers and Biometric Information.

1.2.12 **"Biometric Identifier"** means a retina or iris scan, fingerprint, voiceprint, or scan of hand or face geometry.

1.2.13 **"Biometric Information"** means any information, regardless of how it is captured, converted, stored, or shared, based on an individual's biometric identifier used to identify an individual.

1.2.14 **"Biometric Services"** means services provided by ADP to Client via the use of timeclocks and software in connection with ADP's provision of Time & Attendance Services, to the extent such timeclocks or software collect, store or use Biometric Data.

1.2.15 **"Biometric User"** means Client's employees or independent contractors who use Biometric Services to record their attendance, hours worked or other work-related data.

1.2.16 **"Business Day"** means any day, except a Saturday, Sunday or a day on which ADP's bank is not open for business in the applicable jurisdiction where services are provided by ADP.

1.2.17 **"Cardholder"** means the Payees of Client who receive a Pay Card.

1.2.18 **"Client"** has the meaning set forth on the cover page.

1.2.19 **"Client ACA Liaison"** means the Client's designated person who shall serve as ADP's principal contact for Essential ACA Services.

1.2.20 **"Client Content"** means all information and materials provided by Client, its agents or employees, regardless of form.

1.2.21 **"Client Group"** means Client and Client's Affiliates listed in the Sales Order who are authorized to receive the Services.

1.2.22 **"Client Infringement Event"** means (i) any change or enhancement in, or use of, the Services by Client or a third party on Client's behalf other than at the direction of, or as approved by, ADP or (ii) Client's failure to use the most current release or version of any computer software programs included in the ADP Application Programs or any corrections or enhancements provided by ADP thereto (to the extent ADP requires Client to use the most current release or version of any computer software programs, the implementation of such shall be at no charge to Client).

1.2.23 **"Confidential Information"** means all trade secrets, processes, proprietary data and documentation and any pricing and product information, Personal Data, the terms of this Agreement, and any other information that is confidential or proprietary provided by the disclosing party to the receiving party for use in connection with the Services or this Agreement, but does not include information that (i) the receiving party already knows prior to its disclosure by the disclosing party, (ii) becomes generally available to the public, except as a result of disclosure by the receiving party in violation of this Agreement or (iii) becomes known to the receiving party on a non-confidential basis from a source other than the disclosing party.

1.2.24 **"Data Security Breach"** means a security breach as defined by applicable law or any incident that compromises the confidentiality, integrity, or availability of Personal Data.

1.2.25 **"DHS"** means the U.S. Department of Homeland Security.

1.2.26 **"Documentation"** means all manuals, tutorials and related materials that may be provided or made available to Client by ADP in connection with the Services.

1.2.27 **"Effective Date"** has the meaning set forth on the cover page.

1.2.28 **"ERISA"** means Employee Retirement Income Security Act of 1974, as amended.

1.2.29 **"E-Verify"** means the DHS's employment eligibility verification program which allows participating employers to electronically verify the employment eligibility of each newly hired employee and/or employee assigned to a covered federal contract.

1.2.30 **"Form I-9"** means the employment eligibility verification form issued by the DHS.

1.2.31 **"FCRA"** means the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq.

1.2.32 **"Global Master Terms and Conditions"** means the terms and conditions contained in the main body of this document following the signature pages.

1.2.33 **"Go-Live Date"** means the date of commencement of the first live processing of any given Service.

1.2.34 **"I-9 Handbook"** means the current USCIS Handbook for Employers: Instructions for Completing Form I-9 (M-274).

1.2.35 **"Implementation Services"** means the Services to be performed in order to commence ongoing Services.

1.2.36 **"Improvements"** has the meaning set forth in Section 5.4.

1.2.37 **"Indemnitee"** has the meaning set forth in Section 6.3.

1.2.38 **"Indemnitor"** has the meaning set forth in Section 6.3.

1.2.39 **"Intellectual Property Rights"** means all rights, title and interest to or in patent, copyright, trademark, service mark, trade secret, business or trade name, know-how and rights of a similar or corresponding character.

1.2.40 **"Internal Business Purposes"** means the usage of the Services solely by the Client Group for its own internal business purposes, without the right to provide service bureau or other data processing services, or otherwise share or distribute the Services, to any party outside the Client Group, unless expressly contemplated by this Agreement.

1.2.41 **"NACHA"** means the National Automated Clearing House Association.

1.2.42 **"Notice to Furnishers"** means with respect to Employment Verification Services, the notice provided to a furnisher of information pursuant to the Obligations of Furnishers of Information provided at the following URL: https://www.consumer.ftc.gov/articles/pdf-0092-notice-to-furnishers.pdf.

1.2.43 **"Payee"** means any intended recipient of payments under the Payment Services and may include Client's employees, taxing authorities, governmental agencies, suppliers, benefit carriers and/or other third parties; provided that in the case of ADP Wage Payment Services, Payee shall be limited to Client's employees and independent contractors.

1.2.44 **"Payment Services"** means Services that involve electronic or check payments being made by ADP to third parties on Client's behalf and at its direction.

1.2.45 **"Permitted Payment"** means the legal payment of wages, commissions, consulting fees or similar compensation or work-related expenses in the employment context.

1.2.46 **"Personal Data"** means any information relating to an identified or identifiable natural person. An identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to such person's physical, physiological, mental, economic, cultural or social identity.

1.2.47 **"Plan"** means Client's plan, including a group health plan, as identified by Client for the applicable Services.

1.2.48 **"Plan Administrator"** means the appropriate plan administrator as defined in Section 3(16)(A) of ERISA and Section 414(g) of the Internal Revenue Code of 1986, as amended.

1.2.49 **"Sales Order(s)"** means the document(s) between the parties that lists the specific Services purchased by Client Group from ADP.

1.2.50 **"Services"** means the services listed on the cover page of this Agreement (including Implementation Services related thereto), and such other services as the parties may agree to be performed from time to time.

1.2.51 **"SOC 1 Reports"** has the meaning set forth in Section 9.1.

1.2.52 **"Term"** means the period beginning as of the Effective Date and ending upon termination of the Agreement.

1.2.53 **"Termination Event"** means with respect to any party, the occurrence of any of the following: (i) under the applicable bankruptcy laws or similar law regarding insolvency or relief for debtors, (A) a trustee, receiver, custodian or similar officer is appointed for a party's business or property, (B) a party seeks to liquidate, wind-up, dissolve, reorganize or otherwise obtain relief from its creditors, or (C) an involuntary proceeding is commenced against a party and the proceeding is not stayed, discharged or dismissed within thirty (30) days of its commencement, or (ii) a party's Standard and Poor's issuer credit rating falls to or below BB.

1.2.54 **"Time & Attendance Hardware"** means timeclocks and other time collection devices provided to Client by ADP in connection with the ADP Time & Attendance Services. Hardware may be purchased or provided on a subscription basis.

1.2.55 **"USCIS"** means U.S. Citizenship and Immigration Services.

1.2.56 **"User"** means any single natural person who, subject to the terms of this Agreement, is authorized by Client to use, access or receive the Services.

1.2.57 **"Verification Agent"** means ADP and its subcontractors, as authorized by the Client, to perform Employment Verification Services.

1.2.58 **"Verification Data"** means employment and income information disclosed on the Client's behalf in connection with Employment Verification Services.

1.2.59 **"Verifiers"** means commercial, private, non-profit and government entities and their agents that wish to obtain or verify any Client's employees or former employees Verification Data in connection with Employment Verification Services.

2 Provision and Use of Services

2.1 **Provision of Services.** ADP, or one of its Affiliates, will provide the Services to Client Group in accordance with the terms of this Agreement. ADP will provide the Services in a good, diligent and professional manner in accordance with industry standards, utilizing personnel with a level of skill commensurate with the Services to be performed. ADP's performance of the Services (including any applicable implementation activities) is dependent upon the timely completion of Client's responsibilities and obligations under this Agreement. Without limitation of the foregoing, Client will timely provide the Client Content necessary for ADP to provide the Services.

2.2 **Cooperation.** ADP and Client will work together to implement the Services. Client will cooperate with ADP and execute and deliver all documents, forms, or instruments necessary for ADP to implement and render the Services. Client will provide ADP with all reasonable and necessary Client Content in the format requested by ADP, and will otherwise provide all reasonable assistance required of Client in order for ADP to successfully implement the Services.

2.3 **Use of Services.** Client will use the Services in accordance with the terms of this Agreement and solely for its own Internal Business Purposes. Client will be responsible for the use of the Services by the Client Group and the Users in accordance with the terms of this Agreement. Client is responsible for the accuracy and completeness of the Client Content provided to ADP. The Services are designed for use in the Approved Country only and Client understands that the Services have not been designed to assist Client in complying with the laws and regulations of any country other than the Approved Country. ADP makes no representation or warranty that access and use of the Services from outside the Approved Country by Client employee managers and/or other Users who are not physically located in an Approved Country comport with any local laws, regulations, or directives in any other country. Furthermore, if Client during the implementation process or as part of the ongoing Services configures the ADP Application Programs to process additional data elements beyond those data elements that are required by ADP to perform the Services, Client will remain solely responsible for such configurations, including the processing of Personal Data pursuant to applicable law.

2.4 **Errors.** Client will promptly review all documents and reports produced by ADP and provided or made available to Client in connection with the Services and promptly notify ADP of any error, omission, or discrepancy with Client's records. ADP will promptly correct such error, omission or discrepancy and, if such error, omission or discrepancy was caused by ADP, then such correction will be done at no additional charge to Client.

2.5 **Records.** Unless expressly included as a part of the Services, and without prejudice to ADP's obligation to retain the data necessary for the provision of the Services, ADP does not serve as Client's record keeper and Client will be responsible for retaining copies of all documentation received from or provided to ADP in connection with the Services to the extent required by law or Client's internal policies.

3 Compliance

3.1 **Applicable Laws.** Each party will comply with laws and regulations that affect its business generally, including any applicable anti-bribery, export control and data protection laws.

3.2 **Design of the Services.** ADP will design the Services, including the functions and processes applicable to ADP's performance of the Services, to assist the Client in complying with its legal and regulatory requirements applicable to the Services, and ADP will be responsible for the accuracy of such design. Client and not ADP will be responsible for (i) how it uses the Services to comply with its legal and regulatory requirements and (ii) the consequences of any instructions that it gives to ADP, including as part of the implementation of the Services, provided ADP follows such instructions. Services do not include any legal, financial, regulatory, benefits, accounting or tax advice.

3.3 **Online Statements.** If Client instructs ADP to provide online pay statements, Forms W2, Forms 1099, or Forms 1095-C without physical copies thereof, Client will be exclusively responsible for determining if and to what extent Client's use of online pay statements, Forms W2, Forms 1099, or Forms 1095-C satisfies Client's obligations under applicable laws and the consequences resulting from such determinations.

3.4 **Data Protection Laws.** During the Term of the Agreement (i) Personal Data transferred by Client or at Client's direction to ADP has been collected by Client in accordance with applicable privacy laws; and (ii) Client has the authority to provide such Personal Data to ADP under applicable privacy laws. ADP may not retain, sell (as defined by applicable privacy laws), use or disclose the Personal Data for any purpose other than as needed to perform the Services, as permitted by the Agreement, or as required by law.

4 Confidentiality

4.1 **General.** All Confidential Information disclosed under this Agreement will remain the exclusive and confidential property of the disclosing party. The receiving party will not disclose to any third party the Confidential Information of the disclosing party and will use at least the same degree of care, discretion and diligence in protecting the Confidential Information of the disclosing party as it uses with respect to its own confidential information. The receiving party will limit access to Confidential Information to its employees and independent contractors with a need to know the Confidential Information and will instruct those employees and independent contractors to keep such information confidential. ADP may disclose Client's Confidential Information on a need to know basis to (i) ADP's subcontractors who are performing the Services, provided that ADP shall remain liable for any unauthorized disclosure of Client's Confidential Information by those subcontractors, (ii) employees of ADP's Affiliates, provided such employees are instructed to keep the information confidential as set forth in this Agreement and (iii) social security agencies, tax authorities and similar third parties, to the extent strictly necessary to perform the Services. ADP may use Client's and its employees' and other Services recipients' information in an aggregated, anonymized form, such that neither Client nor such person may be identified, and Client will have no ownership interest in such aggregated, anonymized data. Client authorizes ADP to release employee-related data, and such other data as required to perform the Services, to third party vendors of Client as designated by Client from time to time. Notwithstanding the foregoing, the receiving party may disclose Confidential Information (x) to the extent necessary to comply with any law, rule, regulation or ruling applicable to it, (y) as appropriate to respond to any summons or subpoena or in connection with any litigation and (z) to the extent necessary to enforce its rights under this Agreement.

4.2 **Return or Destruction.** Upon the request of the disclosing party or upon the expiration or earlier termination of this Agreement, and to the extent feasible, the receiving party will return or destroy all Confidential Information of the disclosing party in the possession of the receiving party, provided that each party may maintain a copy if required to meet its legal or regulatory obligations and may maintain archival copies stored in accordance with regular computer back-up operations. To the extent that any portion of Confidential Information of a disclosing party remains in the possession of the receiving party following expiration or earlier termination of this Agreement, such Confidential Information shall remain subject to the generally applicable statutory requirements and the confidentiality protections contained in Section 4.1.

5 Intellectual Property

5.1 **Client IP Rights.** Except for the rights expressly granted to ADP in this Agreement, all rights, title and interests in and to Client Content, including all Intellectual Property Rights inherent therein and pertaining thereto, are owned exclusively by Client or its licensors. Client hereby grants to ADP for the Term a non-exclusive, worldwide, non-transferable, royalty-free license to use, edit, modify, adapt, translate, exhibit, publish, reproduce, copy and display the Client Content for the sole purpose of performing the Services; provided Client has the right to pre-approve the use by ADP of any Client trademarks or service marks.

5.2 **ADP IP Rights.** Except for the rights expressly granted to Client in this Agreement, all rights, title and interest in and to the Services, including all Intellectual Property Rights inherent therein and pertaining thereto, are owned exclusively by ADP or its licensors. ADP grants to Client for the Term a personal, non-exclusive, non-transferable, royalty-free license to use and access the ADP Application Programs solely for the Internal Business Purposes in the Approved Countries and solely up to the maximum number of Users (if any) indicated in the Sales Order. The ADP Application Programs do not include any Client-specific customizations unless otherwise agreed in writing by the parties. Client will not obscure, alter or remove any copyright, trademark, service mark or proprietary rights notices on any materials provided by ADP in connection with the Services, and will not copy, recompile, disassemble, reverse engineer, or make or distribute any other form of, or any derivative work from, such ADP materials.

5.3 **Ownership of Reports.** Client will retain ownership of the content of reports and other materials that include Client Content produced and delivered by ADP as a part of the Services, provided that ADP will be the owner of the format of such reports. To the extent any such reports or other materials incorporate any ADP proprietary information, ADP (i) retains sole ownership of such proprietary information and (ii) provides the Client a fully paid up, irrevocable, perpetual, royalty-free license to access and use same for its Internal Business Purposes without the right to create derivative works (other than derivative works to be used solely for its Internal Business Purposes) or to further distribute any of the foregoing rights outside the Client Group.

5.4 **Improvements.** ADP will make available to Client, at no additional cost, software improvements, enhancements, or updates to any ADP Application Programs that are included in the Services (collectively "**Improvements**") if and as they are made generally available by ADP at no additional cost to ADP's other clients using the same ADP Application Programs as Client and receiving the same Services as Client. All Improvements provided under this Section 5.4 shall be considered part of the ADP Application Programs. If Client fails to implement Improvements provided or made available to Client by ADP, ADP shall be relieved of any responsibility for errors or degradation in the Services and shall have no obligation to provide support for the ADP Application Programs.

5.5 **Third Party Software.** Notwithstanding Sections 5.1 through 5.4, ADP Time & Attendance Services shall be subject to the additional licensing or access terms set forth at https://www.adp.com/wfmlicenseterms.

6 Indemnities

6.1 **ADP Indemnity.** Subject to the remainder of this Section 6.1, and Sections 6.3 and 7, ADP will defend Client against any third party claims and will indemnify and hold Client harmless from any resulting damage awards or settlement amounts in any cause of action to the extent such cause of action is based on a claim alleging that the Services or ADP Application Programs, as provided by ADP and used in accordance with the terms of this Agreement, infringe upon any Intellectual Property Rights of a third party in the United States. The foregoing infringement indemnity will not apply and ADP will not be liable for any damages assessed in any cause of action to the extent resulting from a Client Infringement Event or ADP's use of Client Content as contemplated by this Agreement. If any Service is held or believed to infringe on any third-party's Intellectual Property Rights, ADP may, in its sole discretion, (i) modify the Service to be non-infringing, (ii) obtain a license to continue using such Service, or (iii) if neither (i) nor (ii) are practical, terminate this Agreement as to the infringing Service and return to Client any unearned fees prepaid by Client to ADP.

6.2 **Client Indemnity**. Subject to Sections 6.3 and 7, Client will defend ADP against any third party claims and will indemnify and hold ADP harmless from any resulting damage awards or settlement amounts in any cause of action to the extent such cause of action is based on the occurrence of a Client Infringement Event or ADP's use of Client Content as contemplated by this Agreement.

6.3 **Indemnity Conditions.** The indemnities set forth in this Agreement are conditioned on the following: (i) the party claiming indemnification (the **"Indemnitee"**) shall promptly notify the indemnifying party (the **"Indemnitor"**) of any matters in respect of which it seeks to be indemnified, and shall give the Indemnitor full cooperation and opportunity to control the response thereto and the defense thereof, including without limitation any settlement thereof, (ii) the Indemnitor shall have no obligation for any claim under this Agreement if the Indemnitee makes any admission, settlement or other communication regarding such claim without the prior written consent of the Indemnitor, which consent shall not be unreasonably withheld, and (iii) the Indemnitee's failure to promptly give notice to the Indemnitor shall affect the Indemnitor's obligation to indemnify the Indemnitee only to the extent the Indemnitor's rights are materially prejudiced by such failure. The Indemnitee may participate, at its own expense, in such defense and in any settlement discussions directly or through counsel of its choice.

7 Limit on Liability

7.1 **Ordinary Cap.** Notwithstanding anything to the contrary in this Agreement and subject to the remainder of this Section 7, neither party's aggregate liability in any calendar year shall exceed an amount equal to six (6) times the average ongoing monthly Services fees paid or payable to ADP by Client during such calendar year for all Services (the **"Ordinary Cap"**).

7.2 **Extraordinary Cap.** As an exception to Section 7.1, if damages arise from a breach of Section 4 (Confidentiality) or Section 9.3 (Data Security), the Ordinary Cap will be increased by an additional six (6) times the average ongoing monthly Services fees paid or payable to ADP by Client during such calendar year for all Services (the **"Extraordinary Cap"**). For the avoidance of doubt, in no case shall either party's aggregate liability in any calendar year under this Agreement exceed an amount equal to twelve (12) times the average monthly ongoing Services fees paid or payable to ADP by Client during such calendar year for all Services.

7.3 **Matters not Subject to the Cap.** The foregoing limits on liability shall not apply to the following:

7.3.1 Client's funding obligations in connection with the Payment Services;

7.3.2 Loss or misdirection of Client funds in possession or control of ADP due to ADP's error or omission;

7.3.3 In connection with the ADP Employment Tax Services, (i) interest charges imposed by an applicable tax authority on Client for the failure by ADP to pay funds to the extent and for the period that such funds were held by ADP and (ii) all tax penalties resulting from ADP's error or omission in the performance of such Service. The provisions of this Section 7.3.3 shall only apply if (x) Client permits ADP to act on Client's behalf in any communications and negotiations with the applicable taxing authority that is seeking to impose any such penalties or interest and (y) Client assists ADP as reasonably required by ADP;

7.3.4 Either party's gross negligence, or willful, criminal or fraudulent misconduct;

7.3.5 The infringement indemnity set forth in Section 6.1 and 6.2;

7.3.6 Client's biometrics indemnity set forth in Section 14;

7.3.7 Client's obligations to pay the fees for Services; and

7.3.8 ADP's obligations to provide credit monitoring as set forth in Section 10.2.

7.4 **Mitigation of Damages.** ADP and Client will each use reasonable efforts to mitigate any potential damages or other adverse consequences arising from or related to the Services.

7.5 **No Consequential Damages.** NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT AND ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW, NONE OF ADP, CLIENT OR ANY BANK WILL BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES (INCLUDING DAMAGES FOR LOSS OF BUSINESS OR PROFITS, BUSINESS INTERRUPTIONS OR HARM TO REPUTATION) THAT ANY OTHER PARTY OR ITS RESPECTIVE AFFILIATES MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. The foregoing exclusion shall not apply to claims for consequential damages arising from ADP's or Client's (i) gross negligence or willful, criminal or fraudulent misconduct, or (ii) breach or breaches of Section 4.1 or Section 9.3 under this Agreement; provided however, that any consequential damages recovered by Client or ADP in a calendar year for claims pursuant to Section 7.5(ii) will be subject to the Extraordinary Cap set forth in Section 7.2 above.

8 Warranties and Disclaimer

8.1 **Warranties.** Each party warrants that (i) it has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby and (ii) this Agreement has been duly and validly executed and delivered and constitutes the valid and binding agreement of the parties, enforceable in accordance with its terms.

8.2 **DISCLAIMER.** EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ALL SERVICES, ADP APPLICATION PROGRAMS AND EQUIPMENT PROVIDED BY ADP OR ITS SUPPLIERS ARE PROVIDED "AS IS" AND ADP AND ITS LICENSORS AND SUPPLIERS EXPRESSLY DISCLAIM ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS, VIRUSES OR ANY OTHER MALICIOUS CODE, WITH RESPECT TO THE SERVICES, THE ADP APPLICATION PROGRAMS, ANY CUSTOM PROGRAMS CREATED BY ADP OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP AND RESULTS OBTAINED THROUGH THE USE THEREOF.

9 Security and Controls

9.1 **Service Organization Control Reports.** Following completion of implementation of any applicable Services, ADP will, at Client's request and at no charge, provide Client with copies of any routine Service Organization Control 1 reports (**"SOC 1 Reports"**) (or any successor reports thereto) that are both directly related to those Services provided hereunder for Client and already released to ADP by the public accounting firm producing the report. SOC 1 Reports are ADP Confidential Information and Client will not distribute or allow any third party (other than its independent auditors) to use any such report without the prior written consent of ADP. Client will instruct its independent auditors or other approved third parties to keep such report confidential and Client will remain liable for any unauthorized disclosure of such report by its independent auditors or other approved third parties.

9.2 **Business Continuity; Disaster Recovery**. ADP maintains a commercially reasonable business continuity and disaster recovery plan and will follow such plan.

9.3 **Data Security.** ADP has an established information security program containing appropriate administrative, technical and physical measures to protect Client data (including Personal Data) against accidental unlawful or unauthorized destruction, alteration, unauthorized disclosure or access consistent with applicable laws. In the event ADP suspects any unauthorized access to, or use of, the Services, ADP may suspend access to the Services to the extent ADP deems necessary to preserve the security of the Client's data.

10 Data Security Breach

10.1 **Notification.** If ADP becomes aware of a Data Security Breach of Client's Personal Data, ADP will take appropriate actions to contain, investigate and mitigate the Data Security Breach. ADP shall notify Client without undue delay after becoming aware that a Data Security Breach has occurred, unless otherwise required or instructed by law enforcement or regulatory authority. ADP will share information in its possession with Client for Client to determine any regulatory reporting obligations required by applicable law.

10.2 **Other ADP Obligations.** In the event that Data Security Breach is the result of the failure of ADP to comply with the terms of this Agreement, ADP shall, to the extent legally required or otherwise necessary to notify the individuals of potential harm, bear the actual, reasonable costs of notifying affected individuals. ADP and Client shall mutually agree on the content and timing of any such notifications, in good faith and as needed to meet applicable legal requirements. In addition, where notifications are required, and where such monitoring is practicable and customary, ADP shall also bear the cost of one year of credit monitoring to affected individuals in the applicable jurisdictions.

11 Payment Terms

11.1 **Fees and Fee Adjustments.** Client will pay to ADP the fees and other charges for the Services as set forth in the Sales Order. The fees set forth in the Sales Order will remain fixed during the first six (6) months following the Effective Date and thereafter, ADP may modify the fees on an annual basis upon thirty (30) days' prior written notice to Client. The fees presented in the Sales Order were calculated based upon particular assumptions relative to Client requirements (including funding requirements), specifications, volumes and quantities as reflected in the applicable Sales Order and related documentation, and if Client's actual requirements vary from what is stated, ADP may adjust the fees based on such changes. The fees do not include any customizations to any Service.

11.2 **Additional Services and Charges.** Any Services provided to Client but not included in a Sales Order will be provided subject to the terms of this Agreement and charged at the applicable rates as they occur; and those services will be considered to be "Services" for purposes of this Agreement. Additional charges may be assessed Client in relation to the performance of the Services in certain circumstances, including without limitation, late funding, an insufficient funds notification and emergency payment requests from Client.

11.3 **Fees for Implementation Services.** Implementation fees are due and payable by Client upon the Go-Live Date for such Services. However, if this Agreement or any Service are terminated after implementation services have started but before the Go-Live Date, the greater of the following amounts shall be immediately due and payable by Client: (i) implementation fees for implementation services performed up to the date of termination; or (ii) thirty percent (30%) of the total Implementation Fees set out in the Sales Order.

11.4 **Invoicing.** ADP will notify Client of all applicable Services fees payable by Client by way of invoice or other method (i.e. ADP's on-line reporting tool). Client will pay the amount on each invoice or such other similar document in full pursuant to the agreed upon method of payment set forth in the Sales Order. All amounts not paid when due are subject to a late payment charge of one and one-half percent (1.5%) per month (not to exceed the maximum allowed by applicable law) of the past due amount from the due date until the date paid. If applicable, ADP shall invoice Client for any History Conversion Services fees upon the completion of the Services, unless the History Conversion Services will be provided over a time period which exceeds thirty (30) days, in which case ADP reserves the right to invoice the Client on a monthly basis for such Services rendered.

11.5 **Currency.** Client shall pay the fees in US dollars.

11.6 **Taxes.** Unless Client provides ADP a valid tax exemption or direct pay certificate, Client will pay directly, or will pay to ADP, an amount equal to all applicable taxes or similar fees levied or based on the Agreement or the Services, exclusive of taxes based on ADP's net income.

11.7 **Postage, Shipping Travel and out-of-pocket expenses.** ADP will invoice Client for postage charges, delivery charges, other third party charges, and reasonable travel and out-of-pocket expenses as necessary to provide the Services.

11.8 **Funding Requirements and Disbursement Disclosures.** With respect to Payment Services to be deducted by ACH or Pre-Authorized Debit, Client must have sufficient good funds for payment of the payroll obligations, tax filing obligations, wage garnishment deduction obligations, service fees (as applicable), expenses, and any other applicable charges, to be direct debited from Client's designated account no later than one (1) Business Day prior to the pay date for the applicable payroll (in the case of payroll processing services), or as otherwise agreed by the parties. For reverse wire clients, funds must be available (a) by 6:00 a.m. Pacific time on the Business Day immediately before the associated payroll check date (in the case of the ADP Employment Tax Services) and (b) by 6:00 a.m. Pacific time two (2) Business Days prior to the associated payroll check date for all other Payment Services. In consideration for the additional costs incurred by ADP in providing wire transfer service, Client agrees to pay a reasonable fee (currently $10.00) for each wire transfer. Notwithstanding the foregoing, ADP reserves the right to modify the aforementioned deadlines at any time and will communicate any such modifications to Client.

11.9 **Change Control.** In the event either party requests a change in the scope of Services (including implementation services) or any rework is required by ADP as a result of a delay by Client in implementation of any Services (each a "**Change Control Item**"), the parties shall address such change request, if possible via ADP's change control process. Change Control Items and the cost associated with such changes (if any) to the Services shall be mutually agreed to by the parties and shall be defined in a statement of work agreed to by the parties, with the exceptions of Change Control Items that are required to be made by law or regulation applicable to the Services or to the duration of implementation services, which ADP will notify Client of prior to making the change.

12 Term; Termination; Suspension

12.1 **Term; Termination for Convenience.** This Agreement will commence on the Effective Date and remain in effect until terminated by either party in accordance with the terms hereof. Either party may terminate this Agreement or any Service upon ninety (90) days' prior written notice to the other party (except as otherwise set forth in this Section 12). In the event Client does not provide ADP with the proper notice as set forth in the previous sentence, Client shall pay ADP for any fees for Services that would have been incurred by Client during such notice period (calculated based on an average of the prior six months of invoices for such terminated Services, or shorter period of time if there has been less than six months of invoices).

12.2 **Termination for Cause.** Either party may terminate this Agreement for the other's material breach of this Agreement if such breach is not cured within sixty (60) days following notice thereof or in the event either party is the subject of a Termination Event. In addition, ADP may terminate this Agreement in the event Client fails to timely pay fees for Services performed within ten (10) days following notice that such fees are past due. ADP may also terminate this Agreement or the Services immediately on written notice to Client if the provision of Service to Client causes or will cause ADP or its Affiliates to be in violation of any laws, rules or regulations applicable to it including any sanction laws applicable to ADP or any Affiliate.

12.3 **Suspension.** Without limiting the foregoing, the parties agree that Payment Services involve credit risk to ADP. Payment Services may be suspended by ADP (A) immediately following notice to Client (i) that Client has failed to remit sufficient, good and available funds within the deadline and via the method of delivery agreed upon as it relates to the applicable Payment Services, or (ii) if Client breaches any rules promulgated by the NACHA (or other similar local regulator) as it relates to ADP conducting ACH (or similar electronic payment) transactions on behalf of Client, and (B) with 24 hour notice if: (i) a bank notifies ADP that it is no longer willing to originate debits from Client's account(s) or credits for Client's behalf for any reason or (ii) the authorization to debit Client's account is terminated or ADP reasonably believes that there is or has been fraudulent activity on the account. If the Payment Services are terminated or suspended pursuant to Sections 12.2 or 12.3, Client acknowledges that ADP shall be entitled to allocate any funds in ADP's possession that have been previously remitted or otherwise made available by Client to ADP relative to the Payment Services in such priorities as ADP may determine appropriate, including reimbursing ADP for payments made by ADP on Client's behalf to a third party. If the Payment Services are terminated by ADP, Client understands that it will (x) immediately become solely responsible for all of Client's third party payment obligations covered by the Payment Services then or thereafter due (including, without limitation, for ADP Employment Tax Services, any and all penalties and interest accruing after the date of such termination, other than penalties and interest for which ADP is responsible under Section 7.3.3), and (y) reimburse ADP for all payments properly made by ADP on behalf of Client to any Payee, which has not been paid or reimbursed by Client. If the Payment Services remains suspended for 30 days, the affected Payment Service shall be deemed terminated on the 31st day following suspension.

12.4 **Additional Termination Provisions.**

12.4.1 **Additional Termination Provisions for ADP Employment Tax Services.** If the ADP Employment Tax Services in the United States are terminated, Client's access to ADP websites containing Client's data will expire 90 days from the effective date of the termination, and Client will be responsible for downloading all relevant data, including Statements of Deposit (SODs) prior to the expiration of such access.

12.4.2 **Additional Termination Provisions for Employment Verification Services.** ADP may, in its sole discretion, terminate the Employment Verification Services at any time upon 90 days prior written notice to Client should a Verification Agent notify ADP that it is no longer willing to provide the Employment Verification Services and ADP, after taking commercially reasonable steps, cannot engage a successor Verification Agent.

12.4.3 **Additional Termination Provisions for ADP Time & Attendance Services.** If ADP determines that Client has failed to comply with any potentially applicable laws and regulations applicable to the Biometric Services, ADP may, in its sole discretion and upon notice to Client, immediately suspend or terminate the Biometric Services.

12.4.4 **Additional Termination Provisions for Essential ACA Services.** If ADP reasonably determines that it can no longer provide all or any portion of Essential ACA Services due to changes in applicable law or application of existing law, ADP may, in its sole discretion and upon notice to Client, immediately terminate the applicable portion of Essential ACA Services.

12.4.5 **Additional Suspension for ADP Compliance on Demand.** ADP may, in its sole discretion, immediately suspend access to ADP Compliance on Demand without prior notice to Client in the event Client posts or otherwise distributes any content online that is (i) inappropriate or otherwise objectionable, (ii) potentially violates the privacy or publicity right of a third party, or (iii) advertises any other site or business. In the event Client continues to post or distribute such content after access to ADP Compliance on Demand is restored, ADP shall have the right to terminate ADP Compliance on Demand.

12.4.6 **Additional Termination Provisions for History Conversion Services.** Either party can terminate History Conversion Services at any time for any reason by providing at least ten (10) days' advance written notification to the other party. Upon termination of the History Conversion Services by either party for any reason, all fees and expenses for the History Conversion Services incurred by Client prior to the termination date shall become immediately due and payable.

13 Post Termination

13.1 **Scope.** At any time prior to the actual termination date, Client may download Client's information or reports available to it in conjunction with all of the Services provided to Client by ADP. Upon expiration or termination of the Services, subject to Sections 13.2, Client may order from ADP any data extraction offered by ADP, at the then prevailing hourly time and materials rate. In connection with any data extraction, ADP will not be required to provide any third party with access to ADP's systems, intellectual property or any Confidential Information of ADP.

13.2 **Past Due Amounts.** If ADP has terminated this Agreement due to Client's failure to pay fees, ADP's obligations in Section 13.1 will be subject to Client's payment of all past due amounts and ADP may require Client to prepay for any services.

14 Additional Terms

14.1 **ADP Employment Tax Services.** The following additional terms and conditions apply to the ADP Employment Tax Services:

14.1.1 **Important Tax Information (IRS Disclosure) for U.S. Only.** Notwithstanding Client's engagement of ADP to provide the ADP Employment Tax Services in the United States, please be aware that Client remains responsible for the timely filing of payroll tax returns and the timely payment of payroll taxes for its employees. The Internal Revenue Service recommends that employers enroll in the U.S. Treasury Department's Electronic Federal Tax Payment System (EFTPS) to monitor their accounts and ensure that timely tax payments are being made for them, and that online enrollment in EFTPS is available at www.eftps.gov; an enrollment form may also be obtained by calling (800) 555-4477; that state tax authorities generally offer similar means to verify tax payments; and that Client may contact appropriate state offices directly for details.

14.2 **Benefit Services.** The following additional terms and conditions apply to the Benefit Services:

14.2.1 **Carrier Connections.** ADP will, at Client's request, and for an additional charge as set forth on the Sales Order, provide Client with the following Carrier Connections services:

14.2.1.1 ADP will electronically transmit employee data, including employee benefits enrollment data, to Client's carriers or other third parties authorized by Client, and Client authorizes ADP to provide such transmission on Client's behalf. Commencement of carrier connection service is subject to Client completing the configuration setup of Client Content and the format for such transmission to the designated carriers.

14.2.1.2 ADP's ability to transmit Client Content data is subject to the provision by Client's designated carriers of a current functional interface between ADP's systems and the designated carriers' systems. ADP will not be obligated to transmit Client's data to designated carriers if at any time Client's designated carriers fail to provide the proper interface as described above. Client is responsible for promptly reviewing all records of carrier transmissions and other reports prepared by ADP for validity and accuracy according to Client's records, and Client will notify ADP of any discrepancies promptly after receipt thereof. In the event of an error or omission in carrier connection services caused by ADP, ADP will correct such error or omission, provided that Client promptly advises ADP of such error or omission.

14.3 **WFN EI-9 Services.** The following additional terms and conditions apply to the WFN EI-9 Services.

14.3.1 **Use of Services.** Client shall, and cause the members of the Client Group, receiving the WFN EI-9 Services to do the following:

14.3.1.1 Review the USCIS Form I-9, which is the employment eligibility verification form issued by the DHS, including instructions in the form and the guidelines in the current I-9 Handbook, each of which is available on the USCIS website, currently located at http://www.uscis.gov/i-9central. Client certifies that it has reviewed the current USCIS Form I-9 and the I-9 Handbook and that it agrees to comply with the applicable policy and procedures set forth therein, and any future new or amended policies or procedures, as required by law. Client will ensure availability of the most recent version of the USCIS Form I-9 and the I-9 Handbook to all employees authorized to complete the USCIS Form I-9 on behalf of Client and/or its Affiliates.

14.3.1.2 Client is responsible for reviewing reports available to Client on the WFN EI-9 Services and for resolving (or causing the applicable employee to take action to resolve) missing or incomplete Forms I-9. This includes communicating with the employee in question and the submission or resubmission of the missing or incomplete Form I-9.

14.3.1.3 ADP executed a Memorandum of Understanding with the DHS as the E-Verify employer agent. E-Verify is the DHS's employment eligibility verification program which allows participating employers to electronically verify the employment eligibility of each newly hired employee and/or employee assigned to a covered federal contract. The following is required as it relates to the use of E-Verify through ADP and will apply only to the extent Client is using E-Verify through ADP

14.3.1.3.1 Notify ADP of (i) the location(s) where Client elects to enroll; and (ii) whether the employer is a federal contractor or a federal, state or local government organization.

14.3.1.3.2 Execute a Memorandum of Understanding with the DHS and ADP (as its E-Verify employer agent), and comply with the terms and conditions set forth therein.

14.3.1.3.3 Review and comply with the policy and procedures contained in the E-Verify User Manual for Employers, and any superseding policy and procedures, available to Client on the WFN EI-9 Service.

14.3.1.3.4 To the extent the Client elects to have more than one company location participate in E-Verify, ensure all authorized users in each location have complied with all requirements of this Section.

14.3.1.3.5 Ensure all of Client's authorized users (i) complete the mandated E-Verify training course and any applicable update courses administered by ADP and (ii) pass a knowledge test with the required score.

14.3.1.3.6 Immediately notify ADP of any updates/changes to its E-Verify employer status (e.g., Client becomes a federal contractor or Client ceases being a federal contractor).

14.3.2 **Form I-9 Retention.** During the term of the Agreement, ADP will store electronic copies of Forms I-9 in the WFN EI-9 Services for a minimum of three years from the employee's hire date or until one year after the employee ceases to be employed by Client (or the applicable Affiliate), whichever is later (or as otherwise required by changes to federal regulations that come into effect hereafter). Upon termination or expiration of the Agreement, ADP shall use commercially reasonable methods to transfer all electronically stored Forms I-9 to Client in accordance with ADP's current security policies. Upon termination of the WFN EI-9 Services, Client shall be solely responsible for storage of copies of Forms I-9.

14.4 **Payment Services.** The following additional terms and conditions apply to the Payment Services:

14.4.1 **Client Credentialing.** Client understands and acknowledges that the implementation and ongoing provision of Payment Services are conditioned upon Client passing (and continuing to pass) a credentialing process that ADP may deem necessary in connection with the provision of Payment Services.

14.4.2 **Additional Requirements.** Payment Services may be subject to the rules and standards of any applicable clearing house, payment and/or card networks or associations. Client and ADP each agree to comply with all such rules and standards applicable to it with respect to the Payment Services.

14.4.3 **Funding Obligations.** Client acknowledges that ADP is not a lender. As such, as a condition to receiving services, Client will remit or otherwise make available to ADP sufficient, good and available funds within the agreed-to deadline and via the agreed-to method of delivery to satisfy all of Client's third-party payment obligations covered by the Agreement. ADP will apply such funds to satisfy such third-party payment obligations. ADP will not be required to provide Payment Services if ADP has not received all funds required to satisfy Client's third-party payment obligations. Client will immediately notify ADP if it knows or should know that it will not have sufficient funds to satisfy the amounts required in connection with the Payment Services. If Client has a material adverse change in its condition, ADP may modify the funding method or deadline by which funds must be made available to ADP for payment to Payees. Client agrees to pay to ADP upon demand any amounts that have been paid by ADP to satisfy Client's third party payment obligations prior to receiving such amounts from Client.

14.4.4 **Investment Proceeds; Commingling of Client Funds.** IF ADP RECEIVES CLIENT'S FUNDS IN ADVANCE OF THE TIME ADP IS REQUIRED TO PAY SUCH FUNDS TO THIRD PARTIES, ALL AMOUNTS EARNED ON SUCH FUNDS, IF ANY, WHILE HELD BY ADP WILL BE FOR THE SOLE ACCOUNT OF ADP. ADP may commingle Client's funds with similar funds from other clients and with similar ADP and ADP-administered funds. ADP utilizes a funds control system that maintains general ledger entries by client and/or by jurisdiction.

14.4.5 **Recovery of Funds; Stop Payment Requests.** Client agrees to cooperate with ADP and any other third parties to recover funds erroneously issued or transferred to any Payee or credited to any Payee's account. If Client desires to stop payment on any check or to recall or reverse any electronic payment, Client will provide ADP with a stop payment request in the form required by ADP. Client acknowledges that ADP's placement of a stop order request is not a guarantee that such stop payment will occur.

14.5 **ADP Wage Payment Services.** The following additional terms and conditions apply to ADP Wage Payment Services:

14.5.1 **ADPCheck; Direct Deposit.** Client agrees not to distribute any ADPChecks to Payees in a manner that would allow Payees to access the associated funds before pay date. Prior to the first credit to the account of any employee or other individual under ADP Direct Deposit Services, Client shall obtain and retain a signed authorization from such employee or individual authorizing the initiation of credits to such party's account and debits of such account to recover funds credited to such account in error.

14.6 **ADP Time & Attendance Services.** The following additional terms and conditions apply to the ADP Time & Attendance Services:

14.6.1 **Time & Attendance Hardware.**

14.6.1.1 If Client procures Time & Attendance Hardware, Client shall provide and maintain an installation environment (including all power, wiring and cabling required for installation) as specified in the manufacturer's product documentation and other written instructions provided to Client by ADP.

14.6.1.2 Regarding Time & Attendance Hardware provided on a subscription basis only, Client shall not make any alterations or attach any devices thereto that are not provided by ADP, nor shall Client remove same from the place of original installation without ADP's prior consent. All right and title in the Time & Attendance Hardware procured on a subscription basis is, and at all times shall remain, that of ADP and a separate item of personal property of ADP, notwithstanding its attachment to other items or real property, and promptly upon termination of the ADP Time & Attendance Services, for any reason whatsoever, Client shall, at its expense, return such Time & Attendance Hardware in good condition, in accordance with ADP's instructions, normal wear and tear excepted. If such Time & Attendance Hardware is not returned within 30 days of termination, Client agrees to purchase same at fair market value.

14.6.2 **Biometric Services.** Biometric Services are optional. In certain jurisdictions, there are laws and regulations that govern the collection, use, and retention of biometric information, which potentially may apply to Client's use of Biometric Services. To the extent Client elects to use Biometric Services, Client agrees to comply with all such potentially applicable laws and regulations in accordance with this section. In the event Client is unwilling to comply with laws and regulations potentially applicable to Biometric Services, Client will be able to continue to use ADP Time & Attendance Services without Biometric Services. The following terms and conditions apply to Biometric Services to the extent Biometric Services are part of the scope of Services:

14.6.2.1 **Requirements for Receipt of Biometric Services.** Before any Client or Biometric User is permitted to use any Biometric Services in a jurisdiction where laws and regulations potentially govern such use, Client will comply with the following requirements, in addition to any other requirements imposed by potentially applicable law (to the extent there is a conflict between the requirements below and the requirements of potentially applicable law, Client will comply with potentially applicable law):

14.6.2.1.1 **Client Biometric Information Policy.** Client will implement, distribute and make available to the public, a written policy establishing Client's policy with respect to the use of Biometric Data. Such policy will include:

14.6.2.1.1.1 a retention schedule and guidelines for permanently destroying Biometric Data;

14.6.2.1.1.2 a commitment to destroy Biometric Data when the initial purpose for collecting or obtaining such Biometric Data has been satisfied or within 3 years of the individual's last interaction with Client, whichever occurs first; and

14.6.2.1.1.3 any additional requirements as required by potentially applicable law.

14.6.2.1.2 **Biometric User Notice and Consent.** Client will provide notice to and procure and retain appropriate consents or releases from Biometric Users in the manner and to extent the same are required by potentially applicable law, including:

14.6.2.1.2.1 notifying Biometric Users in writing that Client, its vendors, and/or the licensor of Client's time and attendance software are collecting, capturing, or otherwise obtaining Biometric Users' Biometric Data, and that Client is providing such Biometric Data to its vendors and the licensor of Client's time and attendance software; such notice will specify the purpose and length of time for which Biometric User's Biometric Data is being collected, stored, and used;

14.6.2.1.2.2 obtaining a written release or consent from Biometric Users (or their legally authorized representative) authorizing Client, its vendors, and licensor of Client's time and attendance software to collect, store, and use the individual's Biometric Data for the specific purpose disclosed by Client, and authorizing Client to provide such Biometric Data to its vendors and the licensor of Client's time and attendance software; and

14.6.2.1.2.3 if requested by ADP, providing to ADP copies of the required consents or releases collected and retained by Client, and/or certifying to ADP that such consents or releases have been obtained.

14.6.2.1.3 **Retention and Purging of Biometric Data.** Client will work with ADP to ensure that Biometric Data is retained and purged in accordance with potentially applicable law. To the extent necessary for the purging or deletion of such Biometric Data, Client agrees to provide timely notification to ADP of the termination of the employment, or the satisfaction of the purpose for which Biometric Data was collected with respect to any given Biometric User. ADP is not responsible for Client's failure to provide timely notification of the termination of the employment, or the satisfaction of the purpose for which Biometric Data was collected with respect to any given Biometric User.

14.6.2.1.4 **Storage of Biometric Data in Timeclocks.** Client agrees that it shall use a reasonable standard of care consistent with potentially applicable law to store, transmit and protect from disclosure any Biometric Data. Such storage, transmission, and protection from disclosure shall be performed in a manner that is the same as or more protective than the manner in which Client stores, transmits and protects from disclosure other confidential and sensitive information, including personal information that can be used to uniquely identify an individual or an individual's account or property, such as genetic markers, genetic testing information, account numbers, PINs, driver's license numbers and social security numbers.

14.6.2.2 **Biometrics Indemnity.** Subject to Sections 6.3 and 7, Client will defend ADP against any third party claims (including claims made by or on behalf of Biometric Users) and will indemnify and hold ADP harmless from resulting damage awards or settlement amounts in any cause of action to the extent such cause of action is based on any performance or breach of Client's obligations in connection with the Biometric Services, including any failure by Client to obtain consent from Biometric Users in connection with the use of the Biometric Services.

14.6.2.3 **Third Party Beneficiary.** Notwithstanding anything to the contrary in the Agreement, Client agrees that ADP and licensor of any applicable Biometric Services (and their respective successors and assigns) are third party beneficiaries of this Agreement solely as it relates to Biometric Services.

14.7 **State Unemployment Insurance (SUI) Management Services.** The following additional terms and conditions apply to the SUI Management Services:

14.7.1 **Provision and Transfer of Information.** Client will provide ADP with accurate, complete and timely information necessary for ADP to perform the SUI Management Services, including without limitations, the claimants' names, relevant dates, wage and separation information, state-specific required information, and other documentation to support responses to unemployment compensation agencies. Client will transfer this information via (i) on-line connection between ADP and Client's computer system or (ii) inbound data transmissions from Client to ADP, using mutually acceptable communications protocols and delivery methods. Client will promptly notify ADP in writing if Client wishes to modify the communication protocol or delivery method.

14.7.2 **Definition of Claim; Claim Cap.** For purposes of the SUI Management Services provided under this Agreement and billed to Client, a "claim" shall be defined as a claim notice generated by a state agency as a result of an individual filing for unemployment insurance benefits. In addition, Client acknowledges and agrees that (i) claim notices are typically generated for each state unemployment tax ID number under which an employee had worked and earned wages; (ii) state unemployment agencies generally issue multiple claim notices per individual as identified by a Social Security Number during the benefit eligibility period upon receiving a request for unemployment benefits; and (iii) all such claim notices require review ADP (e.g., including but not limited to, last employer claims, base period employer claims, periodic qualification claims, additional benefit claims, renewed claims and extended benefit claims). Client further acknowledges and agrees that an applicable claim cap applies to the fees for SUI Management Services and that the claim cap shall be stated on the Sales Order, and will be based on all claim notices processed by ADP as a result of an individual filing for unemployment benefits. The number of claims counted for billing purposes will be reported to Client by ADP as "Claims Processed" via on-line reports.

14.8 **ADP Wage Garnishment Payment Services.** The following additional terms and conditions apply to the ADP Wage Garnishment Payment Services:

14.8.1 **Description of Services.** ADP will act solely in the capacity of a third party service provider of payment processing.

14.8.2 **Client's Use of Services.** Client agrees not to distribute any ADPChecks to Payees in a manner that would allow Payees to access the associated funds before pay date.

14.9 **Employment Verification Services; Employee Authorized Disclosure.** The following additional terms and conditions apply to the Employment Verification Services and Employee Authorized Disclosure:

14.9.1 **Employment Verification Services.** Client authorizes ADP and Verification Agents through which Employment Verification Services are performed to disclose, on Client's behalf, Verification Data to Verifiers who wish to obtain or verify any of Client's employees' (or former employees') Verification Data. Verification Data will be disclosed to Verifiers who certify they are entitled to receive such data (as described below) pursuant to FCRA, and, in the case of income information requests, who additionally certify they have a record of the employee's consent to such disclosure or who utilize a salary key. In accordance with FCRA, Verification Data may be provided to Verifiers where (i) the employee has applied for a benefit (such as credit, other employment or social services assistance); (ii) the employee has obtained a benefit and the Verifier is seeking to (a) determine whether the employee is qualified to continue to receive the benefit; and/or (b) collect a debt or enforce other obligations undertaken by the employee in connection with the benefit; or (iii) the Verifier is otherwise entitled under FCRA to obtain the Verification Data. In certifying they have a record of the employee's consent, Verifiers generally rely on the employee's signature on the original application as authorization for the Verifier to access the employee's income data at the time of the application and throughout the life of the obligation. Client understands that Verifiers are charged for commercial verifications processed through ADP or its Verification Agents.

14.9.1.1 **Data Quality.** If requested by ADP, Client agrees to work with ADP during implementation to produce a test file and validate the Verification Data using validation reports made available by ADP or its Verification Agents. If Client uses ADP's hosted payroll processing services, ADP will utilize the latest Verification Data available on ADP's payroll processing system.

14.9.1.2 **Notice to Furnishers of Information: Obligations of Furnishers of Information**". Client certifies that it has read the Notice to Furnishers provided to Client at the following URL: https://www.consumer.ftc.gov/articles/pdf-0092-notice-to-furnishers.pdf. Client understands its obligations as a data furnisher set forth in such notice and under FCRA which include duties regarding data accuracy and investigation of disputes, and certifies it will comply with all such obligations. Client further understands that if it does not comply with such obligations, ADP may correct incorrect Verification Data on behalf of Client or terminate the Employment Verification Services upon 90 days prior written notice to Client.

14.9.1.3 **Archival Copies**. Notwithstanding anything to the contrary in the Global Master Terms and Conditions, Client agrees that, after the termination of this Agreement, ADP and its Verification Agents may maintain archival copies of the Verification Data as needed to show the discharge and fulfillment of obligations to Client's employees and former employees and the provisions of Section 4 of the Global Master Terms and Conditions will continue to apply during the time that ADP and its Verification Agents maintain any such archival copies.

14.9.1.4 **Employee Authorized Disclosure.** ADP may disclose or use Personal Data of Client's employees to the extent the employee requested or consented to the disclosure or use such as but not limited to when an employee needs their identity verified when they submit an application for a bank account, cellular service, credit or a benefit.

14.10 **Essential ACA Services.** The following terms shall apply to Essential ACA Services.

14.10.1 Client must use ADP Workforce Now payroll, HR and benefits services in order to purchase and implement Essential ACA. For the avoidance of doubt, all Forms filed by ADP with the IRS on behalf of Client will be filed electronically; any Forms sent to Client for its employees by ADP shall be sent in paper form, and, if Client has ADP's iPay functionality, ADP will also make Forms accessible to Client employees electronically. It will then be Client's responsibility to distribute the Forms directly to its employees.

14.10.2 **Client ACA Liaison.** Client shall designate in writing to ADP the name of one person who shall serve as the Client ACA Liaison for Essential ACA), and such Client ACA Liaison shall have the authority to (i) provide information, instructions and direction on behalf of Client, and (ii) grant or provide approvals (other than Amendments) required or permitted under the Agreement in connection with Essential ACA. Client shall designate an alternate Client ACA Liaison in the event the principal Client ACA Liaison is not available.

14.10.3 **Disclaimer.** NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE SCOPE OF SERVICES, CLIENT EXPRESSLY ACKNOWLEDGES THAT ADP IS NOT THE "ADMINISTRATOR" OR "PLAN ADMINISTRATOR" AS DEFINED IN SECTION 3(16)(A) OF ERISA AND SECTION 414(g) OF THE CODE, RESPECTIVELY, NOR IS ADP A "FIDUCIARY" WITHIN THE MEANING OF ERISA SECTION 3(21). ADP SHALL NOT EXERCISE ANY DISCRETIONARY AUTHORITY OR DISCRETIONARY CONTROL RESPECTING MANAGEMENT OF ANY BENEFIT PLANS SPONSORED OR OFFERED BY CLIENT. ADP HAS NO DISCRETIONARY AUTHORITY OR DISCRETIONARY RESPONSIBILITY IN THE ADMINISTRATION OF THE CLIENT'S BENEFIT PLAN(S). ADP EXPRESSLY DISCLAIMS ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS WITH RESPECT TO ESSENTIAL ACA, THE ADP APPLICATION PROGRAMS OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP.

14.10.4 **Important Tax Information (IRS Disclosure)**: Notwithstanding Client's engagement of ADP to provide Essential ACA , please be aware that Client remains responsible for the timely filing of all required reports and filings, and the timely payment of Client penalty obligations. The Internal Revenue Service recommends that employers enroll in the U.S. Treasury Department's Electronic Federal Tax Payment System (EFTPS) to monitor their accounts and ensure that timely tax payments are being made for them, and that online enrollment in EFTPS is available at www.eftps.gov; an enrollment form may also be obtained by calling (800) 555-4477.

14.10.5 **Additional Requirements**. Client further understands that Essential ACA may be modified as ADP may deem appropriate to assist ADP in complying with its obligations.

14.11 ADP Marketplace and Use of ADP APIs.

14.11.1 **Disclaimer.** ADP may provide Client with access to the ADP Marketplace. Client acknowledges that any third party application or service purchased by Client through the ADP Marketplace is provided by a third party and not ADP and ADP makes no endorsements, representations or warranties (including any representations or warranties regarding compliance with laws) regarding such application or service. Client will enter into a relationship directly with the third party provider of such application or service. Any application or service purchased through the ADP Marketplace will be governed exclusively by the terms and conditions agreed to by Client and the third party provider and not by this Agreement. ADP will not provide any advice, service or support with respect to any third party application or service purchased on the ADP Marketplace.

14.11.2 **Transmitting Information to Third Parties.** In the event that Client elects to use an API to provide any Client Content or employee or plan participant information to any third party, Client represents that it has acquired any consents or provided any notices required to transfer such content or information and that such transfer does not violate any applicable international, federal, state, or local laws and/or regulations. ADP shall not be responsible for any services or data provided by any such third party.

14.11.3 **Use of the ADP APIs.** Client will use the ADP APIs to access Client's information only. Client may not use any robot, spider, or other automated process to scrape, crawl, or index the ADP Marketplace and will integrate Client's application with the ADP Marketplace only through documented APIs expressly made available by ADP. Client also agrees that Client will not (a) use the ADP Marketplace or any ADP API to transmit spam or other unsolicited email; (b) take any action that may impose an unreasonable or disproportionately large load on the ADP infrastructure, as determined by ADP; or (c) use the ADP APIs or the ADP Marketplace in any way that threatens the integrity, performance or reliability of the ADP Marketplace, Services or ADP infrastructure. ADP may limit the number of requests that Client can make to the ADP API gateway to protect ADP's system or to enforce reasonable limits on Client's use of the ADP APIs. Specific throttling limits may be imposed and modified from time to time by ADP.

14.12 ESS & MSS Technology. The following additional terms and conditions apply to the ESS & MSS Technology.

14.12.1 Client acknowledges that Client's employees or participants may input information into the self-service portions of the ADP Application Programs. ADP shall have no responsibility to verify, nor does ADP review the accuracy or completeness of the information provided by Client's employees or participants to ADP using any self-service features. ADP shall be entitled to rely upon such information in the performance of the Services under this Agreement as if such information was provided to ADP by Client directly.

14.13 ADP Compliance on Demand. The following additional terms and conditions apply to ADP Compliance on Demand:

14.13.1 **Compliance Assistance.** Client may have access to certain human resources or compliance professionals who may, in ADP's sole discretion, provide reasonable guidance or best practice recommendations to Client which Client may choose to follow. Client assumes all responsibility and risk arising from its use and reliance upon such recommendations. ADP may require Client to include its legal counsel in communications with such professionals. The ADP Compliance on Demand Services are not a substitute for advice of an attorney. Client agrees that ADP is not a law firm, does not provide legal advice or representation, and that no attorney-client relationship between ADP and Client exists or will be formed as part of the Services. ADP may discontinue access to human resources and compliance professionals in its discretion.

14.14 History Conversion Services. ADP shall provide to Client certain history conversion professional services as indicated on the Sales Order (the "History Conversion Services"). As a condition to receiving the History Conversion Services, Client will be subject to the additional terms and conditions of this Agreement. The following History Conversion Services are intended for Clients that has no more than 5,000 terminated and active records.

14.14.1 **Description of Services.** The History Conversion Services shall include one or more of the Services set forth in the accompanying appendix. History Conversion Services includes virtual training (all training is done remotely via internet and/or telephone). History Conversion Services do not include the conversion or import of any documents.

14.14.2 **Client Obligations.** As a prerequisite to receiving the History Conversion Services (the "Project"), Client agrees that (a) it has sufficient resources to allocate to the Project; (b) it will provide access to prior vendor data in order to perform an extraction of data (access may include either extraction of data related to the history conversion or via PDF reports, or registers; (c) it will perform an audit of converted data and review internally, in accordance with the timeline set forth below; (d) it will consent to the direct import of the converted check history data files into ADP Workforce Now; (e) it will ensure that all employees with data to be converted be loaded into ADP Workforce Now (to include prior year terminated employees) in advance of the import of check history data; (f) it will provide ADP a single point of contact for data extraction from a prior single vendor database(if multiple points of contact are required which necessitates additional data extraction work efforts and/or separate security access rights for the external viewer, such additional work efforts would be subject to additional fees). All other historical data items will be loaded to an external history viewer ("History Viewer") as described in the History Conversion Services Appendix. In addition, with respect to Check History Conversion Services only ("Check History"), Client agrees that it will complete and validate the data mapping and shall be responsible for final review of data during mapping process. If ADP discovers errors in the data mapping following Client's final validation and submission, corrections to the Check History data may be required. In connection therewith, additional fees may be charged by ADP in order to correct such errors in addition to the fees described in the Sales Order. Data mapping must be completed within sixty (60) days of the date that the Client is first able to commence the data mapping processing ("Data Mapping Completion Date"). If Client fails to complete the data mapping by the Data Mapping Completion Date, then additional monthly storage charges shall apply.

14.14.3 **Completion of History Conversion Services.** Upon completion of the History Conversion Services, Client will immediately notify ADP if the History Conversion Services and deliverables outlined in the Sales Order have not been satisfactorily delivered. The History Conversion Services will be deemed accepted by Client if no response has been received within five (5) days of the date of completion of the History Conversion Services.

15 Miscellaneous

15.1 Amendment. This Agreement may not be modified, supplemented or amended, except by a writing signed by the authorized representatives of ADP and Client.

15.2 Assignment. Neither this Agreement, nor any of the rights or obligations under this Agreement, may be assigned by any party without the prior written consent of the other party, such consent not to be unreasonably withheld. However, Client may assign any or all of its rights and obligations to any other Client Group member and ADP may assign any or all of its rights and obligations to any Affiliate of ADP, provided that any such assignment shall not release the assigning party from its obligations under this Agreement. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and permitted assigns.

15.3 Additional Documentation. In order for ADP to perform the Services, it may be necessary for Client to execute and deliver additional documents (including reporting agent authorization, client account agreement, limited powers of attorney, etc.) and Client agrees to execute and deliver such additional documents.

15.4 Subcontracting. Notwithstanding Section 15.2, ADP reserves the right to subcontract any or all of the Services, provided that ADP remains fully responsible under this Agreement for the performance of any such subcontractor. For the avoidance of doubt, third parties used by ADP to provide delivery or courier services, including the postal service in any country or any third party courier service, and banking institutions, are not considered subcontractors of ADP.

15.5 Entire Agreement. This Agreement constitutes the entire agreement and understanding between ADP and Client with respect to its subject matter and merges and supersedes all prior discussions, agreements and understandings of every kind and nature between the parties. No party will be bound by any representation, warranty, covenant, term or condition other than as expressly stated in this Agreement. Except where the parties expressly state otherwise in a relevant exhibit, annex, appendix or schedule, in case of conflict or inconsistency between these Global Master Terms and Conditions and any such exhibit, annex, appendix or schedule, the Global Master Terms and Conditions will prevail and control. Purchase orders or statements of work submitted to ADP by Client will be for Client's internal administrative purposes only and the terms and conditions contained in any purchase order or statements of work will have no force and effect and will not amend or modify this Agreement.

15.6 No Third Party Beneficiaries. Except as expressly provided herein or in an applicable exhibit, annex, appendix or schedule, nothing in this Agreement creates, or will be deemed to create, third party beneficiaries of or under this Agreement. Client agrees that ADP's obligations in this Agreement are to Client only, and ADP has no obligation to any third party (including, without limitation, Client's personnel, directors, officers, employees, Users and any administrative authorities).

15.7 Force Majeure. Any party to this Agreement will be excused from performance of its obligations under this Agreement, except for Client's obligation to pay the fees to ADP pursuant to Section 11, for any period of time that the party is prevented from performing its obligations under this Agreement due to an act of God, war, earthquake, civil disobedience, court order, labor disputes or disturbances, governmental regulations, communication or utility failures or other cause beyond the party's reasonable control. Such non-performance will not constitute grounds for breach.

15.8 Waiver. The failure by any party to this Agreement to insist upon strict performance of any provision of this Agreement will not constitute a waiver of that provision. The waiver of any provision of this Agreement shall only be effective if made in writing signed by the authorized representatives of ADP and Client and shall not operate or be construed to waive any future omission or breach of, or compliance with, any other provision of this Agreement.

15.9 Headings. The headings used in this Agreement are for reference only and do not define, limit, or otherwise affect the meaning of any provisions hereof.

15.10 Severability. If any provision of this Agreement is finally determined to be invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality or enforceability of the remainder of this Agreement will not in any way be affected or impaired and such court shall have the authority to modify such invalid, illegal or unenforceable provision to the extent necessary to render such provision valid, legal or enforceable, preserving the intent of the parties to the furthest extent permissible.

15.11 Relationship of the Parties. The performance by ADP of its duties and obligations under this Agreement will be that of an independent contractor and nothing contained in this Agreement will create, construe or imply an agency, joint venture, partnership or fiduciary relationship of any kind between ADP and Client. None of ADP's employees, agents or subcontractors will be considered employees, agents or subcontractors of Client. Unless expressly stated in this Agreement, none of ADP, its employees, agents or its subcontractors may enter into contracts on behalf of, bind, or otherwise obligate Client in any manner whatsoever.

15.12 Governing Law. This Agreement is governed by the laws of the State of New York without giving effect to its conflict of law provisions.

15.13 Communications to U.S. Based Employees. Client agrees that ADP may use Client's U.S.-based employee and/or participant name, email and mailing address to provide information about products and/or services offered by ADP directly such employees and/or participants. Client may elect for ADP to cease such communications upon 30 days' prior written notice. In addition, each communication sent by ADP will comply with applicable laws and will enable the recipient to opt-out of receiving additional similar communications from ADP.

15.14 Jurisdiction. Any disputes that may arise between ADP and Client regarding the performance or interpretation of this Agreement shall be subject to the exclusive jurisdiction of the state and federal courts of New York, New York. The parties hereby irrevocably consent to the exclusive jurisdiction of the state and federal courts of New York, New York and waive any claim that any proceedings brought in such courts have been brought in an inconvenient forum. THE PARTIES HEREBY IRREVOCABLY WAIVE THEIR RIGHT TO TRIAL BY JURY.

15.15 Counterparts. This Agreement may be signed in two or more counterparts by original, .pdf (or similar format for scanned copies of documents) or facsimile signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

15.16 Notices. All notices required to be sent or given under this Agreement will be sent in writing and will be deemed duly given and effective (i) immediately if delivered in person, or (ii) upon confirmation of signature recording delivery, if sent via an internationally recognized overnight courier service with signature notification requested to Client at the address indicated on the signature page hereof or to ADP at 99 Jefferson Road, Parsippany, New Jersey 07054, Attention: Legal Department or to any other address a party may identify in writing from time to time. A copy (which shall not constitute notice) of all such notices shall be sent to ADP at One ADP Boulevard, MS 425, Roseland, New Jersey 07068, Attention: General Counsel and to Client at the address indicated on the signature page hereof.

15.17 Survival. Those provisions which by their content are intended to, or by their nature would, survive the performance, termination, or expiration of this Agreement, shall survive termination or expiration of this Agreement.

Appendix : History Conversion Services

Description of Available History Conversion Services

CONVERSION SERVICE	DESCRIPTION
Check History	***Includes:***Net/Gross Salary, Taxes, Deductions, Hours, Hours & Earnings Codes. History data files will be created and imported into ADP Workforce Now for Client practitioner level access only (not individual employee access).
Pay Rate History	***Includes:***Position ID, Change Effective On, Compensation change Reason, Rate Type, Rate 1 Amount, Standard Hours, Pay Frequency Code, Rate 2 Amount, Rate Currency, Annual Salary. History data will be loaded to an external viewer provided by ResNav Solutions (see below).
Position History	***Includes:*** Job Title, Department, Business Unit, Location, Assigned Shift, Full time Employee, Pay Grade, Job Class, Salary Structure, Allocation, Union, FLSA, Workers Compensation, Scheduled Hours, Hours period, EEO Job Class, Cost Number, Management Position, Reports to Position ID. History data will be loaded to an external viewer provided by ResNav Solutions (see below). Automated Export Services are available (see below).
Benefits History (Employee Benefit Selection)	***Includes:*** Employee level Benefit selectiown data included: Plan Type and Name, Coverage Level, Enrollment Effective and End Dates, Employee and Employer Costs per period. Does not include company level detail for Benefit plans. History data will be loaded to an external viewer provided by ResNav Solutions (see below). Automated Export Services are available (see below).
Benefits / Dependent History	**Includes:** Employee Level Dependents, Including: Dependent Tax ID, Relationship, Name, Address, Gender, Birth Date, Type, Status, Enrollment Start and End Dates, Plan Name and type, Plan Provider Name, Coverage level, Benefit Status. History data will be loaded to an external viewer provided by ResNav Solutions (see below). Automated Export Services are available (see below).
Time & Attendance History	***Includes:*** Employee Time Zone, Pay Rule, Punch Date, Punch In/Out Times & Codes, Totaled Amount, Cumulative Total, Reason/Details. History data will be loaded to an external viewer provided by ResNav Solutions (see below). Automated Export Services are available (see below).
Employee Status History	***Includes:***Changes to Employee Status, including Termination Date and Reason, Rehire Eligibility and Date, LOA Start and Return Dates with Reasons

Loading History Data Using ResNav Solutions. History data will be loaded to an external history viewer provided by ResNav Solutions, a standalone system, which allows Client to retain history from its legacy systems. History Viewer URL access will be provided to Client practitioner for login with password. Access to History Viewer will be at the practitioner level only (not individual employee access).

Automated Export Services. The Automated Export Services associated with History Viewer, applies to the custom report that loads data from the ADP Application Platform to the History Viewer on a one-time daily basis. The data loaded from the ADP Application Platform to the History Viewer is specific to pay rate, status and position data only. This enables joint reporting from History Viewer for both current and historical employee data. ResNav Solutions shall setup the custom report under a specific practitioner during the history conversion process and the ADP integration team shall initiate the automation of the report.

Sales Order
Quote Number
02-2022-100701 2

Company Information

City Of Middleburg Heights
15700 Bagley Rd
Cleveland, OH 44130-4832
United States

Executive Contact

Jason Stewart
Director of Finance
jstewart@middleburgheights.com
(440) 234-8811

Recurring Fees and Considerations

Number of Employees: 230 on City Of Middleburg Heights

Per Processing	Count	Min	Base	Rate	Bi-Weekly	Annual
Workforce Now Payroll Solutions	230	-	$60.00	$4.23	$1,032.90	$26,855.40
• Essential Plus Payroll						
• Enhanced HR						
• HCM Analytics						
• Benefits Administration						
Employment and Income Verification						
• Employment Verification						

Monthly Processing	Count	Min	Base	Rate	Monthly	Annual
Workforce Manager Time and Attendance						
Hourly Employees	180	-	-	$5.55	$999.00	$11,988.00
Salaried Employees	50	-	-	$3.69	$184.50	$2,214.00
• Compliance on Demand						
Accruals	230	-	-	$0.45	$103.50	$1,242.00
Scheduling	180	-	-	$0.39	$70.20	$842.40
InTouch DX Proximity Clock Subscription	2	-	-	$144.00	$288.00	$3,456.00
InTouch DX QuickPunch Plus Option Subscription	2	-	-	$12.00	$24.00	$288.00
Additional Jurisdiction (if applicable)		2+		$8.95/month		
International Employees Rate (if applicable)				$3.10/month		

Annual Processing	Count	Min	Base	Rate	Annual
Year End Forms, W2s or 1099s	230	-	-	$3.50	$805.00
Open Enrollment Support	1	-	$500.00	-	$500.00

Total Annual Investment	Total Annual
Workforce Now Services	$48,190.80

Other Considerations	Count	Rate	Setup
Hardware and Other Fees			
• Professional Services: Pay Check History Conversion	1	$0.00	$0.00
• Professional Services: Historical Data Conversion	1	$0.00	$0.00
* Employee Pay Rate (or Salary) History			
* Employee Position (or Job Profile) History			

Other Considerations	Setup
Implementation	
• Implementation for Workforce Now Payroll Solutions	$3,600.00
• Implementation for ADP Workforce Manager	$5,375.00

Other Considerations	Setup
Implementation	
• Implementation for Accruals	$1,250.00
• Implementation for Scheduling	$1,250.00

Total Other Considerations	Total Setup
Implementation and Setup	$45,500.00
Implementation Discount Value	($34,025.00)
Estimated Total Net Implementation	$11,475.00

Important Project and Billing Information

Billing for Payroll Processing Services, HCM and any module bundled into the single per employee per processing fee for payroll, is billed immediately following the client's first payroll processing. The billing count is based on the number of pays submitted during each processing period, therefore total billing may fluctuate.

Billing for all modules bundled under HCM Solutions will begin on the date the ADP Product or Service is available for use by the CLIENT in a production environment. The billing count is based on all unique lives in the database paid in the previous calendar month. Any non-terminated employees based outside the United States will be billed separately as International Employees.

Billing for Workforce Manager will begin on the date Workforce Manager is available for use by the CLIENT in a production environment. The billing count is based on all non-terminated lives in the Time Module, including managers/supervisors that need to approve time cards. Billing for add-on modules will include counts based on those lives specifically added and maintained by the practitioner.

Workforce Manager can only be used for tracking time for US associates only. clients are prohibited for leveraging this solution to track time for anyone located outside the US.

Unemployment Claims in excess of the 10% claims cap will be billed at $36.00 per claim. The fee for optional hearing representation is $155.00 per appearance. Attorney representation required in certain states and is subject to change (currently: AZ, DE, KY, MO, NC, SC, SD, and WV). Representation fee not to exceed actual attorney fees. Optional service available through non-ADP affiliated attorneys. Attorneys will be retained on behalf of client for limited purpose of representing Client at the hearing. No referral fee applies. No attorney-client relationship exists or will be formed between ADP and Client.

Promotion
Promotion is spread over the first two (2) years of services (also referred to as the Promotional Period) applying to months 7,8,9 each year from each product / control's start date. Actual promotional value may vary based on: start date, actual number of processings & employees paid during the promotional months.

Other
ADP's Fees for Service will be debited directly out of client's bank account of their choosing seven (7) days from invoice date.
Expiration Date: 3/23/2022

Important Professional Services Information

History Conversion: The services noted on this sales order are performed by ADP Professional Services and are for companies with less than 1000 active employees with a maximum of 5000 total records (a combination of both active and terminated lives) with data coming from a single data base source. Conversion of history from a database with a greater number of records or from multiple databases must be quoted via a customized statement of work.

Summary

Estimated Annual Net Investment:	$48,190.80	Total Net Implementation:	$11,475.00
Estimated Annual Net Investment during promotional period:	$36,985.80		

The ADP Services Listed on this Sales Order are provided at the prices set forth herein and in accordance with the ADP Master Services Agreement (or other similar agreement governing ADP's services), which shall include any appendix, exhibit, addendum, schedule or other similar document attached thereto or accompanying this Sales Order. By signing below you are acknowledging and agreeing to such terms and conditions and to the listed prices.

ADP, Inc.	Client: City Of Middleburg Heights
Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

Workforce Now Included Services

Essential Plus Payroll

- Tax Filing Service
- Payment Services
- Reports Library and Custom Report Writer
- Wage Garnishment Processing
- Group Term Life Auto Calculation
- Online Reports and Pay Statements
- Employee and Manager Self Service
- Access to Mobile Apps
- Employee Discount Program
- New Hire Reporting
- General Ledger Solution

Enhanced HR

- Employee Development Tracking
- Paid Time Off Accruals Engine
- Multiple Languages & Currencies
- Country Specific Workflows & Processes
- Country Specific Formatting & Custom Fields
- Secure Online Document Storage with Role Based Security, Search & Auditing Functionality
- New Hire Onboarding / I-9 Workflow
- Compliance Reporting
- Organization Charting
- Policy Acknowledgement
- Total Rewards Statements
- TMBC - Essential Engagement

HCM Analytics

- Pre-Configured Key Performance
- Executive Dashboard
- Ability to Customize Additional KPIs
- Pay Equity Storyboard

Benefits Administration

- Multiple Benefit Plan Types
- Flexible Rate Structures (Age Banded & Salary Tiers)
- Notifications & Approvals
- Invoice Auditing
- Annual 1095-C Forms
- Dependent & Beneficiary Tracking
- Employee Open Enrollment
- ACA Measurement Dashboard
- Evidence of Benefit Offering Screens
- Annual 1094-C Filing

Workforce Manager Time and Attendance

- Multiple Time Collection Methods
- PTO Management & Reporting
- Request & Approval Workflows
- Accruals and Scheduling
- Rule Based Calculations
- Web Native
- Attestation Toolkit
- 100% mobile for supervisors and employees

Compliance on Demand

- Federal, state and local regulatory content
- Proactive legislative alerts from ADP
- An ADP client community discussion forum
- Access to ADP compliance experts

Employment Verification

- Commercial Employment and Income Verifications
- Social Services Verifications
- Workers Compensation Verifications
- Client access to Electronic Reports and Tools
- Immigration Verifications

Implementation Support and Data Conversion

- Pay Rate (or Salary) History: Inc. up to 7 years; Max 5000 records (Total Lives, Terms, LOA)
- Position (or Job Profile) History: Inc. up to 7 years; Max 5000 records (Total Lives, Terms, LOA)

Thank you for your consideration

DELIVERED JUN 0 9 2022

CITY OF MIDDLEBURG HEIGHTS, OHIO

Ordinance No. 2022-

Introduced By: Mr. McGregor Co-Sponsors: Mr. Sage, Mr. Bortolotto

AN ORDINANCE AMENDING CHAPTER 1351 "FIRE WALLS" OF THE MIDDLEBURG HEIGHTS CODIFIED ORDINANCES

WHEREAS, the City has undertaken a comprehensive review of the Zoning Code and Zone Map of the City; and

WHEREAS, the City is divided into zoning use districts in order to classify, regulate and restrict building structure throughout each zoning district; and

WHEREAS, during the Zoning Code review existing zoning district classifications were updated; and

WHEREAS, RMF-1, RMF-2 and SR/LC zoning districts will be updated and consolidated into new zoning districts.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, STATE OF OHIO, AS FOLLOWS:

Section 1: That Section 1351.01 "Buildings and Uses Included" shall be amended to read as follows:

1351.01 BUILDINGS AND USES INCLUDED.

Chapter 1351 shall apply to buildings in the RMF (Residential Multi-Family) Zoning District, RSL (Residential Senior Living) Zoning District, R-2F (Cluster Residential) Zoning District, and to Motel or Hotel uses.

The construction of buildings in the ~~RMF-1, RMF-2, SR/LC, and R2-F Districts~~ **RMF, RSL, and/or R-2F Zoning Districts and the construction of buildings for Motel or Hotel use** shall conform to the following:

a) The construction or conversion of any buildings for use as garden apartments or other low-rise multifamily buildings, where dwelling units are constructed one above the other, shall have a minimum requirement of Type 3(a) construction, as defined in the Ohio Basic Building Code.

b) The construction or conversion of any buildings for use as motels and hotels shall have a minimum requirement of Type 2(a) construction, as defined in the Ohio Basic Building Code.

c) The construction or conversion of any buildings for use as townhouses, row houses, multiplexes, or other multifamily buildings, where dwelling units are constructed side by side, shall have a minimum requirement of Type 5(a) construction, as defined in the Ohio Basic Building Code.

Section 2: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements, including Chapter 107 of the Middleburg Heights Code and Section 121.22 of the Ohio Revised Code.

Passed: _____ _____
President of Council

Attest: _____
Clerk of Council

Approved On: _____

Presented to Mayor: _____

_____
Mayor

	Yea	Nay
Bortolotto	_____	_____
Ali	_____	_____
Sage	_____	_____
Meany	_____	_____
McGregor	_____	_____
Ference	_____	_____
Grech	_____	_____

DELIVERED JUN 0 9 2022

CITY OF MIDDLEBURG HEIGHTS, OHIO

Resolution No. 2022-

Introduced By: Mr. Meany Co-Sponsors: Mr. Ali, Mr. McGregor

A RESOLUTION ACCEPTING THE BID OF J.D. STRIPING & SERVICES, INC. FOR PAVEMENT MARKINGS

WHEREAS, pursuant to legal advertisement duly made, sealed bids were received on May 23, 2022, for PAVEMENT MARKINGS for the City of Middleburg Heights in accordance with specifications on file in the office of the Clerk of Council; and

WHEREAS, the Service Director is recommending acceptance of the bid of J.D. Striping & Services, Inc., 438 Beecher Avenue, Ravenna, OH 44266 for pavement markings for 2022/2023 in the amount of $108,590.72 and is determined to be the lowest and best bid, therefore.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, STATE OF OHIO, AS FOLLOWS:

Section 1: That the bid of J.D. Striping & Services, Inc., for paint striping of certain streets and highways, including paint removal, in the amount of $108,590.72 per application, to be utilized as needed in accordance with specifications on file in the Clerk's office being the lowest and best bid submitted pursuant to legal advertisement and specifications on file in the Clerk's office, be and the same is hereby accepted.

Section 2: That the Mayor and Finance Director are hereby authorized to enter into a contract with J.D. Striping & Services, Inc., 438 Beecher Street, Ravenna, OH 44266 in accordance with Section 1 of this Resolution.

Section 3: That there is hereby appropriated from the Street/Infrastructure Capital Improvement Fund sufficient funds to implement this Resolution.

Section 4: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements, including Chapter 107 of the Middleburg Heights Code and Section 121.22 of the Ohio Revised Code.

Passed: _____

_____
President of Council

Attest: _____
Clerk of Council

Approved On: _____

Presented to Mayor: _____

_____
Mayor

	Yea	Nay
Bortolotto	_____	_____
Ali	_____	_____
Sage	_____	_____
Meany	_____	_____
McGregor	_____	_____
Ference	_____	_____
Grech	_____	_____

DELIVERED JUN 0 9 2022

CITY OF MIDDLEBURG HEIGHTS, OHIO

Resolution No. 2022-

Introduced By: Mayor Matthew Castelli

A RESOLUTION ACCEPTING THE CONSORTIUM BID OF CARGILL, INC. SALT, ROAD SAFETY FOR TREATED SODIUM CHLORIDE FOR THE 2022-2023 SEASON (11/1/2022 – 10/31/2023)

WHEREAS, through Resolution 2015-29, the City entered into an agreement with various surrounding municipalities for the purpose of forming a Joint Municipal Improvement Consortium; and

WHEREAS, the City may purchase road salt through its membership in the Joint Municipal Improvement Consortium (JMIC) at a lower rate than if purchased on the open market; and

WHEREAS, the Consortium has received a bid from Cargill, Inc. Salt, Road Safety, 24950 Country Club Blvd., Suite 450, North Olmsted, OH 44070 for the purchase and delivery of **Treated Sodium Chloride** in the amount of $68.32 per ton, dump delivery and $75.32 per ton, piler delivery for the period November 1, 2022, through October 31, 2023, as set forth in Exhibit A attached hereto, is determined to be the lowest and best bid submitted.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, STATE OF OHIO, AS FOLLOWS:

Section 1: That the bid of Cargill, Inc. Salt, Road Safety, through the Joint Municipal Improvement Consortium, for the supplying of **Treated Sodium Chloride** in the amount of $68.32 per ton, dump delivery and $75.32 per ton, piler delivery for the period November 1, 2022, through October 31, 2023, as set forth in Exhibit A attached hereto, is hereby accepted as the lowest and best bid submitted.

Section 2: That the Mayor and Finance Director are hereby authorized to enter into a contract with Cargill, Inc. Salt, Road Safety, 24950 Country Club Blvd., Suite 450, North Olmsted, OH 44070, in accordance with Section 1 of this Resolution.

Section 3: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its

committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements, including Chapter 107 of the Middleburg Heights Code and Section 121.22 of the Ohio Revised Code.

Passed: _____

_____
President of Council

Attest: _____
Clerk of Council

Approved On: _____

Presented to Mayor: _____

_____
Mayor

	Yea	Nay
Bortolotto	_____	_____
Ali	_____	_____
Sage	_____	_____
Meany	_____	_____
McGregor	_____	_____
Ference	_____	_____
Grech	_____	_____

CARGILL, INC. SALT, ROAD SAFETY

To supply in accordance with specifications, for a one-year period, the sum of:

Cost for First Year (11/1/22 – 10/31/23), Untreated Sodium Chloride:
$52.21 Per Ton, Dump Delivery $59.21 Per Ton, Piler Delivery

Cost for First Year (11/1/22 – 10/31/23), Treated Sodium Chloride:
$68.32 Per Ton, Dump Delivery $75.32 Per Ton, Piler Delivery

Products Bid:	Sodium Chloride for Ice Control & Enhanced ClearLane Deicer
80% Contractual Minimum/140% Maximum:	Yes
Second and Third Year Optional Extensions:	Yes
Guaranteed Delivery Within 24-72 Hours?	Yes
Minimum Order?	Yes.....Quantity: 22 Tons/Dump 200 Tons/Piler
Exceptions:	Cargill, Inc.-Salt, Road Safety may subsequently agree to supply additional tons of product on mutually agreeable terms, on a request-by-request basis. Under no circumstances shall Cargill, Inc. be obligated to pay damages or penalties for failing to supply product in excess of the maximum quantity.

Name & Address of Bidder:
Cargill, Inc. – Salt, Road Safety
24950 Country Club Blvd., Suite 450
North Olmsted, OH 44070
Phone: 800-600-7258 Fax: 888-739-8705

Contact: Kaitlyn Jackson, Customer Care Representative
Kaitlyn_Jackson@Cargill.com

DELIVERED JUN 0 9 2022

CITY OF MIDDLEBURG HEIGHTS, OHIO

Resolution No. 2022-

Introduced By: Mayor Matthew Castelli

A RESOLUTION ACCEPTING THE CONSORTIUM BID OF CARGILL, INC. SALT, ROAD SAFETY FOR UNTREATED SODIUM CHLORIDE FOR THE 2022-2023 SEASON (11/1/2022 – 10/31/2023)

WHEREAS, through Resolution 2015-29, the City entered into an agreement with various surrounding municipalities for the purpose of forming a Joint Municipal Improvement Consortium; and

WHEREAS, the City may purchase road salt through its membership in the Joint Municipal Improvement Consortium (JMIC) at a lower rate than if purchased on the open market; and

WHEREAS, the Consortium has received a bid from Cargill, Inc.-Salt, Road Safety, 24950 Country Club Blvd., Suite 450, North Olmsted, OH 44070 for the purchase and delivery of **Untreated Sodium Chloride** in the amount of $52.21 per ton, dump delivery and $59.21 per ton, piler delivery for the period November 1, 2022, through October 31, 2023, as set forth in Exhibit A attached hereto, is determined to be the lowest and best bid submitted.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, STATE OF OHIO, AS FOLLOWS:

Section 1: That the bid of Cargill, Inc. Salt, Road Safety through the Joint Municipal Improvement Consortium, for the supplying of **Untreated Sodium Chloride** in the amount of $52.21 per ton, dump delivery and $59.21 per ton, piler delivery for the period November 1, 2022, through October 31, 2023, as set forth in Exhibit A attached hereto, is hereby accepted as the lowest and best bid submitted.

Section 2: That the Mayor and Finance Director are hereby authorized to enter into a contract with Cargill, Inc. Salt, Road Safety, 24950 Country Club Blvd., Suite 450, North Olmsted, OH 44070, in accordance with Section 1 of this Resolution.

Section 3: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements, including Chapter 107 of the Middleburg Heights Code and Section 121.22 of the Ohio Revised Code.

Passed: _____

_____
President of Council

Attest: _____
Clerk of Council

Approved On: _____

Presented to Mayor: _____

_____
Mayor

	Yea	Nay
Bortolotto	_____	_____
Ali	_____	_____
Sage	_____	_____
Meany	_____	_____
McGregor	_____	_____
Ference	_____	_____
Grech	_____	_____

CARGILL, INC. SALT, ROAD SAFETY

To supply in accordance with specifications, for a one-year period, the sum of:

Cost for First Year (11/1/22 – 10/31/23), Untreated Sodium Chloride:
$52.21 Per Ton, Dump Delivery $59.21 Per Ton, Piler Delivery

Cost for First Year (11/1/22 – 10/31/23), Treated Sodium Chloride:
$68.32 Per Ton, Dump Delivery $75.32 Per Ton, Piler Delivery

Products Bid:	Sodium Chloride for Ice Control & Enhanced ClearLane Deicer
80% Contractual Minimum/140% Maximum:	Yes
Second and Third Year Optional Extensions:	Yes
Guaranteed Delivery Within 24-72 Hours?	Yes
Minimum Order?	Yes.....Quantity: 22 Tons/Dump 200 Tons/Piler
Exceptions:	Cargill, Inc.-Salt, Road Safety may subsequently agree to supply additional tons of product on mutually agreeable terms, on a request-by-request basis. Under no circumstances shall Cargill, Inc. be obligated to pay damages or penalties for failing to supply product in excess of the maximum quantity.

Name & Address of Bidder:
Cargill, Inc. – Salt, Road Safety
24950 Country Club Blvd., Suite 450
North Olmsted, OH 44070
Phone: 800-600-7258 Fax: 888-739-8705

Contact: Kaitlyn Jackson, Customer Care Representative
Kaitlyn_Jackson@Cargill.com

DELIVERED JUN 0 9 2022

City of Middleburg Heights, Ohio

Ordinance No. 2022-____

Introduced by: Mayor Castelli

AN ORDINANCE AUTHORIZING AN AGREEMENT WITH OMNI MIDDLEBURG HEIGHTS LLC OR AN AFFILIATE, PROVIDING FOR A PROJECT AND A PROPERTY TAX EXEMPTION PURSUANT TO THE OHIO COMMUNITY REINVESTMENT AREA PROGRAM, AND DECLARING AN EMERGENCY.

WHEREAS, the General Assembly of the State of Ohio, by the enactment of Ohio Revised Code Sections 3735.65 et seq. (the "Community Reinvestment Area Program"), has heretofore authorized municipal corporations to designate Community Reinvestment Areas within the State in order to provide incentives for new residential, commercial or industrial development and/or rehabilitation in such areas, by making available property tax exemption for such new development or rehabilitation; and

WHEREAS, pursuant to said Community Reinvestment Area Program, this Council by Ordinance No. 2006-20, approved the designation of the geographic area described in said Ordinance as the CRA #1 Community Reinvestment Area (the "Community Reinvestment Area"); and

WHEREAS, OMNI Middleburg Heights, LLC, an Ohio limited liability company, or an affiliate (the "Owner") plans to construct a 152 unit multi-family senior living community, including 88 independent living apartments, 44 assisted living, and 20 memory care units, and 18 one-story villas on an 11.8 acre site at 19170 Bagley Road, Middleburg Heights, Ohio, 44130, and on current tax parcel numbers 371-08-008, 371-08-009, 371-08-010, 371-08-011, 371-08-012, 371-08-013, 371-08-014, and 371-08-015 (the "Project"); and

WHEREAS, the Owner has submitted an application to the City requesting a property tax exemption for the Project, and the City desires to enter into a Community Reinvestment Area Agreement (the "Agreement") with the Owner and the Tenant; and

WHEREAS, the Project is located in the Berea City School District and the Polaris Joint Vocational School District and the Board of Education of the Berea City School District and the Board of Education of the Polaris Joint Vocational School District have been notified of the proposed Agreement in accordance with Ohio Revised Code Section 5709.83; and

WHEREAS, this Council has determined that it will be in the best interests of the City and its citizens to proceed to enter into the Agreement with the Owner and the Tenant, and that fulfillment of such Agreement will carry out the purposes of the Community Reinvestment Area Program.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, COUNTY OF CUYAHOGA, STATE OF OHIO, THAT:

Section 1: This Council hereby approves the Agreement providing for the Project and for an exemption from real property taxation of 50% of the increase in the assessed valuation of real property resulting from improvements to real property for 12 years. That Agreement shall be in substantially the form of the Agreement on file with the Clerk of Council, with such revisions as are approved by the Law Director of the City; and this Council hereby authorizes the Mayor to execute the Agreement on behalf of the City.

Section 2: This Council hereby authorizes the Mayor, Law Director and Director of Finance to take such additional steps, execute such documents and provide such information and certifications as are necessary and appropriate to carry out and implement the terms and conditions of the aforesaid Agreement and the requirements and policies of the Community Reinvestment Area Program.

Section 3: Pursuant to Section 3735.671 of the Ohio Revised Code, the Clerk of Council is hereby directed to deliver a copy of the Agreement to the Director of the Ohio Department of Development within fifteen days after the Agreement is entered into. On or before March 31 of each year that the exemption set forth in Section 1 hereof remains in effect, the Mayor or other authorized officer of this City shall prepare and submit to the Director of the Ohio Department of Development, the Berea City School District and the Polaris Joint Vocational School District a status report required under Section 3735.672 of the Ohio Revised Code.

Section 4: This Council finds and determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and of any committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 5: This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City, and for the further reason that this Ordinance is required to be immediately effective so that the Project may commence immediately to provide for creation of jobs and economic opportunities, which are vitally needed in order to enhance revenues for the City and to improve the economic welfare of the people, therefore, this Ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor.

Passed: _____

_____
President of Council

Attest: _____
Clerk of Council

Approved On: _____

Presented to Mayor: _____

_____
Mayor

	Yea	Nay
Bortolotto	_____	_____
Ali	_____	_____
Sage	_____	_____
Meany	_____	_____
McGregor	_____	_____

	Yea	Nay
Ference	_____	_____
Grech	_____	_____

COMMUNITY REINVESTMENT AREA AGREEMENT

This Community Reinvestment Area Agreement (this "Agreement") made and entered into by and between the City of Middleburg Heights, Cuyahoga County, Ohio (the "City"), a municipal corporation formed and existing under the laws of the State of Ohio (the "State") and Omni Middleburg Heights LLC, an Ohio limited liability company, with its main offices located at 33095 Bainbridge Road, Solon, Ohio 44139 (the "Company").

WITNESSETH:

WHEREAS, the City desires to pursue all reasonable and legitimate incentive measures to assist, encourage and stimulate development in specific areas of the City that have not enjoyed sufficient reinvestment from remodeling or new construction; and

WHEREAS, the City, by Ordinance No. 2006-20, adopted by City Council on March 28, 2006 (the "Ordinance"), designated the area specified in the Ordinance as the Middleburg Heights Community Reinvestment Area No. 1 (the "CRA") pursuant to Ohio Revised Code ("R.C.") Sections 3735.65 through 3735.70 (the "CRA Act"), and authorized real property tax exemption for the construction of new structures and the remodeling of existing structures in the CRA in accordance with the CRA Act; and

WHEREAS, in accordance with R.C. Section 3735.66, the Director of the Ohio Development Services Agency has forwarded to the City the Director's determination, dated April 24, 2006, that the findings contained in the Ordinance are valid, and that the CRA qualifies as a community reinvestment area under the CRA Act; and

WHEREAS, the Company will acquire the real property contained within the City and the CRA described in Exhibit A attached hereto (the "Project Site"); and

WHEREAS, the Company has submitted to the City an application for a community reinvestment area agreement, attached hereto as Exhibit B (the "Application"); and

WHEREAS, the Company proposes to establish at the Project Site a new 152 unit multi-family senior living community, including 88 independent living apartments, 44 assisted living units, 20 memory care units, and 18 one-story villas together with related site improvements, all as more particularly described in the Application (collectively, the "Project"), provided that the appropriate development incentives are available to support the economic viability of the Project; and

WHEREAS, the Company has remitted with the Application the required state application fee of $750.00, made payable to the Ohio Department of Development, to be forwarded with the executed Agreement, and has paid any applicable local fees; and

WHEREAS, pursuant to R.C. Section 3735.67(A) and in conformance with the format required under R.C. Section 3735.671(B), the City and the Company desire to formalize their agreement with respect to matters hereinafter contained; and

WHEREAS, the Project Site is located in the Berea City School District (the "School District") and in the Polaris Joint Vocational School District, and the board of education of each such district has been notified of the proposed approval of this Agreement in accordance with R.C. Sections 3735.671 and 5709.83, or has waived such notice, and has been given a copy of the Application; and

WHEREAS, City Council, by Ordinance No. _____, adopted _____, 2022, has approved the terms of this Agreement and authorized its execution on behalf of the City; and

WHEREAS, pursuant to R.C. Section 3735.671(A)(2), because the real property taxes from the non-exempt portions of the Project will equal or exceed 50% of the amount of real property taxes that would have been payable but for the exemption provided in this Agreement, approval of this Agreement from the Board of Education of the School District is not required;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the receipt and sufficiency of which are hereby acknowledged, the parties herein agree as follows:

1. **Project.** The Company and/or its successors or assigns shall make a good faith effort to complete the Project. The cost of the investments to be made in connection with the Project by the Company and/or its successors or assigns is estimated as (i) approximately $32,211,000 for construction of a 152 unit multi-family senior housing complex and 18 one-story villas on a 11.8 acre site, including on-site infrastructure; (ii) approximately $1,440,000 for acquisition of land; (iii) approximately $1,650,000 for acquisition of machinery and equipment; (iv) $1,104,000 for acquisition of furniture and fixtures; (v) approximately $1,104,000 in environmental costs; (vi) and approximately $8,950,000 in associated soft costs. There are no existing buildings at the Project Site. The estimates provided in this Section are good faith estimates provided pursuant to R.C. Section 3735.671(B) and shall not be construed in a manner that would limit the amount or term of the tax exemptions provided in this Agreement. The parties recognize that costs do not necessarily equal otherwise taxable value.

2. **Values of Personal Property.** The value for Ohio personal property tax purposes of the personal property of the Company, including, but not limited to, machinery, equipment, furniture, and fixtures, located at another location in Ohio prior to the execution of this Agreement and relocated or to be relocated from that location to the Project Site, is $0. The value for Ohio personal property tax purposes of the personal property of the Company, including, but not limited to, machinery, equipment, furniture, and fixtures, at the Project Site prior to the execution of this Agreement is $0. The average value for Ohio personal property tax purposes of the inventory of the Company held at another location in Ohio prior to the execution of this Agreement and to be relocated from that location to the Project Site is $0. The average value for Ohio personal property tax purposes of the inventory of the Company at the Project Site prior to the execution of this Agreement is $0.

3. **Project Schedule.** The scheduled estimated starting date for the Project investments to be made in building, machinery, equipment, furniture, fixtures and/or inventory is approximately third quarter 2022; and the scheduled estimated completion date for such investments is no later than approximately December 2024. The estimates provided in this Section are good faith estimates provided pursuant to R.C. Section 3735.671(B) and shall not be construed in a manner that would limit the amount or term of the tax exemptions provided in this Agreement, other than as those tax exemptions are limited in Section 6 of this Agreement.

4. **Employee Positions.** The Company shall use its best efforts to cause and/or facilitate the creation at the Project Site of, cumulatively, (i) approximately 50 full-time permanent employee positions with a total annual payroll of approximately $2,250,000, (ii) 0 full-time temporary employee positions, (iii) 0 part-time permanent employee positions and (iv) 0 part-time temporary employee positions. Hiring of such employees is estimated to commence in approximately 2024 and be completed by no later than December 2026. Currently, the Company has no employees at the Project Site. The approximate number of employee positions of the Company in Ohio at locations other than the Project Site as of the date of execution of this Agreement is 0 full-time permanent employee positions, 0 part-time permanent employee

positions, 0 full-time temporary employee positions, and 0 part-time temporary employee positions. The estimates provided in this Section 4 are good faith estimates provided pursuant to R.C. Section 3735.671(B) and shall not be construed in a manner that would limit the amount or term of the tax exemptions provided in this Agreement. The parties recognize that it is anticipated that all employees at the Project Site will be hired by entities other than the Company.

5. **Provision of Information.** The Company shall provide to the proper tax incentive review council (the "Council") any information reasonably required by the Council to evaluate the compliance of the Company with the Agreement, including returns or annual reports of the Company filed pursuant to R.C. Section 5711.02 if requested by the Council. In addition, the Company shall use commercially reasonable efforts to provide the City with any information reasonably requested by the City to ensure compliance by the Company with the terms of this Agreement, including, but not limited to,, square footage used by residents, number of employees and associated payroll; provided, however, that the City recognizes that the Company may not have the ability to compel others to provide the Company or the City with some or all of the requested information. It is understood that the Company shall have no obligation to disclose the identity of its residents for privacy reasons.

6. **Real Property Tax Exemption.** The City hereby grants a twelve (12) year, 50% real property tax exemption pursuant to R.C. Section 3735.67 for the Project constructed at the Project Site. The exemption commences the first year such real property improvement would first be taxable were that property not hereby exempted from taxation. No exemption shall commence after tax year 2025 (i.e., tax lien date January 1, 2025) nor extend beyond tax year 2036 (i.e., tax lien date January 1, 2036).

7. **Application for Exemption.** The Company acknowledges that the tax exemption with respect to each real property improvement is subject to the filing of a real property tax exemption application with the Housing Officer designated by the City for the CRA, following the completion of construction of that real property improvement. The City agrees that (i) upon receipt of the real property tax exemption application, the Housing Officer shall verify and investigate the facts and circumstances necessary to determine whether the real property improvement is eligible for a tax exemption pursuant to this Agreement; and (ii) if the Housing Officer determines that the real property improvement is eligible for a tax exemption, the Housing Officer shall certify the tax exemption to the Cuyahoga County Fiscal Officer.

8. **Payment of Non-Exempt Taxes.** The Company shall pay such real property taxes as are not exempted under this Agreement or otherwise exempted and are charged against the Project Site and shall file all tax reports and returns as required by law. If the Company fails to pay such taxes or file such returns and reports, and such failure is not corrected within thirty days of written notice thereof to the Company, all exemptions from taxation granted under this Agreement are rescinded beginning with the year for which such unpaid taxes are charged or such unfiled reports or returns are required to be filed and thereafter; provided, however, to the extent permitted by law, the City may elect to reinstate such exemptions under terms acceptable to the City.

9. **Cooperation of the City.** The City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions. The City shall give its fullest cooperation in the development of the Project, including, but not limited to: (i) the review, processing and approval of all building, signage or other permits, and (ii) all other activities related to the Project.

10. **Revocation of CRA.** If for any reason the City revokes the designation of the CRA, entitlements granted under this Agreement shall continue for the number of years specified in this

Agreement, unless the Company materially fails to fulfill its obligations under this Agreement and such failure is not corrected within thirty days of written notice thereof, and consequently, the City terminates or modifies the exemptions from taxation pursuant to this Agreement.

11. **Certification as to No Delinquent Taxes.** The Company hereby certifies that at the time this Agreement is executed, it does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which the Company is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Ohio Revised Code, or, if such delinquent taxes are owed, the Company currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against the Company. For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.

12. **Termination or Modification Upon Default.** If the Company materially fails to fulfill its obligations under this Agreement, and such failure is not corrected within thirty days of written notice thereof to the Company, or if the City determines that the certification as to delinquent taxes required by this Agreement is fraudulent, the City may terminate or modify the exemptions from taxation granted under the Agreement.

13. **Approval by the City.** The Company and the City acknowledge that this Agreement must be approved by formal actions of the legislative authority of the City as a condition for this Agreement to take effect. This Agreement takes effect upon such approval. Because this Agreement was approved by Ordinance No. _____ on _____, 2022, this Agreement shall be effective immediately upon its execution.

14. **Non-Discriminatory Hiring.** By executing this Agreement, the Company is committing to following non-discriminating hiring practices, acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.

15. **Revocation of Exemptions.** Exemptions from taxation granted under this Agreement shall be revoked if it is determined that the Company, any successor to that person, or any related member (as those terms are defined in division (E) of Section 3735.671 of the Ohio Revised Code) has violated the prohibition against entering into the Agreement under Division (E) of Section 3735.671 or Section 5709.62 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

16. **Transfer and/or Assignment; Release from Liability.** This Agreement and the benefits and obligations thereof are not transferable or assignable without the express, written approval of the City. The City shall not unreasonably withhold or delay such approval.

17. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Agreement. Counterparts or signatures transmitted by facsimile or electronic means (such as e-mailed .pdfs) are deemed to be original counterparts or signatures.

18. **Severability; Construction; Headings.** If any provision of this Agreement or the application of any such provision to any such person or any circumstance shall be determined to be invalid or unenforceable, then such determination shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, all of which other provisions shall remain in full force and effect. If any provision of this Agreement is capable of two constructions one of which would render the provision valid, then such provision shall have the meaning which renders it valid. The

captions and headings in this Agreement are for convenience only and in no way define, limit, prescribe or modify the meaning, scope or intent of any provisions hereof.

19. **Validity.** The Company and the City covenant and agree that they are prohibited from challenging the validity of this Agreement or the CRA. In that regard, the Company and the City waive any defects in any proceedings related to the CRA or this Agreement. If the validity of the CRA or this Agreement is challenged by any entity or individual, whether private or public, the Company and the City shall advocate diligently and in good faith in support of the validity of the CRA and this Agreement.

20. **Notices.** Any notices, statements, acknowledgements, consents, approvals, certificates or requests required to be given on behalf of any party to this Agreement shall be made in writing addressed as follows and sent by (i) registered or certified mail, return receipt requested, and shall be deemed delivered when the return receipt is signed, refused or unclaimed, or (ii) by nationally recognized overnight delivery courier service, and shall be deemed delivered the next business day after acceptance by the courier service with instructions for next-business-day delivery:

If to the City, to:

Development Director
City of Middleburg Heights, Ohio
15700 Bagley Road
Middleburg Heights, OH 44130

With a copy to:

Law Director
City of Middleburg Heights, Ohio
15700 Bagley Road
Middleburg Heights, OH 44130

If to the Company, to:

Omni SLF Middleburg Heights, LLC
33095 Bainbridge Road
Solon, Ohio 44139Attn: Mario Sinicariello, President

With a copy to:

_____
_____
_____
_____

or to any such other addresses as may be specified by any party, from time to time, by prior written notification.

21. **R.C. Section 9.66 Covenants.** The Company affirmatively covenants that it has made no false statements to the State or any local political subdivision in the process of obtaining approval of the CRA tax exemptions; and that it does not owe: (i) any delinquent taxes to the State or a political subdivision of the State; (ii) any moneys to the State or a State agency for the administration or enforcement of any

environmental laws of the State; and (3) any other moneys to the State, a State agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not. If any representative of the Company has knowingly made a false statement to the State or any local political subdivision to obtain the CRA tax exemptions, the Company shall be required to immediately return all benefits received by it under this Agreement pursuant to R.C. Section 9.66(C)(2) and the Company shall be ineligible for any future economic development assistance from the State, any State agency or a political subdivision pursuant to R.C. Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to R.C. Section 2921.13(D)(1), which is punishable by a fine of not more than $1,000 and/or a term of imprisonment of not more than six months.

22. **Annual Fee.** The Company shall pay an annual fee to the City equal to the greater of one per cent of the amount of taxes exempted under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars ($2,500). The fee shall be paid by the Company to the City once per year, on or after July 1st of each year this Agreement is in effect, within thirty (30) days of receipt of an invoice from the City. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with R.C. Section 3735.672 and by the Council created under R.C. Section 5709.85 exclusively for the purposes of performing the duties prescribed under that Section.

23. **Additional Project Site Exemptions.** The Company acknowledges the City's intent to adopt a real property tax exemption pursuant to R.C. Section 5709.40(B) (the "TIF Exemption") on the Project Site and the TIF Exemption and related service payments are necessary to provide funding for the City to make certain public infrastructure improvements that will benefit the Project Site. The Company agrees to assist the City in obtaining the TIF Exemption for the Project Site and hereby provides the City written consent to file the application for the TIF Exemption, or the Company shall file the application for exemption. The Company acknowledges and consents to the City filing a notice pursuant to R.C. Section 5709.911 with the Cuyahoga County Fiscal Officer, prohibiting any additional exemptions on the Project Site (other than the TIF Exemption and the exemption granted in Section 6 of this Agreement) until the expiration of the TIF Exemption. The Company shall pay all reasonable and actual expenses of the City, including attorney fees, incurred and related to the Project Site exemptions, in an amount not to exceed Fifteen Thousand and 00/100 Dollars ($15,000.00).

24. **Termination.** This Agreement shall be in full force and effect until December 31 of the last tax year in which exemptions can be claimed pursuant to Section 6 of this Agreement, after which this Agreement and the obligations of all parties hereto shall terminate.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representative to be effective as of _____, 2022.

CITY OF MIDDLEBURG HEIGHTS, OHIO

By: _____

Print Name: _____

Title: _____

APPROVED AS TO FORM:

_____
Law Director

OMNI MIDDLEBURG HEIGHTS LLC,
an Ohio limited liability company

By: _____

Print Name: _____

Title: _____

EXHIBIT A

DEPICTION OF PROJECT SITE

(ATTACHED)

EXHIBIT B

CRA APPLICATION

(ATTACHED)

DELIVERED JUN 0 9 2022

City of Middleburg Heights, Ohio

Ordinance No. 2022-____

Introduced by: Mayor Castelli

DECLARING THE IMPROVEMENT TO CERTAIN PARCELS OF REAL PROPERTY WITHIN THE CITY TO BE A PUBLIC PURPOSE AND EXEMPT FROM TAXATION PURSUANT TO ORC 5709.40(B); PROVIDING FOR THE COLLECTION AND DEPOSIT OF SERVICE PAYMENTS AND SPECIFYING THE PURPOSES FOR WHICH THOSE SERVICE PAYMENTS MAY BE EXPENDED; SPECIFYING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS DIRECTLY BENEFITING THE PARCELS; AND AUTHORIZING SCHOOL COMPENSATION PAYMENTS.

WHEREAS, Ohio Revised Code ("*ORC*") 5709.40, 5709.42, and 5709.43 (collectively, the "*TIF Act*") authorize this Council, by ordinance, to declare the improvement to parcels of real property located within the City to be a public purpose and exempt from taxation, require the owner of each parcel to make service payments in lieu of taxes, establish a municipal public improvement tax increment equivalent fund for the deposit of the those service payments, and specify the purposes for which money in that fund will be expended; and

WHEREAS, the City desires to implement a tax increment financing program on the Parcels (as defined in Section 1) pursuant to the TIF Act to enable the City to make public infrastructure improvements that will directly benefit the Parcels; and

WHEREAS, notice of this proposed ordinance has been delivered to the Board of Education of the Berea City School District (the "School District") and Polaris Joint Vocational School District ("PJVSD") in accordance with and within the time periods prescribed in ORC 5709.40 and 5709.83; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MIDDLEBURG HEIGHTS, COUNTY OF CUYAHOGA, STATE OF OHIO, THAT:

Section 1: Parcels. The real property subject to this ordinance is identified and depicted on Exhibit A (as currently or subsequently configured, the "*Parcels*", with each individual parcel a "*Parcel*").

Section 2: Public Infrastructure Improvements. This Council hereby designates the public infrastructure improvements described in Exhibit B (the "*Public Infrastructure Improvements*") and any other public infrastructure improvements hereafter designated by ordinance as public infrastructure improvements made, to be made or in the process of being made by the City that directly benefit, or that once made will directly benefit, the Parcels.

Section 3: Authorization of Tax Exemption. This Council hereby finds and determines that 100% of the increase in assessed value of each Parcel subsequent to the effective date of this ordinance (which increase in assessed value is hereinafter referred to as the "*Improvement*" as defined in ORC 5709.40(A)) is hereby declared to be a public purpose and will be exempt from taxation in accordance with ORC 5709.40(B) for a period commencing for each Parcel (separate exemption periods for each Parcel) with the first tax year that begins after the effective date of this Ordinance and in which an Improvement attributable to a new structure on that Parcel first appears on the tax list and duplicate of real and public utility property were it not for the exemption granted by this Ordinance and ending on the earlier of (a) thirty (30) years after such commencement or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of the TIF Act. The exemption provided by this ordinance is subordinate to any exemption for a Parcel granted pursuant to ORC 3735.65 to 3735.70.

Section 4: Service Payments. As provided in ORC 5709.42, the owner of each Parcel is hereby required to make service payments in lieu of taxes with respect to the Improvement allocable to each Parcel to the Cuyahoga County Treasurer (the "County Treasurer") on or before the final dates for payment of real property taxes. The service payments in lieu of taxes will be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and collected against that Improvement if it were not exempt from taxation pursuant to Section 3 of this Ordinance, including any penalties and interest (collectively, the "*Service Payments*"). The Service Payments, and any other payments with respect to each Improvement that are received in connection with the reduction required by ORC 319.302, 321.24, 323.152 and 323.156, as the same may be amended from time to time, or any successor provisions thereto as the same may be amended from time to time (the "*Property Tax Rollback Payments*"), shall be deposited and distributed in accordance with Section 6.

Section 5: TIF Fund. This Council establishes, pursuant to and in accordance with the provisions of ORC 5709.43, the Omni Public Improvement Tax Increment Equivalent Fund (the "*TIF Fund*"), into which the Service Payments and Property Tax Rollback Payments collected with respect to the Parcels will be deposited. The TIF Fund will be maintained in the custody of the City. The City may use amounts deposited into the TIF Fund only for the purposes authorized in the TIF Act and this Ordinance (as it may be amended). The TIF Fund will remain in existence so long as the Service Payments and Property Tax Rollback Payments are collected and used for the aforesaid purposes, after which time the TIF Fund will be dissolved and any surplus funds remaining therein transferred to the City's General Fund, all in accordance with ORC 5709.43.

Section 6: Distributions. Pursuant to the TIF Act, the County Treasurer is requested to distribute the Service Payments and Property Tax Rollback Payments as follows:

(i) To each of the School District and the PJVSD, an amount equal to the amount the school district would otherwise receive as real property tax payments (including the applicable portion of any Property Tax Rollback Payments) derived from the Improvement to each Parcel if the Improvement had not been exempt from taxation pursuant to this Ordinance.

(ii) To the City, all remaining amounts for further deposit into the TIF Fund for payment of costs of the Public Infrastructure Improvements, including, without limitation, debt charges on any notes or bonds issued to pay or reimburse finance costs or costs of those Public Infrastructure Improvements and any other lawful purpose.

All distributions required under this Section are requested to be made at the same time and in the same manner as real property tax distributions. The City shall make any distributions to the extent not made by the County Treasurer.

Section 7: Further Authorizations. This Council hereby authorizes and directs the Mayor, the Law Director, the Director of Finance, Director of Economic Development or other appropriate officers of the City to deliver a copy of this Ordinance to the Ohio Department of Development within fifteen days after its effective date, in accordance with ORC 5709.40(I), and to make such arrangements as are necessary and proper for collection of the Service Payments. This Council further authorizes the Mayor, the Law Director, the Director of Finance, Director of Economic Development or other appropriate officers of the City to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this ordinance.

Section 8: Open Meetings. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this ordinance were taken in an open meeting of this Council or any of its committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including ORC 121.22.

Section 9: Effective Date. This ordinance is effective on the earliest date permitted by law.

Passed: _____

_____
President of Council

Attest: _____
Clerk of Council

Approved On: _____

Presented to Mayor: _____

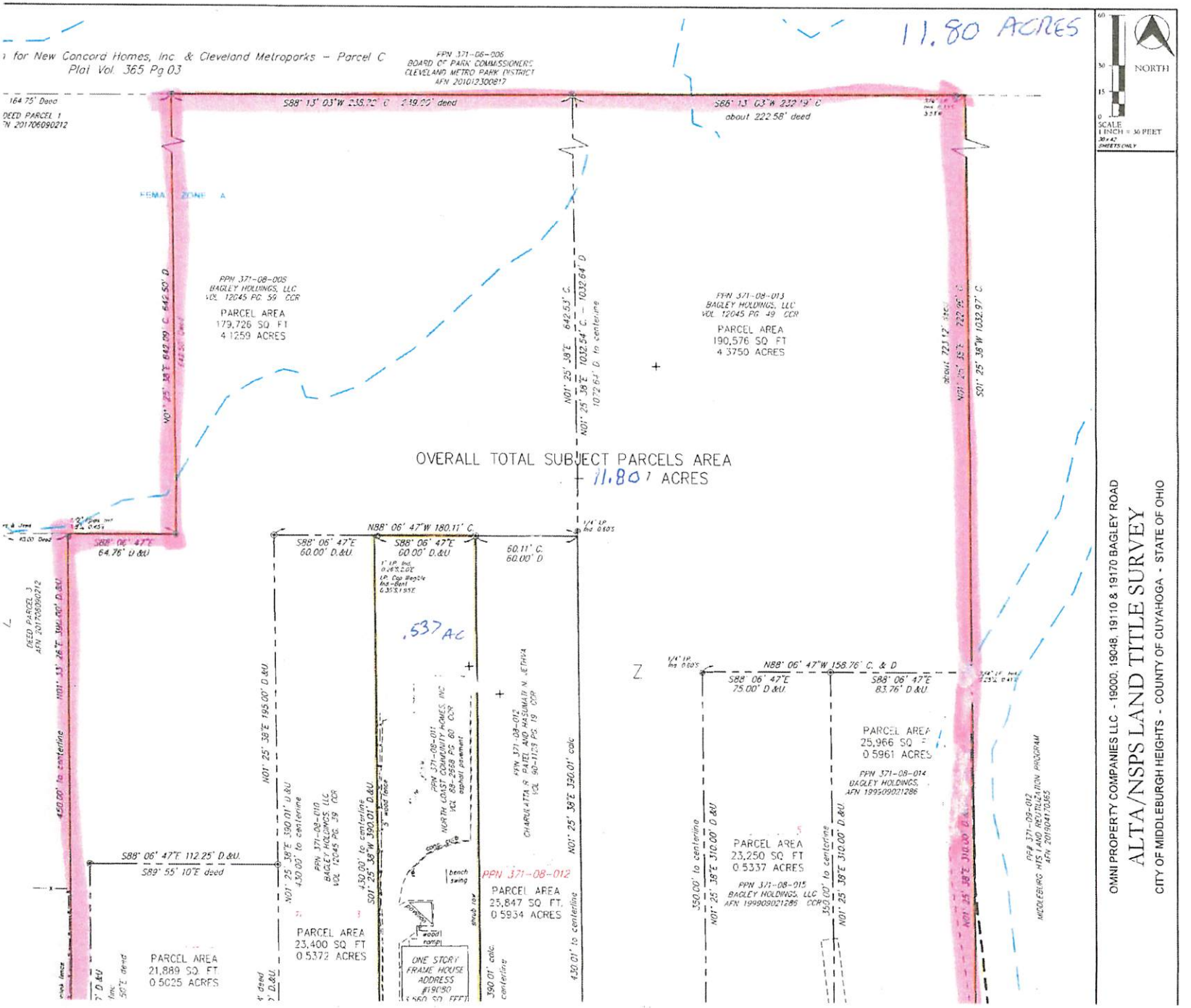
_____
Mayor

	Yea	Nay
Bortolotto	_____	_____
Ali	_____	_____
Sage	_____	_____
Meany	_____	_____
McGregor	_____	_____
Ference	_____	_____
Grech	_____	_____

EXHIBIT A

IDENTIFICATION AND MAP OF THE PARCELS

The area denoted on the following map specifically identify and depict the Parcels (current tax parcel numbers 371-08-008, 371-08-009, 371-08-010, 371-08-011, 371-08-012, 371-08-013, 371-08-014, and 371-08-015) and constitutes part of this Exhibit A.



OMNI PROPERTY COMPANIES LLC - 19000, 19048, 19110 & 19170 BAGLEY ROAD

ALTA/NSPS LAND TITLE SURVEY

CITY OF MIDDLEBURGH HEIGHTS - COUNTY OF CUYAHOGA - STATE OF OHIO

EXHIBIT B
PUBLIC INFRASTRUCTURE IMPROVEMENTS

The Public Infrastructure Improvements consist of any "public infrastructure improvement" defined under ORC 5709.40(A)(8) and that directly benefits the Parcels and specifically include, but are not limited to, any of the following improvements that will directly benefit the Parcels and all related costs of those permanent improvements (including, but not limited to, those costs listed in ORC 133.15(B)):

- **Roadways**. Construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of roads, highways, streets, intersections, bridges (both roadway and pedestrian), sidewalks, bikeways, medians and viaducts accessible to and serving the public, and providing signage (including traffic signage and informational/promotional signage), lighting systems, signalization, and traffic controls, and all other appurtenances thereto.

- **Water/Sewer**. Construction, reconstruction or installation of public utility improvements (including any underground municipally owned utilities), storm and sanitary sewers (including necessary site grading therefore), water and fire protection systems, and all appurtenances thereto, including, but not limited to those associated with improvements described in "Roadways" above.

- **Environmental/Health**. Implementation of environmental remediation measures necessary to enable the construction of the private improvements on the Parcels or the Public Infrastructure Improvements, and the construction of public health facilities.

- **Utilities**. Construction, reconstruction, burial or installation of gas, electric and communication service facilities and all appurtenances thereto, including, but not limited to those associated with improvements described in "Roadways" above.

- **Stormwater**. Construction, reconstruction, relocation, modification and installation of stormwater and flood remediation projects and facilities, both for storm water quantity and quality, including the payment and reimbursement for such projects and facilities on private property when determined to be necessary for public health, safety and welfare.

- **Demolition**. Demolition, including demolition on private property when determined to be necessary for public health, safety and welfare.

- **Parks**. Construction or reconstruction of one or more public parks and park or recreational facilities, including grading, trees and other park plantings, park accessories and related improvements, multi-use trails and bridges, together with all appurtenances thereto.

- **Streetscape/Landscape**. Construction or installation of streetscape and landscape improvements including trees, tree grates, signage, curbs, sidewalks, scenic fencing, street and sidewalk lighting, trash receptacles, benches, newspaper racks, burial of overhead utility lines and related improvements, together with all appurtenances thereto, including,

but not limited to streetscape improvements in conjunction with and along the roadway improvements described in "Roadways" above.

- **Real Estate**. Acquisition of real estate or interests in real estate (including easements) (a) necessary to accomplish any of the foregoing improvements or (b) in aid of industry, commerce, distribution or research.

- **Professional Services**. Engineering, consulting, legal, administrative, and other professional services associated with the planning, design, acquisition, construction and installation of the foregoing improvements and real estate.