



**VILLAGE BOARD OF TRUSTEES
REGULAR MEETING NOTICE/AGENDA
May 26, 2026, 7:00 PM**

**RICHARD T. FLICKINGER MUNICIPAL CENTER, COUNCIL CHAMBERS
6101 CAPULINA AVENUE, MORTON GROVE, IL 60053**

In accordance with the Illinois Open Meetings Act, all Village Board and Commission meetings are open to the public. This meeting can be viewed remotely via the live stream link found at: www.mortongroveil.org/stream. If an Executive Session is placed on the agenda, the meeting shall commence at 6:00 p.m. and the time between 6:00 p.m. and 7:00 p.m. shall be used for the Executive Session per 1-5-7:A of the Village of Morton Grove Municipal Code. If the Agenda does not include an Executive Session, the meeting will begin at 7:00 p.m.

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Approval of Minutes**
 - a. Regular Meeting – May 12, 2026
5. **Public Hearings – None**
6. **Special Reports**
7. **Residents' Comments (agenda items only)**
8. **President's Report – Administration, Council of Mayors, Northwest Municipal Conference, Dempster Street Corridor Steering Committee**
 - a. **Proclamation – Pride Month**
9. **Clerk's Report – Family & Senior Services, Advisory Commission on Aging, Condominium Association, Maine Township**
10. **Staff Report**
 - a. **Village Administrator**

b. Corporation Counsel

11. Reports by Trustees

- a. **Trustee Khan** – *Finance Department, Appearance Commission, (Trustee Travis)*
- b. **Trustee Minx** – *Fire Department, Fire Pension Board, Fire and Police Commission, Special Events Commission, RED Center, NIPSTA (Trustee Thill)*
- c. **Trustee Shiba** – *Building Department, Environment & Natural Resources Commission, Legal Department, IT Department, Sawmill Station TIF (Trustee White)*
- d. **Trustee Thill** – *Public Works Department, SWANCC (Solid Waste Agency of Northern Cook County), MG-Niles Water Commission, Traffic Safety Commission (Trustee Minx)*
 - 1) **Resolution 26-35:** Authorizing a Professional Service Agreement with HR Green, Inc. for Third-Party Review Services for Clearwave Fiber Development
 - 2) **Resolution 26-36:** Authorizing a Contract for the Purchase and Installation of a Diesel Generator with Cummins Inc., for the Department of Public Works Facility
- e. **Trustee Travis** – *Police Department, Police Pension Board, Fire & Police Commission, Community Relations Commission, Niles Township Government (Trustee Khan)*
- f. **Trustee White** – *Community & Economic Development Department, Economic Development Commission, Plan Commission/ Zoning Board, Lincoln/Lehigh TIF (Trustee Shiba)*
 - 1) **Ordinance 26-11** (*Introduced May 12, 2026, Second Reading*): Approving an Amendment to a Special Use Permit and Authorizing the Construction of a Detached Accessory Structure Serving an Existing Daycare Facility at 5633 Dempster Street in Morton Grove, Illinois

12. Other Business

13. Presentation of Warrants –\$373,972.45

14. Residents' Comments

15. Adjournment

**MINUTES OF A REGULAR MEETING OF THE PRESIDENT
AND THE BOARD OF TRUSTEES OF THE VILLAGE OF MORTON GROVE
RICHARD T. FLICKINGER MUNICIPAL CENTER COUNCIL CHAMBERS
MAY 12, 2026**

CALL TO ORDER

- I. Village President Janine Witko convened the Regular Meeting of the Village Board at 7:00 p.m. in the Council Chambers of Village Hall and led the assemblage in the Pledge of Allegiance.
- II. Village Clerk Eileen Scanlon Harford called the roll. Trustees Saba Khan, Rita Minx, Ashur Shiba, John Thill, Connie Travis, and Keith White were present.

III. **APPROVAL OF MINUTES**

Mayor Witko asked for a motion to approve the Minutes of the April 28, 2026, Regular Village Board Meeting as presented. Trustee Minx so moved, seconded by Trustee Khan.

Motion passed unanimously via voice vote.

IV. **SPECIAL REPORTS**

NONE

V. **PUBLIC HEARINGS**

NONE

VI. **PLAN COMMISSION REPORTS**

Mayor Witko introduced Zoe Heidorn, Director of Community and Economic Development, to present a Plan Commission report.

1. **Case PC 25-11: Request for Approval of a Preliminary Plat of Subdivision to create eight new lots of record for the development of four attached single-family dwellings and five detached single-family dwellings as part of a Planned Unit Development with waivers to Sections 12-2-5, 12-2-6, 12-3-5, 12-4-2, and 12-8-4 for the property commonly known as 6037 Lincoln Avenue.**

- VI. **PLAN COMMISSION REPORTS** (continued)
- a. Ms. Heidorn said she would first be presenting PC 25-11, a request for approval of a Preliminary Plat of Subdivision and a Planned Unit Development to allow the development of a 4-unit attached single-family dwelling and 5 detached single-family dwellings at 6037 Lincoln.
 - b. In October of 2025, the Traffic Safety Commission and Appearance Commission reviewed the application and each commission voted unanimously to recommend approval of this case with comments and conditions. The Plan Commission first heard PC 25-11 in October 2025, and due to inconsistencies in the application materials, requested that the application be continued.
 - c. On April 26, 2026, the Plan Commission reviewed an updated application, and after considering project design and public comments, a motion to recommend approval of the case to the Board of Trustees failed by a unanimous vote. Therefore, the Plan Commission is forwarding a recommendation to deny PC 25-11.
 - d. Since the April Plan Commission meeting, staff have twice met with the owner and the development team to discuss next steps. They agreed with staff that the best path forward is to reassess and address critical design deficiencies in the project, update all plan materials (including elevations) and present a new project under a new application.
 - e. Ms. Heidorn said if the Board takes action this evening to formally deny the application, the Applicant is aware and understanding. Staff are working diligently with them to present an improved project in the near future.
2. The second case on tonight's Agenda is **Plan Commission Case PC 26-05, a request by Poko Loko for an amendment to a Special Use Permit to allow the construction of a detached accessory structure and authorizing a waiver for setback at 5633 Dempster.**
- a. In 2024, an amendment to the Special Use Permit was approved under Case PC 24-09 to authorize expansion of the daycare use at the property. At that time, a storage building was contemplated, but no plans were submitted. This request will approve plans and authorize construction of the accessory storage building.
 - b. Review by the Traffic Safety Commission was waived. In April 2026, the Appearance Commission voted unanimously to recommend approval of the Application. On April 21, 2026, the Plan Commission also voted unanimously to recommend approval with conditions.
 - c. Ms. Heidorn said that Ordinance 26-11, approving an amendment to a Special Use Permit, will be introduced by Trustee White tonight for a first reading. She said she'd be happy to answer any questions.
 - d. Trustee Thill asked if either of the projects had a start date. Ms. Heidorn said she would defer to David Clatch from Poko Loko, Inc. for a response, but as far as the Lincoln Avenue project, first, the Applicant needs to come back before the Village with new plans for this project, which should include timing.

VI. **PLAN COMMISSION REPORTS** (continued)

- e. Trustee Thill said he was concerned about the people who lived adjacent to where the new homes were being built, but no construction will take place unless and until a lot has been sold. He said he was worried that it could be five years or longer before every lot is sold and every building constructed. It's a long time for neighbors to be dealing with construction noise and mess. Ms. Heidorn said language to avoid this is something that can potentially be added to the plans.

VII. **RESIDENTS' COMMENTS (AGENDA ITEMS ONLY)**

NONE

VIII. **PRESIDENT'S REPORT**

1. Mayor Witko reminded the assemblage that American Legion Post 134 will be holding their annual Memorial Day Ceremony on Sunday, May 24, 2026, at 1:30 pm. Please join us as we honor our veterans at the Civic Center, located at 6140 Dempster Street, next month.
2. Mayor Witko invited all interested residents to the next Neighborhood Outreach, which will be held at Edison School on May 21 at 6:00 pm. This is a great chance to meet your local elected officials and ask questions of the staff.

IX. **CLERK'S REPORT**

Clerk Scanlon Harford had no formal report this evening.

X. **STAFF REPORTS**

A. **Village Administrator:**

1. Mr. Meyer presented **Ordinance 26-10, Amending Title 1, Chapter 4, Section 2 Entitled "Monetary Penalties and Fines for Specific Violations and Offenses" of the Municipal Code of the Village of Morton Grove.**

This is the second reading of this Ordinance.

- a. He explained that this Ordinance will amend Title 1, Chapter 4, Section 2 of the Code, to include specific penalties for violations of the Code related to parking offenses. In reviewing the Village's standard fines, it was found that the Village's minimum fine amount (ranging from \$20 to \$30) was low compared to neighboring communities. Additionally, it was found that the Village's standard maximum fine was high (\$750) compared to neighboring communities. To standardize fines, a recommended fine schedule for certain fines would be a minimum fine of \$75 and maximum fine of \$150. He thanked the Board for their support of this Ordinance.

X. **STAFF REPORTS** (continued)A. Village Administrator: (continued)

- b. Mayor Witko asked for a motion and second regarding Ordinance 26-10. Trustee Thill moved to adopt Ordinance 26-10, seconded by Trustee Minx.

Motion passes: 6 ayes, 0 nays.

Tr. Khan	<u>aye</u>	Tr. Minx	<u>aye</u>	Tr. Shiba	<u>aye</u>
Tr. Thill	<u>aye</u>	Tr. Travis	<u>aye</u>	Tr. White	<u>aye</u>

2. Mr. Meyer requested that the Board formally concur with the recommendation of the Plan Commission to deny the request for Case PC 25-11. By doing so, the Applicant will have to come back, if they pursue their plan, with a new application for a new plan.
- a. Trustee Minx moved to concur with the Plan Commission's recommendation to deny the request for Case PC 25-11. The motion was seconded by Trustee White.

Motion passes: 6 ayes, 0 nays.

Tr. Khan	<u>aye</u>	Tr. Minx	<u>aye</u>	Tr. Shiba	<u>aye</u>
Tr. Thill	<u>aye</u>	Tr. Travis	<u>aye</u>	Tr. White	<u>aye</u>

B. Corporation Counsel:

Corporation Counsel Liston had no formal report this evening.

XI. **TRUSTEES' REPORTS**A. Trustee Khan:

Trustee Khan had no formal report this evening.

B. Trustee Minx:

1. Trustee Minx presented **Resolution 26-33, Authorizing the Closure of Dempster Street for the Annual Fourth of July Parade.**
- a. She explained that the Fourth of July Parade is a Morton Grove tradition. This year it will be held on Saturday, July 4, beginning at 2:30 pm and will require Dempster Street to be partially or completely closed between Central and Lincoln Avenues from 2:00 pm to 4:30 pm.

XI. **TRUSTEES' REPORTS** (continued)

B. Trustee Minx: (continued)

- b. Trustee Minx said the Illinois Department of Transportation (IDOT) requires the Village to adopt a resolution to approve this closing and assume full responsibility for the direction, protection, and regulation of traffic, along with all liabilities for damages of any kind occasioned by the closing of this state route.

Trustee Minx moved to approve Resolution 26-33, seconded by Trustee Thill.

Motion passes: 6 ayes, 0 nays.

Tr. Khan	<u>aye</u>	Tr. Minx	<u>aye</u>	Tr. Shiba	<u>aye</u>
Tr. Thill	<u>aye</u>	Tr. Travis	<u>aye</u>	Tr. White	<u>aye</u>

C. Trustee Shiba:

1. Trustee Shiba presented **Resolution 26-34, Authorizing Statement of Work #2 to Amend the Master Services Agreement with Clarity Partners for Website Design and Website Hosting for the Village Website.**

- a. In September of 2025, the Village Board approved Resolution 25-71, which authorized an agreement with Clarity Partners for website design and website hosting for the Village Website. This agreement was approved following a competitive request for proposals process to redesign the website to improve the visual appeal, the content layout, and adhere to existing and emerging regulatory requirements.
- b. The new website is nearing completion and the Village desires to approve Statement of Work #2, which would amend the existing Master Services Agreement to allow for Clarity to provide maintenance and support on an as-needed basis for staff. The daily oversight and maintenance of the Village website would continue to be handled internally, but if an issue arises that requires specific expertise, the Village may engage Clarity Partners on an as-needed basis.
- c. There is no ongoing cost for these services as Clarity Partners would only be contacted if there is an issue with the Village's website that cannot be resolved internally. Approving this agreement would ensure that rates are set for any future needs the Village may have for issues that develop on the website that cannot otherwise be resolved by staff.

Trustee Shiba moved to approve Resolution 26-34, seconded by Trustee Minx.

Tr. Khan	<u>aye</u>	Tr. Minx	<u>aye</u>	Tr. Shiba	<u>aye</u>
Tr. Thill	<u>aye</u>	Tr. Travis	<u>aye</u>	Tr. White	<u>aye</u>

XI. TRUSTEES' REPORTS (continued)D. Trustee Thill:

Trustee Thill had no formal report but wanted to let everyone know the results from the May 9 SWANCC electronics recycling and document destruction event hosted at the Public Works facility.

Trustee Thill said the event drew 440 community members and ended up filling 1.5 semi-trailers full of electronics recycling and two shredding trucks full of documents. He thanked the Public Works Department personnel and all the residents who participated in the event.

XI. TRUSTEES' REPORTS (continued)E. Trustee Travis:

1. Trustee Travis reminded the assemblage to mark their calendars for the Community Garage Sale, which will be held from Friday, June 12 to Sunday, June 14. Visit the Village's website to sign up.
2. Trustee Travis announced that it's time to register to adopt a planter to help beautify the Waukegan Road and Dempster Street corridors. Participants will be able to pick up their planters on June 6 at Village Hall from 9:00 am to 11:00 am. There are still planters available. Registration ends on Friday, May 22. To register, please visit the Village's website.
3. Trustee Travis noted that the Police Department is supporting the Special Olympics Illinois this year through its annual "Cop on a Rooftop" promotion. Please join us at the Dunkin Donuts at 9480 Waukegan Road on the morning of Friday, May 15, for a chance to meet with our police and support this great cause.

F. Trustee White:

1. Trustee White introduced for a first reading **Ordinance 26-11, Approving an Amendment to a Special Use Permit and Authorizing the Construction of a Detached Accessory Structure Serving an Existing Daycare Facility at 5633 Dempster Street in Morton Grove, IL.**
 - a. He explained that David Clatch, on behalf of Poko Loko School, Inc. ("Applicant") had submitted a complete Special Use Permit application to the Village, which was reviewed under Case PC 26-05, requesting an amendment to the existing Special Use Permit to authorize the construction of a detached accessory structure at 5633 Dempster Street, which is part of an expansion of the existing daycare operations located at 5641-49 Dempster. The daycare facility's common address is 5645 Dempster Street.
 - b. The Applicant is proposing to amend the Special Use Permit granted and amended under Ordinances 14-07, 17-25, 25-03, and 26-05 to allow for the construction of a storage building.

XI. **TRUSTEES' REPORTS** (continued)

F. Trustee White: (continued)

- c. The storage building will complement current daycare operations. In 2024, the Applicant sought amendment under Case PC 24-09 to authorize the installation of a playground, open space, and an accessory parking lot on the subject property to serve the existing daycare. The expansion was approved by Ordinance 25-03. At the time, a storage building was contemplated as part of the project, but no plans were submitted. This request will approve plans for and authorize construction of the accessory storage building. The Applicant is seeking a waiver of 1.81 feet to allow the detached accessory structure to be located within a 5-foot required interior side yard.
- d. On April 2, 2026, the Appearance Commission reviewed Case PC 26-05, issued an Appearance Certificate, and recommended approval of the Application. The requirement for review by the Traffic Safety Commission was waived due to the project's insignificant impact on the community from a traffic safety perspective, as authorized by Section 12-16-4:A.2. On April 21, 2026, the Application was presented to the Plan Commission, at which time, based on the Application, staff report, and testimony provided at the public hearing, the Plan Commission voted unanimously to recommend approval of the amendment to the Special Use Permit with conditions relating to final design and permitting.

Trustee White said, as this is a first reading of this Ordinance, no action will be taken tonight.

XII. **WARRANTS**

Trustee Khan presented the Warrant Register for May 12, 2026, in the amount of \$2,436,421.92. She moved to approve the Warrants as presented, seconded by Trustee Travis.

Motion passes: 6 ayes, 0 nays.

Tr. Khan aye
Tr. Thill aye

Tr. Minx aye
Tr. Travis aye

Tr. Shiba aye
Tr. White aye

XIII. **OTHER BUSINESS**

NONE

XIV. **RESIDENTS' COMMENTS**

NONE

XV.

ADJOURNMENT

There being no further business before the Board, Trustee Minx moved to adjourn the meeting, seconded by Trustee Travis.

Motion passes unanimously via voice vote.

The meeting adjourned at 7:13 p.m.

PASSED this 26th day of May 2026.

Trustee Khan	_____
Trustee Minx	_____
Trustee Shiba	_____
Trustee Thill	_____
Trustee Travis	_____
Trustee White	_____

APPROVED by me this 26th day of May 2026.

Janine Witko, Village President
Board of Trustees, Morton Grove, Illinois

APPROVED and FILED in my office this 27th day of May 2026.

Eileen Scanlon Harford, Village Clerk
Village of Morton Grove, Cook County, Illinois

Minutes by Teresa Cousar

Proclamation

Village of Morton Grove

WHEREAS, June 2026 marks the 57th annual celebration of Pride Month throughout the United States to embrace diversity, and recommit our efforts to advance inclusion and prevent discrimination against LGBTQ+ individuals; and

WHEREAS, LGBTQ+ people are important and respected members of our community. They are our family members, friends, and neighbors and they make invaluable contributions to the cultural, civic, and economic success of the Village of Morton Grove; and

WHEREAS, the Village of Morton Grove's tagline "Incredibly Close and Amazingly Open" underscores our collective resolve to work together with all members of our community to facilitate open relationships and foster a safe and welcoming environment for our residents and visitors regardless of age, race, religion, marital status, national origin, gender, sexual orientation, or physical challenges; and

WHEREAS, the Mayor and Board of Trustees of the Village of Morton Grove believe all our residents should feel valued, safe, empowered and supported by their peers, educators, community leaders and the community at large, without regard to sexual orientation, gender identity, or expression; and

WHEREAS, the Village of Morton Grove salutes "Morton Grove Pride" a group of residents that have a planned a series of events this month celebrating the diversity of our community and encourages residents to learn about and support these events by visiting the organization's website at <https://mortongrovepride.org/>; and

NOW THEREFORE, I, Janine Witko, Mayor of the Village of Morton Grove, do hereby proclaim the month of June 2026, as

PRIDE MONTH
in the Village of Morton Grove

FURTHER, I urge all residents to join with the Village Board and me to eliminate discrimination wherever it exists, to accept all people for who they are and who they love, and to honor our diversity by celebrating our LGBTQ+ family, friends, and neighbors.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the seal of the Village of Morton Grove.

Janine Witko, Village President

Legislative Summary

Resolution 26-35

AUTHORIZING A PROFESSIONAL SERVICE AGREEMENT WITH HR GREEN, INC. FOR THIRD-PARTY REVIEW SERVICES FOR CLEARWAVE FIBER DEPLOYMENT

Introduction:	May 26, 2026
Purpose:	To authorize the Village Administrator to negotiate and to execute a contract with HR Green for third-party engineering services associated with fiber optic cable installation by Clearwave Fiber.
Background:	<p>Clearwave Fiber (Clearwave) is authorized by Resolution 25-59 to install a telecommunication system within the Village. Clearwave intends to apply for permits to install 34 miles of fiber optic cable initially to provide internet services to residential customers and later, possibly, to businesses. Clearwave has advised the Village that it plans to divide the installation work into nine permit applications of approximately equal length. The review, approval, and inspection of 34 miles of fiber-optic cable exceeds the capacity of the Public Works Engineering Division to complete in a timely manner. The telecommunications use agreement requires Clearwave to reimburse the Village for third-party permit review and construction inspection service costs.</p> <p>Public Works staff solicited proposals from three engineering firms to provide design review and construction inspection services and received two proposals. HR Green, Inc., was selected based on their project approach and experience working with Clearwave on three projects in the Chicagoland area, and their capacity to manage and complete the scope of work required. The current scope of work for HR Green, Inc., is based on information submitted by Clearwave and reasonable expectations for permit review and will be refined as needed to accommodate Village requirements and procedures before finalizing.</p>
Departs Affected	Department of Public Works
Fiscal Impact:	There is no fiscal impact to the Village. Estimated fees associated with this contract will be collected from Clearwave prior to incurring costs and the surplus balance refunded to Clearwave following successful completion of their improvements.
Source of Funds:	Deposit account
Workload Impact:	The Department of Public Works will manage and implement the project as part of its normal work activities.
Administrator Recommendation	Approval as presented
Second Reading:	Not Required
Special Requirements:	None

Submitted by: Charles L. Meyer, Village Administrator
Reviewed by: Hanna Sullivan, Director of Finance
Reviewed by: Teresa Hoffman Liston, Corporation Counsel
Reviewed by: Mike Lukich, Director of Public Works
Prepared by: Chris Tomich, Village Engineer

RESOLUTION 26-35

AUTHORIZING A PROFESSIONAL SERVICE AGREEMENT WITH HR GREEN, INC. FOR THIRD-PARTY REVIEW SERVICES FOR CLEARWAVE FIBER DEPLOYMENT

WHEREAS, the Village of Morton Grove (Village), located in Cook County, Illinois, is a home rule unit of government under the provisions of Article 7 of the 1970 Constitution of the State of Illinois, can exercise any power and perform any function pertaining to its government affairs, including but not limited to the power to tax, purchase, and incur debt; and

WHEREAS, Resolution 25-59 approved a telecommunication use agreement for the use of Village right-of-way with Delta Communications, LLC d/b/a Clearwave Fiber (Clearwave); and

WHEREAS, Clearwave has informed the Village that they plan to install 34 miles of fiber-optic cable; and

WHEREAS, Clearwave has informed the Village it plans to divide the work into nine permit applications of approximately equal length; and

WHEREAS, the review, approval, and construction inspection services for the installation of 34 miles of fiber-optic cable, along with the division's other responsibilities, exceed the capacity of the Department of Public Works Engineering Division in a timely manner, and therefore third-party professional services are needed for this work; and

WHEREAS, the telecommunications use agreement requires Clearwave to reimburse the Village for third-party permit review and construction inspection service costs; and

WHEREAS, the Department of Public Works staff requested a proposal from three firms; and

WHEREAS, two firms submitted proposals and one firm declined; and

WHEREAS, the proposal from HR Green (Exhibit "A") was selected as the most qualified based upon an understanding of the scope of work and experience working with Clearwave on three other projects in the Chicagoland area; and

WHEREAS, the proposal price for permit review estimates is \$40,000 based on 200 hours of work, \$40,000 based on 200 hours of construction inspection, and \$20,000 for project management; and

WHEREAS, the permit review estimate is based on information submitted by Clearwave and reasonable expectations for the permit review and construction inspection services, but may need to be adjusted after the permits are submitted; and

WHEREAS, both firms submitting proposals highlighted that there are some unknowns in the level of effort in the construction inspection based upon the performance of Clearwave and the expectations of the Village and its affected residents that could be improved with broader coordination of the three parties; and

WHEREAS, Clearwave expressed their intention to construct the full scope of improvements in 2026 and are delayed from beginning construction by the coordination of the permitting process and third-party review; and

WHEREAS, Village staff believes it is practical to establish a scope of work for permit reviews and negotiate construction inspection following more coordination among the three parties; and

WHEREAS, funding for the above work will be taken from a deposit to be furnished by Clearwave and will not pass through the Village's 2026 Adopted Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MORTON GROVE, COOK COUNTY, ILLINOIS AS FOLLOWS:

SECTION 1: The Corporate Authorities do hereby incorporate the foregoing **WHEREAS** clauses into this Resolution as though fully set forth therein thereby making the findings as hereinabove set forth.

SECTION 2: The Village Administrator is authorized to finalize the negotiation of the agreement with HR Green substantially conforming to the terms included in Exhibit "A" for permit review and project management in the amount not to exceed \$100,000.

SECTION 3: The Village Administrator is authorized to finalize the negotiation of the agreement with HR Green substantially conforming to the terms included in Exhibit "A" for construction inspection in an amount the Village Administrator considers to be fair and reasonable for the anticipated level of service.

SECTION 4: The Village Administrator and Finance Director are hereby authorized to collect from Clearwave third-party review fees in a deposit account in an amount equal to the contract amount authorized with HR Green, Inc. and shall compel Clearwave to maintain a positive balance in the deposit account at all times to provide third-party permit review and construction inspection services for the facilities to be installed by Clearwave.

SECTION 5: The Village Administrator and Director of Public Works or their designees are authorized to take all steps necessary to implement the contract with HR Green, Inc.

SECTION 6: This Resolution shall be in full force and effect upon its passage and approval.

Passed this 26th day of May 2026

Trustee Khan _____

Trustee Minx _____

Trustee Shiba _____

Trustee Thill _____

Trustee Travis _____

Trustee White _____

Approved by me this 26th day of May 2026

Janine Witko, Village President
Village of Morton Grove
Cook County, Illinois

Attested and Filed in my office this
27th day of May 2026

Eileen Scanlon Harford, Village Clerk
Village of Morton Grove
Cook County, Illinois

Exhibit "A"



▶ 1391 Corporate Dr Suite 203
McHenry, IL 60050
Main (815) 385-1778
▶ HRGREEN.COM

April 6, 2026

Village of Morton Grove
Chris Tomich
Village Engineer
6101 Capulina Avenue
Morton Grove, IL 60053

Re: Proposal for ISP Permit Review and Construction Observation Services – Clearwave Fiber Deployment

Dear Village of Morton Grove Team,

Thank you for the opportunity to submit this proposal. We understand that the Village is preparing for a significant infrastructure project, with Clearwave intending to install 34 miles of fiber throughout approximately two-thirds of the Village limits. Given the Village's past challenges with telecommunications providers, we are prepared to provide professional services to provide the "teeth" necessary to protect your municipal assets.

Our Approach: The Public-Private Translator

HR Green occupies a unique space between the public and private sectors. We do not just review plans; we act as "translators" between the rapid deployment goals of ISPs and the strict regulatory, safety, traffic and restoration mandates of local Public Works and Engineering departments.

Our approach for Morton Grove is centered on **volume control and preemptive problem-solving**. We recognize that program management and conflict resolution is about understanding the specific language of the City Engineer—focusing on Right-of-Way (ROW) protection, utility clearance, and public safety. By conducting thorough office and "plan-in-hand" reviews, we prompt Clearwave to address foreseeable construction hurdles before they ever mobilize to the site. This proposal includes weekly inspections and bi-weekly construction progress meetings.

HR Green utilizes log and meetings system. The logs record permit applications (anticipating nine), citizen complaints and contractor RFIs. In the log, we document who each line item is sent to and what resolution is reached.

This approach has been very successful in communities across the Country and many cities and Villages in the greater Chicago area. Currently, we are providing very similar services with the same costs in Mokena, Lemont, Oak Forest, Manteno, etc.

Exhibit "A"



Scope of Services

1. Program Management

We will provide comprehensive plan management to serve as the Village's primary point of contact for this 34-mile deployment.

- **Stakeholder Coordination:** Managing communication between the Village, Clearwave, and other impacted stakeholders to ensure transparency.
- **Schedule Oversight:** Monitoring project milestones to keep the deployment on track while ensuring the Village has adequate time for internal reviews.
- **Policy Enforcement:** Ensuring all permit approvals include enforceable standards ("teeth") to minimize infrastructure damage.
- **Tracking Logs:** Permit steps, citizen issues and RFIs from contractors will be tracked in a log spreadsheet.

2. Permit Review

Our technical review process is designed to provide the necessary detail in the permit, so that it can be built exactly as proposed.

- **Permit Detail:** The combination of HR Green permit review and field verification of details (with the Village representative, HR Green technician and Clearwave field personnel) before permit approval, will provide permit detail for what will be built (providing a standard to be met).
- **Utility Clearance Verification:** We will enforce the Village's clearance hierarchy: 1. Water, 2. Sanitary/Combined, 3. Storm, and 4. Street Lighting. We will aim for the desired 5-foot clearance in most locations, with a strict minimum of 3 feet.
- **Alignment Optimization:** We will prioritize fiber alignments under sidewalks (near the ROW line) to avoid Village utilities and protect future water main replacements.
- **Review Layers:** Every permit will undergo both an office review and a "plan-in-hand" field review to confirm that alignments are feasible and field-verified.
- **Restoration Standards:** We will ensure plans include turning points in grass areas where possible and mandate the replacement of entire sidewalk panels rather than undermining them.

3. Construction Observation

We will provide construction oversight (roughly eight hours per week) to ensure field activities match the approved plans.

Exhibit "A"



- **Field Verification:** Conducting field construction progress meetings, spot checking construction and helping coordinate field issues is an important part of the project. We cannot have a field inspection person on-site full time, but an oversight schedule can help to align construction with approved permits. This is also needed for coordination of cabinet placement.
- **Traffic Control Compliance:** We will verify that two-way traffic is maintained at all times, with flaggers used during work hours and unrestricted access for emergency response and night-time traffic.
- **Pavement & Sidewalk Restoration:** Our observers will ensure that any disturbed sidewalk is replaced as a whole panel and that pavement disturbances are minimized, moving away from keyhole potholing toward more permanent patching methods.
- **Vegetation Restoration:** HR Green field personnel will document restoration and escalate any restoration that is not done timely or to Village standards.
- **Citizen Concerns:** Clearwave has a customer service portal for construction issues. HR Green will work on behalf of the Village to document and follow up citizen complaints to ensure the complaints are addressed.
- **ADA Standards:** We will confirm that any disturbed curb ramps are upgraded to fully comply with current accessibility requirements.

Project Costs

Task	Fee
Program Management	\$20,000 – 100 hours of permit and process coordination
Permit Review	\$40,000 – 200 hours of permit review
Construction Observation	\$40,000 – 200 hours of weekly inspection and bi-weekly construction progress meetings
Total Project Cost	\$100,000

There are two important details related to these estimated costs:

Exhibit "A"



▶ Village of Morton Grove, IL
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April 6, 2026

1. HR Geen charges hourly. Therefore, if these hours are not needed, they will not be billed. If, at some point, it appears more hours will be needed, we will give the Village advanced notice to discuss and amendment.
2. It is our understanding and expectation that our costs will be paid by the Village but passed through to the ISP. Therefore, these costs should ultimately paid by the permittee.

We are ready to respond immediately to help Morton Grove streamline this digital infrastructure expansion while protecting the integrity of your Village.

Sincerely,

HR Green, Inc.

A handwritten signature in black ink, appearing to be 'KD' or similar initials, written over a horizontal line.

Ken Demlow, Senior Project Manager
Fiber and Broadband

Accepted by:

The Village of Morton Grove, IL

Chris Tomich
Morton Grove Village Engineer

Legislative Summary

Resolution 26-36

**AUTHORIZING THE CONTRACT FOR THE PURCHASE AND INSTALLATION OF
A DIESEL GENERATOR WITH CUMMINS INC., FOR THE DEPARTMENT OF PUBLIC
WORKS FACILITY**

Introduction:	May 12, 2026
Purpose:	To authorize the Village Administrator to execute a contract with Cummins Inc. of Staples, Minnesota, and Columbus, Indiana, to purchase and install a stationary generator dedicated to the Public Works facility.
Background:	<p>The Department of Public Works Facilities Division oversees the emergency standby generators that serve municipal facilities. Public Works utilizes a mobile generator for emergency standby power. This unit has the capability to power both fire stations and pumping stations by hooking up to quick-connect tap boxes installed at each of these facilities if their generator fails during a power outage. Public Works staff have identified a need to replace the Public Works mobile generator with a stationary unit dedicated to Public Works. This will eliminate the scenario in which Public Works is without emergency power if the mobile unit is needed at another facility. The mobile unit will be retained and staged for operational readiness as needed.</p> <p>The purchase and installation of the new generator was competitively bid through the Sourcewell Procurement Agency, Contract #092222-CMN (Refer to Exhibit A).</p> <p>This contract must conform to the requirements of the Prevailing Wage Act.</p>
Departs Affected	Department of Public Works
Fiscal Impact:	\$233,340.00
Source of Funds:	2026 General Funds Capital Improvement to Buildings Account Numbers 02-80-24-57-1032
Workload Impact:	The Department of Public Works, as part of its regular work, will manage and implement the project.
Administrator Recommendation	Approval as presented
Second Reading:	Not Required
Special Requirements:	None

Submitted by: Charles L. Meyer, Village Administrator
Reviewed by: Hanna Sullivan, Director of Finance
Reviewed by: Teresa Hoffman Liston, Corporation Counsel
Reviewed by: Mike Lukich, Director of Public Works
Prepared by: Bill Burns, Superintendent of Facilities

RESOLUTION 26-36

AUTHORIZING THE CONTRACT FOR THE PURCHASE AND INSTALLATION OF A DIESEL GENERATOR WITH CUMMINS INC., FOR THE DEPARTMENT OF PUBLIC WORKS FACILITY

WHEREAS, the Village of Morton Grove (Village), located in Cook County, Illinois, is a home rule unit of government under the provisions of Article 7 of the 1970 Constitution of the State of Illinois, can exercise any power and perform any function pertaining to its government affairs, including but not limited to the power to tax, purchase, and incur debt; and

WHEREAS, the Department of Public Works facility, designated a critical village facility, uses a mobile generator to provide emergency standby power during electrical power outages; and

WHEREAS, this mobile generator also serves as the emergency backup generator if the emergency standby generators at the village's fire station 4, fire station 5, north pumping station, or south pumping station fail during a power outage; and

WHEREAS, the Public Works facility would be without power during a power outage if the other critical facilities of higher priority require the mobile generator to be transferred to that village facility; and

WHEREAS, Public Works staff identified a need for a stationary generator dedicated solely to serving the public works facility, should the mobile generator be required at another location; and

WHEREAS, Public Works will retain possession of the mobile generator to serve as the backup generator for the village's fire stations, pumping stations, and the public works facility in the event any of the other emergency standby generators fail during a power outage; and

WHEREAS, the purchase and installation services for the public works generator replacement project were competitively bid through the Sourcewell Procurement Agency, contract # 092222-CMM (Exhibit A); and

WHEREAS, Sourcewell Procurement Agency offers leveraged bulk purchasing and workload sharing to reduce the purchase cost of equipment, products, or services to eligible municipal government entities; and

WHEREAS, cooperative purchasing is authorized by the state of Illinois Governmental Joint Purchasing Act, 30 ILCS525/0.01, et seq., and the Village of Morton Grove Municipal Code; and

WHEREAS, Cummins Inc., a Sourcewell Procurement Agency participating vendor, provided a proposal for the generator and its installation in the amount of \$233,340.00 (Exhibit B); and

WHEREAS, references provided by Cummins Inc. were investigated and are favorable; and

WHEREAS, this contract must conform to the requirements of the Prevailing Wage Act; and

WHEREAS, funding for the above work is available in the 2026 Adopted Budget General Funds Capital Improvements to Buildings Account Numbers 02-80-24-57-1032.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MORTON GROVE, COOK COUNTY, ILLINOIS AS FOLLOWS:

SECTION 1: The Corporate Authorities do hereby incorporate the foregoing **WHEREAS** clauses into this Resolution as though fully set forth therein, thereby making the findings as hereinabove set forth.

SECTION 2: The Corporate Authorities accept the bid of Cummins Inc. of 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479, and Cummins Inc., 500 Jackson Street, Box 3005, Columbus, Indiana. 47201 in the amount of \$233,340.00.

SECTION 3: The Village Administrator is hereby authorized to execute a contract with Cummins Inc. for Public Works Generator Replacement Project in the amount of \$233,340.00.

SECTION 4: The Village Administrator and Director of Public Works or their designees are authorized to take all steps necessary to implement the contract with Cummins Inc.

SECTION 5: This Resolution shall be in full force and effect upon its passage and approval.

Passed this 26th day of May 2026

Trustee Khan _____

Trustee Minx _____

Trustee Shiba _____

Trustee Thill _____

Trustee Travis _____

Trustee White _____

Approved by me this 26th day of May 2026

Janine Witko, Village President
Village of Morton Grove
Cook County, Illinois

Attested and Filed in my office this
27th day of May 2026

Eileen Scanlon Harford, Village Clerk Village of
Morton Grove
Cook County, Illinois

**Solicitation Number: RFP #092222****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Cummins Inc., 500 Jackson Street, Box 3005, Columbus, IN 47201 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Electrical Energy Power Generation Equipment with Related Parts, Supplies, and Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires November 22, 2026, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer used, close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** All equipment purchased pursuant to this Contract is governed by the express written manufacturer's warranty (the "Warranty") and is the only warranty offered on the equipment. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THE WARRANTY, THERE ARE NO OTHER WARRANTIES, GUARANTEES, OR REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES PROVIDED IN THE WARRANTY SHALL BE THE SOLE AND EXCLUSIVE REMEDY FOR BREACH OF WARRANTY. Supplier further warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcwell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcwell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. **SALES TAX.** Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. **HOT LIST PRICING.** At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This

approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. **PARTICIPATION.** Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. **PUBLIC FACILITIES.** Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. **ORDERS AND PAYMENT.** To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcwell for this Contract and must provide prompt notice to Sourcwell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. **BUSINESS REVIEWS.** Supplier must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. **CONTRACT SALES ACTIVITY REPORT.** Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcwell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed

assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any third party claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any negligent act or omission or willful misconduct in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. To the maximum extent permitted by law, in no event will Supplier be liable under this Contract for consequential, incidental, or special damages, including without limitation any lost opportunity damages or lost profits, or savings, loss of use, loss of data, or downtime, even if it has been advised of their possible existence. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell

under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
 - b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.
3. *Use; Quality Control.*
 - a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
 - b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.
4. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed

work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. **REQUIREMENTS.** At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage
\$1,000,000 Personal and Advertising Injury
\$2,000,000 aggregate for products liability-completed operations
\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability.* During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:

\$2,000,000 per claim or event

\$2,000,000 – annual aggregate

6. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to

laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to

the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

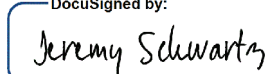
T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

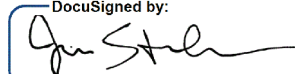
22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.


Sourcewell

Cummins Inc.

DocuSigned by:

By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 11/17/2022 | 3:50 PM CST

DocuSigned by:

By: 8AEAAAB1D1E4348F...
James Stalnaker
Title: National Accounts Sales Director
Date: 11/17/2022 | 2:02 PM PST

Approved:

DocuSigned by:

By: 7E42B8F817A64CC...
Chad Coauette
Title: Executive Director/CEO
Date: 11/17/2022 | 6:54 PM CST

RFP 092222 - Electrical Energy Power Generation Equipment with Related Parts, Supplies, and Services

Vendor Details

Company Name: Cummins Inc.
Does your company conduct business under any other name? If yes, please state: CSSNA
Address: 500 Jackson Street
Columbus, Indiana 47201
Contact: Kirk Adams
Email: kirk.e.adams@cummins.com
Phone: 612-270-5540
Fax: 612-270-5540
HST#: 35-0267090

Submission Details

Created On: Friday August 05, 2022 13:41:52
Submitted On: Thursday September 22, 2022 08:52:00
Submitted By: Kirk Adams
Email: kirk.e.adams@cummins.com
Transaction #: eb41a4b1-f681-44bc-af26-16fc920a2e26
Submitter's IP Address: 155.190.17.4

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Cummins Inc.
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Cummins Power Systems Cummins Distribution Business
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	Cummins Sales and Service North America (CSSNA). Cummins Southern Plains Power
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Cage Code 0H229 SAM Registration 7PYM2 [80155845]
5	Proposer Physical Address:	500 Jackson Street Box 3005 Columbus, IN 47201
6	Proposer website address (or addresses):	www.Cummins.com
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	James Stalnaker National Accounts Sales Director james.l.stalnaker@cummins.com 503-972-6609
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Kirk Adams Sales Executive 18008 82nd Ave North Maple Grove, MN 55311 kirk.e.adams@cummins.com 612-270-5540
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Jaime Ferguson Account Manager - Government Sales jamie.ferguson@cummins.com 612-201-3468

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>Cummins Inc. Establish in 1919, is a 100 year old American multinational corporation that designs, manufactures, and distributes engines, filtration, and power generation products. Headquartered in Columbus Indiana, Cummins has 14 consecutive years on Ethisphere World's Most Ethical Companies list. Our mission is "Making people's lives better by powering a more prosperous world." Our vision is "Innovating for our customers to power their success".</p> <p>Our values are as follows: INTEGRITY - Doing what you say you will do and doing what is right DIVERSITY AND INCLUSION - Valuing and including our differences in decision making is our competitive advantage CARING - Demonstrating awareness and consideration for the wellbeing of others EXCELLENCE - Always delivering superior results TEAMWORK - Collaborating across teams, functions, businesses and borders to deliver the best work</p>
11	What are your company's expectations in the event of an award?	To work with Sourcewell to grow our sales to Sourcewell Members by providing superior products and services at the best price.
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	See attached 2021 Annual Report. Cummins ranks 149 in the S&P 500
13	What is your US market share for the solutions that you are proposing?	Approx 35-40% market share
14	What is your Canadian market share for the solutions that you are proposing?	Approx 25% market share
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No
16	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>Cummins is a vertically integrated manufacturer that owns its sales distribution and service network. Cummins Sales and Service operate across 200 + branch location in the US and Canada. Cummins is unique in our industry as we own our North American distribution. All other competitors sell through 3rd party independent dealers and resellers. We believe by owning our distribution and service network this gives Cummins a competitive advantage as our goal is to optimize and standardize our network to deliver superior products and services to deliver a superior customer experience across the US and Canada</p>
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Cummins requires all field service technicians to be trained and certified through its internal training program. Technician levels are grades 1 thru 4 with 4 being the highest level certification.
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	None

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
19	Describe any relevant industry awards or recognition that your company has received in the past five years	Cummins' rank on Newsweek's list of America's Most Responsible Companies (2021) Cummins received a perfect score for a 10th consecutive year in the Corporate Equality Index awarded by the Human Rights Campaign. The group is the largest U.S. civil rights organization for lesbian, gay, bisexual and transgender (LGBT) employees. Forbes magazine's list of the Top 25 Employers in America. The list was based on a survey of more than 20,000 American workers at large U.S. firms or institutions. Cummins was named one of the Top 50 Companies for Diversity by Diversity Inc magazine for a ninth consecutive year. Cummins ranked 21st on the magazine's list.
20	What percentage of your sales are to the governmental sector in the past three years	Approx 50%
21	What percentage of your sales are to the education sector in the past three years	Approx 25%
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Currently we have Sourcwell (Approx \$5-6M annual sales), HGAC (Approx \$500K annual sales. Equalis (\$0 sales to date).
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	We are currently in process of resubmitting to GSA.

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcwell participating entities.

Entity Name *	Contact Name *	Phone Number *
Municipal Engineer/Director of Public Works Township of West Orange	Leonard R. Lepore, P.E.	(973) 325-4160
West New York Board of Education	Jackie Zois	201-553-4000 Ext 30027
Burlington Township NJ	George Coolidge	(609) 239-5880
City of Vineland	Mercado Miguel	(856) 794-4040

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
US Army	Government	District of Columbia - DC	AAMPS (Advanced Medium Mobile Power Program)	\$ 1M avg sale	\$100M	*
US Airforce	Government	District of Columbia - DC	BEAR (Basic Expeditionary Airfield Resource)	\$850,000 avg sale	\$50 M	*
Schools at all levels of education in all 50 states and Canadian Provinces	Education	Alabama - AL	Approx 25% of Cummins Sales occur to Educational customers.	\$ 75k avg sale	\$1B	*
State Gov't in all 50 states and Canada Provinces	Government	Alabama - AL	Approx 25% of Cummins Sales occur to State Government entities	\$100K avg sale	\$1B	*
Non Profits in all 50 states and Canadian Provinces	Non-Profit	Alabama - AL	Approx 10% of Cummins Sales occur to Non-Profits	\$ 50K avg sale	\$50M	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	Approx 350 Power Generation sales professionals, supported by Project Managers and Service personnel	*
27	Dealer network or other distribution methods.	Cummins operates globally across 190 countries. In North America we conduct business as "Cummins Sales and Service Norther America (CSSNA). In North America we have sales and service personnel operating across 230 branch and parts distribution centers. We feel this gives us strategic control over inventories, parts stocking, and deployments of service personnel that is unique in our industry.	*
28	Service force.	<p>Approx 3400 certified technicians operating across 230 branch/parts/service centers. Our goal is nothing short of service excellence. Service is critical to our business model and that can only be achieved by "continuous improvement" . This applies from response times to parts or service deliveries. In short, doing what we say, when we say, all the time.</p> <p>FOUR POINTS OF THE SERVICE VALUE PROPOSITION</p> <ol style="list-style-type: none"> 1. Repair Velocity – Enhance Uptime for the Customer. Extensive logistics network provides the availability of parts necessary to deliver timely repairs 2. Repair Quality – Peace of Mind. Our extensive experience dedicated to the Cummins products makes us the service experts. Best-in-class training programs for technicians. 3. Service Excellence – Reliability and Consistency Predictive maintenance solutions utilize data and analytics to preempt failures before they occur. 4. Service Innovation – Flexibility and Creativity. Technicians that remain onsite at customers' places of business and are dedicated to specific customers• Bumper to bumper service capabilities. 	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Orders will be handled by the local CSSNA sales team. The Sourcewell member need simply connect with the national account manager. The account manager will then reach out to the local sales to contact the member. The local sales rep will connect with the Sourcewell member and work with them on product configuration, local codes and standards, application, commissioning and preventative maintenance options.	*
30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Cummins Sales and Service is committed to providing exceptional sales, service and parts support and preventative maintenance programs for all Cummins engines, generators, and related components. Staffed by Cummins trained and certified professionals, our facilities provide 24/7 emergency call-out service 365 days a year. Our promise is to deliver exceptional products, dependable service, and reliable support, when and where you need it. Our goal is to keep your equipment on the job and operating at its peak efficiency. Please visit our locations page (https://salesandservice.cummins.com/locations)	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	100% - Our goal is keep you equipment operating at peak efficiency.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	100% - Our goal is keep you equipment operating at peak efficiency.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	None.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	None	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	None	*

Table 7: Marketing Plan

Line Item	Question	Response *
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Sourcewell members are our customers. The difference is that we have historically followed the bid/spec process required by state law or policy. We educate and promote Sourcewell to our regional sales teams as a stream-lined process for these existing customers. Enclosed is a sample presentation that we have been presenting quarterly to educate our regional sales teams since 2020.
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Cummins uses several different types of digital medium. 1.) CRM - Salesforce based - used to track all customer contact, quotations, orders, project status, billing etc. It is how we track all Sourcewell member projects. 2.) Landing Page - # of hits, indication if our market message/strategy is working. 3.) Cummins Web Page - free access to Technical documentation (PowerSuite) and Application/Technical Seminars (PowerHour)) 4.) WWW.Cummins.com A free, industry leading online tool for power system product sizing and specification generation Targeted Digital - Healthcare/Data Centers/Education/Government Landing Pages - Market specific targeting Flyers - Product Brochures, White papers on application Branch Signage - Local advertising Internal Communication - Focused meetings on specific markets and customers Trade Shows
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	The Sourcewell material is excellent in communicating advantages to members. We simply use that material to educate and inform our own sales force on the advantage to end users. We have also participated in regional events and to learn more about Sourcewell and its members. Customer / Project Tracking - Cummins requires all customer projects be logged into our CRM (SalesForce). We established a tracking mechanism for all Sourcewell quotations / projects. We also require all Sourcewell projects to have specific naming convention as a secondary process check. The CRM tracks from quote to win-loss to project status through closure.
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	We use and support several different procurement portals such as Ariba, Oracle, etc

Table 8: Value-Added Attributes

Line Item	Question	Response *
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40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>Cummins offers an excellent technical platform that is free to all customers (see below). In addition, we offer fee-based hands-on Preventative Maintenance training to customers that can be tailored to their needs.</p> <p>Any customer can 1-800-Cummins for service or tech support.</p> <p>In addition, there are free online technical resources available to any customer. These include both live and pre-recorded sessions such as:</p> <p>PowerHour: topic examples</p> <ul style="list-style-type: none"> Features of Generator Set Control Based Paralleling NFPA 110 Time to Readiness NEC Code Changes for Emergency Power Systems Specifying Gaseous Generator Sets Introduction to Generator Set Sizing Software Emissions and Air Permitting for Emergency Generator Sets Transfer Switch Operation and Application Paralleling Solutions Generator Set Overcurrent Protection Power Ratings for Emergency Generator Sets Importance and Benefit of Selective Coordination <p>To access the recorded webinars on-demand and download presentations, visit www.Cummins.com. Also, anyone can subscribe to receive PowerHour invitations.</p> <p>Power Suite™ offers the following tools and resources:</p> <ul style="list-style-type: none"> GenSize™ - Sizing tool to optimize generator sizing and load profile recommendations GenCalc™ - Tools to calculate a range of project parameters including ventilation, short circuit, exhaust pressure, remote cooling and fuel pipe sizing GenSpec™ - Specification development tool to provide a sample specifications for North American and European based applications for Generator Set, ATS and Paralleling applications Tech Library - Technical catalog consisting of specification sheets, data sheets, and drawings for Generator sets, ATS, Remote Monitoring, Networking and Paralleling applications Accredited Continuing Education - Programs that offer educational seminars and webinars to grow your technology and fulfill your continuing professional development requirements
41	Describe any technological advances that your proposed products or services offer.	<p>Cummins is a world leader in emissions technology, was the first to introduce micro-processor based genset controls and its ATS products have the highest interrupt ratings in the industry.</p> <p>Our sales and service personnel are trained and certified to ensure customers receive professional care.</p>
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>Cummins is committed to its Planet 2050 Zero Emissions Strategy. The following are 2030 goals to help achieve that strategy:</p> <ul style="list-style-type: none"> Reduce absolute greenhouse gas (GHG) emissions from facilities and operations by 50%. Reduce scope 3 absolute lifetime GHG emissions from newly sold products by 25%. Partner with customers to reduce scope 3 GHG emissions from products in the field by 55 million metric tons. Reduce volatile organic compounds emissions from paint and coating operations by 50%. Create a circular lifecycle plan for every part to use less, use better, use again. Generate 25% less waste in facilities and operations as percent of revenue. Reuse or responsibly recycle 100% of packaging plastics and eliminate single-use plastics in dining facilities, employee amenities and events. Reduce absolute water consumption in facilities and operations by 30%.
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>There are two key certifying entities that are important to our industry and our customers. EPA and UL. All Cummins products are EPA certified for emissions compliance. All products are also UL Listed and tested.</p> <p>In addition, Cummins has been named one of the world's top 100 organizations innovating for a better environmental future based on a review of the company's "Green Patent Portfolio."</p> <p>The ranking in Sagacious IP's GREEN100 Index follows Cummins' record year for global patents of all types in 2020. The company received 312 global patents that year, topping its previous record of 287 reached in 2017. That's a nearly 9% improvement over Cummins' previous record and a more than 12% increase over 2019.</p>

44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	In concert with the Women's Business Enterprise National Council (WBENC), Cummins is proud to be included on the 20th annual list of America's Top Corporations for Women's Business Enterprises (WBEs), the only national award honoring corporations for world-class supplier diversity programs that reduce barriers and drive growth for women-owned businesses. As the only national award honoring corporations who choose to incorporate policies and programs to enable growth and reduce barriers for women-owned businesses, Cummins is committed to increasing opportunity in markets both domestically and internationally, fueling innovation and empowering communities through economic growth and job creation. WBENC is the largest third-party certifier of businesses owned, controlled, and operated by women in the United States.	*
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Cummins is a well known supplier to most Sourcewell members. Cummins is unique in that it owns its North American distributors. Which means members are dealing with Cummins Inc and not a 3rd party dealer or LLC. This gives Cummins direct control over is sales and service organizations. We feel this is a tremendous advantage to Sourcewell members	*

Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	Cummins offers a 2 year comprehensive warranty. Additional coverage is available past the 2 years	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	None as long as the product is applied properly and routine maintenance is performed. It would exclude normal wear items such as belts, hoses, filters	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	No	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Cummins covers any products supplied by us. If there happened to be 3rd party supplier involved that would be handled internally by Cummins so that end users would not be burdened by that issue	*
51	What are your proposed exchange and return programs and policies?	Cummins does not exchange or accept returned products. In the rare case there is an issue, Cummins will fix in place or replace if the product is still under warranty. We can also provide assistance to facilitate used equipment sales or trade ins.	*
52	Describe any service contract options for the items included in your proposal.	Cummins offers multiple Preventative Maintenance contract options. It really depends upon the application and/or customer requested service.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
53	Describe your payment terms and accepted payment methods.	Net 30 days. Standard commercial purchase order and invoice
54	Describe any leasing or financing options available for use by educational or governmental entities.	None at this time
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	We would provide a commercial quotation in accordance with Sourcwell contract terms. If requested we could also provide a Preventative Maintenance agreement based upon customer application/needs
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcwell participating entities for using this process?	Yes, we accept P-card and there is no fee.

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcwell Price and Product Change Request Form.

Line Item	Question	Response *
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcwell discounted price) on all of the items that you want Sourcwell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Cummins has eliminated MSRP and List pricing for Commercial products. What we propose is a cost plus fixed mark-up on all Cummins content. In essence, instead of going from MSRP with a discount to achieve a target margin. We go from cost to achieve the target margin.
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Cummins will offer a member price that is approx 6% below Fair Market Value. The sales person will be allowed to go lower than that price if required.
59	Describe any quantity or volume discounts or rebate programs that you offer.	None. Most transactions are one-off product or project
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	All Cummins pricing is based upon a target margin from cost (cost plus). We would maintain that target margin on all Cummins content. We would also offer discounts on any service requested.
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Our quotation would include all required items, less installation, that are required to fulfill the project requirements. Itemized pricing is available so that all product and services quoted are accounted for and open for review/discussion.
62	If freight, delivery, or shipping is an additional cost to the Sourcwell participating entity, describe in detail the complete freight, shipping, and delivery program.	Cummins quote if based upon FOB factory with Freight allowed to first point of destination in the contiguous 48 states. There may be potential freight charges on 3rd party content, if required.
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Freight is allowed to the first destination in the contiguous 48 states. There would be additional cost for any offshore deliveries. We could coordinate shipment or the customer could use their own freight forwarder. There would be no freight charge to the first port in the contiguous US.
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	While none are offered in the proposal, we do have freight options for additional cost. Dedicated truck, tandem drivers, etc

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Sourcewell members would receive approx 6% lower prices than Fair market value

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	All projects are logged into the Cummins CRM software tool (Salesforce). This tool tracks from inquiry to won/loss to internal project status and finally won project closed. Project status "closed" is the primary sort and this determines the total quarterly sales to members. That sales total (closed in the quarter) is what is used to calculate the Sourcewell fee.
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Please see CRM Sourcewell Report. Quarterly sales are tracked in the CRM. These includes the number of open opportunities, projects won, projects lost, projects closed.
68	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	1.5% of whole goods sales

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	All commercial generator products diesel and natural gas/propane from 10kw to 3.5MW. and Automatic Transfer Switches (ATS) 40 amps to 4000 amps. These are shown by model # on the pricing sheets
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Sub categories are parts, accessories, Eng-to-Order solutions. See price sheets

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
71	Stationary electrical generation systems, backup or standby generator sets, mobile and ground power units, and trailer mounted generators	<input checked="" type="radio"/> Yes <input type="radio"/> No	Product range is 10-3.5mw
72	Parts and accessories, including enclosures, fuel tanks, automatic transfer switches, paralleling equipment, switch gears, connection boxes, controls, alarm modules, batteries, block heaters, and networking tools	<input checked="" type="radio"/> Yes <input type="radio"/> No	All standard options in our offering
73	Related services, including design, customization, engineering, commissioning, installation, delivery, maintenance, repair, training and operation, service and maintenance agreements, decommissioning and repurposing, custom shop work, and rental services	<input checked="" type="radio"/> Yes <input type="radio"/> No	Cummins is not in the rental business, however, we do sell rental products.

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Pricing](#) - Sourcewell final pricing submission.pdf - Tuesday September 20, 2022 11:21:31
- [Financial Strength and Stability](#) - 2022-02-03_Cummins_Reports_Fourth_Quarter_and_Full_Year_2021__546 (1).pdf - Monday August 08, 2022 09:02:52
- [Marketing Plan/Samples](#) - Sourcewell GPO Training.pdf - Tuesday September 20, 2022 13:04:49
- [WMBE/MBE/SBE or Related Certificates](#) - Awards.PNG - Monday August 29, 2022 15:02:03
- [Warranty Information](#) - Warranty - Commercial Generators.pdf - Monday August 29, 2022 14:49:07
- [Standard Transaction Document Samples](#) - Sample - Sourcewell Project Tracking .xlsx - Thursday September 22, 2022 08:51:01
- [Upload Additional Document](#) - PowerSuite and Power Hour - On line tech training and documentation.pdf - Thursday September 08, 2022 10:41:06

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Kirk Adams, Sr. Account Executive – National Accounts, Cummins Inc. (dba Cummins Sales and Service North America)

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_4_Electrical_Energy_Power_Generation_Equipment_RFP_092222 Fri September 9 2022 09:10 AM	<input checked="" type="checkbox"/>	1
Addendum_3_Electrical_Energy_Power_Generation_Equipment_RFP_092222 Tue September 6 2022 02:37 PM	<input checked="" type="checkbox"/>	1
Addendum_2_Electrical_Energy_Power_Generation_Equipment_RFP_092222 Wed August 31 2022 07:52 AM	<input checked="" type="checkbox"/>	1
Addendum 1_Electrical_Energy_Power_Generation_Equipment_RFP_092222 Wed August 10 2022 11:35 AM	<input checked="" type="checkbox"/>	1

**AMENDMENT #1
TO
SOURCEWELL CONTRACT #092222-CMM**

THIS AMENDMENT, effective upon the date of the last signature below, is by and between **Sourcewell** and **Cummins Inc.** (Supplier).

Sourcewell entered into a Contract, 092222-CMM, with Supplier to provide Electrical Energy Power Generation Equipment with Related Parts, Supplies, and Services, effective November 17, 2022.

Supplier has requested to modify the Contract.

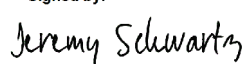
NOW, THEREFORE, the parties amend the Contract to add the following:

Article 23. Limitation of Liability

Notwithstanding any other term of this Contract, and to the maximum extent permitted by applicable law, in no event shall Supplier, its officers, directors, employees, or agents be liable to the Participating Entity or any third party, whether in contract, tort, or under any other legal theory (including, without limitation, strict liability or negligence), for any indirect, incidental, special, punitive, liquidated, or consequential damages of any kind. This includes, without limitation, damages for downtime, loss of profits or revenue, lost rents, loss of data, loss of opportunity, damage to goodwill, enhanced damages, monetary claims relating to recall expenses, or property repairs, and/or damages attributable to delay—even if Supplier has been advised of the possibility of such damages.

Notwithstanding any other provision of this Contract, and to the maximum extent permitted by law, the total cumulative liability of Supplier to the Participating Entity or any third party claiming through or on behalf of the Participating Entity shall not exceed one million dollars (\$1,000,000.00 USD), unless a different liability cap is expressly agreed to in writing between the Supplier and the Participating Entity pursuant to a purchase order or other authorized transaction documentation. Nothing in this Contract shall exclude or limit liability for death or personal injury caused by a party’s gross negligence or willful misconduct, or for liability arising from a party’s fraud, knowing misrepresentation, or violation of applicable law. By accessing this Contract, a Participating Entity acknowledges that its sole and exclusive remedy against Supplier for any loss or damage shall be as expressly provided in this section.

Except as amended, the Contract remains in full force and effect.

Sol ^{Signed by:}

By: C0FD2A139D06489...
Jeremy Schwartz
Chief Operating and Procurement Officer

Cun ^{Signed by:}

By: F3403D8BD0F34E6...
Brian Hargrave
National Account Sales Director – PG

Date: 8/4/2025 | 6:45 PM CDT

Date: 8/5/2025 | 5:04 AM PDT



Cummins Sourcewell Member ID: 092222-CMM

December 31, 2025

Prepared by

Paul Hoogervorst
Senior Sales Executive - PG
ho930@cummins.com

We are pleased to provide you this quotation based on your inquiry.

Item	Description	Qty
1	DQDAB, Genset, Configurable Diesel 275DQDAB, Diesel Genset, 60Hz, 275kW Duty Rating - Standby Power (ESP) Emission Certification, EPA, Tier 3, NSPS CI Stationary Emergency Listing - UL 2200 Exciter/Regulator - Permanent Magnet Generator, 3 Phase Sensor Voltage - 277/480, 3 Phase, Wye, 4 Wire Alternator - 60Hz, 12 Lead, Extended Range, 125/105C Steel Sound Attenuated Level 1 Enclosure, with Exhaust System Enclosure Color - Green, Steel Rain Hood - Cooling Air Inlet Fuel Tank - Sub Base, 400 Gallon, UL142 Compliant Listing, ULC - S601-07 Fuel Water Separator Control Mounting - Left Facing PowerCommand 2.3 Controller Analog Meters - AC Output AmpSentry™ UL Listed Protective Relay Stop Switch - Emergency Stop Switch - Emergency, Externally Mounted Control Display Language - English Circuit Breaker or Entrance Box or Terminal Box - Right Only Circuit Breaker or Entrance Box or Terminal Box, Left - None Circuit Breaker - 400A, Right Circuit Breaker on Right side, 3 - Pole, UL 600, IEC 690 100% Load Connections Left Side - None Circuit Breaker or Entrance Box - Bottom Entry, Right Side Engine Governor - Electronic, Isochronous Engine Starter - 24 Volt DC Motor Engine Air Cleaner - Normal Duty Battery Charging Alternator External Battery Charger - 12 Amp, Regulated Engine Cooling - Radiator, High Ambient Air Temperature, Ship Fitted Shutdown - Low Coolant Level Engine Coolant - 50% Antifreeze, 50% Water Mixture	1



Cummins Sourcewell Member ID: 092222-CMM

	Coolant Heater - 240V, Single Phase Engine Oil Genset Warranty - 2 Years Base Literature - English	
2	Annunciator-Panel Mounted With Enclosure (RS485)	1
3	Freight to site	1
4	<p>Installation</p> <p>Install a new 275kw diesel generator and associated equipment as provided by Cummins Sales and Service.</p> <p>Generator is based on a Cummins DQDAB diesel generator and fuel tank.</p> <p>Existing transfer switch and tap box to be reused.</p> <p>Supply and install a new 400a 480v 3 phase 4 wire nema 3R manual transfer switch on exterior of building.</p> <p>Relocate existing tap box and incorporate it with new transfer switch and existing transfer switch.</p> <p>Install new annunciator panel by existing automatic transfer switch.</p> <p>Install all concrete and excavation for a new pad installed on top of existing concrete pad.</p> <p>New conduits to be routed underground.</p> <p>Accept delivery of generator and set on pad with crane.</p> <p>Assist Cummins sales and service with start up of generator</p> <p>Pipe and wire sized as needed.</p> <p>No additional bollards included.</p> <p>Diesel by owner.</p> <p>No performance bond included.</p> <p>No Scada contractor work included in this quote.</p> <p>All work to be done during normal work hours.</p> <p>Contractor registration and permit application included. No drawings included if necessary.</p> <p>Warranty of one year for electrical labor and material. Generator warranty as shown in generator bill of materials</p>	1
5	Cummins Site Start Up and Batteries	1
6	Cummins 2 Hr Site Load Bank Test	1

TOTAL: \$233,340.00

Quote value does not include any tax.

EXCEPTIONS AND CLARIFICATIONS:

Payments to be made every 30 days as job progresses.

This bid is based on current material prices and may need to be adjusted at time of work. Any alterations or additions involving extra cost will be executed only upon written orders and will become an extra charge over and above the estimate

Fuel and permits, unless listed above, is not included.

Cummins Standard Start-up and testing is included. Additional tests, such as NETA testing, if required, is by others

Coordination Study not provided.



Cummins Sourcewell Member ID: 092222-CMM

Please feel free to contact me if you require any additional information; or if you have any further questions or concerns that I may be of assistance with.

Thank you for choosing Cummins.

Submitted by:

Paul Hoogervorst

Paul Hoogervorst
Senior Sales Executive - PG
ho930@cummins.com

SUBMITTALS. An order for the equipment covered by this quotation will be accepted on a hold for release basis. Your order will not be released and scheduled for production until written approval to proceed is received in our office. Such submittal approval shall constitute acceptance of the terms and conditions of this quotation unless the parties otherwise agree in writing.

THERE ARE ADDITIONAL CONTRACT TERMS AND CONDITIONS ATTACHED TO THIS QUOTATION, INCLUDING LIMITATIONS OF WARRANTIES AND LIABILITIES, WHICH ARE EXPRESSLY INCORPORATED HEREIN. BY ACCEPTING THIS QUOTATION, CUSTOMER ACKNOWLEDGES THAT THE CONTRACT TERMS AND CONDITIONS HAVE BEEN READ, FULLY UNDERSTOOD AND ACCEPTED.

Authorized Signature

Date

Company Name

Printed Name & Title

Purchase Order No

<Rest of the page is intentionally left blank>



Cummins Sourcewell Member ID: 092222-CMM
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TERMS AND CONDITIONS FOR SALE OF POWER GENERATION EQUIPMENT

These Terms and Conditions for Sale of Power Generation Equipment, together with the quote ("Quote"), sales order ("Sales Order"), and/or credit application ("Credit Application") on the front side or attached hereto, are hereinafter collectively referred to as this "Agreement" and shall constitute the entire agreement between the customer identified in the Quote ("Customer") and Cummins Inc. ("Cummins") and supersede any previous representation, statements, agreements or understanding (oral or written) between the parties with respect to the subject matter of this Agreement. Customer shall be deemed to have made an unqualified acceptance of these Terms and Conditions and it shall become a binding agreement between the parties on the earliest of the following to occur: (i) Cummins' receipt of Customer's purchase order or purchase order number; (ii) Customer's signing or acknowledgment of this Agreement; (iii) Cummins' release of equipment to production pursuant to Customer's oral or written instruction or direction; (iv) Customer's payment of any amounts due to Cummins; or (v) any other event constituting acceptance under applicable law. No prior inconsistent course of dealing, course of performance, or usage of trade, if any, constitutes a waiver of, or serves to explain or interpret, the Terms and Conditions set forth in this Agreement. Electronic transactions between Customer and Cummins will be solely governed by the Terms and Conditions of this Agreement, and any terms and conditions on Customer's website or other internet site will be null and void and of no legal effect on Cummins. In the event Customer delivers, references, incorporates by reference, or produces any purchase order or document, specifications, agreement (whether upstream or otherwise), or any other terms and conditions related thereto, then such specifications, terms, document, or other agreement: (i) shall be null and void and of no legal effect on Cummins, and (ii) this Agreement shall remain the governing terms of the transaction.

1. SCOPE. Cummins shall supply power generation equipment and any related parts, materials and/or services expressly identified in this Agreement (collectively, "Equipment"). No additional services, parts or materials are included in this Agreement unless mutually agreed upon by the parties in writing. A Sales Order for Equipment is accepted on a hold for release basis. The Sales Order will not be released and scheduled for production until written approval to proceed is received from Customer. A Quote is limited to the plans and specifications section specifically referenced in the Quote. No other sections shall apply. Additional requirements for administrative items may require additional costs. The Quote does not include off unit wiring, off unit plumbing, offloading, rigging, installation, exhaust insulation or fuel, unless otherwise stated and mutually agreed to in writing by the parties. Unless otherwise agreed by Cummins in writing, this Quote is valid for a maximum period of thirty (30) days from the date appearing on the first page of this Quote ("Quote Validation Period"). At the end of the Quote Validation Period, this Quote will automatically expire unless accepted by Customer prior to the end of the Quote Validation Period. The foregoing notwithstanding, in no event shall this Quote Validation Period be deemed or otherwise considered to be a firm offer period nor to establish an option contract, and Cummins hereby reserves its right to revoke or amend this Quote at any time prior to Customer's acceptance.

2. SHIPPING; DELIVERY; DELAYS. Unless otherwise agreed in writing by the parties, Equipment shall be delivered FOB origin, freight prepaid to first destination. For consumer and mobile products, freight will be charged to Customer. Unless otherwise agreed to in writing by the parties, packaging method, shipping documents and manner, route and carrier and delivery shall be as Cummins deems appropriate. Cummins may deliver in installments. The purchase of Equipment is a "take or pay" obligation on the part of the Customer, such that Customer is absolutely and irrevocably required to accept and pay for the Equipment if delivery or pick-up of Equipment is delayed, deferred, or refused by Customer beyond thirty (30) days from the agreed upon delivery date. In the event Customer fails to take any or all shipments of Equipment ordered hereunder within thirty (30) days of the agreed upon delivery date, Cummins shall have the right to invoice the Customer and, upon Cummins' sole discretion, Cummins may either: (i) deliver the Equipment to the location indicated on Customer's purchase order (regardless of whether Customer elected to pick up the Goods at Cummins' facility or otherwise indicated an alternate delivery method), and Customer shall assume all associated delivery costs incurred by Cummins, or (ii) charge storage fees for the additional inventory holding period, the additional inventory holding period not to exceed one hundred twenty (120) days from the agreed upon delivery date, unless otherwise agreed by Cummins in writing. A storage fee of two thousand five hundred dollars (\$2,500.00) or two percent (2%) of the total quoted amount, whichever is greater, shall be assessed for any Equipment whose delivery or pick-up is delayed, deferred, or refused by Customer beyond thirty (30) days from the agreed upon delivery date. Unless otherwise agreed by Cummins in writing, in the event delivery or pick-up of Equipment is delayed, deferred, or refused by Customer beyond one hundred twenty (120) days from the agreed upon delivery or pick-up date, or date of completion of Services, then Cummins has the right, in its sole discretion, to: (i) tow, remove, or otherwise dispose of the unclaimed Equipment in accordance with applicable abandonment laws, and/or (ii) make the Equipment available for auction or sale to other customers or to the public, or (iii) otherwise use, destroy, or recycle the Equipment at Customer's sole cost and expense. The foregoing remedies shall be without prejudice to Cummins' right to pursue other remedies available under the law, including without limitation, recovery of costs and/or losses incurred due to the storage, auction, sale, destruction, recycling, or otherwise of the Equipment. Offloading, handling, and placement of Equipment and crane services are the responsibility of Customer and not included unless otherwise stated. All shipments are made within normal business hours, Monday through Friday. Any delivery, shipping, installation, or performance dates indicated in this Agreement are estimated and not guaranteed. Further, delivery time is subject to confirmation at time of order and will be in effect after engineering drawings have been approved for production. Cummins shall use commercially reasonable efforts to meet estimated dates, but shall not be liable to customer or any third party for any delay in delivery, shipping, installation, or performance, however occasioned, including any delays in performance that result directly or indirectly from acts of Customer or any unforeseen event, circumstance, or condition beyond Cummins' reasonable control including, but not limited to, acts of God, actions by any government authority, civil strife, fires, floods,



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windstorms, explosions, riots, natural disasters, embargos, wars, strikes or other labor disturbances, civil commotion, terrorism, sabotage, late delivery by Cummins' suppliers, fuel or other energy shortages, or an inability to obtain necessary labor, materials, supplies, equipment or manufacturing facilities. *AS A RESULT OF COVID-19 RELATED EFFECTS OR INDUSTRY SUPPLY CHAIN DISRUPTIONS, TEMPORARY DELAYS IN DELIVERY, LABOR OR SERVICES FROM CUMMINS AND ITS SUB-SUPPLIERS OR SUBCONTRACTORS MAY OCCUR. AMONG OTHER FACTORS, CUMMINS' DELIVERY OBLIGATIONS ARE SUBJECT TO CORRECT AND PUNCTUAL SUPPLY FROM OUR SUB-SUPPLIERS OR SUBCONTRACTORS, AND CUMMINS RESERVES THE RIGHT TO MAKE PARTIAL DELIVERIES OR MODIFY ITS LABOR OR SERVICE. WHILE CUMMINS SHALL MAKE COMMERCIALY REASONABLE EFFORTS TO MEET THE DELIVERY, SERVICE OR COMPLETION OBLIGATIONS SET FORTH HEREIN, SUCH DATES ARE SUBJECT TO CHANGE. IN THE EVENT DELIVERY, SHIPPING, INSTALLATION, OR PERFORMANCE IS DELAYED, HOWEVER OCCASIONED, DUE TO EVENTS BEYOND CUMMINS' REASONABLE CONTROL, THEN THE DATE OF DELIVERY, SHIPPING, INSTALLATION, OR PERFORMANCE FOR THE EQUIPMENT OR SERVICES SHALL BE EQUITABLY EXTENDED FOR A PERIOD EQUAL TO THE TIME LOST, PLUS REASONABLE RAMP-UP.*

3. PAYMENT TERMS; CREDIT; RETAINAGE. Unless otherwise agreed to by the parties in writing and subject to credit approval by Cummins, payments are due thirty (30) days from the date of the invoice. If Customer does not have approved credit with Cummins, as solely determined by Cummins, payments are due in advance or at the time of supply of the Equipment. If payment is not received when due, in addition to any rights Cummins may have at law, Cummins may charge Customer eighteen percent (18%) interest annually on late payments, or the maximum amount allowed by law. Customer agrees to pay Cummins' costs and expenses (including reasonable attorneys' fees) related to Cummins' enforcement and collection of unpaid invoices, or any other enforcement of this Agreement by Cummins. Retainage is not acceptable nor binding, unless required by statute or accepted and confirmed in writing by Cummins prior to shipment. All sales are subject to Customer's ongoing credit approval. While Cummins may initially extend Net 30 payment terms upon Cummins' approval of Customer's credit application, Cummins reserves the right to reassess Customer's creditworthiness at any time prior to shipment. If, in Cummins' sole discretion, Customer's financial condition weakens or otherwise declines, Customer has past due invoices with Cummins, or Cummins otherwise determines that extending credit terms is no longer commercially reasonable, Cummins may, upon notice to Customer, (i) require full or partial payment in advance, (ii) require an alternative form of security satisfactory to Cummins, including but not limited to a letter of credit or payment bond, or (iii) withhold shipment until such payment or security is provided. Cummins shall not be liable for any delays or damages resulting from the enforcement of this provision. If Customer fails to make any payments to Cummins when due and payable, and such failure continues for more than sixty (60) days from the date of the invoice, or less if required by applicable law, then Cummins may, at Cummins' sole discretion and without prejudice to any other rights or remedies, either (i) terminate this Agreement; or (ii) postpone delivery of any undelivered Equipment in Cummins' possession and/or suspend its services until payment for unpaid invoices is received.

4. TAXES; EXEMPTIONS. Unless otherwise stated, the Quote excludes all applicable local, state and federal sales and/or use taxes, permits and licensing. Customer must provide a valid resale or exemption certificate prior to shipment of Equipment or applicable taxes will be added to the invoice.

5. TITLE; RISK OF LOSS. Unless otherwise agreed in writing by the parties, title and risk of loss for the Equipment shall pass to Customer upon delivery of the Equipment by Cummins to freight carrier or to Customer at pickup at Cummins' facility.

6. INSPECTION AND ACCEPTANCE. Customer shall inspect the Equipment upon delivery, before offloading, for damage, defects, and shortage. Any and all claims which could have been discovered by such inspection shall be deemed absolutely and unconditionally waived unless noted by Customer on the bill of lading. Where Equipment is alleged to be non-conforming or defective, written notice of defect must be given to Cummins within three (3) days from date of delivery after which time Equipment shall be deemed accepted. Cummins shall have a commercially reasonable period of time in which to correct such non-conformity or defect. If non-conformity or defect is not eliminated to Customer's reasonable satisfaction, Customer may reject the Equipment (but shall protect the Equipment until returned to Cummins) or allow Cummins another opportunity to undertake corrective action. In the event startup of the Equipment is included in the services, acceptance shall be deemed to have occurred upon successful startup.

7. LIEN; SECURITY AGREEMENT. Customer agrees that Cummins retains all statutory lien rights. To secure payment, Customer grants Cummins a Purchase Money Security Interest in the Equipment. If any portion of the balance is due to be paid following delivery, Customer agrees to execute and deliver such security agreement, financing statements, deed of trust and such other documents as Cummins may request from time to time in order to permit Cummins to obtain and maintain a perfected security interest in the Equipment; or in the alternative, Customer grants Cummins a power of attorney to execute and file all financing statements and other documents needed to perfect this security interest. Cummins may record this Agreement, bearing Customer's signature, or copy of this Agreement in lieu of a UCC-1, provided that it shall not constitute an admission by Cummins of the applicability or non-applicability of the UCC nor shall the failure to file this form or a UCC-1 in any way affect, alter, or invalidate any term, provision, obligation or liability under this Agreement. The security interest shall be superseded if Customer and Cummins enter into a separate security agreement for the Equipment. Prior to full payment of the balance due, Equipment will be kept at Customer's location noted in this Agreement, will not be moved without prior notice to Cummins, and is subject to inspection by Cummins at all reasonable times.

8. CANCELLATION; CHARGES. Orders placed with and accepted by Cummins may not be cancelled except with Cummins' prior written consent. If Customer seeks to cancel all or a portion of an order placed pursuant to this Agreement, and Cummins accepts such cancellation in whole or in part, Customer shall be assessed cancellation charges as follows: (i) 10% of total order price if cancellation is received in Cummins' office after Cummins has provided submittals and prior to releasing equipment to be manufactured; (ii) 25% of



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total order price if cancellation is received in Cummins' office after receipt of submittal release to order, after receipt of a purchase order for a generator already on order with the factory, or after Cummins is asked to make any hardware changes to the equipment already on order with the factory; (iii) 50% of total order price if cancellation is received in Cummins' office sixty (60) or fewer days before the scheduled shipping date on the order; or (iv) 100% of total order price if cancellation is received in Cummins' office after the equipment has shipped from the manufacturing plant.

9. TERMINATION. Cummins may, at any time, terminate this Agreement for convenience upon sixty (60) days' written notice to Customer. If the Customer defaults by (i) breaching any term of this Agreement, (ii) becoming insolvent or declared bankrupt, or (iii) making an assignment for the benefit of creditors, Cummins may, upon written notice to Customer, immediately terminate this Agreement. Upon such termination for default, Cummins shall immediately cease any further performance under this Agreement, without further obligation or liability to Customer, and Customer shall pay Cummins for any Equipment or services supplied under this Agreement, in accordance with the payment terms detailed in Section 3. If a notice of termination for default has been issued and is later determined, for any reason, that the Customer was not in default, the rights and obligations of the parties shall treat the termination as a termination for convenience.

10. MANUALS. Unless otherwise stated, electronic submittals and electronic operation and maintenance manuals will be provided, and print copies may be available upon Customer's request at an additional cost.

11. TRAINING; START UP SERVICES; INSTALLATION. Startup services, load bank testing, and owner training are not provided unless otherwise stated. Site startup will be subject to the account being current and will be performed during regular Cummins business hours, Monday to Friday. Additional charges may be added for work requested to be done outside standard business hours, on weekends, or holidays. One visit is allowed unless specified otherwise in the Quote. A minimum of two-week prior notice is required to schedule site startups and will be subject to prior commitments and equipment and travel availability. A signed site check sheet confirming readiness will be required, and Cummins personnel may perform an installation audit prior to the startup being completed. Any issues identified by the installation audit shall be corrected at the Customer's expense prior to the start-up. Portable load banks for site test (if offered in the Quote) are equipped with only 100 feet of cable. Additional lengths may be arranged at an extra cost. Cummins is not responsible for any labor or materials charged by others associated with start-up and installation of Equipment, unless previously agreed upon in writing. Supply of fuel for start-up and/or testing, fill-up of tank after start up, or change of oil is not included unless specified in the Quote. All installation/execution work at the site including, but not limited to: civil, mechanical, electrical, supply of wall thimbles, exhaust extension pipe, elbows, hangers, expansion joints, insulation and cladding materials, fuel/oil/cooling system piping, air ducts, and louvers/dampers is not included unless specified in the Quote. When an enclosure or sub-base fuel tank (or both) are supplied, the openings provided for power cable and fuel piping entries, commonly referred to as "stub-ups", must be sealed at the site by others before commissioning. All applications, inspections and/or approvals by authorities are to be arranged by Customer.

12. MANUFACTURER'S WARRANTY. Equipment purchased hereunder is accompanied by an express written manufacturer's warranty ("Warranty") and, except as expressly provided in this Agreement, is the only warranty offered on the Equipment. A copy of the Warranty is available upon request. While this Agreement and the Warranty are intended to be read and applied in conjunction, where this Agreement and the Warranty conflict, the terms of the Warranty shall prevail.

13. WARRANTY PROCEDURE. Prior to the expiration of the Warranty, Customer must give notice of a warrantable failure to Cummins and deliver the defective Equipment to a Cummins location or other location authorized and designated by Cummins to make the repairs during regular business hours. Cummins shall not be liable for towing charges, maintenance items such as oil filters, belts, hoses, etc., communication expenses, meals, lodging, and incidental expenses incurred by Customer or employees of Customer, "downtime" expenses, overtime expenses, cargo damages and any business costs and losses of revenue resulting from a warrantable failure.

14. LIMITATIONS ON WARRANTIES.

THE REMEDIES PROVIDED IN THE WARRANTY AND THIS AGREEMENT ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES PROVIDED BY CUMMINS TO THE CUSTOMER UNDER THIS AGREEMENT. EXCEPT AS SET OUT IN THE WARRANTY AND THIS AGREEMENT, AND TO THE EXTENT PERMITTED BY LAW, CUMMINS EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, AND CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY STATUTORY OR COMMON LAW IMPLIED REPRESENTATIONS, WARRANTIES AND CONDITIONS OF FITNESS FOR A PURPOSE OR MERCHANTABILITY. The limited warranty does not cover Equipment failures resulting from: (a) inappropriate use relative to designated power rating; (b) inappropriate use relative to application guidelines; (c) inappropriate use of an EPA-SE application generator set relative to EPA's standards; (d) normal wear and tear; (e) improper and/or unauthorized installation; (f) negligence, accidents, or misuse; (g) lack of maintenance or unauthorized or improper repair; (h) noncompliance with any Cummins published guideline or policy; (i) use of improper or contaminated fuels, coolants, or lubricants; (j) improper storage before and after commissioning; (k) owner's delay in making Equipment available after notification of potential Equipment problem; (l) replacement parts and accessories not authorized by Cummins; (m) use of battle short mode; (n) owner or operator abuse or neglect such as: operation without adequate coolant, fuel, or lubricants; over fueling; over speeding; lack of maintenance to lubricating, fueling, cooling, or air intake systems; late servicing and maintenance; improper storage, starting, warm-up, running, or shutdown practices, or for progressive damage resulting from a defective shutdown or warning device; or (o) damage to parts, fixtures, housings, attachments and accessory items that are not part of the generating set.



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15. INDEMNITY. Customer shall indemnify, defend and hold harmless Cummins from and against any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, brought against or incurred by Cummins related to or arising out of this Agreement or the Equipment supplied under this Agreement (collectively, the "Claims"), where such Claims were caused or contributed to by, in whole or in part, the acts, omissions, fault or negligence of the Customer. Customer shall present any Claims covered by this indemnity to its insurance carrier unless Cummins directs that the defense will be handled by Cummins' legal counsel at Customer's expense.

16. LIMITATION OF LIABILITY

NOTWITHSTANDING ANY OTHER TERM OF THIS AGREEMENT, IN NO EVENT SHALL CUMMINS, ITS OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY, WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER LEGAL THEORY (INCLUDING, WITHOUT LIMITATION, STRICT LIABILITY OR NEGLIGENCE), FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, LIQUIDATED, OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION DOWNTIME, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, LOSS OF OPPORTUNITY, DAMAGE TO GOODWILL, ENHANCED DAMAGES, MONETARY REQUESTS RELATING TO RECALL EXPENSES AND REPAIRS TO PROPERTY, AND/OR DAMAGES CAUSED BY DELAY), OR IN ANY WAY RELATED TO OR ARISING FROM CUMMINS' SUPPLY OF EQUIPMENT UNDER THIS AGREEMENT OR THE USE OR PERFORMANCE OF EQUIPMENT SUPPLIED UNDER THIS AGREEMENT. IN NO EVENT SHALL CUMMINS' LIABILITY TO CUSTOMER OR ANY THIRD PARTY CLAIMING DIRECTLY THROUGH CUSTOMER OR ON CUSTOMER'S BEHALF UNDER THIS AGREEMENT EXCEED THE TOTAL COST OF EQUIPMENT SUPPLIED BY CUMMINS UNDER THIS AGREEMENT GIVING RISE TO THE CLAIM. BY ACCEPTANCE OF THIS AGREEMENT, CUSTOMER ACKNOWLEDGES CUSTOMER'S SOLE REMEDY AGAINST CUMMINS FOR ANY LOSS SHALL BE THE REMEDY PROVIDED HEREIN.

17. DEFAULT; REMEDIES. Customer shall be in breach and default if: (a) any of the payments or amounts due under this Agreement are not paid; (b) Customer fails to comply, perform, or makes any misrepresentation relating to any of the Customer's obligations or covenants under this Agreement; or (c) prior to full payment of the balance due, Customer ceases to do business, becomes insolvent, makes an assignment for the benefit of its creditors, appoints a receiver, commences an action for dissolution or liquidation, or becomes subject to bankruptcy proceedings, or the Equipment is attached, levied upon, seized under legal process, is subjected to a lien or encumbrance, or transferred by operation of law or otherwise to anyone other than Cummins. Upon the occurrence of any event of Customer's default, Cummins, at its sole option and without notice, shall have the right to exercise concurrently or separately any one or all of the following remedies, which shall be cumulative and not alternative: (a) to declare all sums due, and to become due, under this Agreement immediately due and payable; (b) to commence legal proceedings, including collection actions and specific performance proceedings, to enforce performance by Customer of any and all provisions of this Agreement, and to be awarded damages or injunctive relief for the Customer's breach; (c) to require the Customer to deliver the Equipment to Cummins' branch specified on the face of this Agreement; (d) to exercise one or more of the rights and remedies available to a secured party under applicable law; and (e) to enter, without notice or liability or legal process, onto any premises where the Equipment may be located, using force permitted by law, and there to disconnect, remove and repossess the Equipment, the Customer having waived further right to possession after default. A waiver of any event of default by Cummins shall not be a waiver as to any other or subsequent default.

18. CUSTOMER REPRESENTATIONS; RELIANCE. Customer is responsible for obtaining, at its cost, permits, import licenses, and other consents in relation to the Equipment, and if requested by Cummins, Customer shall make these permits, licenses, and consents available to Cummins prior to shipment. Customer represents that it is familiar with the Equipment and understands operating instructions and agrees to perform routine maintenance services. Until the balance is paid in full, Customer shall care for the Equipment properly, maintain it in good operating condition, repair and appearance; and Customer shall use it safely and within its rated capacity and only for purpose it was designed. Even if Customer's purchase of Equipment from Cummins under this Agreement is based, in whole or in part, on specifications, technical information, drawings, or written or verbal advice of any type from third parties, Customer has sole responsibility for the accuracy, correctness and completeness of such specifications, technical information, drawings, or advice. Cummins make no warranties or representations respecting the accuracy, correctness and completeness of any specifications, technical information, drawings, advice or other information provided by Cummins. Cummins makes no warranties or representations respecting the suitability, fitness for intended use, compatibility, integration or installation of any Equipment supplied under this Agreement. Customer has sole responsibility for intended use, for installation and design and performance where it is part of a power, propulsion, or other system. Limitation of warranties and remedies and all disclaimers apply to all such technical information, drawings, or advice. Customer acknowledges and agrees by accepting delivery of the Equipment that the Equipment purchased is of the size, design, capacity and manufacture selected by the Customer, and that Customer has relied solely on its own judgment in selecting the Equipment.

19. CONFIDENTIALITY. Each party shall keep confidential any information received from the other that is not generally known to the public and at the time of disclosure, would reasonably be understood by the receiving party to be proprietary or confidential, whether disclosed in oral, written, visual, electronic, or other form, and which the receiving party (or agents) learns in connection with this Agreement including, but not limited to: (a) business plans, strategies, sales, projects and analyses; (b) financial information, pricing, and fee structures; (c) business processes, methods, and models; (d) employee and supplier information; (e) specifications; and (f) the terms



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and conditions of this Agreement. Each party shall take necessary steps to ensure compliance with this provision by its employees and agents.

20. GOVERNING LAW, VENUE, AND JURISDICTION. This Agreement and all matters arising hereunder shall be governed by, interpreted, and construed in accordance with the laws of the State of Indiana without giving effect to any choice or conflict of law provision. The parties agree that the federal and state courts of the State of Indiana shall have exclusive jurisdiction over, regarding, or relating to any dispute or claim arising in connection with this Agreement or any related matter, and hereby waive any right to claim such forum would be inappropriate, including concepts of forum non conveniens.

21. INSURANCE. Upon Customer's request, Cummins will provide to Customer a Certificate of Insurance evidencing Cummins' relevant insurance coverage.

22. ASSIGNMENT. This Agreement shall be binding on the parties and their successors and assigns. Customer shall not assign this Agreement without the prior written consent of Cummins.

23. INTELLECTUAL PROPERTY. Any intellectual property rights created by either party, whether independently or jointly, in the course of the performance of this Agreement or otherwise related to Cummins pre-existing intellectual property or subject matter related thereto, shall be Cummins' property. Customer agrees to assign, and does hereby assign, all right, title, and interest to such intellectual property to Cummins. Any Cummins pre-existing intellectual property shall remain Cummins' property. Nothing in this Agreement shall be deemed to have given Customer a license or any other rights to use any of the intellectual property rights of Cummins.

24. PRICING. To the extent allowed by law, actual prices invoiced to Customer may vary from the price quoted at the time of order placement, as the same will be adjusted for prices prevailing on the date of shipment due to economic and market conditions at the time of shipment. Subject to local laws, Cummins reserves the right to adjust pricing on goods and services due to input and labor cost changes and/or other unforeseen circumstances beyond Cummins' control.

25. TARIFF AND DUTY SURCHARGES. In addition to any adjustments otherwise provided for in this Agreement, in the event of any increase in the cost of purchased materials due to the impact of any tariffs, duties, levies, or similar government charges ("Tariffs") in effect during the term of this Agreement, the parties agree that such increases shall be passed through directly to the Customer effective immediately upon Cummins' notice to the Customer of such increases. The Customer shall pay Tariff-related increases within thirty (30) days of receipt of invoice.

26. MISCELLANEOUS. Cummins shall be an independent contractor under this Agreement. All notices under this Agreement shall be in writing and be delivered personally, mailed via first class certified or registered mail, or sent by a nationally recognized express courier service to the addresses set forth in this Agreement. No amendment of this Agreement shall be valid unless it is writing and signed by an authorized representative of the parties hereto. Failure of either party to require performance by the other party of any provision hereof shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver by a party of a breach of any of the provisions hereof constitute a waiver of any succeeding breach. Any provision of this Agreement that is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms hereof. These terms are exclusive and constitute the entire agreement. Customer acknowledges that the provisions were freely negotiated and bargained for, and Customer has agreed to purchase of the Equipment pursuant to these Terms and Conditions. Acceptance of this Agreement is expressly conditioned on Customer's assent to all such Terms and Conditions. Neither party has relied on any statement, representation, agreement, understanding, or promise made by the other except as expressly set out in this Agreement. In the event Cummins incurs additional charges hereunder due to the acts or omissions of Customer, the additional charges will be passed on to the Customer, as applicable. Headings or other subdivisions of this Agreement are inserted for convenience of reference and shall not limit or affect the legal construction of any provision hereof. The Parties' rights, remedies, and obligations under this Agreement which by their nature are intended to continue beyond the termination or cancellation of this Agreement, including but not limited to the Section 16. Limitation of Liability provision contained herein, shall survive the expiration, termination, or cancellation of this Agreement.

27. COMPLIANCE. Customer shall comply with all laws applicable to its activities under this Agreement, including, without limitation, any and all applicable federal, state, and local anti-bribery, environmental, health, and safety laws and regulations then in effect. Customer acknowledges that the Equipment, and any related technology that are sold or otherwise provided hereunder may be subject to export and other trade controls restricting the sale, export, re-export and/or transfer, directly or indirectly, of such Equipment or technology to certain countries or parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States, the United Kingdom and other jurisdictions. It is the intention of Cummins to comply with these laws, rules, and regulations. Any other provision of this Agreement to the contrary notwithstanding, Customer shall comply with all such applicable all laws relating to the cross-border movement of goods or technology, and all related orders in effect from time to time, and equivalent measures. Customer shall act as the importer of record with respect to the Equipment and shall not resell, export, re-export, distribute, transfer, or dispose of the Equipment or related technology, directly or indirectly, without first obtaining all necessary written permits, consents, and authorizations and completing such formalities as may be required under such laws, rules, and regulations. In addition, Cummins has in place policies not to distribute its products for use in certain countries based on applicable laws and regulations including but not limited to UN, U.S., UK, and European Union regulations. Customer undertakes to perform its obligations under this Agreement with due regard to these policies. Strict compliance with this provision and all laws of the territory pertaining to the importation, distribution, sales, promotion and marketing of the Equipment is a material consideration for Cummins entering into this Agreement with Customer and continuing this Agreement for its term. Customer represents and warrants that it has not and shall not, directly or through any intermediary, pay, give, promise to give or offer to give anything of value to a government official or representative, a political party



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official, a candidate for political office, an officer or employee of a public international organization or any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities for the purposes of inducing such person to use his influence to assist Cummins in obtaining or retaining business or to benefit Cummins or any other person in any way, and will not otherwise breach any applicable laws relating to anti-bribery. Any failure by Customer to comply with these provisions will constitute a default giving Cummins the right to immediate termination of this Agreement and/or the right to elect not to recognize the warranties associated with the Equipment. Customer shall accept full responsibility for any and all civil or criminal liabilities and costs arising from any breaches of those laws and regulations and will defend, indemnify, and hold Cummins harmless from and against any and all fines, penalties, claim, damages, liabilities, judgments, costs, fees, and expenses incurred by Cummins or its affiliates as a result of Customer's breach.

28. To the extent applicable, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The employee notice requirements set forth in 29 CFR Part 471, Appendix A to Subpart A, are hereby incorporated by reference into this contract.

Legislative Summary

Ordinance 26-11

APPROVING AN AMEDMENT TO A SPECIAL USE PERMIT AND AUTHORIZING THE CONSTRUCTION OF A DETACHED ACCESSORY STRUCTURE SERVING AN EXISTING DAYCARE FACILITY AT 5633 DEMPSTER STREET IN MORTON GROVE, ILLINOIS

Introduction:	May 12, 2026
Purpose:	To approve an amendment to a Special Use Permit authorizing the construction of a detached accessory structure serving an existing daycare facility at the property commonly known as 5633 Dempster Street.
Background:	<p>David Clatch on behalf of Poko Loko School Inc. (“Applicant”), submitted a complete Special Use Permit application to the Department of Community and Economic Development, which was reviewed under Case PC 26-05, requesting amendment to the existing Special Use Permit to authorize the construction of a detached accessory structure at 5633 Dempster Street (“Subject Property”), which is part of an expansion of the existing daycare operations located at 5641-49 Dempster Street (“Application”). The daycare facility’s common address is 5645 Dempster Street.</p> <p>The Applicant is proposing to amend the Special Use Permit granted and amended under Ordinances 14-07, 17-25, 25-03, and 26-05 to allow for the construction of a storage building to complement current daycare operations. In 2024, the Applicant sought amendment under Case PC 24-09 to authorize the installation of a playground, open space, and accessory parking lot on the subject property to serve the existing daycare. The expansion was approved by Ordinance 25-03. At the time, a storage building was contemplated as part of the project, but no plans were submitted. This request will approve plans for and authorize construction of the accessory storage building. The Applicant is seeking a waiver of 1.81 feet to allow the detached accessory structure to be located within a five-foot (5’) required interior side yard.</p> <p>On April 2, 2026, the Appearance Commission reviewed Case PC 26-05, issued an Apperance Certificate, and recommended approval of the Application. The requirement for Traffic Safety Commission review was waived due to the project’s insignificant impact on the community from a traffic safety perspective, as authorized by Section 12-16-4:A.2. On April 21, 2026, the Application was presented to the Plan Commission, at which time, based on the Application, staff report, and testimony provided at the public hearing, the Plan Commission voted unanimously (5-0) to recommend approval of the amendment to the Special Use Permit with conditions relating to final design and permitting.</p>
Programs, Dept’s, Groups Affected	Department of Community and Economic Development
Fiscal Impact:	N/A
Source of Funds:	N/A
Workload Impact:	The Special Use Permit amendment will be implemented and supervised by staff as part of their normal work activities.
Administrative Recommendation:	Approval as presented
Second Reading:	May 26, 2026
Special Considerations or Requirements:	None

ORDINANCE 26-11

APPROVING AN AMEDMENT TO A SPECIAL USE PERMIT AND AUTHORIZING THE CONSTRUCTION OF A DETACHED ACCESSORY STRUCTURE SERVING AN EXISTING DAYCARE FACILITY AT 5633 DEMPSTER STREET IN MORTON GROVE, ILLINOIS

WHEREAS, the Village of Morton Grove (“Village”), located in Cook County, Illinois, is a home rule unit of government under the provisions of Article 7 of the 1970 Constitution of the State of Illinois, and can exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and incur debt; and

WHEREAS, 5633 Dempster Street, legally described in “**Exhibit A**”, attached hereto, and made a part of this Ordinance, is a 0.15-acre (6,494 sq. ft.) property zoned C-1 General Commercial (“Subject Property”); and

WHEREAS, Ordinance 14-07, approved on April 28, 2014, granted a Special Use Permit authorizing the operation of a daycare facility at property abutting the Subject Property at 5645 Dempster Street. On August 28, 2017, the Village Board approved an amendment to the Special Use Permit under Ordinance 17-25 to allow expansion of the daycare facility to the property at 5641 Dempster Street. On January 28, 2025, the Village Board approved Ordinance 25-03, which amended the Special Use Permit and authorized the expansion of the daycare facility to the Subject Property and use thereof for a playground space and parking area, with a placeholder provided for a future storage building. On February 24, 2026, the Village Board approved Ordinance 26-05, which granted a minor amendment to the Special Use Permit to extend the deadline for improvements authorized under Ordinance 25-03; and

WHEREAS, Poko Loko School Inc. (“Applicant”) submitted a complete Special Use Application to the Village’s Plan Commission under Case PC 26-05 (“Application”) requesting an amendment to the Special Use Permit granted and amended under Ordinances 14-07, 17-25, 25-03, and 26-05 to approve plans for and authorize the construction of a 1,599-square-foot storage building on the Subject Property to serve the existing daycare facility, which is classified as a Special Use within the C-1 District pursuant to Section 12-4-3:D; and

WHEREAS, pursuant to the applicable provisions of the Municipal Code, public notice for a public hearing to consider the Application to be held at a regular meeting of the Plan Commission on April 21, 2026, was published in the *Morton Grove Champion*, a newspaper of

general circulation in the Village of Morton Grove, on April 2, 2026, written notification was sent to property owners within 250 feet of the Subject Property on April 2, 2026, and a sign was posted on the Subject Property on April 2, 2026; and

WHEREAS, on April 2, 2026, the Appearance Commission reviewed the Application, issued an Appearance Certificate for the project, and recommended approval of the Application with conditions; and

WHEREAS, the requirement for review by the Traffic Safety Commission review was waived due to the project’s insignificant impact on the community from a traffic safety perspective, as authorized by Section 12-16-4:A.2; and

WHEREAS, at the April 21, 2026, public hearing, the Plan Commission reviewed the Application, at which time all concerned parties were given the opportunity to be present and express their views for the consideration by the Plan Commission. At the April 21, 2026, meeting, the Plan Commission considered all the evidence and testimony presented to it, discussed the merits of the Application in light of applicable law, including the Standards for Special Use established in Section 12-16-4:C.5 of the Unified Development Code, and voted to recommend approval of amendment to the Special Use Permit, subject to conditions, restrictions, and requirements contained in the report of the Plan Commission, dated May 5, 2026, which was presented to the Village Board on May 12, 2026, and a copy of that report is contained in “**Exhibit B**”, attached to and made a part of this Ordinance; and

WHEREAS, pursuant to the provisions of the Village’s Unified Development Code, the Corporate Authorities have determined that the amendment to the Special Use Permit should be approved, subject to the provisions, conditions, and restrictions contained in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MORTON GROVE, COOK COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1. Incorporation by Reference. The Corporate Authorities do hereby incorporate the foregoing **WHEREAS** clauses into this Ordinance by this reference, as though fully set forth herein, thereby making the findings as hereinabove set forth.

SECTION 2. Approval of Amendment to Special Use Permit. The Corporate Authorities hereby grant an amendment to the Special Use Permit previously granted and amended under Ordinances 14-07, 17-25, 25-03, and 26-05 to approve plans for and authorize the construction of

a storage building at the Subject Property, and grant a waiver to Section 12-2-6:G to allow a detached accessory structure to obstruct a required side yard, with the following conditions and restrictions, which shall be binding on the owners/lessees, occupants and users of this property, their successors, and assigns. All conditions of the Special Use Permit established by previously adopted ordinances shall remain in full force and effect. In the event of any conflict or inconsistency between such prior ordinances and this Ordinance, the provisions of this Ordinance shall govern and control.

SECTION 3. Conditions. The Special Use Permit shall be subject to the following conditions:

- A. The Subject Property shall be improved and maintained in conformity with the following plans and supporting documents, and modifications as finalized and specifically approved in writing by the Village Administrator or their designee, including:
 - 1. Special Use Application, submitted by David Clatch of Poko Loko School, Inc., dated March 9, 2026;
 - 2. Boundary Survey for 5633 Dempster Street, prepared by Exacta Land Surveyors, LLC, dated May 24, 2024;
 - 3. “Storage Building For Poko Loko Center” Plan Set (Sheets AC-1, AC-2, AC-3), prepared by AKL Architectural Services, dated March 5, 2026;
 - 4. Project Renderings, prepared by AKL Architectural Services, undated;
 - 5. Material Palette, prepared by applicant, undated;
 - 6. “A New Site Expansion for Poko Loko Early Learning Center Site Development Plan” (11 sheets), prepared by Bono Consulting Civil Engineers, dated January 21, 2026; and
 - 7. Letter from David Clatch of Poko Loko School Inc. to Plan Commissioners, dated April 13, 2026; and
 - 8. Revised Regular Brick Face Sample, received April 13, 2026.
- B. The Subject Property shall be operated consistent with all representations, assertions, and testimony provided by the Applicant and their representatives at the public hearings before the Appearance Commission and Plan Commission. Any inconsistencies in

operation, as determined by the Village Administrator or his/her designee, may serve as the basis for amendment to or revocation of the Special Use Permit.

- C. Prior to filing any Building Permit Application, the Applicant shall provide the Village with site plan, elevation, landscaping, and lighting specifications for review and approval. Site plan, elevation, landscaping, and lighting specifications must be deemed consistent with the approved materials and Appearance Commission discussion, as determined by the Director of Community and Economic Development and Appearance Commission Chairperson. If such designs are deemed to be inconsistent with the approved materials or discussion with the Appearance Commission, or are deemed to be of a lower quality than the approved materials, then the owner/applicant will be required to file an application for an amendment to the Appearance Certificate.
- D. The storage structure shall be sprinklered and monitored by a fire alarm, subject to review and approval by the Fire Prevention Bureau Coordinator.
- E. The Applicant shall file all necessary plans and applications, for review and approval, and secure all necessary building permits prior to the commencement of construction.
- F. The Applicant and Subject Property owner shall provide the Department of Community and Economic Development with advance written notice of any change in activities or intensity of use associated with the daycare facility. Any such change may subject the Applicant to the requirement for an amendment to the Special Use Permit.
- G. The Subject Property owner, Applicant, and any lessees, occupants, and users of the Subject Property, their successors and assigns, shall allow employees and authorized agents of the Village access to the Subject Property at all reasonable times for the purpose of inspecting the Subject Property to verify all terms and conditions of this Ordinance have been met.

SECTION 4. Village Records. The Village Clerk is hereby authorized and directed to amend all pertinent records of the Village of Morton Grove to show and designate the Special Use Permit as amended hereunder.

SECTION 5. Failure to Comply with Conditions. Upon failure or refusal of the Applicant to comply with any or all the conditions, restrictions or provisions of this Ordinance, the Corporate Authorities may initiate the revocation of the Special Use Permit amended in this Ordinance, in accordance with process and procedures established in the Unified Development Code.

SECTION 6. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form according to law.

Passed this 26th day of May 2026.

Trustee Khan _____

Trustee Minx _____

Trustee Shiba _____

Trustee Thill _____

Trustee Travis _____

Trustee White _____

Approved by me this 26th day of May 2026.

Janine Witko, Village President
Village of Morton Grove
Cook County, Illinois

Attested and Filed in my office this 27th day of May 2026.

Eileen Scanlon Harford, Village Clerk
Village of Morton Grove
Cook County, Illinois

LIST OF EXHIBITS

EXHIBIT A Legal Description, 5633 Dempster Street, Morton Grove, Illinois
EXHIBIT B Plan Commission Report for PC 26-05, dated May 5, 2026

EXHIBIT A

5633 DEMPSTER STREET, MORTON GROVE, ILLINOIS 60053 LEGAL DESCRIPTION:

LOTS 913, 914 AND 915 IN KRENN'S AND DATO'S 2ND ADDITION TO DEMPSTER STREET 'L' TERMINAL SUBDIVISION OF THAT PART OF THE EAST 13 ACRES OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CENTER LINE OF THEOBALD ROAD, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 7, 1924 AS DOCUMENT 8542705, IN COOK COUNTY, ILLINOIS.

PROPERTY INDEX NUMBERS:

10-20-204-007-0000

EXHIBIT B

PLAN COMMISSION REPORT FOR PC 26-05

Dated May 5, 2026

To: Village President and Board of Trustees

From: Chris Kintner, Plan Commission Chairperson
Charles Meyer, Village Administrator
Teresa Hoffman Liston, Corporation Counsel
Zoe Heidorn, Director of Community & Economic Development

Date: May 5, 2026

Re: Plan Commission Case PC 26-05
Request for an amendment to a Special Use Permit to allow the expansion of an existing daycare facility and a waiver to Section 12-2-6:G to allow a detached accessory structure within a required side yard at the property commonly known as 5633 Dempster Street in Morton Grove, Illinois (PIN 10-20-204-007-0000; 10-20-204-008-0000) all within a C-1 General Retail Commercial District, pursuant to Section 12-4-3:D. The applicant is David Clatch on behalf of Poko Loko School Inc.

Executive Summary

David Clatch on behalf of Poko Loko School Inc. (“applicant”), submitted a complete Special Use Permit application to the Department of Community and Economic Development for proposed improvements to the property at 5633 Dempster Street (“subject property”) to facilitate the expansion of the existing daycare located on the adjacent properties at 5641-49 Dempster Street. The Poko Loko daycare facility’s common address is 5645 Dempster Street.

The applicant is proposing to amend the Special Use Permit granted and amended under Ordinances 14-07, 17-25, 25-03, and 26-05 to allow for the construction of a storage building to complement current daycare facility operations. In 2024, the applicant sought amendment under Case PC 24-09 to authorize the installation of a playground, open space, and accessory parking lot on the subject property to serve the existing daycare. The expansion was approved by Ordinance 25-03. At the time, a storage building was contemplated on the subject property, but no plans were submitted. In 2026, the applicant sought a minor amendment to allow an extension of eight (8) months for the Special Use Permit, which was approved by Ordinance 26-05. This request for amendment will approve plans for and authorize construction of the accessory storage building.

Application Overview

The subject property is developed with an existing single-family residence on a 0.15-acre (6,494 square foot) parcel. The property is zoned in a C-1 General Retail Commercial District, consistent with properties to the east and west, as well as those located north of Dempster Street. Properties to the south, across a public alley, are improved with single-family homes and are zoned R-2 Single-Family Residence. The adjacent property at 5641-49 Dempster Street is owned by Randall Israel and leased by Poko Loko School Inc. The subject property at 5633 Dempster Street is owned by David Clatch, who also serves as Director of the Poko Loko Early Learning Center, a family-owned and operated business.

The applicant is proposing to demolish the existing single-family residence and garage and construct a playground, parking area, and detached accessory storage building. The existing Dempster Street driveway and curb cut will be removed, and the public right of way will be restored with curb, gutter, and sidewalk. A new door will be installed along the east wall of the existing adjacent building toward the north end of the property to provide access to the playground from the daycare building. No new signage is proposed other than exempt directional signs in the proposed parking lot. The playground, lighting, landscaping, fencing, and flatwork for the subject property were previously reviewed and approved under Case PC 24-09.

The proposed one-story storage structure will measure 1,599 square feet in area and have a mean height of 15.5 feet. The structure will have a rear overhead garage door and pedestrian door along the south elevation off of the parking lot. The applicant is seeking a waiver to Section 12-2-6:G of 1.81 feet to allow the detached accessory structure to be located within a five-foot (5’) required interior side yard. The default side setback requirement is zero feet (0’) in the C-1 District. But, if a setback is provided, it may not be less than five feet (5’).

Building Design

Under the original submitted application, the applicant proposed the front elevation to be faced with modular brick veneer in a style similar to the adjacent daycare building. Other sides of the building were to be constructed with split face concrete block in a coordinating finish. The Appearance Commission unanimously recommended approval of the building design and plans as presented. However, based on the feedback received at the Commission meeting and consultation with the applicant's contractor, the applicant decided to modify the exterior building material to use regular face brick on all four sides of the structure. The applicant submitted a letter to the Plan Commission notifying them of the material change on April 13, 2026.

Commission Review

Appearance Commission

On April 2, 2026, the Appearance Commission (AC) reviewed Case PC 26-05. At the conclusion of the discussion, the Appearance Commission voted unanimously (6-0) to recommend approval of the application. The staff report to the Appearance Commission has been included as "**Attachment A.**"

Traffic Safety Commission

The Traffic Safety Commission (TSC) review was waived as the applicant provided a traffic and parking impact study that was reviewed as part of Case PC 24-09 and considered in the approval of the expansion of the daycare to 5633 Dempster Street.

Departmental Review

The proposed project was reviewed by several department representatives and the following comments were issued:

- **Building:** No comments at this time.
- **Fire:** The Fire Prevention Bureau Coordinator issued one comment on April 7, 2026, stating that the storage structure will be required to be sprinklered and monitored by a fire alarm. The applicant has been made aware and is understanding of the requirement (Municipal Code Section 9-1-2, Amendments 20, 21, 22).
- **Public Works /Engineering:** No comments at this time.

Plan Commission Public Hearing

The Village provided public notice for the April 21, 2026, Plan Commission public hearing for Case PC 26-05 in accordance with the Unified Development Code. The *Morton Grove Champion* published a public notice on April 2, 2026. The Village notified surrounding property owners via mail and placed a public notice sign on the subject property on April 2, 2026.

Plan Commission – April 21, 2026, Proceedings: *Five members of the Plan Commission were in attendance at the public hearing for Case PC 26-05 held on April 21, 2026.*

*Zoe Heidorn, Director of Community & Economic Development, provided a brief introduction to the application. The staff report dated April 14, 2026, and attached hereto as "**Attachment B.**" was entered into the public record.*

Ms. Heidorn stated that David Clatch on behalf of Poko Loko School Inc. is requesting an amendment to a Special Use Permit granted and amended under Ordinances 14-07, 17-25, 25-03, and 26-05 to allow for the construction of a storage building to complement current daycare facility operations, with a waiver to Section 12-2-6:G to allow the detached accessory structure within a required side yard at the property commonly known as 5633 Dempster Street.

Ms. Heidorn explained that the daycare facility's expansion to 5633 Dempster was approved by Ordinance 25-03. At the time, a storage building was contemplated on the subject property, but no plans were submitted. This request will approve plans for and authorize construction of the accessory storage building. On April 2, the Appearance Commission voted unanimously (6-0) to recommend approval of the application. The applicant has since proposed changes to the exterior finish to address comments issued by the Commission. Review by the Traffic Safety Commission was waived.

Chairman Kintner noted there is a side set back waiver, but otherwise it is compliant. The previously approved playground and parking area was discussed in relation to the proposed storage building.

Mr. David Clatch was sworn in. He described the storage use of the proposed building. He noted that since the Appearance Commission meeting, the structure will now be clad in all brick and not concrete split face block. He said that he worked with his contractor to determine that this was an improved exterior material with respect to durability, maintenance, and aesthetics.

Chairman Kintner asked if there is a door from the playground into the structure. The applicant and Commissioners reviewed the plans and confirmed there will not be a door from the playground.

There was no public comment.

Commissioner Liston made a motion to recommend approval of Case PC 26-05, a request for an amendment to a Special Use Permit to allow the expansion of an existing daycare facility and a waiver to Section 12-2-6:G to allow a detached accessory structure within a required side yard at the property commonly known as 5633 Dempster Street in Morton Grove, Illinois (PIN 10-20-204-007-0000; 10-20-204-008-0000), subject to the following conditions:

1. Prior to filing any Building Permit Application, the applicant shall provide the Village with site plan, elevation, landscaping, and lighting specifications for review and approval. Site plan, elevation, landscaping, and lighting specifications must be deemed consistent with the approved materials and Appearance Commission discussion, as determined by the Director of Community and Economic Development and Appearance Commission Chairperson. If such designs are deemed to be inconsistent with the approved materials or discussion with the Appearance Commission, or are deemed to be of a lower quality than the approved materials, then the owner/applicant will be required to file an application for an amendment to the Appearance Certificate.
2. The storage structure shall be sprinklered and monitored by a fire alarm, subject to review and approval by the Fire Prevention Bureau Coordinator.

Commissioner Wiedeman-Stone seconded the motion and Chairman Kintner called for the vote.

Commissioner Liston	voting	aye
Commissioner Mohr	voting	aye
Commissioner Stein	voting	aye
Commissioner Wiedeman-Stone	voting	aye
Chairman Kintner	voting	aye

Motion passed (5-0)

Final Plans and Supporting Documents

The application’s final plans and supporting documents considered by the Plan Commission include the following and are attached hereto as “**Attachment C**”:

1. Special Use Application, submitted by David Clatch of Poko Loko School, Inc., dated March 9, 2026
2. Proof of Ownership of 5633 Dempster Street, submitted by Poko Loko School, Inc.
3. Boundary Survey for 5633 Dempster Street, prepared by Exacta Land Surveyors, LLC, dated May 24, 2024
4. “Storage Building For Poko Loko Center” Plan Set (Sheets AC-1, AC-2, AC-3), prepared by AKL Architectural Services, dated March 5, 2026
5. Project Renderings, prepared by AKL Architectural Services, undated
6. Material Palette, prepared by applicant, undated
7. “A New Site Expansion for Poko Loko Early Learning Center Site Development Plan” (11 sheets), prepared by Bono Consulting Civil Engineers, dated January 21, 2026
8. Letter from David Clatch of Poko Loko School Inc. to Plan Commissioners, dated April 13, 2026
9. Revised Regular Brick Face Sample, received April 13, 2026.

Attachments

- **Attachment A** – Staff Report to the Appearance Commission for PC 26-05, prepared by Zoe Heidorn, Director of Community and Economic Development, dated March 31, 2026
- **Attachment B** – Staff Report to the Plan Commission for PC 26-05, prepared by Zoe Heidorn, Director of Community & Economic Development, dated April 14, 2026
- **Attachment C** – Final Plans and Supporting Documents for PC 26-05

Attachment A

Staff Report to the Appearance Commission for PC 26-05
Prepared by Zoe Heidorn, Director of Community and Economic Development
Dated March 31, 2026

To: Chairperson Pietron and Members of the Appearance Commission

From: Zoe Heidorn, Community and Economic Development Director
Anne Ryder Kirchner, Planner/Zoning Administrator

Date: March 31, 2026

Re: Appearance Commission Case AC 26-07
Request for approval of an Appearance Certificate for building plans associated with case PC 26-05, a request for an amendment to a Special Use Permit to allow the expansion of an existing daycare facility at the property commonly known as 5633 Dempster Street in Morton Grove, Illinois (PIN 10-20-204-007-0000; 10-20-204-008-0000), all within a C-1 General Retail Commercial District, pursuant to Section 12-4-3:D. The applicant is Poko Loko School Inc.

STAFF REPORT

Application Summary

Poko Loko School Inc. (“applicant”), submitted a complete Special Use Permit application to the Department of Community and Economic Development that requires Appearance Commission review and comment for proposed improvements to the property at 5633 Dempster Street (“subject property”) to facilitate the expansion of the existing daycare located on the adjacent properties at 5641-49 Dempster Street. The applicant is proposing to amend Ordinance 17-25 to allow for the construction of a storage building to complement current daycare facility operations.

Subject Property

The subject property consists of an existing single-family residential building at 5633 Dempster Street occupying a 0.15-acre (6,494-square-foot) site. The property is within the C-1 General Retail Commercial District, as are the properties to the east, west, and north across Dempster Street. Properties to the south, across a public alley, are improved with single-family homes and are zoned R-2 Single-family Residence.



Subject Property Location Map

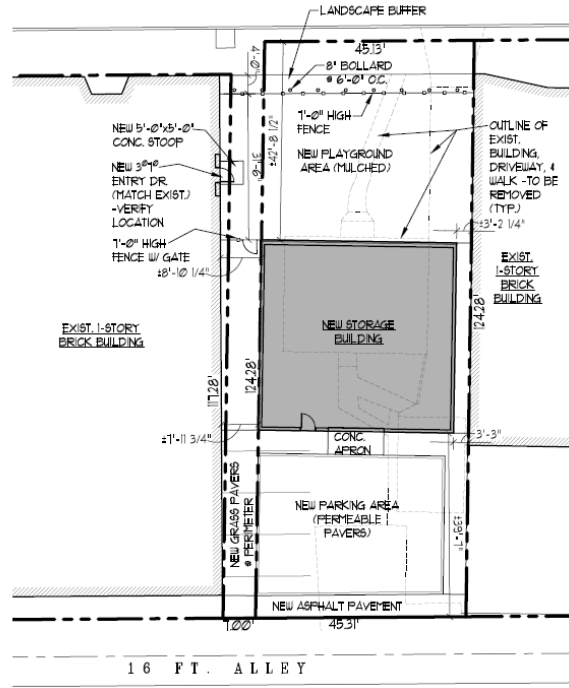
Project Overview

The applicant is proposing to build a one-story storage building between a playground to the north and a four-space parking lot to the south that was approved by the Village in 2024 as an amendment to Ordinance 17-25. The central portion of the subject property was proposed to be left as open space with the desire to locate a storage building in that area in the future. Lighting, landscaping, and fencing for the site were previously reviewed by the Appearance Commission in Case 24-15.

*Proposed Site Plan –Location of proposed storage garage
(Source: Poko Loko School Inc.)*

Building Design

The proposed one-story storage structure will measure 1,599 square feet in area and have a mean height of 15.5 feet. The structure will have a rear overhead garage door and pedestrian door along the south elevation off of the parking lot.



The front (north) elevation will be faced with modular brick veneer, similar to the adjacent Polo Loko building. The sides and rear of the building will be constructed with split face concrete block in a coordinating finish. A grey, asphalt shingle roof is proposed with pre-finished aluminum gutters and downspouts to match the rear doors. The applicant provided elevations, renderings, and sample imagery of the facade materials for the proposed structure, which are shown below.



1. North Elevation Along Dempster Street (LEFT, TOP)
2. South Elevation Along Rear Alley (LEFT, BOTTOM)
3. Building Materials: Roof Shingles, Concrete Block and Brick Veneer (RIGHT)

Appearance Commission Review

In accordance with Unified Development Code Section 12-12-1:C, all site, landscape and building plans are to be reviewed by the Appearance Commission, and an Appearance Certificate by the Commission granted, prior to the issuance of a building permit. Further, per Section 12-16-2:C.2, the Appearance Commission is charged with reviewing the exterior elevations, sketches, and materials and other exhibits as to whether they are appropriate or compatible with the character of the immediate neighborhood and whether the submitted plans comply with the provisions of the regulations and standards set forth in chapter, 12 "Design Standards," of this title.

The Design Standards (Sec. 12-12-1:D) are as follows:

D. Criteria and Evaluation Elements: The following factors and characteristics relating to a unit or development and which affect appearance, will govern the appearance review commission's evaluation of a design submission:

1. Evaluation Standards:
 - a. Property Values: Where a substantial likelihood exists that a building will depreciate property values of adjacent properties or throughout the community, construction of that building should be barred.
 - b. Inappropriateness: A building that is obviously incongruous with its surroundings or unsightly and grotesque can be inappropriate in light of the comprehensive plan goal of preserving the character of the municipality.
 - c. Similarity/Dissimilarity: A builder should avoid excessively similar or excessively dissimilar adjacent buildings.
 - d. Safety: A building whose design or color might, because of the building's location, be distracting to vehicular traffic may be deemed a safety hazard.
2. Design Criteria:
 - a. Standards: Appearance standards as set forth in this chapter.
 - b. Logic Of Design: Generally accepted principles, parameters and criteria of validity in the solution of design problems.
 - c. Architectural Character: The composite or aggregate of the components of structure, form, materials and functions of a building or group of buildings and other architectural and site composing elements.
 - d. Attractiveness: The relationship of compositional qualities of commonly accepted design parameters such as scale, mass, volume, texture, color and line, which are pleasing and interesting to the reasonable observer.
 - e. Compatibility: The characteristics of different uses of activities that permit them to be located near each other in harmony and without conflict. Some elements affecting compatibility include intensity of occupancy as measured by dwelling units per acre; floor area ratio; pedestrian or vehicular traffic generated; parking required; volume of goods handled; and such environmental effects as noise, vibration, glare, air pollution, erosion, or radiation.
 - f. Harmony: A quality which produces an aesthetically pleasing whole as in an arrangement of varied architectural and landscape elements.
 - g. Material Selection: Material selection as it relates to the evaluation standards and ease and feasibility of future maintenance.
 - h. Landscaping: All requirements set forth in chapter 11, "Landscaping and Trees", of this title. (Ord. 07-07, 3-26-2007)

Recommendation

If the Appearance Commission recommends approval of building plans associated with PC 26-05, a request for an amendment to a Special Use Permit to allow the expansion of an existing daycare facility at the property commonly known as 5633 Dempster Street in Morton Grove, staff recommends the following conditions of approval:

1. *Prior to filing any Building Permit Application, the owner/applicant shall provide the Village with site plan, and building specifications for review and approval. Site plan and building specifications must be deemed consistent with the approved materials and Appearance Commission discussion, as determined by the Community Development*

Administrator and Appearance Commission Chairperson. If such designs are deemed to be inconsistent with the approved materials or discussion with the Appearance Commission, or are deemed to be of a lower quality than the approved materials, then the owner/applicant will be required to file an application for an amendment to the Appearance Certificate.

2. *[Additional conditions as recommended by the Appearance Commission.]*

Attachment B

Staff Report to the Plan Commission for PC 26-05
Prepared by Zoe Heidorn, Director of Community & Economic Development
Dated April 14, 2026

To: Chairperson Kintner and Members of the Plan Commission

From: Zoe Heidorn, Director of Community and Economic Development
Anne Ryder Kirchner, Planner/Zoning Administrator

Date: April 14, 2026

Re: Plan Commission Case PC 26-05
Request for an amendment to a Special Use Permit to allow the expansion of an existing daycare facility and a waiver to Section 12-2-6:G to allow a detached accessory structure within a required side yard at the property commonly known as 5633 Dempster Street in Morton Grove, Illinois (PIN 10-20-204-007-0000; 10-20-204-008-0000) all within a C-1 General Retail Commercial District, pursuant to Section 12-4-3:D. The applicant is David Clatch on behalf of Poko Loko School Inc.

STAFF REPORT

Public Notice

The Village provided Public Notice for the April 21, 2026, Plan Commission public hearing for Case PC 26-05 in accordance with the Unified Development Code. The *Morton Grove Champion* published a public notice on April 2, 2026. The Village notified surrounding property owners via mail and placed a public notice sign on the subject property on April 2, 2026.

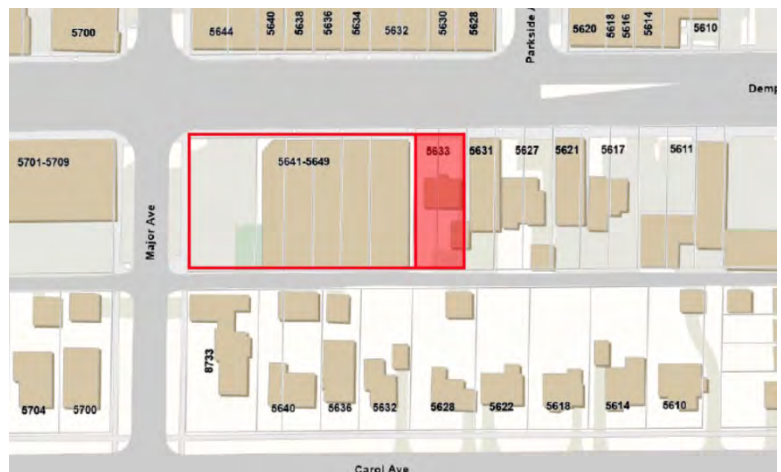
Application Summary

David Clatch on behalf of Poko Loko School Inc. (“applicant”), submitted a complete Special Use Permit application to the Department of Community and Economic Development for proposed improvements to the property at 5633 Dempster Street (“subject property”) to facilitate the expansion of the existing daycare located on the adjacent properties at 5641-49 Dempster Street. The Poko Loko daycare facility’s common address is 5645 Dempster Street.

The applicant is proposing to amend the Special Use Permit granted and amended under Ordinances 17-25, 25-03, and 26-05 to allow for the construction of a storage building to complement current daycare facility operations. In 2024, the applicant sought amendment under Case PC 24-09 to authorize the installation of a playground, open space, and accessory parking lot on the subject property to serve the existing daycare. The expansion was approved by Ordinance 25-03. At the time, a storage building was contemplated on the subject property, but no plans were submitted. In 2026, the applicant sought a minor amendment to allow an extension of eight (8) months for the Special Use Permit, which was approved by Ordinance 26-05. This request for amendment will approve plans for and authorize construction of the accessory storage building.

Subject Property

The subject property consists of an existing single-family building at 5633 Dempster Street occupying a 0.15-acre (6,494 sq. ft.) site. The property is within a C-1 General Retail Commercial District, as are the properties to the east, west, and north across Dempster Street. Properties to the south across a public alley are improved with single-family homes and are zoned R-2 Single-Family Residence. The property at 5641-49 Dempster Street is owned by Randall Israel and leased by Poko Loko School Inc., the applicant. The subject property at 5633 Dempster Street is owned by David Clatch (“owner”). David Clatch is the Director of the Poko Loko Early Learning Center, which is owned and operated by the Clatch family.

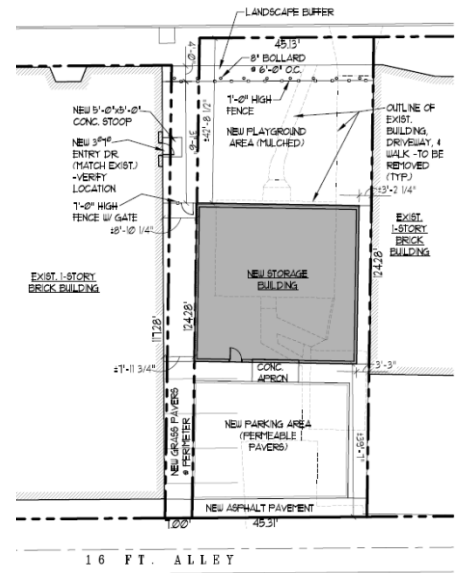


Subject Property Location

Project Overview

The applicant is proposing to demolish the existing single-family residence and garage at the subject property and construct a playground, four-space parking lot, and 1,599-square-foot storage building. The existing Dempster Street driveway will be removed, and the public right of way will be restored with curb, gutter, and sidewalk. A new door will be installed along the east wall of the existing adjacent building toward the north end of the property to provide access to the playground from the daycare building. No new signage is proposed other than exempt directional signs in the proposed parking lot. The playground, lighting, landscaping, fencing, and flatwork for the site were previously reviewed and approved under Case PC 24-09.

Proposed Site Plan



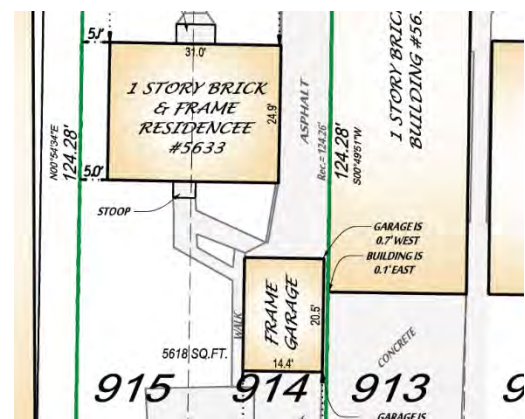
The proposed one-story storage structure will measure 1,599 square feet in area and have a mean height of 15.5 feet. The structure will have a rear overhead garage door and pedestrian door along the south elevation off of the parking lot. The structure will be set back 42.71 feet from the north (front) lot line, 3.19 feet from the east (side) lot line, and 39.58 feet from the south (rear) lot line. For commercially zoned properties, there are no specific separation or setback requirements for detached accessory structures, unlike the standards that apply to accessory structures in residential districts. Per Section 12-2-6:G, a detached accessory structure is a permitted obstruction of a rear yard, but is not a permitted obstruction of a front, street side, or interior side yard. The proposed structure is compared against the dimensional controls for accessory structures in a C-1 District in the table below.

Dimensional Control	Requirement	Proposed	Compliance
Obstruction of Front Setback (12-4-3:D, 12-2-6:G)	Min. 0 ft.	42.71 ft.	Compliant - not an obstruction of the required front yard
Obstruction of Side Setback (12-4-3:D, 12-2-6:G)	Min. 0 ft., but if one is provided, min. 5 ft.	3.19 ft. (from east side lot line)	Waiver of 1.81 ft requested to allow an obstruction within a required 5 ft. side yard
Obstruction of Rear Setback (12-4-3:D, 12-2-6:G)	Min. 10 ft.	39.58 ft.	Compliant - not an obstruction of the required rear yard, although permitted to be
Floor Area Ratio (FAR) (12-4-3:D)	Max. 2.0	14,325 sq. ft. existing + 1,599 sq. ft. proposed = 15,924 sq. ft. / 29,683 sq. ft. = 0.53	Compliant
Building Height (12-4-3:D)	Max. 40 ft.	15.5 ft. (measured at the mean level of the underside of the rafters between the eaves and the ridge of the gable roof, per Section 12-17-1)	Compliant

The applicant is seeking a waiver of 1.81 feet to allow the detached accessory structure to be located within a five-foot (5') required interior side yard. The default side setback requirement is zero feet (0') in the C-1 District. But, if a setback is provided, it may not be less than five feet (5').

The existing 280-square-foot single-family detached garage on the subject property is located 0.7 feet from the east side lot line. The commercial building on the property immediately east at 5631 Dempster Street is 0.1 feet east from the common lot line, providing a separation of 0.8 feet.

The applicant should speak to their ability to maintain the 3.19-foot area between the proposed structure and the east lot line. There is no minimum separation between a principal structure and detached accessory structure set forth in the Unified Development Code for commercially zoned property.



Existing Structures Along East Lot Line

As presented, the applicant is proposing 7.98 feet of separation between the existing principal structure and the proposed detached accessory structure.

Zoning Analysis

Although the subject property and the property at 5641-49 Dempster Street are under separate ownership, they are considered a single “zoning lot” pursuant to Section 12-17-1. The parcels are functionally unified through a lease arrangement and partial common ownership, resulting in unified control. A single entity maintains possessory and operational control over both properties, and they are intended to be developed, used, and managed as one integrated site.

The proposed storage use as an accessory use to the principal use of daycare center is permitted by Section 12-2-5:A.1, which reads: “Accessory uses are permitted in all zoning districts in connection with a principal use which is permitted within such district, provided it is located on the same zoning lot as the principal building or use served. Accessory uses shall not be established prior to the establishment of the principal use, and shall comply with the use limitation applicable in the zoning district in which it is located.”

Section 12-2-2:B limits a zoning lot to a maximum of two (2) detached accessory structures provided they meet the regulations of Section 12-2-5. Upon demolition of the existing buildings at the subject property and construction of the proposed storage building, there will be only one (1) detached accessory structure on the zoning lot, in compliance with Code requirements.

Building Design

Under the original submitted application, the applicant proposed the front (north) elevation to be faced with modular brick veneer in a style similar to the adjacent Polo Loko building. The sides and rear of the building were to be constructed with split face concrete block in a coordinating finish. The Appearance Commission unanimously recommended approval of the building design and plans as presented. However, based on the feedback received at the Commission meeting and consultation with the applicant’s contractor, the applicant has decided to modify the exterior building material to use regular face brick on all four sides of the structure. The applicant submitted a letter to the Plan Commission addressing the issue on April 13, 2026, attached hereto as “Attachment A.”

A grey, asphalt shingle roof is proposed with pre-finished aluminum gutters and downspouts to match the rear doors. The applicant provided elevations, renderings, and sample imagery of the facade materials for the proposed structure, which are included in the application package.



Revised Regular Brick Face Sample (Provided April 13, 2026)

Commission Review

Appearance Commission

On April 2, 2026, the Appearance Commission (AC) reviewed Case PC 26-05. At the conclusion of the discussion, the Appearance Commission voted unanimously (6-0) to recommend approval of the application. The staff report to the Appearance Commission has been included as “Attachment B.”

Traffic Safety Commission

The Traffic Safety Commission (TSC) review was waived as the applicant provided a traffic and parking impact study that was reviewed as part of Case PC 24-09 and considered in the approval of the expansion of the daycare use to 5633 Dempster Street.

Departmental Review

The proposed project was reviewed by several department representatives:

- **Building:** No comments at this time.
- **Fire:** The Fire Prevention Bureau Coordinator issued one comment on April 7, 2026, stating that the storage structure will be required to be sprinklered and monitored by a fire alarm. The applicant has been made aware and is understanding of the requirement (Municipal Code Section 9-1-2, Amendments 20, 21, 22).
- **Public Works /Engineering:** No comments at this time.

Standards for Review

The Standards for Special Uses are established in Section 12-16-4:C.5 of the Unified Development Code:

Standards For Special Uses: The following standards for evaluating special uses shall be applied in a reasonable manner, taking into consideration the restrictions and/or limitations which exist for the site being considered for development:

1. Preservation of Health, Safety, Morals, And Welfare: The establishment, maintenance and operation of the special use will not be detrimental to or endanger the public health, safety, morals or general welfare.
2. Adjacent Properties: The special use should not be injurious to the use and enjoyment of other property in the immediate vicinity for the uses permitted in the zoning district.
3. Orderly Development: The establishment of the special use will not impede normal and orderly development or impede the utilization of surrounding property for uses permitted in the zoning district.
4. Adequate Facilities: Adequate utilities, access roads, drainage and other necessary facilities are in existence or are being provided.
5. Traffic Control: Adequate measures have been or will be taken to provide ingress and egress designed to minimize traffic congestion on the public streets. The proposed use of the subject site should not draw substantial amounts of traffic on local residential streets.
6. Adequate Buffering: Adequate fencing and/or screening shall be provided to ensure the right of enjoyment of surrounding properties to provide for the public safety or to screen parking areas and other visually incompatible uses.
7. Conformance To Other Regulations: The special use shall, in all other respects, conform to applicable provisions of this title or amendments thereto. Variation from provisions of this title as provided for in subsection 12-16-3A, "Variations", of this chapter, may be considered by the plan commission and the Village Board of Trustees as a part of the special use permit.

Recommendation

Should the Plan Commission recommend approval of this application, staff suggests the following motion and conditions:

Motion to recommend approval of Case PC 26-05, a request for an amendment to a Special Use Permit to allow the expansion of an existing daycare facility and a waiver to Section 12-2-6:G to allow a detached accessory structure within a required side yard at the property commonly known as 5633 Dempster Street in Morton Grove, Illinois (PIN 10-20-204-007-0000; 10-20-204-008-0000), subject to the following conditions:

1. *Prior to filing any Building Permit Application, the applicant shall provide the Village with site plan, elevation, landscaping, and lighting specifications for review and approval. Site plan, elevation, landscaping, and lighting specifications must be deemed consistent with the approved materials and Appearance Commission discussion, as determined by the Director of Community and Economic Development and Appearance Commission Chairperson. If such designs are deemed to be inconsistent with the approved materials or discussion with the Appearance Commission, or are deemed to be of a lower quality than the approved materials, then the owner/applicant will be required to file an application for an amendment to the Appearance Certificate.*
2. *The storage structure shall be sprinklered and monitored by a fire alarm, subject to review and approval by the Fire Prevention Bureau Coordinator.*
3. *[Additional conditions as recommended by the Plan Commission.]*

Attachment C

Final Plans and Supporting Documents for PC 26-05

1. *Special Use Application, submitted by David Clatch of Poko Loko School, Inc., dated March 9, 2026*
2. *Proof of Ownership of 5633 Dempster Street, submitted by Poko Loko School, Inc.*
3. *Boundary Survey for 5633 Dempster Street, prepared by Exacta Land Surveyors, LLC, dated May 24, 2024*
4. *“Storage Building For Poko Loko Center” Plan Set (Sheets AC-1, AC-2, AC-3), prepared by AKL Architectural Services, dated March 5, 2026*
5. *Project Renderings, prepared by AKL Architectural Services, undated*
6. *Material Palette, prepared by applicant, undated*
7. *“A New Site Expansion for Poko Loko Early Learning Center Site Development Plan” (11 sheets), prepared by Bono Consulting Civil Engineers, dated January 21, 2026*
8. *Letter from David Clatch of Poko Loko School Inc. to Plan Commissioners, dated April 13, 2026*
9. *Revised Regular Brick Face Sample, received April 13, 2026.*

Attachment C on file with the Department of Community & Economic Development