



500 West Big Beaver  
Troy, MI 48084  
troymi.gov



## CITY COUNCIL AGENDA ITEM

Date: October 7, 2020

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager  
Rob Maleszyk, Chief Financial Officer  
Lisa Burnham, Controller  
M. Aileen Dickson, City Clerk

Subject: Request for Approval of Grant Agreement and Authorization to Accept Funding  
– Federal Help America Vote Act (HAVA) CARES Act Grant

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### **History**

On July 13, 2020, City Council affirmed the emergency purchase of one Verity Central highspeed ballot scanning workstation for the Absent Voter Counting Board. On July 27, 2020, the City Clerk reported to City Council that the City of Troy would be receiving a \$30,000 credit towards that purchase from the CARES Act. On Friday, October 2, 2020, the City Clerk received the Federal Help American Vote Act (HAVA) CARES Act Grant Agreement in an email from the State of Michigan Bureau of Elections

In order to have the \$30,000 credit paid from the State of Michigan to the vendor, Hart Intercivic, Inc., City Council is asked to approve the Grant Agreement, and authorize the City Clerk to sign the Agreement on behalf of the City of Troy.

### **Recommendation**

City Management requests that City Council approves the Federal Help America Vote Act (HAVA) CARES Act Grant Agreement, authorizes the acceptance of funding in the amount of \$30,000, and authorizes the City Clerk to sign the Agreement.

### **Legal Review**

This item was submitted to the City Attorney for review.

**State of Michigan  
Michigan Department of State  
And  
Oakland County  
City of Troy  
Help America Vote Act (HAVA) CARES Act Grant Agreement  
Voting System Hardware, Firmware and Software  
RE: Master Contracts  
071B7700120 – Hart InterCivic, Inc.**

*This Grant Agreement is the mechanism by which Counties, Cities, and Townships apply to the State of Michigan to receive Federal HAVA CARES Act and State-appropriated partially funded voting systems, including optical scan tabulators, adjudication software, to be used in an absent voter counting board to prevent, prepare for, and respond to coronavirus for the 2020 Federal election cycle.*

**Definitions:**

“Contractor” means the voting system vendor selected by the county.

“County” means any county within the State of Michigan.

“Department” means the Michigan Department of State.

“Grantee” means the county or local jurisdiction entering into this *Grant Agreement*.

“Local Jurisdiction” means any city or township within the State of Michigan.

“Voting Systems” means optical scan tabulators, accessible voting devices (for use by voters with disabilities), and EMS software (as applicable) acquired by the counties and local jurisdictions statewide and partially funded by State-appropriated and Federal HAVA CARES Act funds.

**1. Period of Agreement**

The *Grant Agreement* process applies to voting system purchases occurring between January 20, 2020 and August 31, 2020.

**2. Program, Budget and Agreement**

This *Grant Agreement* is to establish a grant program to use State-appropriated and Federal HAVA CARES ACT funds to partially cover the costs of voting equipment needed to assist with the increase of voting by mail that is expected as a result of the coronavirus.

This grant program covers 50% of the cost of regular speed absentee voting tabulators and up to 50% of the cost up to \$30,000, whichever is less, for high speed tabulators and software necessary to operate high speed tabulators or to improve the efficiency of scanning ballots with

high speed tabulators. This agreement is for the purchase of one High Speed Tabulator + Software at a total expense of \$121,295.00 of which the Department will pay \$30,000.00 to the contractor. 25% of the total purchase is made with Federal HAVA CARES ACT funding.

The Michigan Department of Technology, Management and Budget has entered into a Master Contract with each approved Contractor, which has established maximum statewide prices for each voting system component. The Department has established the available level of grant funding for each component of each Contractor's voting system. State-appropriated and Federal HAVA CARES Act funding provided via this *Grant Agreement* partially covers the purchase of the voting system, the software license fee for the EMS software for the full 10-year contract term, and the *initial* service and maintenance period for all components (which covers the acquisition year, plus 4 additional years). The Master Contract includes an *extended* service and maintenance period beyond the *initial* service and maintenance period, for an additional five-year period. Costs for the *extended* service and maintenance period and other additional costs, if any, are the sole responsibility of each individual county / local jurisdiction.

All Contractors will be required to enter into a "purchase agreement" with each local jurisdiction and county in those counties that have selected that Contractor. Typically, this document is the purchase agreement provided by the Contractor. The terms and conditions of the local purchase agreements shall not contradict the Master Contract. The terms of the Master Contract will supercede any conflicting terms in the local purchase agreements.

### **3. General**

The individual submitting the *Grant Agreement* must have the proper authority to do so, and must certify in Section 16 of this *Grant Agreement* that this authority has been granted. Examples of authority include, but are not limited to, a resolution from the Board of County Commissioners, City Council or Township Board authorizing the individual submitting the *Grant Agreement* to execute the *Grant Agreement* on behalf of the county, city or township.

### **4. Performance**

Each Grantee will certify and sign the *Grant Agreement* and forward it to the Department per the instructions provided. The Department will review and, once approved, will provide the Grantee with a copy of this fully-executed *Grant Agreement*, which will serve as Notice of the Grant Award. Each grantee will initiate equipment orders directly with the Contractor through a signed quote, and will provide the *Acceptance Certificate & Payment Authorization Form*, which must be submitted by the Grantee to the Department within 10 business days of voting system delivery. This form indicates acceptance of equipment and payment authorization.

The Grantee is responsible for overseeing its contractual agreement with the Contractor and is responsible for ensuring Contractor performance. Any subsequent malfunction or performance issue with the voting system must be addressed by the Grantee directly with the Contractor. The Grantee is responsible for maintaining any and all Contractor performance records. The Grantee has the sole responsibility to verify Contractor compliance with delivery dates, terms and conditions of delivery, and equipment verification and testing in accordance with the statewide Master Contract for the Grantee's selected Contractor. The Grantee will be solely responsible for additional costs incurred that are not covered by service, maintenance and warranty provisions in the Master Contract.

Grant funding is not provided for the purchase of additional ("backup") voting systems. The Grantee will be responsible for developing and implementing a backup strategy to ensure

continued operation on Election Day, in the event of voting system failure in any individual precinct.

**5. Testing, Acceptance and Payment**

1. Successful acceptance testing of the voting system shall be completed within 10 business days from the date of delivery.
2. Upon completion of all acceptance testing, the Grantee must complete the State-issued *Acceptance Certificate & Payment Authorization Form* and forward the completed form to the Department.
3. This form will indicate the date of delivery, successful completion of acceptance testing, and will provide authorization to the Department to release funds to the Contractor.
4. Payment to the Contractor shall be made in accordance with the Master Contract with the Grantee's selected Contractor.

**6. Ownership of Equipment and Software Purchases: Title**

Any voting system purchased pursuant to this *Grant Agreement* is the property of the Grantee.

**7. Optional Purchases**

If the Grantee desires to purchase additional items beyond those authorized in this *Grant Agreement*, it may do so at its sole expense, outside of this *Grant Agreement*. No State or HAVA funds will be available for such purchases. Prices established via the Master Contract are extended to counties and local jurisdictions by the Contractors for these purposes.

**8. Records Maintenance/Retention**

The Grantee will maintain a complete set of records and files related to the ordering, delivery, testing, maintenance and repairs of voting systems. The Grantee shall assure all the terms of this *Grant Agreement* are adhered to and that records and detailed documentation regarding this grant shall be maintained for a period of not less than six (6) years from the date of Contract termination, the date of submission of the final expenditure report or until any litigation and audit findings have been resolved, whichever is later.

**9. Management Requirements**

Grantee must maintain property records that include a description of the property; a serial number or other identification number; acquisition date; cost of the property; location, use and condition of the property; and any ultimate disposition data including the date of disposal and sale price of the property (if any). Grantee must also maintain records showing 50% (or \$30,000, whichever is less) Federal participation in the cost of the property.

Grantee must perform a physical inventory of the property and reconcile the results with the property records at least once every two years.

Grantee must develop a control system to ensure adequate safeguards to prevent loss, damage or theft of the property. Any loss, damage or theft shall be investigated by the Grantee and reported to the Department.

Grantee must develop adequate maintenance procedures to keep the property in good condition. Grantee agrees to maintain extended service and maintenance coverage for the voting system in years 6-10 of the Master Contract, after the expiration of the initial service and maintenance period. If the Grantee fails to maintain extended service and maintenance coverage for the full

Contract period, the Department may require Grantee to pay the Department the full amount of voting system grant funds paid to the vendor for the Grantee's county, city or township.

#### **10. Disposition.**

When the voting system acquired under this grant is no longer needed, the Department must be notified. Disposition of the equipment will be made as follows:

- Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the Department.
- Disposition of EMS software must follow the terms of the Contractor's Software License Agreement.

#### **11. Authorized Access**

The Grantee will permit, upon reasonable notification and at reasonable times, access to all records regarding this *Grant Agreement* by the Department and other representatives duly authorized by State or Federal law.

#### **12. Mandatory Conditions**

##### **A. Statutory or Regulatory Requirements**

**The Master contract for the Grantee's selected Contractor must be incorporated and made a part of the ensuing contract between the Grantee and the Contractor, as a condition for grant approval.** The Grantee will comply with applicable Federal and State laws, guidelines, rules and regulations in carrying out the terms of this *Grant Agreement*.

##### **Laws**

This is a State of Michigan *Grant Agreement* and is governed by the laws of the State of Michigan. Any dispute arising as a result of this Agreement shall be resolved in the State of Michigan.

##### **Funding**

This *Grant Agreement* is subject to and contingent upon the availability and appropriation of Federal funds and any necessary State appropriation.

##### **Costs**

The State will not assume any responsibility or liability for costs incurred in relation to this grant.

##### **Cancellation**

The Department may cancel the *Grant Agreement* upon failure to comply with the terms of this grant.

##### **Entire Agreement**

The *Grant Agreement* shall represent the entire agreement between the State and Grantee and supercedes any prior oral or written agreements, and all other representations between the parties relating to this subject. The State reserves the right to require counties and local jurisdictions to attend required training sessions with regard to new equipment purchases made under HAVA.

**Adherence to Terms**

The failure of a party to insist upon strict adherence to any term of this *Grant Agreement* shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term of the *Grant Agreement*.

**B. Other**

Additional terms and conditions may be negotiated in the contract between the Grant Applicant and the Contractor as long as they do not conflict with the required terms and conditions of this *Grant Agreement* and Master Contract with the Grantee's selected Contractor.

**13. Administration of Agreement**

The Grant Manager on behalf of the Department for this *Grant Agreement* and the final *Grant Agreement* will be:

Jeremy Lange, Office of Financial Services  
Michigan Department of State  
430 W Allegan St., 4<sup>th</sup> Floor  
Lansing, MI 48933  
517.335.1952  
[LangeJ1@michigan.gov](mailto:LangeJ1@michigan.gov)

All questions, comments and correspondence regarding this grant process, the *Grant Agreement* and the final *Grant Agreement* must be submitted in writing to the Grant Manager.

**14. Completed Agreement**

In order to complete this *Grant Agreement*, it must be filled out in its entirety by completing all indicated fields\* below and must be signed by the individual authorized by the county or local jurisdiction to enter into this agreement. The signed grant must be scanned and submitted electronically to [langej1@michigan.gov](mailto:langej1@michigan.gov).

**15. Voting Systems Authorization**

**Note: Grant Applicant to fill in all fields indicated (\*) below:**

This *Grant Agreement* is between the Michigan Department of State and:

**Oakland County  
City of Troy**

\*Grant Manager for County, City, or Township (point of contact for the State):

*Name	
*Title	
*Office Address	
*Office Phone	
*Office Email Address	

**16. Special Certification/Signature**

The following signatory certifies that the person signing is authorized to sign and enter into this *Grant Agreement*. Further, the signatory has reviewed and agrees to the conditions as outlined in this *Grant Agreement*, and has personally examined and is familiar with the information submitted here, as well as the requirements of the Help America Vote Act, under which this grant has been submitted.

**For the COUNTY OR LOCAL JURISDICTION:**

\*Name: \_\_\_\_\_

\*Title: \_\_\_\_\_ \*Date: \_\_\_\_\_

\_\_\_\_\_  
\*Signature

**For the STATE OF MICHIGAN, DEPARTMENT OF STATE:**

Cindy Paradine, Director, Office of Financial Services

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date