

**CONTRACT FOR ASSESSING SERVICES BETWEEN
Township of Cohoctah, Livingston County, Michigan
AND
BERG ASSESSING AND CONSULTING, INC.**

This contract is made effective , by and between the Township of Cohoctah (hereinafter referred to as "Municipality") and Berg Assessing & Consulting, Inc. (hereinafter referred to as "Berg" or "Company"), and sets forth the mutual agreement of the parties as follows:

1. **Term:** Municipality hereby contracts for and Berg hereby agrees to perform the assessing activities included in this contract for the following general term: annual, from November 13th, 2021 through November 12th, 2024.
2. **Duties:** Berg will provide a Michigan Certified MCAO Assessor who has the qualifications to discharge the municipality's statutory assessing responsibilities, as well as all the additional activities included in this contract.
3. **Services to be provided:**
 - Locate and identify all taxable properties within the Municipality.
 - Inventory and quantify the characteristics of the property to determine taxability.
 - Determine true market value, perform appraisals, and calculate assessed value of property in the Municipality.
 - Respond to inquiries or requests for assessment information from the public and municipality citizens.
 - Oversee and maintain departmental files including property records/cards, physical data, legal descriptions, splits and combinations of parcels, ownership transfers, as required by the General Property Tax Act.
 - Gather and analyze data and perform assessment studies to determine true market value of Municipality properties. Input data into computer; update personal property records; provide that annual assessment notices are mailed to notify property owners regarding assessed values which will be managed by the Company.
 - Conduct periodic checking with home and business owners regarding changes made to residences and commercial buildings (ie. Building permits).
 - Work with inspectors regarding new construction in order to update property cards.
 - Maintain a minimum Michigan State Assessors Board Level 2 Certification, MCAO.
 - Interact with representatives from the Michigan Tax Commission and Tribunal, County Equalization Department, Municipality Board of Review, news media, realtors, attorneys, Municipality taxpayers and/or their representative(s), and other assessors, or others as necessary. File all reports and forms required by County and State governments related to assessing.
 - Municipality agrees that the software used by assessor is Municipal property and they further agree that the cost associated with assessing software is the liability of the Municipality. The Municipality will also maintain/pay any necessary support fees associated with the assessing software programs. A backup of the database can be made available upon request on a quarterly basis.

- If the municipality does not manage their own land division process during the life of this agreement, the processing and approval of Land Division Applications shall be maintained by Berg. In that instance, the Company will develop and use a Land Divisions Application to include a fee schedule and will bill the Municipality for the fees paid to the Municipality by the applicant (no additional cost to the Municipality). The company will send any amended application to the Municipality. The local unit will provide a copy of the 1997 tax roll or assume the cost of providing the 1997 tax roll.
- Compile sales information to develop market studies relevant to the application of market adjustments.
- The Company shall be available, by appointment only, to accommodate inquiries from the public. The meeting location will be the municipal building. The Company shall have 10 business days to schedule said appointment after a scheduled phone call to prepare for the meeting.
- Berg can provide written or electronic 'assessing reports' for the Municipality Board to review upon request.

4. **Compensation:** For all services rendered by Berg under this contract, Municipality hereby agrees to pay the following fee for the term of this contract. The compensation will be paid on a monthly basis and is due the 1st of the month for the current month and shall be received before the 28th of the month for the current month (not paid in arrears).

Annual Service fee of \$ 38,100.00, paid in monthly installments of \$ 3,175.00/month

4b. **Compensation Terms:** The compensation included in this contract is for regular and standard work performed under the General Property Tax Act (GPTA) during a typical assessing cycle/year. This compensation does not include work to bring the Municipality into compliance with STC standards of the GPTA. It is expected that the database is current and accurate and that prior assessment administration officials performed their duties correctly under the GPTA and STC standards. This subsection would apply to municipalities that we have worked with for less than three years.

5. **Travel Expenses:** This contract includes travel expenses during the normal and expected workload as previously encountered. Normal workload includes routine permit inspections, any contract agreement, and regularly scheduled meetings. Special meetings or projects may result in billable travel expenses. Any irregular travel requests by Municipality should be discussed prior to the request if it is regular or irregular.

6. **Tax Tribunal Appeals:** The Municipality agrees to provide legal services for full Tribunal cases. The Company will support small claim Tribunal cases and invoice a per case fee as indicated in the addendum. The Municipality understands and consents that the Company has the right to stipulate to settle any pending Tribunal case with authorization of the Twp Supervisor or other specifically designated official. As time is of the essence, the Company will proceed with their recommendation to the taxpayer after 3 days of reporting said recommendation to designated official. The Twp Supervisor can also allow the Company to answer and negotiate a settlement of full Tribunal cases in-lieu of any attorney for the fee prescribed in our addendum. However, if the case proceeds to a full trial, the Municipality understands legal counsel will inevitably be required. The Company will invoice for this service.

7. **Additional Workload:** The Municipality recognizes that laws/administrative rules may change and may impose additional special projects/workload to comply. Such items would require additional negotiated compensation. Charges may apply at a billing rate of \$75/hour for work outside the General Property Tax Act (GPTA) or assigned duties outside of the State Tax Commission/GPTA responsibilities.
8. **Communication and Customer Support:** The Municipality recognizes that the workload varies from time to time depending on the season/time of year. The primary method of contact to the Company will be via telephone at its main office number, 989-734-3555. The Company strives to respond to inquiries within 3 business days. The Company reserves the right to terminate verbal communication when a taxpayer becomes unprofessional and dialog via email or in writing. Further, the Company reserves the right to limit communications when the requests are outside of our policies. Any issues will be reported to the Municipality Twp Supervisor. The compensation in our contract does not anticipate taxpayers that will require more than 1 hour of service or continual contact by taxpayers regarding the same issue or repeating similar issues. In circumstances like this, it will be up to the Municipality to handle the taxpayer directly and we will provide the necessary answers to that designated official or employee. The compensation in our contract also does not anticipate to training new municipality employees or officials. Any additional workload related to excessive taxpayers and/or training new employees/officials may require additional compensation to the Company or simply will not be performed. When assessing questions are received by the local unit staff or officers, simply direct them to CALL our office. We would ask that you do not take messages or forward messages to our office. If the taxpayer emailed, simply ask them to email our office. If they called, please tell them to call our main office phone number.
9. **Document Delivery:** The Company receives correspondence via email, fax, and USPS mail. In person deliveries are not accepted unless coordinated by Berg through the Municipality location. Any documents submitted to the Municipality or their representatives must be date stamped, envelope copied, and digitally transmitted to the Company office within 3 business days. The Company's office address for correspondence is PO Box 25, Rogers City, Mi 49779. The Company is held to a standard by the state of Michigan, however, this information is the Municipality's responsibility to get to our office in a timely manner.
10. **Building and Zoning Permits:** Berg is responsible for updating property tax records to reflect new construction. This is based on permits which we must have to complete this contract and the laws of the state. The Township, City, or County must forward building permits and zoning permits to our office on a monthly basis. Regardless of which entity issues the permits, it is the Municipality's responsibility to ensure our office is receiving the notifications in a timely and routine manner. Our office is held to a standard by the state of Michigan, however, this information is the Municipality's responsibility to get to our office in a timely manner.
11. **Recorded Documents/Deeds:** Berg is responsible for updating property tax records to reflect ownership changes through recorded documents/deeds. These deeds are required and the Municipality agrees that any fees incurred from the County Register's office will be passed along to the Municipality. The Company is held to a standard by the state of Michigan, however, this information is the Municipality's responsibility to get to Berg in a timely manner.
12. **Board of Review:** As of April 2020, we are aware of changes to the Board of Review process under Assessing Reform. The Board of Review process is independent of the assessor. The

Municipality recognizes the need to have qualified and trained Board of Review members to carry out their tasks, understand the paperwork needed, and complete the duties to the best of their ability. It will be the Company's responsibility to provide support to the Board of Review and answer any questions they have, but Berg's support shall not necessarily mean in-person attendance for all hours of session. Berg will work with the Board to ensure we are available to help them complete their tasks. Board of Review meetings are scheduled by the Company (not the municipality). Board of Review members are expected to reserve the statutory time frames allotted and attend at the time scheduled. The Municipality agrees and acknowledges that the location of the Board of Review meeting may be held outside of the local unit, but inside the local County unless permission is obtained otherwise. If the Municipality does not agree to the terms in this section, they are waiving any support during the scheduled meetings by the Company. Any such disagreement with any terms in this section, should be promptly brought to the attention of the Company.

13. **Document Requests:** We are in need of documents from the Municipality and their officials/employees. Some typical document requests would be Board of Review minutes, L-4029 millage rate forms, resolutions, minutes, policies, and or other similar documents. In the event of duplicate requests to obtain the requested document, this may result in billable time.

14. **Assessing Budget:** Berg recommends that the Municipality establish a miscellaneous budget for the assessor outside of regular/routine charges. This budget can be used by the Company for irregular and unexpected costs. The recommended line amount for this should be 10% of the assessing service contract. This can be used to cover Apex upgrades, special map printing, or other special one-time projects. The Company will request approval from the Twp Supervisor prior to authorizing such expenses.

15. **Office Hours:** Our office is in general operation Monday – Friday from 9am until 4pm, excluding any regular holidays. The company reserves the right to close the office periodically due to unforeseen circumstances. Any prolonged closures (beyond 2 days) will be communicated to the Municipality. While we are working and usually available during these hours, it does not mean that we are contractually obligated to be answering calls immediately during these hours. It is understood that calling our office may result in a voicemail service.

16. **Legal Advice:** We are not allowed to give anything that might be considered legal advice. Our office does receive a large number of questions that get into legal advice. There is a difference between pointing customers to the written laws and applying them or interpreting them. We can read the law, submit the law, copy/paste/send them the laws, but we are not allowed to provide legal advice by interpreting the written laws other than the existing guidance already published.

17. **Insurances:** Berg, as an independent private contractor, does hereby, waive Municipality of any and all responsibility to provide public liability, workers compensation, unemployment, or health insurance benefits. Berg shall provide Municipality with a copy of its errors and omissions liability coverage upon request.

18. **Representative of Municipality:** Berg, as a representative of the Municipality, shall conduct itself in a professional manner when presenting its services to both the staff of the Municipality and its property owners.

19. **Non-exclusive contract:** It is agreed that this is a non-exclusive contract and Berg may perform assessing or appraisal activities outside of Municipality. Such activities shall not interfere with the fulfillment of this contract.

20. **Governing Law:** In view of the fact that Municipality is within the State of Michigan, it is understood and agreed that the construction and interpretation of this contract shall, at all times and in all respects, be governed by the laws of the State of Michigan.

21. **Entire Agreement:** This contract contains the entire agreement and understanding by and between Municipality and Berg, and no representations, promises, contracts or understandings, written or oral, not contained herein shall be of any force or effect. No change or modification of this contract shall be valid or binding unless it is in writing and signed by both parties. No waiver of any provision of this contract shall be valid unless it is in writing and signed by both parties. No valid waiver of any provision of this contract at any time shall be deemed a waiver of any other provision of this contract at such time or any other time.

22. **Prohibition Against Assignment:** Berg agrees on its behalf, executors, administrators, heirs, legatees, distributees and any other party or parties claiming any benefit under them by virtue of this contract, that this contract and the rights, interests, and benefits hereunder shall not be assigned, transferred or pledged in any way.

23. **Severability of Invalid Provision:** The provisions of this contract shall be deemed severable. The invalidity or unenforceability of any one or more of the provisions of this contract shall not affect the validity and enforceability of other provisions. This contract shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

24. **Termination of Contract:** Municipality & Berg can terminate said contract without cause and by written notice no less than 120 days prior to: November 13th on an annual basis. Any cancellation without cause outside of the annual timeframe will require full payment through the end date of this agreement.

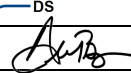
In the event that Municipality or Berg shall not be in substantial compliance with the terms of this contract, the non-breaching party shall give the breaching party written notice of said breach and 45 days from the date of receipt of the notice to cure the breach. If the breaching party fails to cure the breach within said 45-day period, the non-breaching party may terminate this contract immediately with cause. In addition, Berg may terminate this contract if Berg is unable to perform the obligations contained herein as a result of an accident, illness, or other unexpected trauma that prevents Berg from performing such obligations; in which case, Berg shall promptly notify Municipality of such an event and use its best efforts to assist Municipality with securing a replacement assessor.

25. **Legal Description/Tax Descriptions:** Our office is frequently contacted by various agencies to correct tax descriptions. We have developed a form and process for these requests to be initiated. It is incumbent on the requesting entity to prove and provide all necessary information in a clear and concise manner that will allow us to facilitate the change. Many times, these requests are made to our office in an urgent manner. However, there are no specific laws that require us to have our tax description match the legal description on the deeds/chain of title. Our descriptions need to be accurate enough to describe the property for taxation purposes. This process could take 30-90 days

to review and complete and are subject for our review as time permits provided all necessary documentation has been provided by the requestor.

26. **Inspection Programs:** We recommend a property inspection program of 20% annually. If it is a full measure of all improvements (reappraisal) or a quick review of the existing record cards (reinspection) will depend on the accuracy of your existing records. For new municipalities, we recommend allowing us 12-24 months to test your records and review the accuracy before recommending an inspection program. Units that have had a 100% reappraisal/full measure of all improvements in the last 5 years should be eligible for the reinspection program.

The local unit has selected the following inspection program: **None**

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Any of the below options the Company would target 20% of the parcels, per classification, per year. The inspection cycle and entire program can be from 12-18 months. It is not a guarantee that 20% of the parcels would be accomplished in a given year (or temporarily suspended) and the Company reserves the right due to weather or staffing to adjust the rate of completion. This is a program targeting a goal, on average, of 20% per year and per class to provide a mechanism for creating and maintaining an accurate property record card system.

Option A:

Full Remeasure of all Improvements:

Cost: /parcel for residential; /parcel for agricultural; and /parcel for commercial or industrial.

This program excludes very large and complex properties, generally, large industrial. The local unit will also subscribe to PivotPoint (prior cost was 0.35/parcel and 0.10 one-time setup fee, minimum cost of \$750/year)

Cancellation Fee: None, if between January 1 and March 1st, otherwise; \$5.00/parcel, total real parcel count

Scope of Services: The scope of this program is to remeasure all buildings, structures, and land improvements. This would include full Apex sketching of the improvements and entry of all details into the BS&A Assessment database.

Restrictions: this program is staff intensive and requires additional planning and coordination between the municipality and the Company prior to selection.

Option B:

Recheck of Improvements:

Cost: /parcel for residential; /parcel for agricultural; and /parcel for commercial or industrial.

The local unit will also subscribe to PivotPoint (prior cost was 0.35/parcel and 0.10 one-time setup fee, minimum cost of \$750/year)

Cancellation Fee: \$10.00/parcel, total real parcel count

Restrictions: This program is only available if you have had a full remeasure of your property or you have had a regular inspection program in place at 20% per year for over 5 years. In addition, a review of the records would be required.

Scope of Service: This service is a reduction of a full remeasure and is intended to check for changes from the last inspection. This may be accomplished by a review of aerial imagery, a review of Apex sketches, a letter confirmation by mail, and/or an on-site property inspection. This service will include an updated photo from the on-site property inspection.

Option C:

On-site Photo and Desk Review

Cost: /parcel for residential; /parcel for agricultural; and /parcel for commercial or industrial. The local unit will also subscribe to PivotPoint (prior cost was 0.35/parcel and 0.10 one-time setup fee, minimum cost of \$750/year)

Cancellation Fee: None, if between January 1 and March 1st, otherwise; \$5.00/parcel, total real parcel count

Scope of Service: This service includes a desk review of public aerial images, if available, and an on-site road-side photo.

Option D:

Desk Review Only

Cost: /parcel for residential; /parcel for agricultural; and /parcel for commercial or industrial.

Cancellation Fee: None

Scope of Service: This will include a desk only review along with a review of public aerial images, if available. It will not include any on-site services. This scope of services does not meet the State Tax Commission recommendations for property inspections.

Option E:

No review of property records

Cost: \$0.00/parcel

Cancellation Fee: None

Scope of Service: None

Notice & Advisement: This is not allowed by State Tax Commission policy.

Inspection Program Cancellation Fee: To provide services and options of inspection services, the Company may incur expenses and overhead that may take more than one year to recover. The cancellation fee is listed under each option. The cancellation fee may be incurred at any point of the contract cancellation for any reason unless past the following 'no cost date':

Inspection Program Cancellation Policy: This agreement has a term of 12-18 months of completion. It is an annual program with work commencing as early as March 1st of a given year and completion before July 1st of the subsequent year. As such, the cancellation or changing of the options must be received between January 1st and March 1st. If received during this period, the work will be paid out, in full by the municipality, that has commenced. The Company will attempt to complete the work or turn over what is completed. If still retained as the Assessor, the work will be completed prior to July 1st. If the change of this agreement is due to a change in the assessing agreement, the municipality may forfeit some or all of the work product. The Company will do its best to cooperate with the municipality on a reasonable transition.

27. **Tax Bill Calculation Process:** The municipality understands that the tax bill calculation, preparation, print, mailing, and servicing is the responsibility of the local Treasurer. The Treasurer is responsible for all data and settings in the BS&A Tax Program. The municipality can contract with our company to provide such services at an additional cost. In no case is our office responsible for reprinting tax bills or assisting taxpayers with the current payment status of tax bills or the current amount of tax bills. It is also the local Clerk's responsibility for the millage calculation, the L-4029

calculation, millage reduction fraction, and to remit copies of all millage related information to our office in a timely manner, however, reasonable support including assistance with calculations is available by request.

28. **Insurance:** The Company will carry applicable insurance relative to any service that the Company performs for the Township, with limits of liability not less than \$1,000,000 per occurrence, with an aggregate limit of liability not less than \$2,000,000, during the entire term of this contact. It is further agreed and understood that the Company will name the Township as an additional insured. In addition, the Company will carry automobile liability insurance with limits of liability not less than \$1,000,000 per occurrence. In addition, where applicable, the Company will comply with the State of Michigan Worker's Compensation Act.

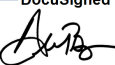
29. **Hold Harmless Agreement:** The Company shall indemnify and hold harmless the Municipality and the Municipality's board of trustees, employees, agents, and underwriters from any damages, claims, liabilities, and costs, including reasonable attorney's fees, and losses of any kind or nature whatsoever ("Loss"), which may in any way arise from the services performed by the Company hereunder, the work of employees or agents of the Company while performing the services of the Company hereunder, or any breach or alleged breach by the Company of this contract, including but not limited to the warranties set forth herein. The Municipality shall retain control over the defense of, and any resolution or settlement relating to, such loss. The Company will cooperate with the Municipality and provide reasonable assistance in defending any such Loss and any claims.

IN TESTIMONY WHEREOF, the parties hereto have executed this instrument in duplicate originals upon this _____ day of _____, 20_____.

Or DocuSign Date:

By Berg:

By Municipality:

DocuSigned by:


7/6/2023

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Allan J. Berg, President
Berg Assessing and Consulting, Inc

Municipality Twp Supervisor

Municipality Clerk

Date

Attachment: Recoverable Costs (attached)

Recoverable Cost Addendum

Potential office costs of Berg Assessing and Consulting. The below list is an estimate and may increase during the term of this contract due to the rising cost of postage, ink, paper, and office equipment:

Service Charge Rates	
Assessment Printing Single	\$0.25
PDF Copies	\$0.05
Move Update	\$0.25
GROUP-Address Sheet	\$0.15
GROUP-Printing	\$0.12
GROUP-Envelopes	\$0.30
GROUP-Hand Insert	\$1.00
Record Card Printing	\$0.07
General Printing	\$0.07
Sketches	\$0.07
Scanned Document	\$0.20
Assessment Roll Printing - GENERAL	\$0.03
Picture Printing	\$0.35
Back Side Printing, Upcharge, per page	\$0.10
Colored Paper, Upcharge, per page	\$0.10
Personal Property STATEMENT	\$1.25
Personal Property, Exemption Notice	\$1.00
Postage-by the Roll	Current USPS Price
Land Value/Sales Maps	\$75.00
Reinspection Letters	\$1.00
Veterans Letters	\$1.00
Poverty-Hardship Letters	\$1.00
Small Claims Tribunal Cases answer-hearing	\$75.00
Full Tribunal Answer and Negotiate to Settlement	\$400.00
Repeated Document Request Fee	\$50.00
Land Division Processing 1 st Division	\$150.00 (statutory 45 day)
Land Division Processing Extra Divisions	\$50.00 (statutory 45 day)
Land Division Incomplete Application Fee	\$50.00
Special Act/Special Inspections	\$150.00

*these charges are subject to change based on inflationary cost of labor, postage, and supplies, but may not increase by more than 10% on an annual basis.