

**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 through November 12th
2. **Duties:** Berg will provide a Michigan Certified MCAO Assessor who has the qualifications to discharge the municipalities 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, etc., both hard copy (written or print-out) and computer backup on disk or cd.
  - 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 annual assessment notices to notify property owners regarding assessed values, and deliver them to the Supervisor/Manager.
  - 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.
- Compile sales information to develop market studies relevant to the application of market adjustments.
- Berg shall provide office hours by appointment only in the Municipality Hall to accommodate inquiries from the public, allowing 10 business days to schedule said appointment.
- 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 1<sup>st</sup> of the month for the current month and shall be received before the 28<sup>th</sup> of the month for the current month (not paid in arrears).

Annual Service fee of \$ 36,600.00, paid in monthly installments of \$ 3,050.00/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 Supervisor/Manager or other specifically designated official. The Supervisor/Manager can also allow the Company to answer and negotiate a settlement 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 request 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 Supervisor/Manager.

9. **Document Delivery:** The Company receives correspondence via email, fax, and USPS mail. In person deliveries are not accepted unless 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 Municipalities 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 Municipalities 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 Municipalities 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's 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.

13. **Document Requests:** From time to time, 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, or other similar documents. We have found that it may take numerous requests to retrieve these documents from the Municipality. In the event of a duplicate requests, we reserve the right to invoice for the additional time spent attempting to collect documents. Our office is held to a standard by the state of Michigan, however, this information is the Municipalities responsibility to get to our office in a timely manner.

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 Supervisor/Manager 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 advise by interpreting the written laws other than the existing guidance already published.

17. **Insurances:** Berg, as a 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 Twp:** Berg, as an agent, shall conduct itself in such a manner as an official of the municipality and present its services to both the staff of 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:** This contract may be terminated by Berg, for no reason or cause, with a 90 day written notice, without any further obligation. The Municipality will give no less than 90 days written notice to terminate this contract without cause. If Municipality terminates without cause, Municipality agrees to pay 50% of the current year annual compensation.

Municipality can terminate said contract without a penalty and without cause and by written notice no less than 120 days prior to: November 13th on an annual basis.

In the event that Berg shall not be in substantial compliance with the terms of this agreement, the Municipality shall give Berg written notice of said breach and forty-five (45) days to cure the breach. If Berg fails to cure the breach within forty-five (45) days after such notice, the Municipality may terminate this Contract immediately with cause without further notice or liability to Berg, other than for permitted fees and expenses accrued through the date of termination.

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. For units that have had a 100% reappraisal/full measure of all improvements in the last 5 years should be eligible for the reinspection program.

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 responsibility 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.

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

**By Berg:**

**By Municipality:**

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

\_\_\_\_\_  
Municipality Supervisor or Mayor

\_\_\_\_\_  
Municipality Clerk

\_\_\_\_\_  
Date

Attachment:      Inspection Addendum (None)  
                         Recoverable Costs (attached)

## Inspection ADDENDUM

A complete property inspection project will be completed within the Municipality. The following describes the duties and responsibilities for completing the property inspections in accordance with State Tax Commission, Bulletin #2 of 2014.

Reinspection's:

- 1) Physically inspecting every real, improved, and taxable property in the Municipality jurisdiction and acquiring measurements of each improvement.
- 2) Inspecting all vacant properties and determining the highest and best use of the property for property tax classification according to the General Property Tax Act.
- 3) Photographing taxable improvements on improved parcels within the jurisdiction.
- 4) Compiling and entering all data assimilated from the field inspections and entering said data into BS&A assessment administration software.
- 5) Sketch all improvements in the APEX sketching software, utilized in conjunction with the BS&A assessment administration software
- 6) **Compensation will be None per parcel.** Payment and invoices are typically annual, but the Company reserves the right to invoice based on work completed on a monthly basis with 30-45 day payment terms.
- 7) Rate of Completion:
- 8) This section is independently adjustable on an annual basis. Intent to adjust shall be received 30 days before May 1st. Failure on both parties to notify of their intent to adjust would constitute agreement to the terms to continue annually.
- 9) All other terms and conditions as listed in the original assessment administration contract apply. In the event of a termination of this agreement, the Municipality will pay Berg for the parcels completed at that time.

DO NOT SIGN

DO NOT SIGN

\_\_\_\_\_  
Municipality Clerk

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Municipality Supervisor

## 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 <sup>st</sup> Division	\$150.00 (statutory 45 day)
Land Division Processing Extra Divisions	\$25.00 (statutory 45 day)
Land Division Incomplete Application Fee	\$50.00

\*these charges are subject to change based on inflationary cost of labor, postage, and supplies. This list is fixed as of April 2021 and may increase by no more than 10% without notice.