

INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement (“Agreement”) is made between the City of Eastpointe (“City”) and Assessment Administration Services, L.L.C. (“Contractor”), as follows:

1. Effective Date. This Agreement shall be effective as of September 1, 2018 through August 31, 2021.

2. Term. This Agreement shall remain in effect for a term of 3 years, then adherently revert to month to month basis (the “Term”), unless earlier terminated or extended as provided herein.

3. Retention of Contractor. City hereby retains Contractor to perform independent contracting services to provide those assessment functions which may be performed by an independent contractor consistent with Michigan law (the “Services”). Contractor accepts such assignment, subject to the terms and conditions set forth in this Agreement. Contractor shall take general assignment from the City Manager, or such other person as may be designated by City. The Services shall include:

- (a) Preparation, maintenance, and supervision of the Assessment Roll for Real and Personal Property (including any special acts), as well as special assessments, as outlined by State Tax Commission rules and regulations;
- (b) Normal record card maintenance recommended by the State Tax Commission;
- (c) Preparation for and representation of the City at Michigan Tax Tribunal hearings including the preparation of valuation disclosures and testifying if necessary;
- (d) Conduct the March, July, and December Boards of Review along with the processing of all paperwork, reports and forms.
- (e) Preparation of reports and forms as required by the County and State;
- (f) Creation of land value and economic condition factor analysis and maps; review sales study.
- (g) Maintain Compliance with the State Tax Commission’s Audit of Minimum Assessing Requirements (A.M.A.R.);
- (h) Completion of field visits annually including permits for building permits, new construction and demolition;

- (i) Giving of a seminar for the public in the City on the assessment process and how to appeal an assessment if requested;
- (j) Process all split and combinations in the City within the specified contractual time frame.
- (k) A Certified individual available up to 4 days per week either on site or through remote access except for vacations and holidays and the presence of an on-site clerical person 4 days per week except for vacations and holidays to complete tasks of the clerical nature.
- (l) Any as needed consultations;
- (m) Attend any necessary work sessions and City Council meetings.

4. Independent Contractor. Contractor's relationship with the City under this Agreement is that of independent contractor and not that of employee, partner, or joint venturer. Contractor shall be responsible for payment of its own federal, state, and local taxes. Contractor shall not participate in City's fringe benefit plans or programs.

5. Contractor's Compensation. In consideration of Contractor's activities under Paragraph 3 of this Agreement, the City shall pay Contractor as follows:

- (a) \$247,800 for the first year (September 1, 2018 through August 31, 2019) in monthly increments of \$20,650 due and payable on the first date of each month. Each additional year (beginning September 1, 2019) of the contract will be multiplied by 2% for an additional increase.
- (b) Notwithstanding any other provision of this Agreement, if this Agreement is terminated as provided herein prior to the end of the Term, Contractor shall only be entitled to pro-rated payment through the effective date of termination and shall have no right to payment thereafter.

6. Proprietary Information. Contractor acknowledges that through its activities under this Agreement, it may come into possession of confidential or proprietary information belonging to the City. Contractor agrees that it will not directly or indirectly disclose to any other person or entity, or make any use of, any of the City's confidential or proprietary information, whether or not such information was developed or obtained by Contractor, except as authorized by the City in connection with Contractor's activities under this Agreement and in furtherance of the City's best interests. Upon termination of this Agreement, Contractor shall return to the City all such confidential and proprietary information in its possession and control and shall not make or retain any copies or summaries.

7. Termination. This Agreement may be terminated as follows:

- (a) Either party may elect to terminate this Agreement for any reason upon thirty (30) days written notice to the other party.
- (b) The City may immediately terminate this Agreement, in its sole discretion in the event of Contractor's gross negligence or gross dereliction of duties; the conviction of a crime by one of Contractor's principals; or other circumstances that defeat the purpose of this Agreement.

9. Indemnity and Insurance. The Company shall be liable to the City, and hereby agrees to indemnify and hold the City harmless but only to the extent of its insurance coverage set forth below, against all claims covered by said insurance coverage arising out of the performance of the services rendered hereunder caused by any negligent conduct, intentional conduct, or act of the Company or any of its employees in the performance of this contract that are covered by the policies listed in subparagraphs "a" through "c" below.

The Company will carry the following insurance coverage at all times during this agreement:

- a. Comprehensive general liability insurance covering the Company and the City in the project with not less than the following limits of liability; bodily injury or death, \$1,000,000 each person and subject to the same limit for each person; \$1,000,000 for two or more persons in any occurrence; property damage, \$1,000,000 each occurrence; \$2,000,000 annual aggregate.
- b. Worker's Disability Compensation Insurance, securing compensation for the benefit of the employees of the Company, as required by Worker's Disability Compensation Act of State of Michigan.
- c. The Company shall also carry professional liability and errors and omissions insurance with not less than \$2,000,000 limit of liability for each claim and in the aggregate including claim expenses. However, the City understands that it cannot be listed an additional insured under this type of policy. Should the City or its officers, directors, employees, and elected officials ever be held financially liable for any error or omission of the Company and seek indemnification from Company as a result thereof, under no circumstance shall the Company's cumulative liability to the City or its officers, directors, employees and elected official exceed the coverage of the errors and omissions policy referenced herein.

10. Entire Agreement. This Agreement contains the entire understanding of the parties related to the subject matter hereof and supersedes all previous verbal and written agreements, representations, or warranties.

11. Counterparts. This Agreement may be executed in separate counterparts. A copy of this Agreement is effective as an original.

12. Miscellaneous Representations. Each party has consulted or has had the opportunity to consult with its own attorney prior to execution of this Agreement. Each party has read this Agreement in its entirety before signing and understands its terms. Each party signs as its free act. There shall no presumption or construction of this Agreement in favor of any party based on draftsmanship.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date written above.

CITY OF EASTPOINTE

ASSESSMENT ADMINISTRATION
SERVICES, L.L.C.

By: Randy Altimus
Its: Deputy City Clerk

By: Lisa Griffin
Its: President