



# *Lapeer County Board of Commissioners*

255 Clay Street, Suite 301  
Lapeer, Michigan 48446  
Phone: (810) 667-0366  
Fax: (810) 667-0369  
[www.lapeercountyweb.org](http://www.lapeercountyweb.org)

## **COMMITTEE OF THE WHOLE**

**\*\*COMMISSION CHAMBERS\*\***

**December 8, 2022**

**9:00 A.M.**

## **A-G-E-N-D-A**

*\*\*\*Attendance Roll Call; Opening Prayer; and Pledge of Allegiance\*\*\**

- 1) CONSIDERATION OF THE DRAFT **MINUTES** FROM THE **November 10, 2022** COMMITTEE OF THE WHOLE MEETING  
and  
REVIEW OF **OVERNIGHT TRAVEL REQUESTS, GRANT APPLICATIONS AND BUDGET AMENDMENTS** (*distributed and reviewed throughout the meeting*)  
and  
**DEPARTMENT HEAD UPDATES** – (As needed, No Action Required)
- 2) **PUBLIC TIME** – Citizens Comments (*maximum of 3 minutes per person*)
- 3) **FRIEND OF THE COURT-** Request to Approve the Replacement of Friend of the Court Computer Hardware.
- 4) **COMMUNITY MENTAL HEALTH-** Request to Renew the Leased Space Agreement with Hamilton Community Health Network for 1570 Suncrest Drive.
- 5) **ADMINISTRATION/FINANCE DEPARTMENT/BOC**
  - A. Request to Pay November Invoice to Shifman Fournier for Labor Related Services.
  - B. Request to Accept the Bid for Accounting Services and Audit Preparation for year- end December 31, 2022.
  - C. Request to Adopt the Resolution regarding the proposed "Dryden Casey Project" and Authorize submission of the Spark Grant Application Related to the Polly Ann Trail.
  - D. Request to Accept proposal from Vector Tech Group for the Technology Building Network Re-cabling Project.
  - E. Request to Renew Excess Workers Compensation Agreement for FY 2023 through Midwest Employers Casualty.
  - F. Request to Approve Interlocal Agreement with Oakland County for Medical Examiner Service; and Provide 60-day Termination Notice to MIFSM
  - G. Draft Motions for Ratified Union Tentative Agreements (to be distributed at the Meeting).

Continued—



6) **PUBLIC TIME-** Citizens Comments (*maximum of 3 minutes per person*)

7) **CLOSED SESSION-** If Needed

**ADJOURN -**

***Upcoming Meetings/Public Hearings/Events:***

NEXT FULL BOARD MEETING – 12/15/2022

NEXT C.O.W MEETING – 12/22/22 (**TENTATIVE**)

FOLLOWING FULL BOARD – 12/29/2022- **CANCELLED**



**COMMITTEE OF THE WHOLE  
November 10, 2022  
9:00 a.m.**

Chairman Roy called the meeting to order at 9:06 a.m. in the Commission Chambers on the lower level of the County Complex Building. Commissioner Henning opened the meeting with prayer. The Pledge of Allegiance was recited.

Present: Commissioners Bryan Zender, Dyle Henning, Lenny Schneider, Rick Warren, Gary Roy

Others: Quentin Bishop, County Controller/Administrator, Jackie Arnold, Chief Financial Officer, Lynette Stanford, Secretary/Deputy County Clerk

Absent: Commissioners Linda M. Jarvis, Brendan Miller

Motion by Henning, supported by Warren, to approve the agenda with the addition a discussion regarding the County Controller/Administrator position, and the deletion of a closed session. Motion carried.

Motion by Warren, supported by Zender, to approve the minutes from the October 27, 2022 Committee of the Whole Meeting. Motion carried.

**Elected Official/Department Head Updates**

Theresa M. Spencer, County Clerk gave an update regarding the November 8, 2022 General Election.

Jeff Satkowski, Director of Central Dispatch/Director of Emergency Management acknowledged the Marine Birthday and Veteran's Day. He also gave a report of stats for a 24-hour period during the recent wind storm.

**Public Time** – 2 people spoke during public time.

It was noted that no action was needed regarding the revised 2022 Lapeer County Apportionment Report (L-4402) at this time.

Motion by Warren, supported by Zender, to refer the revised 2022 Apportionment Report (L-4029 tax rate request) to the November 17, 2022 Regular Board Meeting. Motion carried.

Motion by Henning, supported by Schneider, to refer the annual Memorandum of Agreement with MSU Extension to the November 17, 2022 Regular Board Meeting. Motion carried.

Motion by Zender, supported by Warren, to refer the renewal of the Lamb Steele Building Lease to the November 17, 2022 Regular Board Meeting. Motion carried.

Motion by Henning, supported by Warren, to recommend to the Full Board, to authorize payment to Shifman Fournier, in the amount of \$1,920.00, for labor related legal services rendered through October 31, 2022, to be paid from line item 101-239-801.020. Motion carried.

Motion by Warren, supported by Henning, to recommend to the Full Board, to authorize Buildings and Grounds/Parks Department to immediately proceed with issuing a Request for Bids on behalf of the Lapeer County Sheriff's Department for Wrecker/Towing Services beginning in 2023, with a submission deadline of December 9, 2022 and report back to the Board with a recommendation. Motion carried.

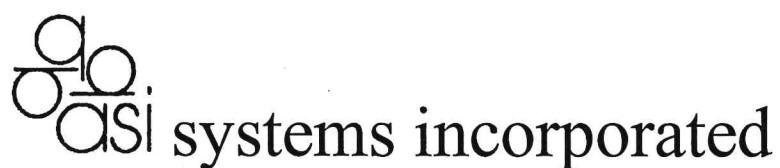
Motion by Henning, supported by Schneider, to recommend to the Full Board, to have the discussion regarding the County Controller/Administrator position as an on-going agenda item for all meetings. Motion carried.

**Public Time** – 2 people spoke during public time.

The meeting adjourned. 10:04 a.m.

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Gary Roy, Chairman  
Committee of the Whole



10/15/2022

Mr. Emil Joseph III  
Lapeer County Friend of the Court  
255 Clay Street  
Lapeer MI

RE: Fiscal Year 2023 Budget Recommendation

Mr. Joseph:

After recent hardware equipment review and results from State of Michigan security audit, following is our recommendations to bring Lapeer County Friend of Court into compliance:

Cost are only estimates and change daily based.

22 Workstations I5 256/8 Windows 11, mouse, keyboard	725.00ea
22 17" Monitors	260.00ea

It should be noted the last time computer hardware was updated in Friend of Court was 2015.

Several of these workstations are no longer supported by manufacturer or Microsoft patches.

Upgrading this equipment will also be required as we move into Phase II of State's security requirements. This will include encryption and network segmentation.

Please let me know any question or additional information required.

Thank You

Michael J. Bartley  
ASI Systems Incorporated

DATE: November 30, 2022

  X   REQUEST FOR ACTION  
       FOR YOUR INFORMATION  
       REQUEST FOR INFORMATION

TO: GARY ROY  
Chair Person

FROM: EMIL H. JOSEPH, III  
Friend of the Court

*EHS*

SUMMARY OF REQUEST / INFORMATION: Authorization to replace Friend of the Court computer hardware.

ADDITIONAL INFORMATION: Attached letter from ASI Systems Incorporated, Michael J. Bartley Lapeer County IT Department Head.

CONTACT PERSON(S): Emil H. Joseph, III, Friend of the Court

SUPPORTING DOCUMENTS:

DRAFT MOTION:

ATTACHMENTS:

c: Jamie K. Podoba, Deputy Friend of the Court  
Michael J. Bartley, IT Department Head

RFA 2022-08

LAPEER COUNTY

*Community Mental Health Center*

1570 Suncrest Drive, Lapeer, Michigan 48446  
(810) 667-0500 FAX: (810) 664-8728

4

Date: December 1, 2022

      X       Request for Action

To: Lapeer County Board of Commissioners

From: Lapeer County Community Mental Health

Summary of Request/Information:

LCCMH requests that Lapeer County renew the lease agreement with Hamilton Community Health Network, Inc. for the space leased to them that consists of 2,964 square feet, located at 1570 Suncrest Drive.

Additional information:

The term of the renewal agreement is effective October 1, 2022 through September 30, 2024 at an annual rental rate of \$48,084.00. This represents an increase in the annual rent in the amount of \$1,404.00. LCCMH requests that the FY2023 County Allocation be increased in the amount of \$1,404.00 from \$267,580.00 to \$268,984.00.

Contact person(s):

Lauren Emmons, Chief Executive Officer or  
Larry Smith, CFO

Supporting Documents: - Lease Agreement

Draft Motion:

Move to approve the request by Lapeer County Community Mental Health to renew the lease agreement between Lapeer County and Hamilton Community Health Network, Inc., and the request to increase the LCCMH County allocation in the amount of \$1,404.00.

Attachments:        Yes              X              No

# PROPERTY LEASE

Between

The County of Lapeer

and

Hamilton Community Health Network Inc. (HCHN)

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The County of Lapeer (Lessor) and Hamilton Community Health Network, Inc. (Lessee) enter into this sub-lease agreement subject to the following conditions:

1. Premises. The Lessor leases to the Lessee the property, that consists of 2,964 square feet, located at 1570 Suncrest Drive, Lapeer, Michigan 48446.
2. Term. The term of the lease shall be effective beginning October 1, 2022 and ending September 30, 2024.
3. Rent. The Lessee shall pay the Lessor, Forty-eight Thousand and eighty-four dollars (\$48,084.00) per year as base rent for the premises in equal monthly installments of \$4,007.00 starting on the commencement date. Monthly installments of rent shall be due and payable in advance on the tenth day of each calendar month. Rent for any partial month of occupancy shall be prorated. Rent shall be paid to the Lessor at the address shown above or any other place designated in writing by this Lessor. Notwithstanding the foregoing, Lessee, shall not commence paying rent until such time as the health clinic is licensed and fully operational. Rent for the first month of operation will be prorated based on first day of operation, until the end of the month. Proration will be established by the monthly amount divided by 30. This will establish a daily rate of \$131.73. At the expiration of the initial Lease term, and provided this Lease has not been terminated as otherwise provided herein, the Lessee shall have the option to renew this lease for up to two (2) additional one-year renewal periods. Each renewal option shall be exercised automatically unless default occurs and unless written notice is given by the Lessee that the Lessee does not intend to exercise said option. Said notice shall be given at least sixty (60) days prior to the expiration of the initial Lease term or the option to renew shall be deemed exercised as provided herein.
  - a. Additional rent. In addition to the Base rent set forth above, the Lessee shall be responsible for installation and ongoing cost of additional telephone lines, internet connections and security alarm system requirements. In addition, any fees, costs, or expenses incurred by the Lessor for enforcing the Lessee's obligations under this Lease, including reasonable attorney fees, shall be additional rent owing under the Lease and shall be immediately due and payable by the Lessee. Lessee shall also be responsible for any and all property and personal property taxes levied on the leased property by local and/or state government.
  - b. Late Charge. If Lessee fails to pay any amount due Lessor under this agreement

when that amount is due, the amount shall be assessed a one-time late charge of five (5%) percent and shall be subject to a service charge until it is paid at the lesser of the rate of 2 percent per month or the maximum interest rate permitted by law.

4. Signs. Lessee must post signage appropriate to use of premises as identified in Section 8 of this Lease. Any/all signs placed on the premises shall be in keeping with character and decor of the premises and with the approval of the Lessor.
5. Acceptance of occupancy. The Lessee shall commence occupancy of the premises on the commencement date. The Lessee acknowledges the present state of the premises, and that remodeling is required of the area in order to function as a community health center, and that is acceptable for the Lessee's intended use of the premises. The Lessee accepts the premises as it is at the time of the signing of the Lease, with the full authorization to remodel, which will not be unreasonably withheld, establish a community health center, and comply with Federal and State Laws.
6. Vacation of the premises. The Lessee shall not vacate or abandon the premises during the term of this Lease. If the Lessee does abandon or vacate the premises or is dispossessed by process of law or otherwise, any of the Lessee's personal property that is left on the premises shall be deemed abandoned by the Lessee at the option of the Lessor.
7. Use. The premises are to be used and occupied by the Lessee as a community health center. No activity shall be conducted on the premises that does not comply with all federal, state and local laws. As a result of its use, the Lessee shall be responsible for making any improvements to the premises to comply with government regulations, such as building codes, fire codes and the Americans with Disabilities Act. Lessee will not engage in any practice onsite that jeopardizes the Lessor's accreditation or licensing.
8. Repairs and maintenance. The Lessee shall be responsible for maintenance and repair of the rented area of the premises at Lessee's expense. The premises shall be kept in good and safe condition.
9. Surrender of the Premises. The Lessee shall surrender the premises to the Lessor when this lease expires, broom clean and in the same condition as on the commencement date, except for normal wear and tear, and structural remodeling that was approved by Lessor.
10. Entry and inspection. The Lessee shall permit the Lessor or the Lessor's agent to enter the premises at reasonable times and with reasonable notice, to inspect and repair the premises.
11. Alterations. The Lessee may remodel and improve the premises. However, any remodeling or improvement that significantly alters premises or requires an investment by the Lessee in excess of \$500.00 shall require written approval from the Lessor. Such work shall be done without injury to any structural portion of the building. Any improvement constructed on the premises shall become the property of the Lessor when this Lease terminates. Lessee shall not permit any construction, mechanical, laborer's or material men's lien to stand against the premises for any labor or material furnished (or claimed to have been furnished) to Lessee or performed (or claimed to have been performed) on the premises by or at the direction or sufferance of Lessee, and Lessee indemnifies Lessor against any claim. Provided however that Lessee shall have the right to contest the validity or amount of any such lien

or claimed lien, if Lessee shall give Lessor, upon demand reasonable security to insure payment. On final determination of the lien or claim for lien Lessee shall immediately pay any judgment rendered shall have the lien released at Lessee's own expense. Lessor shall then promptly return any security that Lessee may have furnished to Lessor. Failure of Lessee to discharge a lien, or if contested to provide security shall constitute a default under the lease and in addition to any other right or remedy of Lessor, Lessor may but shall not be obligated to discharge the same of record

by paying the amount claimed to be due, and the amount so paid by Lessor and all costs and expenses incurred by Lessor, including reasonable attorney fees shall be due and payable by Lessee to Lessor.

12. Assignment and subletting. The Lessee may not assign, sublet, or otherwise transfer or convey its interest or any portion of its interest in the premises without written consent from the Lessor. The Lessor shall have total discretion on its approval of proposed assignments or subleases.
13. Trade fixtures. All trade fixtures and movable equipment installed by the Lessee in connection with the business it conducts on the premises shall remain the property of the Lessee and shall be removed when this Lease expires. The Lessee shall repair any damage caused by the removal of such fixtures.
14. Insurance. The Lessee shall obtain the insurance required under this paragraph. All coverage shall be with insurance companies licensed and admitted to do business in the State of Michigan. All coverages shall be with insurance carriers acceptable to Lapeer County. Limits required below do not limit the liability of the Lessee. All deductibles and SIRS are the responsibility of the Lessee.
15.
  - A. Workers' Compensation Insurance: The Lessee shall procure and maintain during the life of this contract, Workers' Compensation Insurance, including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Michigan.
  - B. Commercial General Liability Insurance: The Lessee shall procure and maintain during the life of this contract, Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$1,000,000 per occurrence and aggregate. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included.
  - C. Motor Vehicle Liability: The Lessee shall procure and maintain during the life of this contract Motor Vehicle Liability Insurance, including Michigan No-Fault Coverages, with limits of liability not less than \$1,000,000 per occurrence combined single limit for Bodily Injury, and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.
  - D. Malpractice Liability: The Lessee shall procure and maintain during the life of this contract, Malpractice insurance in an amount not less than \$3,000,000 per occurrence and \$3,000,000 aggregate. If this policy is claims made form, then the Lessee shall keep the

policy in force, or purchase "tail" coverage, for a minimum of 3 years after the termination of this Lease.

E. Additional Insured: Commercial General Liability and Motor Vehicle Liability, as described above, shall include an endorsement stating the following shall be Additional Insureds: The County of Lapeer, Lapeer County Community Mental Health Authority, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming the Lapeer County as additional insured, coverage afforded is considered to be primary and any other insurance the Lapeer County may have in effect shall be considered secondary and/or excess.

F. Cancellation Notice: Workers' Compensation Insurance, Commercial General Liability Insurance, Motor Vehicle Liability Insurance and Pharmacist Professional Liability Insurance, as described above, shall be endorsed to state the following: "It is understood and agreed Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be sent to: (Mr. John Biscoe, Lapeer County, 255 Clay Street, Lapeer, MI 48446)."

16. The Lessee's liability. All the Lessee's personal property, including trade fixtures, on the premises shall be kept at the Lessee's sole risk, and the Lessor shall not be responsible for any losses of business or other injury or damage that is occasioned by the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to or connected with the premises. Further, Lessee agrees to obtain and maintain own security system to appropriately secure premises and contents therein at no cost to the Lessor.
17. Destruction of the premises. If the premises are partially damaged or destroyed through no fault of the Lessee, the Lessor shall at its own expense, promptly repair and restore the premises. If the premises are partially damaged through no fault of the Lessee, but is usable, rent shall not abate in whole or in part during the period of restoration. If the premises are totally destroyed through no fault of the Lessee, rent shall abate during the period of restoration. If the premises are totally destroyed through no fault of the Lessee or if the premises cannot be repaired and restored within 180 days, either party may terminate this Lease effective the date of the destruction by giving the other party written notice of termination within 30 days after the destruction. If such a notice is given within that period, this Lease shall terminate and rent shall be adjusted between the parties to the date of the surrender of possession. If the notice is not given within the required period, this Lease shall continue, without abatement of rent, and the Lessor shall repair the premises.
18. Condemnation. If any part of the premises is taken for any public or quasi-public purpose pursuant to any power of eminent domain or by private sale in lieu of eminent domain, either the Lessor or the Lessee may terminate this Lease effective the date the public authority takes possession. All damages for the condemnation of the premises, or damages awarded because of the taking, shall be payable to and the sole property of the Lessor.
19. Mutual Indemnification. The Lessee and Lessor agrees to mutually indemnify the other party for any liability, loss, damage, cost or expense (including attorney fees) based on any claims, demand, suit, or action by any party with respect to any personal injury

(including death) or property damages, from any cause, except for liability resulting from the intentional acts or gross negligence of either party or its employees, agents, invitees, or business visitors.

20. Default and reentry. If the Lessee fails to pay rent when due; if the Lessee fails to perform any other obligations under this agreement within 10 days after receiving written notice of the default from the Lessor; if the Lessee makes any assignment for the benefit of creditors or a receiver is appointed for the Lessee or its property; or if any proceedings are instituted by or against the Lessee for bankruptcy (including reorganization) or under any insolvency the Lessor may terminate this Lease, reenter the premises, and seek to relet the premises on whatever terms the Lessor' thinks advisable. Notwithstanding any reentry without termination the Lessor may at any time elect to terminate this Lease for any default by the Lessee by giving the Lessee sixty (60) days written notice of the termination. The effective date for any such termination shall be clearly stated in the notice.

In addition to the Lessor's other rights and remedies as stated in this Lease, and without waiving any of those rights, if the Lessor deems necessary any repairs that the Lessee is required to make or if the Lessee defaults in the performance of any of its obligations under this lease, the Lessor may make repairs or cure defaults and shall not be responsible to the Lessee for any loss or damage that is caused by that action. The Lessee shall immediately pay the Lessor, on demand, the Lessor's costs for curing any defaults, as additional rent under this Lease.

21. Subordination. This Lease and the Lessee's rights under it shall at all times be subordinate to the lien of any mortgage the Lessor places on the premises or to any collateral assignment the Lessor makes of this Lease or of rent under this Lease. However, as long as the Lessee is not in default under this Lease, the foreclosure of a mortgage given by the Lessor shall not affect the Lessee's rights under this Lease. At the request of any lien holder, the Lessee shall provide the Lessor with a customary tenant's estoppel letter regarding the status of this Lease. If the Lessor defaults on the payment of its mortgage on the premises, the Lessee may make the monthly payment owed under the mortgage note and deduct that amount from the rent owed under this Lease.
22. Notice. Any notices required under this Lease shall be in writing and served in person or sent by registered or certified mail, return receipt requested, to the addresses of the parties stated in this Lease or to such other addresses as the parties substitute by written notice. Notices shall be effective on the date of the first attempted delivery.
23. Telephone Line: The Lessee has a telephone line paid for by the Lessor. The Lessee will be billed separately for this telephone line. It will not be part of the lease.
24. The Lessee's possession and enjoyment. As long as the Lessee pays the rent as specified in this Lease and performs all its obligations under this Lease, the Lessee may peacefully and quietly hold and enjoy the premises for the term of this Lease.
25. Holding over. If Lessee does not vacate the premises at the end of the term of this Lease the holding over shall constitute a month-to-month tenancy at a monthly rental rate to be set by the Lessor at its sole discretion, but not to exceed the most current rate, plus 5%.

26. Entire agreement. This agreement entered into between the Lessor and the Lessee contains the entire agreement of the parties with respect to its subject matter. This agreement may not be modified except by a written document signed by the parties.
27. Waiver. The failure of the Lessor to enforce any condition of this Lease shall not be a waiver of its right to enforce every condition of this Lease. No provision of this Lease shall be deemed to have been waived unless the waiver is in writing.
28. Binding effect. This agreement shall bind and benefit the parties and their successors and permitted assigns.
29. Termination. This lease agreement is contingent upon the provision of Community Health Services. It is understood and agreed that the Lessor may terminate this lease with thirty days (30) notice if health services are terminated by the Lessor or Lessee under the terms of the separate service agreement.

This Lease shall be effective October 1 , 2022.

Lessor

Lessee

By\_\_\_\_\_

By\_\_\_\_\_

Lapeer County  
225 Clay Street  
Lapeer, Michigan 48446

Hamilton Community Health Network, Inc  
225 E. Fifth St.  
Flint, Michigan 48502



5a

**DATE:** December 1, 2022

XX REQUEST FOR ACTION

       FOR YOUR INFORMATION

       REQUEST FOR INFORMATION

**TO:** COMMITTEE OF THE WHOLE

**FROM:** Quentin Bishop, County Controller/Administrator

\*\*\*\*\*

**SUMMARY OF REQUEST / INFORMATION:** Request authorization to pay the November invoice from Shifman Fournier for labor related legal services.

**BACKGROUND INFORMATION:**

**ADDITIONAL INFORMATION:**

**CONTACT PERSON(S):** Quentin Bishop and/or Doreen Clark

**SUPPORTING DOCUMENTS:** Legal Summary for Invoice #15071

**DRAFT MOTION:**

Motion by \_\_\_\_\_, supported by \_\_\_\_\_, to recommend to the Full Board to authorize payment to Shifman Fournier, PLC, in the amount of \$6,675.00 for labor related legal services rendered through November 30, 2022, to be paid from line item #101-239-801.020.

**ATTACHMENTS** YES   X   NO

Howard L. Shifman  
Brandon Fournier  
Robert Nyovich- Of Counsel



31600 Telegraph Road, Suite 100  
Bingham Farms, MI 48025  
Phone (248) 642-2383 or  
(248) 594-8700  
Fax (248) 594-7080  
shifmanfournier.com

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**VIA EMAIL ONLY**

**PRIVILEGED ATTORNEY-CLIENT COMMUNICATION**

December 1, 2022

Quentin Bishop, County Administrator/Controller  
Lapeer County  
255 Clay Street  
Lapeer, MI 48446

Re: Lapeer County/Invoice for Services

Mr. Bishop:

Attached please find our invoice for services November 30, 2022.

Invoice No. 15071

Lapeer County –

General	\$ 2,460.00
Sheriff's Department	\$ 1,590.00
CMH	\$ 1,155.00
FOC	\$ 120.00
District Court	\$ 135.00
Health Department	\$ 0.00
911 MAPE	\$ 0.00
911 POAM	\$ 1,035.00
Non-Union	\$ 180.00

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**TOTAL DUE \$ 6,675.00**

Please make check payable to Shifman Fournier, PLC

5b

**DATE: December 6, 2022**

**XX REQUEST FOR ACTION**

**\_\_\_\_\_ FOR YOUR INFORMATION**

**\_\_\_\_\_ REQUEST FOR INFORMATION**

**TO: BOARD OF COMMISSIONERS**

**FROM: JACKIE ARNOLD, CFO**

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**SUMMARY OF REQUEST / INFORMATION:** The County issued an RFP for year-end accounting services and audit preparation for year-end December 31, 2022. Only two bids were received: 1) Rehmann Finance and Accounting Solutions; and 2) Maner Costerisan. The proposals were reviewed and I would recommend contracting with Maner Costerisan, as the services were more detailed, rates are more economical and there are other benefits such as no additional fees for phone calls, questions, and brief conversations under one hour. This will get the County in excellent shape for the upcoming audit with our current staff in the Finance Department while the new Board of Commissioners continues their search for a permanent replacement of the County Controller/Administrator in 2023.

**ADDITIONAL INFORMATION:**

**CONTACT PERSON(S):** Jackie Arnold, CFO

**BACKGROUND INFORMATION:**

**SUPPORTING DOCUMENTS:** RFP and Proposals

**DRAFT MOTION:**

**Motion by \_\_\_\_\_, Supported by \_\_\_\_\_, due to anticipated vacancy of the County Controller/Administrator and the appointment of the current CFO as interim, to authorize the acceptance of the proposal from Maner Costerisan to provide year-end accounting services and audit preparation for year-ending December 31, 2022, in an amount not to exceed \$50,000.00, to be paid from 101-239-801.010; and further, to authorize the Chairman to sign the attached engagement letter for services and the agreement of services after any recommended language changes pursuant to Corporation Counsel's legal review.**

**ATTACHMENTS YES XXX NO \_\_\_\_\_**



## ***Lapeer County Finance Department***

255 Clay Street, Suite 301

Lapeer, Michigan 48446

Phone: (810) 667-0245

Fax: (810) 667-0369

[www.lapeercountyweb.org](http://www.lapeercountyweb.org)

### **REQUEST FOR BIDS** **ACCOUNTING SERVICES**

Lapeer County Finance Department is requesting bids for Accounting services. The bid will be for year-end accounting services and audit preparation for the year ending December 31, 2022.

The bids must be returned via email by Friday, **December 9, 2022** by **4:30 p.m.** to Jackie Arnold, CFO, at [jarnold@lapeercounty.org](mailto:jarnold@lapeercounty.org).

The County of Lapeer reserves the right to reject any and all bids, and to accept the bid(s) that is in the best interest of the County. Anyone that submits a bid is doing so of their own free will and without liability of the County. A bid may be awarded to a higher bidder for reasons such as, but not limited to, quality, service, availability, reliability, dependability, and/or reliability.

**From:** Richard Carpenter <Richard.Carpenter@rehmann.com>  
**Sent:** Monday, November 21, 2022 5:08 PM  
**To:** Jackie Arnold  
**Cc:** Nikki Burgeson  
**Subject:** Service Quote

Good afternoon Jackie,

As discussed today, I would recommend providing services primarily at the manager level (since you already have strong staff that can prepare most schedules) with some oversight at the Principal level.

We would be offering a 20% discount on our standard hourly rates. The discounted rates would be as follows:

Principal – \$455  
Manager – \$290

We would be available to start in January and have capacity to assist through March or until audit prep is complete.

If you would like to proceed I can draft an engagement letter for your review.

Thanks!

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**Richard L. Carpenter, CPA, CGFM, CGMA**  
**Principal | Director, Public Sector Industry**  
*Finance and Accounting Solutions*

**Rehmann**

**Direct: 517.841.4221 | Cell: 517.206.9833 | Fax: 517.788.8111**  
[richard.carpenter@rehmann.com](mailto:richard.carpenter@rehmann.com) | [Subscribe and stay connected](#)

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**From:** Steve Kirinovic <skirinovic@manercpa.com>  
**Sent:** Monday, December 5, 2022 10:42 AM  
**To:** Jackie Arnold  
**Subject:** Accounting Services bid documents  
**Attachments:** Lapeer County proposed eng ltr 12-2-2022.pdf; 21\_MC\_Gov\_06.15.22 - Kirinovic.pdf; info for Lapeer County.pdf

Jackie –

I was able to complete this information a little sooner so wanted to get it out to you. Attached are the following:

1. A proposed engagement letter – this in general terms lays out what we can do for the County. As you will read, I have left it very “open-ended” so we can assist you with basically anything/everything you need. There is a lot of “stuff” detailed in there to basically show you all the things we CAN do, but obviously you would only pay us for the things we actually do for you.
2. A 2 page governmental summary narrative about what Maner has to offer in this area
3. A more detailed narrative, but still summarized, about who Maner is, how we can serve the County, and some references, etc.

If there is anything else you need from me in order for you and the County to make a decision, please let me know. If this is the direction that the County would like to move forward with, please sign the engagement letter and return it to me.

Thank you for the opportunity to provide this information.

I look forward to hearing from you.

**Steve Kirinovic, CPA | Principal**

📞 517.323.7500 | 📞 517.999.5810 (Direct)  
✉ skirinovic@manercpa.com  
2425 E. Grand River Ave., Suite 1, Lansing, MI 48912  
[manercpa.com](http://manercpa.com)



accountingTODAY

2021 Best Firms to Work For

**From:** Jackie Arnold <jarnold@lapeercounty.org>  
**Sent:** Friday, December 2, 2022 2:14 PM  
**To:** Steve Kirinovic <skirinovic@manercpa.com>  
**Subject:** RE: Accounting Services bid questions

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.



2425 E. Grand River Ave.,  
Suite 1, Lansing, MI 48912

☎ 517.323.7500

📠 517.323.6346

December 2, 2022

Lapeer County  
Lapeer, Michigan

Maner Costerisan is pleased that Lapeer County (the County) has expressed interest in our firm and our municipal government expertise. We are submitting the following proposed engagement letter for consideration.

We are prepared to provide a full range of accounting and consulting services to Lapeer County. The purpose of this engagement letter is to identify the scope of available accounting and consulting services, the specific services anticipated at this time, and confirm the terms of our engagement.

### **Scope of Services**

The scope of accounting and consulting services that can be provided to the County are outlined below. While this listing includes the full range of services available from Maner Costerisan, the specific services anticipated to be provided at the current time are separated below from those other services that are available upon request.

#### We understand that our duties will potentially help ensure the completion of the following items:

- Perform a preliminary general "field review" of the County's procedures by obtaining a general understanding of the County's programs and financial procedures and then a detailed understanding of the same by reviewing documentation and discussions with management.
- Analyze current systems in place related to all accounting functions and if desired, offer suggestions to the County to effectively and efficiently process accounting transactions going forward
- Provide year-end accounting related assistance, including assist with the preparation of year-end accounting information for submission to the County's auditors.
- As requested, develop and implement policies and procedures standardizing accounting functions across Departments throughout the County if there is a need for standardization.
- Develop timelines and tasks lists on duties to be conducted and when they need to be completed.

- Meet with County management to discuss any accounting issues, findings that arise, and recommend corrective actions.
- Provide financial consulting services upon request.

Additional management advisory services may be requested throughout this engagement:

- General accounting advisory assistance, as requested.
- Internal control policies and procedures review and updating.
- Updating County Chart of Accounts for State of Michigan compliance.
- Laws and regulations compliance assistance.
- Investigation of allegations or concerns, if identified.
- Other contracted accounting outsourced solutions.
- Computer hardware sales and service, if requested.

### **County Responsibilities**

The County is, and will continue to be, solely responsible for establishing and maintaining an effective accounting and internal control system, including, without limitation, systems designed to assure compliance with policies, procedures, and applicable laws and regulations.

County management will be responsible for establishing the scope of the accounting and consulting services and the resources allocated to the work; such responsibility includes determining the nature, scope, and extent of the accounting and consulting services to be performed by Maner Costerisan, providing overall direction and oversight for each service, reviewing, approving, and accepting the results of the work.

If our engagement involves assistance with the preparation of draft annual financial statements for use by an external auditor, our work will be considered a prelude to the audit performed on County management's behalf and not the submission of compiled financial statements as defined by the standards for accounting and review services of the AICPA. The draft financial statements we provide to the external auditor, on County management's behalf, will be prepared in accordance with accounting principles generally accepted in the United States, will be limited to management's representations, and will include no opinion, report, or any form of assurance on the statements from us. Because we can provide no form of assurance on such statements, any engagement to prepare these draft financial statements for auditor use cannot be relied upon to disclose errors, fraud, or illegal acts. County management will be responsible for the fair presentation of such statements and management will make such representations to the external auditors. Management also represents to us that they are responsible for the basis of accounting and assumptions used in the preparation of the draft financial statements. Management also agrees not to use the draft financial statements, prepared as a prelude to the audit, in any manner other than for use by the external auditor, and will not distribute or allow use of such draft statements to or by third-parties.

You retain responsibility for performing management functions and making management decisions, including but not limited to, the adequacy of the County's policies and procedures. Accordingly, we will routinely submit to you journal entries, listings of transactions or other entries or changes or a summary of these for your approval. You should review these items and contact us regarding any questions or changes that you wish to be made. Further, you are responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these services.

As indicated above, management is responsible for supplying us with all necessary information and for allowing us access to personnel to assist in performing our services. A list of information and assistance that management will need to provide will be supplied by us. Your failure to provide this information in a timely manner may impair our ability to provide service and may result in increased fees.

The County agrees that any final reports issued by Maner Costerisan in the conduct of our services engagement are intended solely for the information and use of County staff, management, and the governing body. Any such reports may include wording that describes the limitations on their distribution.

### **Maner Costerisan Responsibilities**

Maner Costerisan is responsible for providing the services requested from those anticipated or available, as defined in the Scope of Services section of this letter. Such services will be performed in accordance with the applicable accounting and consulting professional standards of the American Institute of CPAs (AICPA).

Maner Costerisan will be responsible for reporting or otherwise communicating to County management and/or the County Commissioners any findings or recommendations, it determines necessary, resulting from the accounting and consulting services provided.

### **Additional Terms and Responsibilities**

Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts. However, we will inform the appropriate level of management of any material errors and of any evidence or information that comes to our attention during the performance of our procedures, indicating that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our procedures regarding illegal acts that may have occurred.

You are responsible for the safeguarding of assets, for the proper recording of transactions in the general ledger, for the substantial accuracy of the financial records, and the full and accurate disclosure to us of all relevant facts affecting the engagement. You also have the final responsibility for any filings we do on your behalf and, therefore, the appropriate officials should review them carefully before an authorized officer signs and submits.

If, during our work, we discover information that affects prior-year information, we will make you aware of the facts. However, we cannot be responsible for identifying all items that may affect prior-year information. If you become aware of such information during the year, please contact us to discuss the best resolution of the issue. We will be happy to assist in adjusting information and/or filings as part of this engagement.

We value each and every one of our clients as well as each and every one of our employees. We have spent a great deal of time and resources to locate, train, and retain our employees. We respectfully request that you do not solicit our employees to work for you. If you do hire one of our employees within 2 years of when they last worked for Maner Costerisan, we will be due a finder's fee equal to 50% of the annual salary they were earning as of their last day of employment. Payment will be due within 10 days of your receipt of our invoice.

Considering our current relationship as an independent member of the BDO Alliance USA, the firm may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by a such third-party service provider.

In connection with this engagement, we may communicate with you or others via e-mail transmission. As e-mails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that e-mails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure or communication or e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of e-mail transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

Because there are inherent difficulties in recalling or preserving information as the period after an engagement increases, you agree that, notwithstanding the statute of limitations of the State of Michigan, any claim based on this engagement must be commenced within 12 months after performance of our service, unless you have previously provided us with a written notice of a specific defect in our services that forms the basis of the claim.

You agree that our maximum liability to you for any negligent errors or omissions committed by us in the performance of the engagement will be limited to the amount of our fees for this engagement, except to the extent determined to result from our gross negligence or willful misconduct.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules. If the parties are unable to resolve the dispute through mediation within 60 days from the date notice is first given from one party to the other as to the existence of a dispute and the demand to mediate, then they may proceed to resolve the matter by arbitration if this agreement provides that the particular dispute is subject to arbitration, or by whatever other lawful means are available to them if this agreement does not provide for arbitration of the particular dispute. Costs of any mediation proceeding shall be shared equally by all parties.

Lapeer County and Maner Costerisan both agree that any dispute over fees charged by Maner Costerisan to the client will be submitted for resolution by arbitration in accordance with the rules of the American Arbitration Association. Such arbitration shall be binding and final. The arbitration shall take place at Lansing, Michigan. Any hearing shall be before one arbitrator in accordance with Rule 17 of the Commercial Arbitration Rules of the American Arbitration Association (the Rules). Any award rendered by the Arbitrator pursuant to this Agreement may be filed and entered and shall be enforceable in the appropriate court of the County in which arbitration proceeds. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution. The prevailing party shall be entitled to an award of reasonable attorney's fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

## Fees and Costs

Fees and out-of-pocket expenses for this engagement will be billed as the work progresses and payable upon receipt of our invoices. Out-of-pocket expenses include such costs incurred by our firm in providing the services including travel time/costs, telecommunications, printing, document reproduction, and the like. Our fees for these services will be billed at our standard hourly rates, for the individual performing such services based on the actual number of hours of work, including travel time, performed by that individual.

Associate	\$ 180
Manager	220
Senior Manager	240
Principal	370

We do not bill for phone calls and questions regarding minimal research (less than one hour). Brief phone conversations during the year are encouraged at no additional cost. These 2023 rates increase annually on an incremental basis.

Our initial assessment and commencement of the audit preparation services will require a mixed time from various levels of staffing. We will work as efficiently and effectively as possible to maintain reasonable costs. We will bill the County any costs based on the value of the services received from our team members involved until our services are no longer needed. Our ability to keep costs down is predicated on County staff cooperation and providing necessary information on a timely basis. If the County would like additional assistance over the noted elements those hours will be billed at the rates noted after approval is given.

All projects/services detailed in the scope of services section would be billed at the hourly rates noted above, as requested. With an engagement such as this, the County has 100% control over the hours to be invested in the project and the resulting cost. We will bill the County for all the time spent on each phase of the engagement as we conduct the services.

We will bill the County as the work progresses and only bill for the value of the services provided during the project. We will invest the time required to ensure that the professional relationship we will develop with the County remains strong and we continue to be the County's trusted advisor in all financial matters. We will rely on the County to monitor the cumulative fees and expenses charged and notify us if and when the cumulative amount approaches the total appropriated level.

If the County were to need additional services rendered by other team members, those hours would be billed at the following rates:

<u>Team Member Level</u>	<u>Hourly Rate</u>
Principal	\$ 220 - 385
Manager/Senior Manager	165 - 260
Associate	130 - 210
Administrative	100 - 200

Maner Costerisan may perform additional services upon receipt of a request from the County with terms and conditions that are acceptable to the County and Maner Costerisan.

Very truly yours,

*Maner Costerisan PC*

**Acceptance**

Please indicate your acceptance of this agreement by signing in the space provided below and returning this engagement letter to us. We look forward to continuing our professional relationship with Lapeer County.

**This letter correctly sets forth the understanding of Lapeer County:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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## Qualifications

Maner Costerisan believes it is uniquely qualified to successfully perform an engagement such as the one detailed in your County's scope of services because:

1. We would perform a preliminary general "field review" of the County's procedures as soon as it fits into everyone's schedules. Meaning that we would kick off the project sooner rather than later in the new year to prepare the County for the 2022 audit and beyond.
2. We would do this initial assessment and commencement of the project *on-site* to gain a firsthand knowledge of the level of experience and knowledge of the team at the County and for the County to gain a comfort level with our team assisting with this engagement.
3. We have a strong commitment to quality. We have received a "pass" peer review during every review since the inception of the program, including the most recent review in July 2020.
4. We have extensive experience dealing with state and federal grants and assistance programs. We have performed compliance and accounting work on \$100's of millions of dollars in Federal grants over the years. This includes both auditing and monitoring Federal grants under Uniform Guidance requirements and other grants under varying compliance requirements so as the County expends it ARPA (or other funding) we can be a resource for the County if you desire.
5. We have a strong commitment to hiring excellent professional staff that specialize in governmental clients, have been a part of governmental teams at local municipalities, and have a strong understanding of various general ledger packages.
6. We communicate with our clients regularly to assure all projects are operating appropriately.
7. We provide service to over 300+ local and state governmental entities/departments throughout the State of Michigan including several Counties (20+).
8. We have memberships in committees directly related to governmental entities.
9. We have experience in issuing and reviewing governmental audited financial statements, including many Federal Compliance Audits under the Single Audit Act and Uniform Guidance.
10. We are committed to training programs to enhance the professional knowledge and competence of our staff members and sharing/educating our governmental clients to assist with compliance measures into the future.
11. We have state-wide recognition of being a leader in providing service to governmental entities.
12. We have multiple team members available to service projects and will utilize the appropriate levels of staffing to assure timely and appropriate service.

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## Overview of the Firm

Maner Costerisan was founded in the early 1900s. Since that time, we have grown into the largest local accounting firm in mid-Michigan, and we are recognized as a leader in conducting traditional and non-traditional services in the region. The immediate access to our experts and engagement team results in increased efficiencies and faster completion times for our engagements. In addition, our affiliation with BDO Alliance USA provides us easy access to additional professional and technical resources.

The firm consists of approximately 180 individuals, including 26 shareholders (principals). Most staff join our firm immediately after college through a very selective recruitment program. Our professional staff is highly trained to provide services to governmental organizations and related entities in areas of accounting, grants, and consulting. Professional training is maintained by staff members through participation in and presentation of educational programs, conducted both in-house by our firm and sponsored by national, state, and local professional societies and associations.

Our firm participates in the AICPA Peer Review Program of the National Peer Review Committee (NPRC). We have received a "pass" peer review during every review since the inception of the program, including the most recent review in July 2020. We have received approval as a registered firm under the Public Company Accounting Oversight Board (PCAOB) and are a charter member of the AICPA Government Audit Quality Center.

We have specific governmental experience and have served as a resource for local governments for 30 years. The importance of the institutional knowledge we have gained over the years cannot be overemphasized. We have a long history of working with organizations like yours and believe we are the best firm to service your needs. Our clients have come to expect diversity of services and personal attention, our strength stems from a highly professional and dynamic staff.

Maner Costerisan is a licensed and insured CPA firm in the State of Michigan. All professional staff meeting State of Michigan requirements are licensed to practice in Michigan. We affirm that we understand the work to be performed and we are committed to maintaining compliance with the State Equal Opportunity Employment Standards.

## Current Engagements

We have performed similar services such as outsourced work or audits for various governmental units throughout Michigan. The following lists a portion of the governmental clients we are currently serving, have served, or have recently been appointed to serve:

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### Cities

County of Albion  
County of Corunna  
County of DeWitt  
County of Eaton Rapids  
County of Flint  
County of Hart  
County of Hudsonville  
County of Kalamazoo  
Village of Grosse Pointe Shores, a Michigan County

County of Mason  
County of Niles  
County of Portland  
County of Pleasant Ridge  
County of Owosso  
County of St. Clair  
County of Muskegon Heights  
County of Charlotte  
County of Lansing

### Counties

Branch County  
Clinton County  
Ionia County  
Isabella County  
Huron County

Lake County  
Shiawassee County  
Van Buren County  
Charlevoix County  
Kalamazoo County

### Townships

Bath Charter Township  
Bengal Township  
Bingham Township  
Bruce Township  
Carmel Township  
Chester Township  
Chippewa Township  
Dallas Township  
Delhi Charter Township  
Delta Charter Township  
DeWitt Charter Township  
Duplain Township  
Eagle Township  
East Bay Charter Township

Essex Township  
Fulton Township  
Handy Township  
Lansing Charter Township  
Locke Township  
North Plains Township  
Oneida Charter Township  
Ovid Township  
Pipestone Township  
Sodus Township  
Westphalia Township  
Williams Charter Township  
Williamstown Township  
Watertown Charter Township

### Villages

Village of Baroda  
Village of Decatur  
Village of Fowlerville

Village of Oxford  
Village of Perrinton  
Village of Westphalia

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## Potential Scope of Work

Governmental accounting services require advisors that can bridge the gap between available resources and what upper-level management needs to be able to make smart decisions. Using a team approach, our professionals will assist with the design and delivery of customized financial solutions, planning, support, reporting and analysis that can positively impact the County in many ways. With a clear vision of your success path, our teams collaborate to bring you the strongest, most experienced team to help you reach the goals of this project.

Maner Costerisan professionals share a passion for excellence and are committed to providing superior service with a positive attitude. Knowing that an enormous amount of trust is placed in our hands, we will always seek the solution that is in the best interest of our client. We have provided similar services to a wide variety of clients of similar size along with working with approximately 300 governments throughout the state.

We will assist the County in accessing and guiding appropriate systems of internal controls for the County's accounting systems. Because we currently serve a wide variety of governmental entities state-wide, many of them use the same software and run into the same issues that you are currently experiencing so we know exactly the issues and common pitfalls the County may run into. We have an in-depth understanding of governmental accounting software; the State's new Uniform Chart of Accounts; and the appropriate level of controls that a local government should have in place. We could provide ongoing support, up to the maximum budgeted hours set for the project, then if additional hours are needed, we will provide those services too. We can conduct remote and in-person meetings to assure all team members assigned to this project are kept up-to-date during the contract period. We would start with the project being handled in-person and then migrate it to an acceptable level of on-site / remote services as the County is comfortable with. We would notify all key team members, as necessary, of changes that may affect compliance, accounting, reporting, etc. related issues to assist the County to monitor the progress effectively and efficiently. We have vast experience providing guidance to governmental units related to all aspects of accounting and administration of a local governmental entity.

We would coordinate our services with the County to assure a smooth implementation of these services into the already established accounting functions within the County administrative team. If you contract with us to assist with these services, we will also put in place adequate staffing in the applicable rolls within the framework of the project so that the duties assigned to us are being fulfilled. This entire process will be overseen by a partner level individual within our firm with substantial governmental experience. We will all the while maintain the customer relations philosophy that the County would expect.

In conjunction with the County, we would continually monitor the contractual arrangement to assure that the arrangement is meeting the County's needs and falling within the expected services that our firm has proposed on. As part of this monitoring process, we will monitor your expectations in conjunction with ours and if we feel, based on the actual workflow compared to what was contemplated in the initial phase of this engagement, that there is a variance in those expectations (hours, skill levels, workload, etc.), we will discuss the situation with the County.

If there is a need for alternate staff members to assist with this project due to changes in schedules, requirements, direction the County wants to take the contract, we will insert new team members with the same or higher skill levels to assure continued quality of the project. We will provide requested status reports with all necessary details periodically to the County and communicate as required to assure the County is continually up to date, as necessary.

The overall project would commence by Maner performing a "site assessment" at the County to see what current systems are in place to see if we can repurpose existing avenues for implementation of the new processes. Modifying existing processes to facilitate implementation of these new requirements is a more efficient way to handle them than creating new processes for implementation, if possible. We would work within your current structure for ease of implementation and modify processes only when necessary.

If the County elected to work with us, we would work closely with the County to maximize the resources of the County and work through the processes to assure the accounting structure is adequate and reconciled to date. This will include assuring the County's general ledger is structured sufficiently to capture all applicable accounting data.

At the County's option we will also work closely with all key stakeholders within the County to maximize the learning potential for the County and work to align resources for the largest benefits to the County.

We will comply with all applicable federal, state, and local laws, rules, regulations, codes, ordinances, and policies that apply. If we inadvertently do not comply with said requirements noted, we would expect that we would be given sufficient time to correct this noncompliance to the satisfaction of the County.

## Pricing Methodology

The cost of the services is based on the amount of time it takes to perform such services. Our charges for additional management services outside the scope of the original contract would be based on the level of team member required.

The standard hourly governmental billing rates are currently as follows:

Principal	\$ 250 - 375
Manager/Senior Mgr.	165 - 250
Associate	130 - 200
Administration	100 - 200

These billing rates would also apply to any management or consulting services you may request. Billing rates for any additional services outside of the scope of this engagement would be billed at the standard hourly rate for the specific team members assigned. There is a normal increase to these rates annually.

It is our policy to perform services in the most efficient manner possible, thus reducing hours and creating as little disruption to your routine as possible. We will work efficiently and effectively to accomplish the duties requested.

Our overall goal will be to provide the requested services with the appropriate level of team member and if the duties requested can be performed by a team member at lower rates, we will utilize those individuals when available. We will assure when utilizing other staff that we maintain a high level of quality in the services provided at the most reasonable rates.

## References

Isabella County  
200 N. Main Street  
Mt. Pleasant, MI 48858

Nicole Frost, Deputy Admin/Controller  
989.317.4055  
[nfrost@isabellacounty.org](mailto:nfrost@isabellacounty.org)

Services: On-going contracted Director of Accounting Services assisting with all aspects of County finances including budgeting, transactional oversight, audit preparation, SEFA preparation, Federal grant oversight, etc. since 2016.

Delhi Township  
2074 Aurelius Road  
Holt, MI 48842

Gail Meredith, Township Accountant  
517.699.3858  
[Gail.Meredith@delhitownship.com](mailto:Gail.Meredith@delhitownship.com)

Services: On-going contracted Accounting Director services assisting with all aspects of Township finances including bank reconciliation and payroll review, journal entry approval, audit preparation, grant oversight, GASB standard implementation for 15+ years.

Kalamazoo County  
201 W. Kalamazoo Avenue  
Kalamazoo, MI 49007

Jenna LeRoy, Deputy Finance Director  
269.383.8979  
[jltero@kalcounty.com](mailto:jltero@kalcounty.com)

Services: On-going contracted assistance with various aspects of County finance as requested including ARPA funding, analysis of Clerk revenues, audit preparation, bank and investment reconciliations, system reviews of the Treasurer's office for 3 years.

Shiawassee County  
201 N. Shiawassee Street  
Corunna, MI 48817

Brian Boggs, County Coordinator  
989.743.2222  
[bboggs@shiawassee.net](mailto:bboggs@shiawassee.net)

Services: On-going contracted assisting with all aspects of County finances as requested including ARPA funding, budgeting, transactional oversight, audit preparation, SEFA preparation, Federal grant oversight, etc. for 10+ years.

Additional references of other local municipalities which we provide outsourced accounting and audit services for financial statement and Federal compliance audit work, can be provided upon request.



5c

**DATE:** December 6, 2022

XX **REQUEST FOR ACTION**

\_\_\_\_\_ **FOR YOUR INFORMATION**

\_\_\_\_\_ **REQUEST FOR INFORMATION**

**TO: BOARD OF COMMISSIONERS**

**FROM: QUENTIN BISHOP, COUNTY CONTROLLER**

\*\*\*\*\*

**SUMMARY OF REQUEST / INFORMATION:** Request to adopt the attached Resolution regarding the proposed "Dryden Casey Project" and authorize submission of the Spark Grant Application for the development of the Polly Ann Trail from Dryden Road to Casey Road, in the amount of \$286,000.00, which includes a financial commitment of \$10,000.00 from the Friends of the Polly Ann Trail.

**ADDITIONAL INFORMATION:**

**CONTACT PERSON(S):** Quentin Bishop

**BACKGROUND INFORMATION:**

**SUPPORTING DOCUMENTS:** Resolution

**DRAFT MOTION:**

**Motion by \_\_\_\_\_, Supported by \_\_\_\_\_, to adopt the Resolution regarding the proposed "Dryden Casey Project" and authorize submission of the Spark Grant Application for the development of the Polly Ann Trail from Dryden Road to Casey Road, in the amount of \$286,000.00, which includes a financial commitment of \$10,000.00 from the Friends of the Polly Ann Trail. Roll Call Vote:**

**ATTACHMENTS**      **YES** XXX **NO** \_\_\_\_\_



*Lapeer County, Michigan*

**RESOLUTION**

**WHEREAS,** Lapeer County supports the submission of an application titled, "Dryden Casey Project" to the Spark grant program for development of the Polly Ann Trail from Dryden Road to Casey Road; and,

**WHEREAS,** the Friends of the Polly Ann Trail is hereby making a financial commitment to the project in the amount of \$10,000.00 matching funds, in cash and/or force account; and,

**WHEREAS,** if the grant is awarded the applicant commits its local match and donated amounts from the following source:

Friends of the Polly Ann Trail	\$10,000.00
Total	\$10,000.00

**NOW THEREFORE, BE IT RESOLVED.** that Lapeer County Board of Commissioners of Lapeer County, Michigan, hereby authorizes submission of a Spark Grant Application for \$286,000.00; and further resolves to make available a local match through a financial commitment and donation of \$10,000.00 (3.5%) of a total \$286,000.00 project cost, during the 2023-2024 fiscal year.

\_\_\_\_\_  
Gary Roy, Chairman, District #2

\_\_\_\_\_  
Dyle Henning, Vice-Chair, District #3

\_\_\_\_\_  
Brenden Miller, District #1

\_\_\_\_\_  
Lenny Schneider, District #4

\_\_\_\_\_  
Rick Warren, District #5

\_\_\_\_\_  
Linda M. Jarvis, District #6

\_\_\_\_\_  
Bryan Zender, District #7

*I hereby certify that the foregoing Resolution was unanimously adopted by a vote at a regular meeting of the Board of Commissioners of the County of Lapeer, State of Michigan, on this 15<sup>th</sup> day of December, 2022.*

\_\_\_\_\_  
Theresa M. Spencer, County Clerk  
Clerk of the Board

5d

**DATE:** December 6, 2022

XX **REQUEST FOR ACTION**

\_\_\_\_\_ **FOR YOUR INFORMATION**

\_\_\_\_\_ **REQUEST FOR INFORMATION**

**TO: BOARD OF COMMISSIONERS**

**FROM: QUENTIN BISHOP, COUNTY CONTROLLER**

\*\*\*\*\*

**SUMMARY OF REQUEST / INFORMATION:** Request to accept the proposal from Vector Tech Group for the Technology Building Network Recabling project. Mr. Bartley prepared and distributed the RFP for this project pursuant to the BOC's Motion #346-22 on October 20, 2022. He is recommending Vector Tech Group to complete the project.

**ADDITIONAL INFORMATION:**

**CONTACT PERSON(S):** Quentin Bishop

**BACKGROUND INFORMATION:**

**SUPPORTING DOCUMENTS:** Previous motion for RFP and Vector's Cost Breakdown and Proposal.

**DRAFT MOTION:**

**Motion by \_\_\_\_\_, Supported by \_\_\_\_\_, pursuant to the recommendations of the American Rescue Act Committee (ARPA) and in response to the Covid-19 public health emergency and pursuant to previous BOC Motion #346-22, to accept the proposal from Vector Tech Group for the Technology Building Network Recabling Project, in the amount not to exceed \$227,500.00, to be paid from Fund 281 (expenditure category 6.1).**

**ATTACHMENTS** YES XXX NO \_\_\_\_\_

343-22

Motion by Schneider, supported by Zender, to recommend to the Full Board to authorize Community Mental Health to immediately fill the following eight (8) full-time grant-funded positions through the Certified Community Behavioral Health Center grant (grant period is September 30, 2022 – September 29, 2026) to provide Access and Visitation Contract and integration for complete wellness:

- Project/Program Director (MA Level, Pay Grade 13)
- Adult Services Clinician (MA Level, Pay Grade 10)
- Adult Services Clinician (MA Level, Pay Grade 10)
- Children's Services Clinician (MA Level, Pay Grade 10)
- Registered Nurse (Pay Grade 9)
- Medical Assistant (Pay Grade 4)
- Integrated Health Clinician (MA Level, Pay Grade 10)
- Budgetary Accountant (Pay Grade 5)

And further, to authorize any subsequent vacancies should internal promotions or transfers occur, and at no cost to the County's General Fund. Motion carried.

344-22

Motion by Zender, supported by Schneider, to recommend to the Full Board, to authorize the 911 Central Dispatch to purchase the ESXI Host (VMware vSphere) licensing and support for the server software from CDW-G under state contract pricing, at a cost not to exceed \$8,125.00, to be paid from 911 millage account line item 482-325-977.000, at no additional cost to the County's General Fund. Motion carried.

345-22

Motion by Zender, supported by Miller, pursuant to the recommendation of the ARPA Committee and in response to the impacts of the Covid-19 public health emergency, to authorize the County Controller/Administrator to proceed with getting a cost estimate from an engineering firm in order to pursue cost estimates related to the design, building, and implementation of a reconstruction project of the waterpark/ waterplay area at Torzewski County Park and report back. Motion carried.

 346-22

Motion by Zender, supported by Schneider, pursuant to the recommendation of the ARPA Committee and in response to the impacts of the Covid-19 public health emergency, to authorize the County Controller/Administrator and Mike Bartley from ASI to proceed with preparation of an RFP in order to get bids for an updated technology re-cabling project at the various County buildings and bring back to the Board. Motion carried.

347-22

Motion by Schneider, supported by Zender, to approve the County's Audit Motion for disbursements dated October 21, 2022, based upon the signature of the County Controller/Administrator; and further, to approve the Road Commission Audit Motion for disbursements dated October 20, 2022 based upon the signatures of the Road Commission Chairman and Finance Director. Roll Call vote: Schneider, aye; Warren, absent; Zender, aye; Jarvis, aye; Miller, aye; Henning, aye; Roy, absent. 5 ayes, 2 absent. Motion carried.



Type	Qty	Part #	Description	Unit Price	Ext. Price	Unit Labor	Ext. Labor	Sub-Total
Cabling	583	Cabling - Labor	Labor for the Installation of Cat6A plenum	\$0.00	\$0.00	\$130.00	\$75,790.00	\$75,790.00
Materials	583	Cabling - Materials	Cat6A Cabling Materials	\$150.00	\$87,450.00	\$0.00	\$0.00	\$87,450.00
Materials	100	Cabling - Materials	Cat6A Cabling Materials	\$20.00	\$2,000.00	\$0.00	\$0.00	\$2,000.00
Materials	1166	C-HC6A8xx	Cat6A patch cable	\$12.00	\$13,992.00	\$0.00	\$0.00	\$13,992.00
Materials	12	C-HP6A48	Cat6A 48 Port Patch Panels (open frame)	\$75.00	\$900.00	\$0.00	\$0.00	\$900.00
Materials	8	C-HP6A24	Cat6A 24 Port Patch Panels (open frame)	\$50.00	\$400.00	\$0.00	\$0.00	\$400.00
Materials	32	C-HPPCM8	Cat6A Patch Panel Stress Release Bar	\$15.00	\$480.00	\$0.00	\$0.00	\$480.00
Cabling	500	Cabling - Labor	Labor for cable removal (Abatement)	\$0.00	\$0.00	\$50.00	\$25,000.00	\$25,000.00
Materials	1	Cabling - Materials	Materials (Raceway, conduit, fittings)	\$1,250.00	\$1,250.00	\$0.00	\$0.00	\$1,250.00
Materials	1	Cabling - Materials	Pathway Materials - J-hooks, beam clamps, rings	\$2,808.00	\$2,808.00	\$0.00	\$0.00	\$2,808.00
Materials	1	Cabling - Labor	Project Management	\$0.00	\$0.00	\$5,000.00	\$5,000.00	\$5,000.00
Cabling	80	Cabling - Labor	Labor for Pathway Installation	\$0.00	\$0.00	\$75.00	\$6,000.00	\$6,000.00
Materials	1	Cabling - Materials	Inspections / Permits	\$500.00	\$500.00	\$0.00	\$0.00	\$500.00
Cabling	1	Cabling - Labor	Miscellaneous -- Network Cabling Project Installation	\$0.00	\$0.00	\$5,930.00	\$5,930.00	\$5,930.00
							<b>Total</b>	<b>\$227,500.00</b>





We have prepared a quote for you

**Copy - Network Cabling Project, RFP# 2022-0-31**

Quote # TS024180  
Version 1

Prepared for:

**Lapeer County**

Prepared by:

**Tyler Samp**



Monday, December 05, 2022

Lapeer County  
Michael Bartley  
255 Clay Street  
Lapeer, MI 48446  
[mbartley@lapeercounty.org](mailto:mbartley@lapeercounty.org)

Dear Michael,

Vector Tech Group is pleased to present this proposal for your company. We look forward to partnering with you to provide customizable technology solutions depending on the needs and expectations that are unique to your organization. In this proposal, we will present a brief overview of our solutions offerings.

Vector Tech Group is the leader in on-demand technology solutions. Since 1991, we have been offering customizable technology solutions to meet our clients' short-term and long-term needs. We provide our clients with the expertise, reliability, and flexibility that is required within your technology environment.

Thank you again for allowing Vector Tech Group the opportunity to be your technology partner. We hope you will find that our services, knowledge, and flexibility are just what you are looking for in a technology partner. If you have any questions, please do not hesitate to contact me.

Tyler Samp  
Sales  
VTG Freeland



## Network Cabling Project

Qty	Description	Price	Ext. Price
583	<b>Cabling Labor for the Installation of Cat6a Plenum</b>	\$130.00	\$75,790.00
583	<b>Cat6a Cabling Materials</b>	\$150.00	\$87,450.00
100	<b>Cat6a Cabling Materials</b>	\$20.00	\$2,000.00
1166	<b>C-HC6ABxx</b> Cat6a Patch Cable	\$12.00	\$13,992.00
12	<b>C-HP6A48</b> Cat6a 48-Port Patch Panels (open frame)	\$75.00	\$900.00
8	<b>C-HP6A24</b> Cat6a 24-Port Patch Panels (open frame)	\$50.00	\$400.00
32	<b>C-HPPCMB</b> Cat6a Patch Panel Stress Release Bar	\$15.00	\$480.00
500	<b>Cabling Labor for Cable Removal (Abatement)</b>	\$50.00	\$25,000.00
1	<b>Cabling Materials (Raceway, Conduit, Fittings)</b>	\$1,250.00	\$1,250.00
1	<b>Pathway Materials (J-Hooks, Beam Clamps, Rings)</b>	\$2,808.00	\$2,808.00
1	<b>Project Management</b>	\$5,000.00	\$5,000.00
80	<b>Cabling Labor for Pathway Installation</b>	\$75.00	\$6,000.00
1	<b>Inspections/Permits</b>	\$500.00	\$500.00
1	<b>Cabling Labor</b> Miscellaneous - Network Cabling Project Installation	\$5,930.00	\$5,930.00
		<b>Subtotal</b>	<b>\$227,500.00</b>



## Copy - Network Cabling Project, RFP# 2022-0-31

**Prepared by:****VTG Freeland**

Tyler Samp

(989) 695-9661

Fax (989) 455-4031

tylersamp@vectortechgroup.com

**Prepared for:****Lapeer County**

255 Clay Street

Lapeer, MI 48446

Michael Bartley

mbartley@lapeercounty.org

**Quote Information:****Quote #: TS024180**

Version: 1

Delivery Date: 12/05/2022

Expiration Date: 12/12/2022

### Quote Summary

Description	Amount
Network Cabling Project	\$227,500.00
Total:	\$227,500.00

Taxes, shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors. By signing you are agreeing to all aspects of this agreement including any and all attachments, any and all terms and conditions, non-disclosures, agreements etc.

**VTG Freeland****Lapeer County**

Signature: \_\_\_\_\_

Name: Tyler SampTitle: Sales

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: Michael Bartley

Date: \_\_\_\_\_



## Contract & Terms

Vector Tech agrees to provide as needed IT Services to Lapeer County. In consideration for these services Lapeer County agrees to pay VTG Freeland \$165.00 for Systems Engineer and \$150.00 for Help Desk per hour, per staff person, in fifteen minute increments with a one hour minimum for On-site work, with everything after the first hour will be billed in 15 minute increments. Remote support work will be billed at the above rate in fifteen minute increments, with a 15 minute minimum. VTG Freeland will bill customer on the 15th and the last day of each month. Terms of your invoices will be 15 days. A late fee of 7% of the invoice amount overdue will be assessed for each invoice that payment has not been received 10 days after the due date. Late fees will be assessed for each overdue invoice every 30 days after the initial assessment. Proposals exceeding Five Thousand Dollars require a fifty percent deposit to begin processing.

All state and federal taxes will apply unless provided a proof of non-profit is provided. Customer also agrees to pay all shipping and handling incurred unless mutually agreed upon by customer.

Customer agrees to pay all travel expenses if scope of project requires. This will include transportation, Hotel, and living expenses. Customer will only be charged when working remotely for hours that are actually at job site or considered travel time. Travel time will be charged for one way travel at normal hourly rate. These rules all apply unless mutually agreed upon by both parties.

During the term of this Agreement and for a period of six (6) months following its termination or expiration, Lapeer County shall not, directly or indirectly, solicit, recruit, hire, employ, or contract for the services of any employee of VTG Freeland to whom it is introduced by virtue of this Agreement, unless otherwise agreed to by VTG Freeland in writing. Otherwise a hiring fee of 50% of first year of salary will be due payable to VTG Freeland 30 days after the "Date of Hire" as defined below. "Date of Hire" shall be the employee's last day of billable assignment hereunder. "Salary" shall be the annual salary offered to the employee by Lapeer County.

This agreement may be reviewed in January, 01 0001 to address any adjustments to this agreement that needs to be done in the mutual benefit to both parties. Any changes to this agreement before January, 01 0001 by either party must be preceded by a 30 day advance written notice.

Vector Tech Group shall not be liable under this contract for any outage, delay, or failure of its performance to the extent such action arises by reason of act of God, the elements, adverse weather conditions, accident, governmental action, supplier action or inaction, inability to secure materials, and any actions against or by customer such as ransomware, stolen data, or lost data.

All other projects outside the scope of this proposal may be quoted on a per project basis, but the above terms will still apply.

## Non-Disclosure Agreement

THIS AGREEMENT is entered into as of 01/01/0001 ("Effective Date"), by and between

Lapeer County  
255 Clay Street,  
Lapeer, MI 48446  
Telephone:  
Contact: Michael Bartley  
Email: [mbartley@lapeercounty.org](mailto:mbartley@lapeercounty.org)



And

VTG Freeland  
9364 W. Freeland Rd,  
Freeland, MI 48623  
Contact: Tyler Samp  
Email: [tylersamp@vectortechgroup.com](mailto:tylersamp@vectortechgroup.com)

WHEREAS, the parties hereto have determined to establish terms governing the use and protection of certain information one party ("Owner") may disclose to the other party ("Recipient") for purposes of entering a business relationship for supplying Information Technology services for Lapeer County.;

NOW, THEREFORE, in consideration of the foregoing, and in reliance on the mutual agreements contained herein, the parties agree as follows:

1. "Confidential Information" means information of an Owner (i) which relates to the purpose and subject matter identified in the recital to this Agreement, including computer programs, business and technical information, marketing plans, and related data, (ii) individually identifiable health information, or (iii) which, although not related to such purpose or subject matter, is nevertheless disclosed hereunder, and which, in any case, is disclosed by an Owner or an affiliate to Recipient in document or other tangible form bearing an appropriate legend indicating its confidential or proprietary nature, or which, if initially disclosed orally or visually is identified as confidential at the time of disclosure and a written summary hereof, also marked with such a legend, is provided to Recipient within fifteen (15) days of the initial disclosure.
2. Recipient may use Confidential Information of Owner only for the purpose of this Agreement and shall protect such Confidential Information from disclosure to others, using the same degree of care used to protect its own proprietary information of like importance, but in any case using no less than a reasonable degree of care. Recipient may disclose Confidential Information received hereunder only for the purpose described in the recital to this Agreement and only to its employees and consultants who have a need to know for such purpose and who are bound by signed, written agreements to protect the received Confidential Information from unauthorized use and disclosure.
3. The restrictions of this Agreement on use and disclosure of Confidential Information shall not apply to information that: (i) is in the possession or control of Recipient at the time of its disclosure hereunder; (ii) is, or becomes publicly known, through no wrongful act of Recipient; (iii) is received by Recipient from a third party free to disclose it without obligation to Owner; or (iv) is independently developed by Recipient without reference to Confidential Information.
4. In the event Recipient is required by law, regulation or court order to disclose any of Owner's Confidential Information, Recipient will notify Owner in writing prior to making any such disclosure in order to facilitate Owner seeking a protective order or other appropriate remedy from the appropriate body. Recipient further agrees that if Owner is not successful in precluding the requesting legal body from reviewing the Confidential Information, it will furnish only that portion of the Confidential Information which is legally required and will exercise all reasonable efforts to obtain reliable assurances that confidential treatment will be accorded the Confidential Information.
5. Confidential Information disclosed under this Agreement (including information in computer software or held in electronic storage media) shall be and remain the property of Owner. All such information in tangible form shall be returned to Owner promptly upon written request and shall not thereafter be retained in any form by Recipient. No licenses or rights under any patent, copyright, trade secret, trademark, or other property right are granted or are to be implied by this Agreement.



6. Each party may from time to time provide suggestions, comments, or other feedback to the other party regarding Confidential Information provided originally by the other party ("Feedback"). Both parties agree that all Feedback is and shall be entirely voluntary and shall not, absent a separate written agreement, create any confidentiality obligation or restriction on use on the party receiving the Feedback. Each party shall be free to use and disclose Feedback as it deems fit without restriction or obligation; provided, however, that in no event shall the recipient of Feedback disclose the source of the Feedback without the providing party's written consent. The forgoing shall not, however, affect either party's obligations hereunder regarding Confidential Information.

7. Owner shall not have any liability or responsibility for errors or omissions in, or any business decisions made by Recipient in reliance on, any Confidential Information disclosed under this Agreement. Recipient assumes all risk, known or unknown, incident to its use of Confidential Information, and Owner shall have no liability of any kind to Recipient or any third party arising out of such use. RECIPIENT DISCLAIMS ALL WARRANTIES INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND WARRANTIES OF NON-INFRINGEMENT OF THE RIGHTS OF THIRD PARTIES (INCLUDING WITHOUT LIMITATION, RIGHTS UNDER PATENT, COPYRIGHT, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS). RECIPIENT ACCEPTS THE CONFIDENTIAL INFORMATION IN "AS-IS" CONDITION.

8. Each party agrees that it will not, without the prior written consent of the other, issue any press release or announcement or otherwise disclose the nature of this Agreement and/or the proposed business relationship.

9. Recipient shall indemnify Owner against all losses and expenses incurred by Owner, including without limitation attorney's fees, which result from the breach of any part of this Agreement by Recipient.

10. Recipient certifies that no Confidential Information will be exported to any country in violation of the United States Export Administration Act and the regulations thereunder.

11. This Agreement shall become effective as of the date of execution by both parties. All obligations hereunder, including without limitation any and all obligations regarding the use and disclosure of Confidential Information, shall continue until such time that the parties put in writing and sign that they are ending this agreement.

12. This Agreement: (i) is the complete agreement of the parties concerning the subject matter hereof and supersedes any prior such agreements with respect to further disclosures on such subject matter; (ii) may not be amended or in any manner modified except in writing signed by the parties; and (iii) shall be governed and construed in accordance with the laws of the State of Michigan without regard to its conflict of law provisions. If any provision of this Agreement is found to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely representing the intention of the parties as expressed herein.

## Master Service Agreement

This Master Service Agreement ("MSA") has been made and entered into on this December 05, 2022 the Effective Date by and between VECTOR TECH GROUP, and Lapeer County ("Customer"), for the purpose of VECTOR TECH GROUP and/or its affiliates providing Customer services as set forth in one or more Service Order(s), which shall be deemed incorporated by reference and made part of this MSA.



*The following terms and conditions govern this MSA between the parties:*

**1. Provision of the Service.** VECTOR TECH GROUP will provide Customer with services as described on the VECTOR TECH GROUP Service Order (the "Service") such as remote or on site server processing, storage services, and such other services offered by VECTOR TECH GROUP issued pursuant to this MSA. VECTOR TECH GROUP reserves the right to reject any Service Order for any reason in its sole discretion. As a material part of the consideration for entering into this MSA, each party agrees not to contest or assert any defense relating to the authority of any representative or employee of such party to enter into this MSA or any Service Order issued pursuant to this MSA.

**2. Agency Authorization .** This MSA authorizes VECTOR TECH GROUP to act as agent for Customer solely as necessary to provide the Service, including but not limited to, processing and storage, ordering telecommunications and other services or facilities and increasing, adding to, terminating, decreasing, removing and/or rearranging such services or facilities on Customer's behalf.

**3. Term and Renewal.** The term of this MSA shall commence as of the Effective Date and shall remain in effect until terminated as set forth herein, or until all Service Orders issued pursuant to this MSA have been terminated or expire. Subject to Section 7 below, the Service with respect to any Service Order shall be provided for the term specified in the Service Order ("Initial Term"). Unless one of the parties provides written notice of termination to the other party on or before ninety (90) days prior to the expiration of the Initial Term of any Service Order, the term of such Service Order shall automatically continue in full force on a month to month term and at then current provider month to month rates until a party provides written notice of termination of a Service Order in accordance with this Section 3 or otherwise terminates this MSA pursuant to the provisions of Section 7 below or until such time a new term is agreed to in writing via a Service Order. To the extent that the term of any Service Order for any Service extends beyond the term of this MSA, this MSA shall remain in full force and effect for such Service until the expiration or termination of such Service Order.

**4. Billing:** Upon VECTOR TECH GROUP's execution and acceptance of a Service Order, Customer will receive an invoice for a full month of the monthly recurring charge ("MRC"), non-recurring charge ("NRC"), and all applicable excise, sales, use, and other taxes, fees, surcharges, and charges applicable to the Service. The Customer's next invoice will be issued on the start of service date for the pro-rata portion of the applicable MRC, covering the period from the start of service date to the first day of the subsequent



calendar month plus all applicable taxes, fees, surcharges, and charges applicable to the Service. Thereafter, VECTOR TECH GROUP shall invoice, and Customer shall pay in advance on a monthly basis for all active Service Orders, the MRCs and all applicable excise, sales, use, or other taxes, fees, charges, and surcharges applicable to the Service. Bandwidth and physical capacity which exceed normal VECTOR TECH GROUP business standards either by a single user or company whole is subject to added fees determined by the excesses which VECTOR TECH GROUP determines is fair and reasonable. VECTOR TECH GROUP will notify the Customer 30 days prior to any additional charge so Customer can make necessary adjustments to reduce the excesses.

**5. Payment.** All invoices are due upon receipt. If any undisputed amount due on any invoice is not received by VECTOR TECH GROUP within thirty (30) days of the invoice date ("Payment Date"), then, in addition to any other remedies available to VECTOR TECH GROUP, VECTOR TECH GROUP may in its sole discretion: (i) impose a late payment fee in the amount of five percent (5%) of the undisputed amount due; (ii) charge interest, at the rate of the lesser of one percent (1%) per month or the maximum rate allowable under law, commencing as of the Payment Date through the date of actual receipt of payment; and/or (iii) require performance assurance ("Performance Assurance") up to an amount equal to the total of all MRCs and NRCs for the Service for six (6) months or as VECTOR TECHNOLOGIES GROUP otherwise requires, as a condition of the continued availability of the Service. Such payment of Performance Assurance will be held and applied against Customer's charges due at the expiration or termination of the applicable Service Order. VECTOR TECH GROUP also reserves the right to conduct a review of Customer's credit rating and credit history as a condition of providing or continuing to provide Service, require Customer to tender a security deposit or increase the amount of an existing deposit if VECTOR TECH GROUP believes that there has been an adverse change in Customer's financial condition, business prospects, or if Customer has been late in paying its invoices. Notwithstanding anything in this MSA to the contrary, payments due are not subject to reduction, set-off, or adjustment of any nature by Customer. If the Service is suspended by VECTOR TECH GROUP because of any non-payment by Customer, no service interruption shall be deemed to have occurred. If VECTOR TECH GROUP initiates any legal action in order to pursue collection of any amount due under this MSA or any Service Order, Customer shall be responsible for and agrees to pay for any and all attorney's fees and expenses incurred by VECTOR TECH GROUP.

**6. Disputes.** If Customer reasonably and in good faith disputes any portion of VECTOR TECH GROUP's invoice, Customer shall, within thirty (30) days of the invoice date, submit written notice to VECTOR TECH GROUP of such dispute, identifying in specific detail the reason for the dispute and the amount being disputed. If Customer does not deliver such written notice within thirty (30) days of the invoice date, the invoice will be deemed correct and Customer shall have waived its rights to dispute the invoice. Customer's dispute as to any portion of the invoice shall not excuse Customer's obligation to pay the undisputed portion of the invoice on time. The parties shall negotiate in good faith to resolve any disputes within thirty



(30) days following VECTOR TECH GROUP's receipt of Customer's timely written notice. Any amounts that VECTOR TECH GROUP determines to be in error shall be adjusted within ninety (90) days of such determination. Any disputed amounts that VECTOR TECH GROUP determines to be correct as billed shall be due and payable by Customer, upon notification and demand by VECTOR TECH GROUP, along with any late payment charges that VECTOR TECH GROUP may impose pursuant to Section 5 above.

**7. Termination .** Customer may, as a provision of the service, choose to terminate the contract with ninety (90) days' notice at any time after the first thirty-six (36) months of continuous service. VECTOR TECH GROUP agrees to provide to Customer after initial sixty (60) months of contiguous service, title to Customer Premise Equipment (CPE) provided as a provision of the service herein. Customer agrees to forfeit any rights to any equipment provided by VECTOR TECH GROUP herein upon Customer terminating this MSA or related Service Orders prior to the initial sixty (60) month period. VECTOR TECH GROUP may terminate this MSA or any Service Order, in whole or in part, or suspend the Service at any time upon: **(i)** any failure of Customer to timely pay any and all amounts due hereunder **(ii)** any breach by Customer of any provision of this MSA or any Service Order; **(iii)** any insolvency, bankruptcy, assignment for the benefit of creditors, appointment of a trustee or receiver or similar event with respect to Customer; or **(iv)** any governmental prohibition or required alteration of the Service provided hereunder necessitating such termination. No such termination other than pursuant to subparagraph (iv) of this Section 7 shall relieve Customer of its obligation to make payments pursuant to any Service Order including, without limitation, the obligation to make payments for charges accrued but unpaid as of the termination date. Except as otherwise provided herein, if **(i)** Customer cancels or terminates the Service under this MSA or any Service Order prior to the end of the Initial Term or any subsequent Renewal Term of any Service Order or **(ii)** VECTOR TECH GROUP terminates this MSA and/or any Service Order because of Customer's breach or failure to make timely payment of any amount past due, then Customer shall pay VECTOR TECH GROUP an early termination charge (as liquidated damages and not as a penalty) as follows: **(x)** all NRCs specified in this MSA or any Service Order, plus **(y)** all disconnection, early cancellation or termination charges reasonably incurred by VECTOR TECH GROUP in order to provide the Service to Customer, plus **(z)** all MRCs specified in the Service Order for the remaining balance of the term of any Service Order. All early termination charges shall be due and payable within ten (10) days of the effective date of termination.

In the event of termination, upon request, VECTOR TECH GROUP shall provide Customer with the Customer's data, if data was being stored as part of the Service, such as Cloud Services, in a format universally accepted for backup of data within 30 days of the request. VECTOR TECH GROUP has the right to reasonably charge Customer for the backup and demand payment before turning over the data to Customer. VECTOR TECH GROUP reserves the right to delete Customer's data 180 days after termination of Services with Customer.



**8. Interruption of Service.** In the event of interruption in the Service, unacceptable packet loss, or inability to receive network availability at the bandwidth stated in the Service Order ("Outage"), Customer shall be entitled to a credit in an amount equivalent to the proportionate MRC for the period during which such Outage occurs; provided, however, that such credit allowance shall be measured only for unacceptable packet losses after VECTOR TECH GROUP's receipt of written notice thereof from Customer. An Outage will be deemed to have occurred only if the Service becomes unusable to Customer as a result of the inability of VECTOR TECH GROUP's facilities, equipment or personnel to provide the Service, and only when the Outage is not the result of: (i) negligence of Customer; (ii) the failure of interconnecting facilities or other equipment not part of VECTOR TECH GROUP Service or facilities or within VECTOR TECH GROUP's reasonable control; (iii) any planned interruption or routine maintenance; or (iv) other circumstances beyond the reasonable control of VECTOR TECH GROUP. VECTOR TECH GROUP shall use commercially reasonable efforts to perform routine maintenance at mutually agreeable times.

The Service is offered twenty-four (24) hours per day, seven (7) days per week. For purposes of Outage credit computation every month shall be considered to have 720 hours. No credit shall be allowed for an Outage of less than thirty (30) minutes.

**9. Excusable Delay or Failure:** Neither party will be in default or otherwise liable for any Outage, delay, or failure of its performance under this MSA or any Service Order to the extent such Outage, delay, or failure arises by reason of act of God, the elements, adverse weather conditions, fire, flood, riots, strikes, accident, war, governmental requirement or any action of government in its sovereign capacity, act of civil or military authority, supplier action or inaction, inability to secure materials, labor or transportation, or any other cause or circumstance, whether of a similar or dissimilar nature to the foregoing, beyond the reasonable control and without the fault or negligence of the affected party. Any such delay or failure shall suspend the MSA or any Service Order until the delay or failure ceases, and, if practical, the period of the MSA or Service Order shall be deemed extended accordingly. If any failure of performance by VECTOR TECH GROUP is for more than thirty (30) days, then Customer may terminate without liability (other than charges accrued but unpaid up to the termination date that are applicable to the terminated Service Order(s)) only that portion of any Service Order(s) related to the Service(s) so affected, upon ten (10) calendar days prior written notice to VECTOR TECH GROUP following the failure of performance.

**10. LIMITATION OF LIABILITY AND DISCLAIMER OF WARRANTIES:** EXCEPT AS OTHERWISE SET FORTH IN THIS MSA, VECTOR TECH GROUP MAKES NO WARRANTIES, REPRESENTATIONS OR OTHER AGREEMENTS, EXPRESS OR IMPLIED, TO CUSTOMER OR ANY THIRD PARTY WITH



RESPECT TO THE SERVICE, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE. VECTOR TECH SHALL NOT BE LIABLE FOR ACTIONS AGAINST OR BY CUSTOMER SUCH AS RANSOMWARE, STOLEN DATA, OR LOST DATA. VECTOR TECH GROUP SHALL USE COMMERCIALY REASONABLE EFFORTS TO PROVIDE AND MAINTAIN THE SERVICE TO CUSTOMER AS SPECIFIED HEREIN. IN NO EVENT SHALL VECTOR TECH GROUP BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT, OR PUNITIVE DAMAGES INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE OR PROFIT OR ANY OTHER BUSINESS LOSS INCLUDING GOODWILL, LOSS OF USE OF ANY PROPERTY, COST OF SUBSTITUTE PERFORMANCE, EQUIPMENT OR SERVICES, DOWNTIME COSTS AND CLAIMS OF CUSTOMER FOR DAMAGES, UNLESS DAMAGES ARE CAUSED BY WILLFUL MISCONDUCT, NEGLIGENT ACT OR OMISSION, OR OTHER WRONGFUL ACT ARISING FROM OR RELATED TO THIS MSA. THE FOREGOING LIMITATIONS APPLY TO ALL CAUSES OF ACTION AND CLAIMS OF ANY KIND ARISING OUT OF OR RELATED TO THIS MSA OR ANY SERVICE ORDER INCLUDING, WITHOUT LIMITATION, BREACH OF CONTRACT, BREACH OF WARRANTY, STRICT LIABILITY, NEGLIGENCE, MISPRESENTATION, OR ANY OTHER TORT. CUSTOMER ACKNOWLEDGES AND ACCEPTS THE REASONABLENESS OF THE FOREGOING DISCLAIMERS AND LIMITATIONS OF LIABILITY. FOR PURPOSES OF THIS SECTION 10, ALL REFERENCES TO VECTOR TECH GROUP SHALL INCLUDE ITS RESPECTIVE AFFILIATES, AGENTS, OFFICERS, DIRECTORS, SHAREHOLDERS, AND EMPLOYEES.

**11. Customer's Responsibilities :** Customer acknowledges and agrees that: (i) VECTOR TECH GROUP Customer shall comply with all terms and conditions of this MSA and all Service Orders including, without limitation, its payment obligations to VECTOR TECH GROUP. Customer shall protect, defend, and indemnify, and hold harmless VECTOR TECH GROUP, its officers, directors, employees, contractors, and agents, from and against any and all liabilities, claims, losses, damages, expenses (including reasonable attorney's fees and costs), judgments, and causes of action arising from or related to any claim made by any of Customer's customers related to Customer's willful misconduct, negligent act, omission, or other wrongful act.

**12. Equipment and Location:** Subject to Section 7 Termination, Customer will not allow or cause any service, facility, or equipment of VECTOR TECH GROUP to be rearranged, moved, modified, repaired or relocated without VECTOR TECH GROUP's written consent. Customer will not create or allow any liens or other encumbrances to be placed on any such facilities or equipment of VECTOR TECH GROUP. If Customer relocates or changes the place of the Service provided under any Service Order, Customer will pay all additional installation and related charges associated with such relocation. All VECTOR TECH GROUP equipment shall remain the exclusive property of VECTOR TECH GROUP and be immediately returned to VECTOR TECH GROUP upon termination of this MSA.

**13. Customer Acknowledgement :** Customer acknowledges and agrees that a Service may be comprised of



multiple circuits from multiple carriers and VECTOR TECH GROUP will arrange to provide local access and other services or facilities on Customer's behalf. If the estimated availability date of a Service, or a portion thereof, is delayed and this delay renders the entire Service inoperable and/or unavailable, VECTOR TECH GROUP shall not be liable to Customer for any damages that may result from such delay. Additionally, Customer shall either accept for billing or cancel and re-order the portion(s) of the Service that are ready for activation if activation has been delayed due to (i) the postponement or delay of a connecting circuit being provided by VECTOR TECH GROUP's underlying carrier, or (ii) any delays caused by Customer or any services and/or facilities, including, without limitation, local access facilities provided by Customer or its third party supplier other than VECTOR TECH GROUP to extend the Service provided by VECTOR TECH GROUP from VECTOR TECH GROUP's point of demarcation point to any other location (hereinafter "Interconnection Facilities") ordered through a party other than VECTOR TECH GROUP. A cancellation and re-order of a circuit shall be subject to Paragraph 14 of this MSA.

**14. Cancellation or Disconnection of Service:** If Customer cancels in whole or in part a Service Order on or after the fourth day following Customer's submission of a Service Order but before the start of service date for such Service, Customer shall pay a charge equal to: (a) one month's MRC for the Service ordered; plus (b) VECTOR TECH GROUP's internal costs incurred in attempting to fulfill Customer's Service Order; plus (c) the aggregate fees, charges, expenses, taxes and liquidated damages payable to any third party suppliers for which VECTOR TECH GROUP is or becomes contractually liable arising out of or in connection with Customer's submission and/or cancellation of a Service Order. If Customer requests VECTOR TECH GROUP to disconnect a Service, and Customer later cancels its request for disconnection, VECTOR TECH GROUP will use commercially reasonable efforts to ensure that the Service is not disconnected but shall not guarantee against disconnection. VECTOR TECH GROUP will not grant any Outage credits for Outages related to the cancelled request for disconnection, nor will VECTOR TECH GROUP be liable to Customer for any damages resulting from an Outage related to a cancelled request for disconnection.

**15. Disputes Resolution.** Any and all disputes, controversies, or claims arising out of or in connection with or relating to this MSA, or any breach or alleged breach thereof, and any claim that VECTOR TECH GROUP violated any state or federal statutes, common-law doctrine, or committed any tort with respect to Customer shall, on the request of either party, be submitted to and settled by arbitration in the State of Michigan pursuant to the rules, then in effect, of the American Arbitration Association (or at any other place or under any other form of arbitration mutually acceptable to the parties involved). This Agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. Notice of the demand for arbitration shall be filed, in writing, with the other party to this Agreement within a reasonable time after the claim, dispute, or other matter in question arose where the party asserting the claim should reasonably have been aware of it, but in no event later than 180 days after the claim arose. Cost of arbitration shall be shared equally by the parties, provided that each party shall pay for and bear the cost of his or her own



experts, evidence, and attorney fees. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction to do so.

## 16. General:

A. Assignment: Upon written notice, either party may assign this MSA to any subsidiary, parent or affiliated company, or pursuant to any reorganization or merger of its business, or pursuant to any sale or transfer of all or substantially all of its assets. No other assignment by either party will be permitted without the prior written consent of the other party, which consent will not be unreasonably withheld or denied. The rights and obligations under this Agreement shall survive any merger or sale of either party and shall be binding upon the successors and permitted assignees of each party.

B. Governing Law: This MSA and all Service Orders are deemed to be made in the State of Michigan and will be governed by the laws of the State of Michigan, without regard to choice of law provisions, except and to the extent that the Communications Act of 1934, as amended and interpreted by the Federal Communications Commission, applies to this MSA and/or any Service Order.

C. Severability: Each provision of this MSA is severable from the whole, and if one provision is declared invalid, the other provisions shall remain in full force and effect.

D. Waiver: Failure of either party to enforce any of the provisions of or its rights under this MSA, or the waiver thereof in any instance, shall not be construed as a general waiver or relinquishment of any rights.

E. Confidentiality: Neither party shall disclose to any third party during the term of this MSA and for one (1) year following the expiration or termination of this MSA, any of the terms of this MSA or any Service Order, including any rate information, unless such disclosure is required by any state or federal governmental agency, is otherwise required by law, or is necessary in any proceeding establishing or applying rights or obligations under this MSA. Any information or documentation disclosed between the parties shall be subject to the terms and conditions of the non-disclosure agreement ("NDA") executed by both parties. Notwithstanding the requirements and obligations of this Section and the NDA, VECTOR TECH GROUP, in its sole discretion, shall have the right to issue a press release and/or publicly disclose that it has entered into an agreement to provide telecommunications services to Customer. Customer shall have the right to review and approve any such press release, which approval shall not be unreasonably delayed or denied.

F. Third Party Beneficiaries: The representations, covenants, obligations, rights, and agreements of the parties set forth in this MSA are not intended for, nor shall they be for the benefit of or enforceable by, any third party or person not a party to this MSA including, without limitation,



Customer's end user and/or carrier customers. Under this MSA, VECTOR TECH GROUP shall have no relationship with the end user and/or carrier customers to which Customer may provide service. Customer further acknowledges and agrees that no fiduciary relationship arises under this MSA or any Service Order.

G. Headings: The headings used in this MSA are for convenience only and do not in any way limit or otherwise affect the meaning of any terms of this MSA.

H. Notices: Any notice given or made pursuant to this MSA or any Service Order will be effective if in writing and delivered by reputable overnight courier or by certified mail, return receipt requested, and delivered at the address provided below, or such other address as may be furnished by either party to the other.

If to VECTOR TECH GROUP

Attn:

Bill Loiacano, CEO  
VECTOR TECH GROUP  
9364 W. Freeland Road  
Freeland, Michigan, 48623  
Office: 989-695-9661  
Fax: 989-695-6113  
[www.vectortechgroup.com](http://www.vectortechgroup.com)

If to Lapeer County:

Attn:

Michael Bartley  
255 Clay Street  
Lapeer, MI 48446  
Phone:  
Web: <https://lapeercountyweb.org/>

I. Entire Agreement: This MSA, together with all Service Orders attached hereto or that are subsequently incorporated by reference, constitutes the entire agreement between the parties with respect to the subject matter hereof and supercedes any and all prior offers, communications, representations, understandings, and agreements, whether verbal or written, made between the parties. VECTOR TECH GROUP shall not be bound by any provision in any purchase order, confirmation, correspondence or other communication from Customer which is at variance with, in addition to, seeks to define or clarify, and/or conflicts with any provision of this MSA or any Service Order, unless such variance, addition, definition/clarification, or conflict is specifically identified in a written agreement signed by Customer and VECTOR TECH GROUP which expressly references the appropriate provision of this MSA or a Service Order. The order of precedence in interpretation shall be (i) any Service Order and then (ii) this MSA. This MSA or any Service Order may be modified only in writing signed by both parties.

K. Counterparts: This Agreement and any Service Order may be executed in one or more counterparts, each of which shall constitute an original, but all of which shall constitute one and the same instrument.



L. Acceptance: This MSA shall be deemed accepted only when executed in writing by an authorized officer of VECTOR TECH GROUP.

5e

**DATE:** December 6, 2022

XX **REQUEST FOR ACTION**

\_\_\_\_\_ FOR YOUR INFORMATION

\_\_\_\_\_ REQUEST FOR INFORMATION

**TO:** Board of Commissioners

**FROM:** QUENTIN BISHOP/SHERYL SIMS

\*\*\*\*\*

**SUMMARY OF REQUEST / INFORMATION:** We just received the renewal Excess Workers Compensation Agreement for FY 2023 through Midwest Employers Casualty and we are requesting approval prior to expiration of the current agreement in order to continue services effective January 1<sup>st</sup>.

**ADDITIONAL INFORMATION:** Continuation of current services.

**CONTACT PERSON(S):** Quentin Bishop and/or Sheryl Sims, Payroll

**SUPPORTING DOCUMENTS:** Agreement

**DRAFT MOTION:**

MOTION BY \_\_\_\_\_, SUPPORTED BY \_\_\_\_\_, TO RECOMMEND TO THE FULL BOARD TO AUTHORIZE RENEWAL OF THE ONE YEAR EXCESS WORKERS COMPENSATION SERVICES FOR FY 2023 WITH MIDWEST EMPLOYERS CASUALTY IN THE TOTAL COMBINED AMOUNT OF \$71,604.00 (SHARED PORTION BETWEEN COUNTY AND MCF), TO BE PAID FROM LINE ITEM 101-242-713.000; AND FURTHER, TO AUTHORIZE THE CHAIRMAN OR VICE-CHAIRMAN TO SIGN FINAL AGREEMENT.

ATTACHMENTS YES\_\_\_\_\_ NO X





# Lapeer County

## Excess Work Comp Proposal

1/1/2023 – 1/1/2024

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The coverage summary contained in this proposal is not intended to reflect the full terms, conditions and exclusions of the proposed insurance contracts, but rather are to provide you with a brief outline of the coverage we recommend for your operations. For a complete understanding of the coverage terms and conditions, policy forms should be consulted.

While every effort has been made to provide a brief outline of the insurance as complete and accurate as possible, it does not contain a full restatement of the contracts. In the event of any conflict or omission, the terms of the actual contract of insurance shall be paramount in every instance.

### Marketing Summary

Thank you for the opportunity to market your insurance requirements. The results of our negotiations with the carriers we approached are summarized below.

Carrier Name	Line of Business	Retention	Response	Premium	Comm.
Midwest Employers Casualty	Excess Work Comp	\$500K / \$650K	Quoted	\$71,604	15%
Midwest Employers Casualty	Excess Work Comp	\$500K / \$750K	Quoted	\$67,891	15%

**\*Please see Highlights section for more information on the quote options.**

### Financial Summary

Coverage / Retention	Expiring Carrier	Recommended Carrier	
	Expiring Premium	Annual Premium	Quote Expiration
Excess Work Comp - \$650K Police	\$70,648	\$71,604	12/31/2022
Excess Work Comp - \$750K Police	\$70,648	\$67,891	12/31/2022

These quotes are valid until 12/31/2022, after which insurers may withdraw or vary it.

Please let us know if you would like a copy of any quote not included in this Proposal.

Please review this proposal and advise of any changes or questions you may have. To request the binding of coverage, please sign the order to bind request form included in this proposal and return or contact me by phone or e-mail.

#### Commission Disclosure

Willis Towers Watson negotiates commission rates with certain insurers on a corporate level. If the rate on your placement is lower than the negotiated rate, Willis Towers Watson will collect the difference directly from the insurer. These payments will not increase the cost of your insurance or otherwise impact your premium or rates. Details of these arrangements where there is compensation beyond the base compensation detailed in your Quote Proposal can be found at:

[http://www.willis.com/About\\_Willis/The\\_Willis\\_Way/Commission\\_Rates/](http://www.willis.com/About_Willis/The_Willis_Way/Commission_Rates/).

#### Payment Terms

Please review the premium payment terms as set forth in this proposal. We will not be responsible for any consequences that may arise from any delay or failure by you to pay the amount payable by the indicated date.

Coverage	Carrier	Agent or Carrier Billed	Payment Terms
Excess Work Comp	Midwest Employers Casualty	Agent Billed	Due 100% Annually

### Highlights

Current Program - \$500K SIR, \$600K SIR for Police.

Midwest is offering 2 renewal option:

1. \$500K SIR - ~~\$650K~~ SIR for Police/Fire
2. \$500K SIR - ~~\$750K~~ SIR for Police/Fire

### Subjectivities

Description	Due
There are no outstanding subjectivities at this time.	-

### Important Notices

#### Brokerage Terms, Conditions & Disclosures

This proposal is presented in conjunction with the Brokerage Terms, Conditions & Disclosures for US Property & Casualty Retail Accounts which is enclosed.

### Directions for Binding

Please review this proposal and advise of any changes or questions you may have. To request the binding of coverage, please complete and sign the following or contact me with your binding instructions.

☐ As recommended by Willis Towers Watson in the Financial Summary.

or

☐ As follows:

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Lapeer County

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

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Printed Name**

## Appendix A – Brokerage Terms, Conditions & Disclosures



## Corporate Risk & Broking Brokerage Terms, Conditions & Disclosures

A Client's decision to purchase insurance coverages, products, and/or services through a WTW company is subject to the following terms and conditions (the "**Brokerage Terms**").

### 1. General Terms and Conditions

- 1.1. **Fees and Expenses.** WTW will submit invoices for the services provided and expenses incurred. Invoices will be paid within 30 days of receipt. In the event that invoices are not paid within that time, we will be entitled to charge a late payment fee of the lesser of 1.0% per month or the maximum allowed by law.

Any fees or rates quoted or estimated will be exclusive of income tax or of any sales, ad valorem, value added tax or any similar tax unless such tax is required to be included pursuant to a statutory requirement. If required, WTW will add the relevant tax to the invoice, separately stated, and remit such tax to the appropriate authority.

- 1.2. **Our Responsibilities.** WTW will provide the services in a professional manner with reasonable skill and care and in accordance with all laws and regulations applicable to us. WTW will assign to the project team, members of our staff with adequate education, training and experience to perform the tasks assigned to them. WTW will use reasonable endeavors to meet any agreed timetable.

The work product WTW produces in the course of providing the services (the "**Work Product**") will not infringe any intellectual property right of any third party. Unless otherwise expressly agreed in writing, WTW does not accept any fiduciary or trust responsibilities or related liability in connection with the performance of the services. WTW does not provide legal, accounting or tax advice.

- 1.3. **Your Responsibilities.** Client will provide WTW, in a timely manner, with all documentation, information, access to your personnel, access to your premises (if applicable) and cooperation reasonably required to provide the services. Any delay or failure to provide such documentation, information, access to your personnel or cooperation may result in: (a) a revision to any agreed timetable; and (b) if WTW is required to perform any additional work as a result, in additional fees being charged. WTW will rely on the documentation and information provided by you or your representatives and WTW does not take responsibility for verifying the accuracy or completeness of it. Client may rely only upon WTW's final Work Product and not on any drafts or oral statements made by us in the course of performing the services.

Client represents that it is in compliance, and will continue to comply, with all laws, rules, regulations or government authority guidance applicable to it. If WTW determines that the services WTW performs for Client relate to operations or activities prohibited by or inconsistent with any applicable law, rule, regulation or government authority guidance, it reserves the right to immediately terminate the master services agreement or similar agreement outlining the general terms between the parties ("**MSA**") and/or any signed statement of work or similar agreement between the parties which incorporates these Brokerage Terms by reference or which governs the same services as these Brokerage Terms ("**SOW**") in their entirety and/or decline to provide certain services.

- 1.4. **Intellectual Property Rights and Work Product.** Client will retain ownership of all original data and materials provided to us by you or your representatives, and the intellectual property rights in that data and materials. Client will have the right to use, reproduce and adapt the copies of the Work Product for internal purposes within your organization. WTW will retain the intellectual property rights in the Work Product, and the skills, know-how and methodologies used or acquired by us during the course of providing any of the services.

The services, including the Work Product, are provided solely for the intended purpose, and may not be referenced or distributed to any other party without our prior written consent. Client may distribute the Work Product to its affiliates, provided that Client ensures that each such affiliate complies with these Terms, Conditions, & Disclosures, as if it were a party to them, and Client remains responsible for such compliance.



Client will not refer to WTW or include any of the Work Product in any shareholder communication or in any offering materials (or fairness opinion provided by Client's professional advisers) prepared in connection with the public offering or private placement of any security, unless otherwise agreed in writing.

- 1.5. **Confidentiality and Data Privacy.** Each party (the "**Recipient**") will protect all confidential information which the other party (the "**Discloser**") provides to it (whether orally, in writing or in any other form) ("**Confidential Information**") using the same standards as the Recipient applies to its own comparable confidential information, but in no event less than reasonable measures. Confidential Information will not include information that is: (a) already known to the Recipient at the time of disclosure; (b) in the public domain or publicly available; (c) provided to it by a third party who is under no such obligation of confidentiality; (d) independently developed by it; or (e) is required to be disclosed by court order, regulatory authority or other legal process, provided that prior to disclosing any Confidential Information, the Recipient will, if permitted by law, notify, and cooperate with the Discloser, at Discloser's expense, to lawfully limit and/or obtain appropriate protective orders with respect to such portion(s) of the Confidential Information which is the subject of any such required disclosure. Each party may disclose Confidential Information to its legal advisers to protect its own legitimate interests or to comply with any legal or regulatory requirements.

In the course of providing the services, the parties acknowledge that Client may provide WTW with information about an identifiable individual or information which relates to a natural person and allows that person to be identified, including Client's customer or employee information ("**Personal Data**"). It is further acknowledged that WTW is a global business and that WTW may transmit Client's information, including Personal Data, within WTW's global network of offices to our affiliates and providers of IT outsourcing who will be subject to appropriate data protection standards. Client represents that WTW is authorized to receive and possess any such Personal Data and that Client has obtained any necessary consents from third parties, including the individual to which such Personal Data relates, that may be required for WTW to use the Personal Data for the purposes of providing the services. Irrespective of where WTW receives or holds Personal Data on Client's behalf, WTW will take appropriate technical, physical and organizational/administrative measures to protect it against accidental or unlawful destruction or accidental loss or unauthorized alteration, disclosure or access. Each party will comply with the provisions and obligations imposed on it by applicable data privacy legislation and regulations.

Client agrees that WTW may maintain, process and transfer Client's Confidential Information and Personal Data in order to perform the services, and for other reasonable ancillary purposes, unless Client instructs otherwise. WTW may retain such information and data as may be required by applicable law, regulation, or our record retention and business continuity policies and procedures.

In addition, Client hereby grants WTW permission to use data WTW receives from Client or its representatives in the course of the services for use in industry benchmarking studies, trend analyses and research. WTW may use the results of these studies, analyses and research for various purposes, including articles and studies for distribution to WTW's other clients and prospects. Any such articles or studies will not disclose your participation or mention the inclusion of your information to any other party. Any findings from these studies that may show individual participant results will be on a blinded basis, and not attribute any finding to a specific participant.

1.6. **Limitation of Liability.**

- 1.6.1. If the services do not conform to the requirements agreed between the parties, Client will notify WTW promptly and WTW will re-perform any non-conforming services at no additional charge or, at WTW's option, refund the portion of the fees paid with respect to such non-conforming services. The re-performance of the services or refund of the applicable fees is intended to provide an adequate remedy for any failure on WTW's part to adhere to the requirements agreed between the parties for the performance of services
- 1.6.2. In no event shall WTW or any of its affiliates and WTW's and affiliates' respective employees, directors, officers, agents and subcontractors (the "**Related Persons**") be liable for any incidental, special, punitive, or consequential damages of any kind (including, without limitation, loss of income, loss of profits, or other pecuniary loss), except to the extent such liability may not be excluded as a matter of law.



1.6.3. Where WTW is jointly liable to Client with another party, WTW will to the extent permitted by law only be liable for those losses that correspond directly with WTW's share of responsibility for the losses in question.

- 1.7. **Third Parties.** For the avoidance of doubt, Section 1.6 confers rights on the Related Persons which may be enforced by any of them. Otherwise, no person who is not a party to these Brokerage Terms, any MSA, or any SOW shall have the right to enforce any of these Brokerage Terms, MSA terms, or SOW terms. WTW accepts no responsibility for any consequences arising from any third party relying on the Work Product. If WTW agrees to provide the Work Product to a third party, Client is responsible for ensuring that the third party is made aware of the fact that they are not entitled to rely upon it. Client agrees to reimburse WTW for all costs (including reasonable legal fees) that WTW incurs in responding to any requests or demands from third parties in connection with a matter to which WTW is not a party, pursuant to legal process or otherwise, for data or information related to the services.
- 1.8. **Force Majeure.** Neither party will be liable for any delay or non-performance of its obligations caused by an event beyond its control (a "Force Majeure Event") provided that the party affected gives prompt notice in writing to the other party of such Force Majeure Event and uses all reasonable endeavors to continue to perform its obligations. Unless otherwise provided in the applicable Statement of Work, either party may terminate any SOW by written notice to the other with immediate effect if such Force Majeure Event continues for more than 3 months.
- 1.9. **Miscellaneous.** These Brokerage Terms, together with any MSA or SOW, set out the complete and exclusive statement of agreement and understanding between the parties, which supersedes and excludes all prior or contemporaneous proposals, understandings, agreements or representations, whether oral or written, with respect to your purchase of insurance. To the extent there is a conflict between these Brokerage Terms, and an MSA and/or SOW, the relevant portions of the Brokerage Terms and/or SOW will control. Any modifications of or amendments to any MSA, SOW, or a change to the services must be in writing and agreed by the parties. Should any provisions of a MSA, SOW, or any of the Brokerage Terms be declared void, illegal or otherwise unenforceable, the remainder will survive unaffected.

Neither party may assign or delegate any of its rights or obligations to any third party without the prior written consent of the other party. Notwithstanding the foregoing, either party may assign or delegate any of its rights and obligations to an affiliate. WTW reserves the right to employ subcontractors to assist in providing services and to pass to them any information and materials they need to perform their work. Where WTW uses affiliates or subcontractors to provide the services, WTW will remain ultimately responsible for the provision of the services.

Neither party will have any liability in respect of any statement (except in the case of fraud where the liability of each party to the other will be unlimited) made by such party or on its behalf to the other party which is not contained in an applicable MSA, SOW, or these Brokerage Terms and each party acknowledges that it has not entered into an any MSA, or SOW or will enter into a MSA or SOW, in reliance on any representation by the other party which is not contained in the MSA, the applicable SOW, or these Brokerage Terms.

WTW does not tolerate unethical behavior either in WTW's own activities or in those with whom WTW seeks to do business. WTW will comply with applicable laws, regulations, and rules.

- 1.10. **Sanctions and Export Control.** Sanctions and export control laws from Canada, the EU, United States, and other government authorities prohibit companies, including WTW, from conducting business in certain jurisdictions or with certain individuals. The restrictions may differ based on Client's business activity, ownership structure, and the location or nationality of Client's employees. Please inform WTW of any insurance or service requirements Client has which touch upon goods, countries, entities or individuals subject to any sanctions or export controls. WTW will comply with all applicable sanctions and export control laws, and WTW is not responsible for actions taken by third parties based on their own sanctions or export control constraints.
- 1.11. **Dispute Resolution and Governing Law.** The parties agree to work in good faith to resolve any disputes arising out of or in connection with the services provided under these Brokerage Terms. If a dispute cannot be resolved it will be submitted to non-binding mediation to be conducted by (in the US) Judicial Arbitration and Mediation Services (JAMS) or (in Canada) the National Mediation Rules of the ADR Institute of Canada then in force before either party pursues other remedies hereunder. If the mediation does not resolve the



dispute and a party or both parties wish to pursue other remedies, the parties agree that their legal dispute will be resolved without a jury trial and agree not to request or demand a jury trial. To the fullest extent permitted by applicable law, the parties hereby irrevocably waive any right they may have to demand a jury trial. Any controversy, dispute or claim of any kind between the Parties shall be governed by and interpreted in accordance with the laws of the State of New York, without regard to New York's provisions governing conflicts of laws.

To the extent the foregoing jury trial waiver is not enforceable under the governing law, except as provided below, any dispute arising out of or in connection with these Brokerage Terms which the parties are unable to resolve between themselves or through mediation as provided above, will be resolved by binding arbitration in the state or province as provided for in Section 1.14 below, or other mutually agreed location, before a panel of three arbitrators in accordance with the (in the US) Commercial Arbitration Rules of the American Arbitration Association or (in Canada) the Canadian Arbitration Rules of the ICDR Canada. Under these circumstances, the arbitration proceeding will be the sole and exclusive means for resolving any dispute between the parties, except for any dispute involving the ownership or use of work product or intellectual property, provided that either party may seek an injunction or other equitable relief if such action is necessary to avoid irreparable damage or to preserve the status quo. Each party will have the right to select one of the arbitrators and the two arbitrators so selected will agree on the choice of the third arbitrator. Each party will bear the expenses of the arbitrator it selects and one-half of the expenses of the third arbitrator and other costs related to the arbitration. Judgment on the award rendered by the arbitrators will be final and binding, and may be entered in any court having jurisdiction thereof. The arbitration proceeding will be confidential.

## **2. Brokerage Terms and Conditions**

- 2.1. The services WTW provides to Client will rely in significant part on the facts, information and direction provided by Client or Client's authorized representatives. In order to make our relationship work, WTW and Client must each provide the other with accurate and timely facts, information and direction as is reasonably required. Client must provide WTW with complete and accurate information regarding Client's loss experience, risk exposures, and changes in the analysis or scope of Client's risk exposures and any other information reasonably requested by WTW or insurers. It is important that Client advise WTW of any changes in Client's business operations that may affect WTW's services or Client's insurance coverages. Therefore, all information which is material to Client's coverage requirements or which might influence insurers in deciding to accept Client's business, finalizing the terms to apply and/or the cost of cover, or deciding to pay a claim, must be disclosed. Failure to make full disclosure of material facts might potentially allow insurers to avoid liability for a particular claim or to void the policy. This duty of disclosure applies equally at renewal or modification of Client's existing coverage and upon placement of new lines of coverage. Client agrees that WTW will not be responsible for any consequences arising from any delayed, inaccurate or incomplete information.
- 2.2. An insurer quote is an offer to provide coverage. Offers can be modified or withdrawn prior to Client's acceptance through Client's order to bind coverage. The quote itself is not a legally binding commitment or a confirmation of actual coverage. Should Client choose to bind coverage, WTW will secure a formal commitment, typically in the form of a binder on a form issued or approved by the insurer(s) at issue. The quotes WTW will provide to Client are based upon the information that Client has provided to WTW. If Client discovers that previously submitted information is inaccurate or incomplete, please advise WTW immediately so that WTW can attempt to revalidate terms with insurers.
- 2.3. At the time of binding, WTW reviews the financial soundness of the insurers WTW recommends to provide Client's coverages based on publicly available information, including that produced by well-recognized rating agencies. Upon request, WTW will provide Client with WTW's analysis of such insurers. WTW does not guarantee or warrant the solvency of any insurer or any intermediary that WTW may use to place your coverage.
- 2.4. If Client has a multi-year policy, it is important that Client understands the limitations associated with the coverage options and the possibility that the financial strength of the insurer may change throughout the term of the policy. WTW recommends that Client review the insurer's ratings for any downgrades during the term of this multi-year policy.
- 2.5. The final decisions with respect to all matters relating to Client's insurance coverages, risk management, and loss control needs and activities are Client's. WTW will procure the insurance coverage chosen by



Client, including the limits Client chooses, prepare or forward insurance binders, if applicable, and review and transmit policies to Client.

- 2.6. WTW will review all binders, policies and endorsements to confirm their accuracy and conformity to negotiated specifications and Client's instructions and advise Client of any errors in, or recommended changes to, such documents. Client agrees that it will also review all such documents and promptly advise WTW of any questions Client has or of any document or provision which Client believes may not be in accordance with Client's instructions as soon as possible, and in no event longer than two weeks, after Client receives them. Client's coverage is defined by the terms and conditions detailed in Client's insurance policies and endorsements. Client's review of these documents, and any review Client may seek from outside legal counsel or insurance consultants, is expected and essential.
- 2.7. WTW will inform Client of the reporting requirements for claims, including where claims should be reported and the method of reporting to be used, if applicable. Please carefully review any claims-reporting instructions or information WTW provides. Failure to timely and properly report a claim may jeopardize coverage for the claim. In addition, Client should retain copies of all insurance policies and coverage documents as well as claims-reporting instructions after termination of the policies because in some cases Client may need to report claims after termination of a policy.
- 2.8. WTW's compensation may be revised if Client requests a change in the coverages and/or services WTW provides under the SOW or these Brokerage Terms and WTW enters into a written agreement documenting any change in coverages, services and compensation. If WTW is compensated by commissions paid by insurers, WTW will be entitled to retain the commissions for new coverages, revised coverages, or other material change in coverages.
- 2.9. If Client's insurance risks are in more than one jurisdiction, WTW, where required, will work with Client and insurers to determine the allocation of premium between applicable jurisdictions, and the amount of insurance premium tax payable in each jurisdiction. In providing such services, WTW is acting in its capacity as an insurance broker, not as Client's tax advisor. Client should seek its own advice in relation to such tax laws where Client considers it necessary. WTW will not be liable to Client should the apportionment of premium or amount of tax payable under the policy be challenged by any tax authority. In addition, WTW will not be liable to Client should the insurers fail, or refuse, to collect and pay such insurance premium tax to the relevant authorities.
- 2.10. Client will provide immediately available funds to pay premiums by the dates specified in the insurance policies, invoices, or other payment documents. Failure to pay premium on time may prevent coverage from incepting or result in cancellation of coverage by the insurer. Client agrees that WTW is not responsible for any consequences arising from any delay or failure by Client to pay the amount due by the indicated date.
- 2.11. Client may use a premium finance company, property appraiser, structured settlement firm or other similar service provider in connection with the insurance coverages WTW places for Client. Premium finance options are not always available, but where they are, WTW currently works with industry leading finance providers for this service. Where permitted by law, WTW receives a fee for the services WTW provides those companies. These services include, but are not limited to, processing the premium finance applications and marketing and sales support they do not have. If Client would like more information about the fee WTW receives, please let us know.
- 2.12. WTW will handle any premiums Client pays through WTW and any funds which WTW receives from insurers or intermediaries for payment or return to Client in accordance with applicable province/territory, state and federal insurance laws and regulations and province/territory and state unclaimed property laws. WTW may transfer Client's funds directly to insurers or to third parties such as wholesale brokers, excess and surplus lines brokers, or managing general agents to carry out transactions for Client.
- 2.13. Where WTW collects funds from Client, Client agrees that WTW may receive and retain interest on such funds from the date WTW receives the funds until WTW pays them to the insurers, intermediaries, or other third parties in the course of providing services, or until WTW returns them to Client after WTW receives such funds.
- 2.14. Unless otherwise provided in writing, Client agrees that WTW may use Client's company name and logo in marketing materials and for internal WTW use.



- 2.15. Unless otherwise agreed in writing, in the event of termination, WTW will be entitled to receive and retain any commissions payable under the terms of WTW's commission agreements with the insurers in relation to policies placed by WTW, whether or not the commissions have been received by us.
- 2.16. WTW's obligation to render services to Client ceases on: (a) the effective date of termination of the SOW, or (b) if Client has not entered into a SOW, the earlier of: (i) 60 days prior written notice by either party terminating the services, or (ii) with respect to any coverage subject to these Brokerage Terms, the effective date of a change in Client's broker of record for that coverage (the "**Termination Date**"). Nevertheless, WTW will take reasonable steps to assist in the orderly transition of matters to Client or to a new insurance broker. Claims and premium or other adjustments may arise after the Termination Date, and WTW has no responsibility to handle these things after WTW's relationship with Client ends. Such items are normally handled by the insurance broker serving Client at the time the claim or adjustment arises. However, WTW will consider providing such services after the Termination Date for mutually agreed additional compensation. Nevertheless, WTW will process all remaining deposit premium installments on the policy(ies) in effect on the Termination Date.
- 2.17. The insurance market is complex, and there could be other relationships which are not described in this document which might create conflicts of interest. If a conflict arises for which there is no practicable way of complying with this commitment, WTW will promptly inform Client and withdraw from the engagement, unless Client wishes WTW to continue to provide the services and provide Client's written consent. Please let WTW know in writing if Client has concerns or WTW will assume that Client understands and consents to WTW's providing its services pursuant to these Brokerage Terms.
- 2.18. In addition to any other terms governing the use of Client's information as provided herein or in any other MSA, SOW, or other agreement, Client agrees that WTW may use Client's information and, if applicable, receive remuneration for such use, as described below. WTW may:
- 2.18.1. aggregate and anonymise Client's information and may disclose to third parties certain anonymized or industry-wide statistics or other information which may include information relating to Client, but that WTW will not, without Client's consent, reveal any information specific to Client other than on an aggregated and anonymized basis and as part of an industry or sector-wide comparison;
- 2.18.2. use Client's information to engage certain insurers in periodic discussions to gauge insurers' capabilities and interest in potentially quoting Client's business at a future date. Such discussions could be specific to Client's account or part of a discussion about a portfolio of accounts and typically increase the effectiveness and efficiency of WTW's future marketing efforts on Client's behalf when Client desires alternative bids;
- 2.18.3. share information concerning Client's insurance arrangement with insurers or their agents where this is necessary to enable insurers to decide whether to participate in insuring Client's risk or to participate in any arrangement made by WTW whereby participating insurers agree to insure (wholly or partly) a portfolio of risks without necessarily making underwriting decisions on a case by case basis for individual risks within such portfolio;
- 2.18.4. use any information Client provides, without further notice to Client, for the purpose of: (1) prospecting facultative reinsurance business from prospective insurer clients; (2) placing facultative reinsurance on behalf of WTW's insurer clients; (3) marketing facultative reinsurance with prospective reinsurers on behalf of WTW's insurer clients.

### 3. Brokerage Disclosures

- 3.1. If a WTW affiliate or office located outside of Canada or the United States serves as an intermediary in the placement of Client's coverages, it will also earn and retain compensation for providing those services, which compensation may not be included in the fee.
- 3.2. To the extent WTW is compensated by commissions paid to WTW by insurers, they will be earned for the entire policy period at the time WTW places policies for Client. WTW will be paid the commission percentage stated for the placement of Client's insurance as indicated, and will receive the same commission percentage for all subsequent renewals of this policy unless a different commission percentage is disclosed to Client, or unless the insurer changes its commission rates, in which case the new commission rate will be disclosed to Client before placement of the policy.



- 3.3. The compensation that will be paid to WTW will vary based on the insurance contract it sells. Depending on the insurer and insurance contract Client selects, compensation may be paid by the insurer selling the insurance contract or by another third party. Such compensation may be contingent and may vary depending on a number of factors, including the insurance contract and insurer Client selects. In some cases, other factors such as the volume of business WTW provides to the insurer or the profitability of insurance contracts WTW provides to the insurer also may affect compensation. WTW may accept this compensation in locations where it is legally permissible, and meets standards and controls to address conflicts of interest. Whether or how much insurers may pay in such compensation does not play any role in WTW's placement recommendations on behalf of its clients. If Client prefers that WTW not accept this compensation related to Client's policy, please notify WTW in writing and WTW will request that Client's insurer(s) exclude Client's business from their payment calculations.
- 3.4. Upon request, WTW will provide Client with additional information about the compensation WTW expects to receive based in whole or in part on Client's purchase of insurance, and (if applicable) the compensation expected to be received based in whole or in part on any alternative quotes presented to Client.
- 3.5. WTW may place Client's insurance or other business with members of a panel of insurers or other vendors. WTW develops panels of insurers and vendors in certain market segments. Participating insurers and vendors are reviewed on a variety of factors. Commission or fee rates on panel placements may be higher than rates paid on business placed outside of the panel process. WTW discloses its commission rates to clients on quotes obtained through the panel process prior to binding the coverage. In some instances, insurers or vendors pay an administration or management fee to participate in the panel process or for additional reporting. In some instances, WTW may earn a referral fee for referring Client's business to certain vendors.
- 3.6. In some cases the use of a wholesale broker may be beneficial to Client. WTW will not directly or indirectly place or renew Client's insurance business through a wholesale broker unless WTW first discloses to Client in writing any compensation WTW or WTW's corporate parents, subsidiaries or affiliates will receive as a result.
- 3.7. If wholesalers, underwriting managers or managing general agents have a role in providing insurance products and services to Client, they will also earn and retain compensation for their role in providing those products and services. If any such parties are corporate parents, subsidiaries or affiliates of WTW's, any compensation WTW or WTW's corporate parents, subsidiaries or affiliates will receive will be included in the total compensation WTW discloses to Client. If such parties are not affiliated with WTW, and if Client desires more information regarding the compensation those parties will receive, please contact WTW and WTW will assist Client in obtaining this information.
- 3.8. Commission schedules and other compensation arrangements related to WTW's services on Client's behalf may change over time and may not always be congruent with Client's specific policy period. WTW will provide Client with accurate information to the best of WTW's knowledge when information is presented to Client, but it is possible that compensation arrangements may change over time. WTW will update Client on any changes to WTW's compensation prior to Client's renewal, and will do so at any time upon Client's request.
- 3.9. As an insurance intermediary, WTW normally acts for Client. However, WTW or WTW's corporate parents, subsidiaries or affiliates may also provide services to insurers for which WTW may earn compensation. These services may include, for example, (a) acting as a managing general agent, program manager or in other similar capacities which give WTW binding authority enabling WTW to accept business on their behalf and immediately provide coverage for a risk; (b) arranging lineslips or similar facilities which enable an insurer to bind business for itself and other insurers; (c) managing lineslips for insurers; or (d) providing third party administration and other services to insurers. Contracts with these insurers may grant WTW certain rights or create certain obligations regarding the marketing of insurance products provided by the insurers. WTW may place Client's insurance business under such a managing general agent's agreement, binding authority, lineslip or similar facility when WTW reasonably considers that these match Client's insurance requirements/instructions. When WTW intends to do so, WTW will inform Client and disclose that WTW will receive compensation related to these services. In addition, these services may include providing services to insurers as a client. For example, WTW or they may provide consulting, brokerage, outsourced administration, or reinsurance services to insurer clients. In such cases, WTW or they will be compensated separately for the services provided to those insurer clients. Some of these insurer clients may happen to be insurers with whom WTW places Client's insurance coverages. The services provided to Client and the



services provided to WTW's insurer clients are separate and any compensation earned for the services provided to insurer clients are separate from and in addition to the compensation WTW earns for the services WTW provides Client under these Brokerage Terms.

- 3.10. WTW is a member of a major international group of companies. In addition to the commissions received by WTW from insurers for placement of Client's insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by WTW's corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to Client under their separate contracts with insurers or reinsurers.
- 3.11. To comply with applicable anti-money laundering regulations there are times when WTW may ask clients to confirm (or reconfirm) their identity. WTW may need to do this at the time Client becomes a client or has been one for some time or for example, when checking details on proposal forms and transferring claims payments. This information may be shared with other subsidiaries of Willis Towers Watson PLC and where WTW deems necessary with regulatory or law enforcement bodies. Please note that WTW is prohibited from disclosing to Client any report WTW may make based on knowledge or suspicion of money laundering, including the fact that such a report has been made.

WTW has systems that protect clients and WTW against fraud and other crime and WTW may utilize the services of third parties in order to identify and verify clients. Client information can be used to prevent crime and trace those responsible. WTW may check Client's details against financial crime databanks. If false or inaccurate information is provided, WTW may be obliged to pass such details to relevant regulatory agencies that may use this information.

- 3.12. WTW negotiates commission rates with certain insurers on a corporate level. If the rate on Client's placement is lower than the negotiated rate, WTW will collect the difference directly from the insurer. These payments will not increase the cost of Client's insurance or otherwise impact Client's premium or rates. Details of these arrangements where there is compensation beyond the base compensation detailed in Client's Quote Proposal can be found at: [http://www.willis.com/About\\_Willis/The\\_Willis\\_Way/Commission\\_Rates](http://www.willis.com/About_Willis/The_Willis_Way/Commission_Rates).
- 3.13. A separate business unit, FINMAR Market Services, provides a wide range of services direct to certain insurers that write business for FINEX Global clients. A separate fee is paid to FINMAR Market Services by insurers for the delivery of these services to them. This fee is calculated within a range of 2.75% and 7.5% (plus VAT, if applicable) of the overall premiums placed depending on the scale of services provided. Unless otherwise stated, premiums paid by the clients of FINEX Global will not be increased as a result of these arrangements.
- 3.14. If a surplus lines insurer (sometimes referred to as an excess lines insurer, non-admitted insurer, or non-licensed insurer) was used to quote Client's coverage, its premium rates, coverage terms and policy forms are not regulated by Client's home state, province or territory, as applicable, and Client will be required to pay an additional surplus lines premium tax which is on top of the premium. Also, in the event of the insurer's insolvency Client will not be indemnified by any government guaranty fund for unpaid claims.

#### **4. Language**

- 4.1. It is the express wish of the parties that these Brokerage Terms and any related documents be drawn up in and executed in English. Les parties souhaitent expressément que cette entente et tous les documents s'y rapportant soient rédigés et signés en anglais.

#### **5. Inquiries and Complaints**

- 5.1. Client's satisfaction is important to WTW. If Client has questions or complaints, please inform the person who handles Client's business or contact the head of WTW's office. Alternatively, Client may call toll free 1-866-704-5115.
- 5.2. The Texas Department of Insurance maintains a toll-free telephone number (1-800-252-3439) which you may call if Client has complaints regarding fees charged by any insurance producer. Client also may contact the Texas Department of Insurance at [ConsumerProtection@tdi.state.tx.us](mailto:ConsumerProtection@tdi.state.tx.us). The Texas Department of



Insurance's website is [www.tdi.state.tx.us](http://www.tdi.state.tx.us) and its mailing address is P.O. Box 149104, Austin, TX 78714-9104.

## Appendix B – Carrier Quotations



## Excess Workers Compensation Quotation Sheet

Insurer: Midwest Employers Casualty Company

Policy Effective Date: 01/01/2023

Insured: Lapeer County

Quote Date: 10/13/2022

Policy #: EWC008896

Quote Expiration Date: 60 Days

POLICY TERMS	QUOTE OPTIONS					
	0242575	0242576				
Named States	MI	MI				
<b>SPECIFIC:</b>						
Specific Limit	STATUTORY	STATUTORY				
Specific Retention	\$500,000	\$500,000				
Specific Retention - 7720 MI	\$650,000	\$750,000				
<b>EMPLOYERS LIABILITY:</b>						
Employers Liability Limit	\$1,000,000	\$1,000,000				
Employers Liability Retention	See Specific	See Specific				
<b>AGGREGATE:</b>						
Aggregate Limit	\$5,000,000	\$5,000,000				
Rate as a % of Normal Premium	493.71%	493.71%				
Estimated Aggregate Retention	\$1,490,372	\$1,490,372				
Minimum Aggregate Retention	\$1,460,565	\$1,460,565				
Aggregate Loss Limitation	\$500,000	\$500,000				
<b>RATING BASE:</b>						
Est. Annual Payroll	\$34,739,198	\$34,739,198				
Est. Annual Manual Premium	\$301,872	\$301,872				
Length of Policy (Years)	1.000000	1.000000				
Est. Policy Normal Premium	\$301,872	\$301,872				
Rate as a % of Normal Premium	23.72%	22.49%				
<b>PREMIUM:</b>						
Total Est Policy Prd Premium (including Flat Charges)	\$71,604	\$67,891				
Policy Minimum Premium	\$64,444	\$61,102				
Deposit Premium	\$71,604	\$67,891				
Deposit Flat Charge(s)	NA	NA				
<b>Total Deposit Due</b>	<b>\$71,604</b>	<b>\$67,891</b>				
Terrorism Risk Ins Act of 2002 (incl in Total Deposit Due above)	\$2,148	\$2,037				
Commission	15%	15%				

### CONDITIONS / COMMENTS:

\* MECC must be notified of any aircraft changes occurring during the policy period.  
NOTE: All prior quotes are Null & Void



## Endorsement Schedule Quotation

Insurer: Midwest Employers Casualty Company

Policy Effective Date: 01/01/2023

Insured: Lapeer County

Quote Date: 10/13/2022

Policy #: EWC008896

Quote Expiration Date: 60 Days

The following endorsements apply to all quote options:

CMB-1	Amendment to Schedule Item 1
CMB-6-CLS	Amendment to Schedule Item 6
CMB-11	Amendment to Schedule Item 11
CMB-199	Policyholder Disclosure Notice of Terrorism Insurance
ISI-254-EXC	Aircraft Exclusion
ISI-282	Limited Longshore and Harbor Workers' Compensation Act
ISI-MI	Michigan

Coverage for acts of terrorism, as defined in the Terrorism Risk Insurance Act as amended, (the "Act"), is included in the quote for your policy.

As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Act.

However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Act contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism, as defined in the Act is shown below, and does not include any charges for the portion of losses covered by the United States government under the Act.

Quote Option	<u>0242575</u>	<u>0242576</u>
TRIA Charge:	\$2,148	\$2,037
	=====	=====

Name of Insurer: Midwest Employers Casualty Company

Name of Insured: Lapeer County



## Endorsement

Endorsement Effective:

Policy No.:

Named Insured:

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### Aircraft Exclusion Endorsement

This Policy does not cover any Loss arising out of the ownership, maintenance, operation or use of any aircraft that is leased, owned (in whole or in part) or operated by you, your executive officer(s), director(s), Employee(s), parent company or subsidiary. This exclusion does not apply to regularly scheduled commercial airlines or chartered aircraft.

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

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Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.

ISI-254-EXC (8-13)

Date Printed:



Endorsement

Endorsement Effective:

Policy No.:

Named Insured:

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Amendment to Schedule Item 1

Schedule Item 1 is amended to read as follows:

1. Insured:

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

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Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.



Endorsement Effective:

Policy No.:

Named Insured:

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Amendment to Schedule Item 11

Schedule Item 11 is amended to read as follows:

11. Classification of Operations:

Total Manual Premium:  
(a) Experience Modification Factor:  
(b) Other Modification Factor:  
Normal Premium:

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

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Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.



## Endorsement

Endorsement Effective:

Policy No.:

Named Insured:

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### Amendment to Schedule Item 6

Schedule Item 6 is amended to read as follows:

#### 6. Specific Retention:

Classification	Specific Retention
All Other	

The term "All Other" refers to any class code on the Policy which is not specifically named above.

If an accident involves multiple Employees in separate classifications with different Specific Retentions, then the greatest of the Specific Retentions will apply.

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

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Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.



Endorsement

Endorsement Effective:

Policy No.:

Named Insured:

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Limited Longshore and Harbor Workers' Compensation Act Endorsement

1. This endorsement applies only to the work described in the listing below as work subject to the Longshore and Harbor Workers' Compensation Act. This Policy applies to that work as though the location included in the description of the work were a "State" named in Item 3 of the Schedule Page.
2. Under Part Two – Employers Liability, Section E. Exclusions From Loss, Exclusion 15 does not apply to work subject to the Longshore and Harbor Workers' Compensation Act in paragraph 1. above.
3. Under the General Section, Section F. Workers' Compensation Law, is amended to read as follows:
  - F. Workers' Compensation Law means the workers' compensation law and occupational disease law of a State, and the Longshore and Harbor Workers' Compensation Act (33 USC Sections 901-950), including any amendments to such law which are in effect during the Policy Period. The definition of "Workers' Compensation Law" does not include the provisions of any law that provide nonoccupational disability benefits. The definition of "Workers' Compensation Law" also does not include any other federal workers' compensation law, federal occupational disease law or any other federal law.
4. With respect to this endorsement, reimbursement by us for Loss paid by you in excess of your Specific Retention shall not exceed the benefits that would have been available under the Workers' Compensation Law of the State in which the injured Employee(s) is normally employed, if that law applied, and is further subject to Our Specific Limit as shown in the Schedule Page.

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

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Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.

Endorsement Effective:

Policy No.:

Named Insured:

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Michigan Endorsement

This endorsement applies only to coverage provided by this Policy because Michigan is named in Item 3 of the Schedule Page.

Section A. Self-Insurance of the General Section of this Policy is amended to read as follows:

- A. Self-Insurance.** Our obligations under this Policy are subject to the condition that you are, at the inception of this Policy and shall remain until the end of the Policy Period, authorized to operate as a duly qualified self-insurer, in each State named in Schedule Item 3. If, after the inception of this Policy, the authority shown below in Section I. Cancellation of Part Six – Conditions revokes your authorization to operate as a duly qualified self-insurer, this Policy will apply as if you remain a qualified self-insurer.

Section C. Loss of Part One – Workers' Compensation Excess Indemnity is amended to read as follows:

- C. Loss** under Part One of this Policy means the amount actually paid by you, after deduction of any Recovery, for regular benefits provided under the Michigan Workers' Compensation Law in effect on the date the accident or exposure to disease occurs. Loss shall include, but is limited to, 100% of the following payments:

1. Benefit payments made by you as required by the Michigan Workers' Compensation Law;
2. Benefit payments, as required in the Michigan Workers' Compensation Law that are due and owing to claimants;
3. Benefit payments made on your behalf as required in the Michigan Workers' Compensation Law, by a surety under a bond or through the use of other security required by the director;
4. Payments made by the Michigan Self-Insurers' Security Fund; and
5. Payments for usual and customary claims allocated loss adjustment expenses as listed in Part Four – Claims, Section L. Reimbursable Claim Handling Expense of this Policy.

Item 3 of Section J. Good Faith Claims Handling and Settlements of Part Four – Claims is amended to read as follows:

3. **Settlement Within Your Retention.** If you are presented with an objectively reasonable opportunity to reach a Full and Final Settlement of a Claim within your Retention, and if in the exercise of good faith and sound judgment the Claim should be settled, then you shall settle it. If a Claim is filed in a State that will not allow a Full and Final Settlement, and you are presented with an objectively reasonable opportunity to reach a partial settlement of the Claim within your Retention, and if in the exercise of good faith and sound judgment the Claim should be settled, then you shall settle it.

Section N. Commutation by Mutual Agreement of Part Four – Claims is deleted in its entirety.

Endorsement Effective:

Policy No.:

Named Insured:

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Section C. Bankruptcy or Insolvency of Part Six – Conditions of this Policy is amended to read as follows:

**C. Bankruptcy or Insolvency.** Your bankruptcy or insolvency shall not relieve us from the payment of any Loss covered by this Policy. After the Retention shown on the Schedule has been paid, payments shall be made by us as if you had not become bankrupt or insolvent but not in excess of the Specific Limit or the Aggregate Limit shown on the Schedule. Payment shall be made to the Trustee in Bankruptcy or as directed by the Michigan Self-Insurers' Security Fund. We shall never make payments below the Retention shown on the Schedule, nor shall our indemnity obligations under this Policy ever be increased or broaden because of your bankruptcy or insolvency.

Section D. Other Insurance of Part Six – Conditions of this Policy is amended to read as follows:

**D. Other Insurance.** If any other insurance, reinsurance, indemnity agreement or other reimbursement agreement exists protecting you against Loss covered by this Policy, the indemnity coverage afforded under this Policy shall be applied on a pro-rata basis with such other insurance, reinsurance, indemnity agreement or other reimbursement agreement.

Section I. Cancellation of Part Six – Conditions of this Policy is amended to read as follows:

**I. Cancellation.** You may cancel this Policy by giving us and the authority shown below at least sixty (60) days advance notice by registered mail stating the cancellation date. We may cancel this Policy by giving you and the authority shown below at least sixty (60) days advance notice by registered mail stating the cancellation date. Our mailing of registered notice to your address shown in Schedule Item 2 will be sufficient proof that we cancelled this Policy.

Michigan Department of Licensing and Regulatory Affairs  
Workers' Compensation Agency  
Self-Insured Programs  
P.O. Box 30016  
Lansing, Michigan 48909

If by mutual consent we agree with you to cancel this Policy, we will mail to the authority shown above a copy of the cancellation endorsement that you and we have signed.

If this Policy is cancelled, the Policy Period shall end at 12:01 A.M. on the cancellation date. This Policy does not apply to loss or liability which arises out of bodily injury by accident or bodily injury by disease that occurs after the effective date of such cancellation.

In the event of cancellation of this Policy, Final Premium shall be calculated as set forth in Part Five – Premium, Section C. Final Premium of this Policy.



Endorsement Effective:

Policy No.:

Named Insured:

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The following section is added to this Policy:

MCLA Section 500.3008 Requirements

In accordance with the requirements of MCLA Section 500.3008, it is agreed that notice given by or on behalf of the Insured to any authorized agent of the Insurer within this State, with particulars sufficient to identify the Insured shall be deemed to be notice to the Insurer; and it is also agreed that failure to give any notice required to be given by this Policy within the time specified herein shall not invalidate any claim made by the Insured if it shall be shown not to have been reasonably possible to give such notice within the prescribed time and that notice was given as soon as was reasonably possible.

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

\_\_\_\_\_  
Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.



Endorsement

Endorsement Effective:

Policy No.:

Named Insured:

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Policyholder Disclosure Notice of Terrorism Insurance Coverage Endorsement

Coverage for acts of terrorism, as defined in the Terrorism Risk Insurance Act as amended, (the "Act"), is included in your Policy. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Act. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Act contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

- A. The portion of your annual premium that is attributable to coverage for acts of terrorism, as defined in the Act is: \$\_\_\_\_\_ and does not include any charges for the portion of losses covered by the United States government under the Act.

Name of Insurer: Midwest Employers Casualty Company  
Policy Number:

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

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Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.

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## **REQUEST FOR ACTION**

**DATE:** December 7, 2022

\_\_\_\_\_ REQUEST FOR ACTION

\_\_\_\_\_ FOR YOUR INFORMATION

\_\_\_\_\_ REQUEST FOR INFORMATION

**TO:** COMMITTEE OF THE WHOLE

**FROM:** Quentin Bishop, County Controller/Administrator  
Sheriff Scott McKenna

\*\*\*\*\*

**SUMMARY OF REQUEST / INFORMATION:** Request to approve the Interlocal Agreement between Lapeer County and Oakland County for Medical Examiner Services.

**ADDITIONAL INFORMATION:** The proposed interlocal agreement with Lapeer County has already been reviewed by Corporation Counsel and language changes were implemented pursuant to his recommendation.

**CONTACT PERSON(S):** Quentin Bishop and/or Sheriff Scott McKenna

**BACKGROUND INFORMATION:**

**SUPPORTING DOCUMENTS:** Proposed Interlocal Agreement

**DRAFT MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_ to recommend to the Full Board to approve the attached Interlocal Agreement between the County of Lapeer and Oakland County for Medical Examiner Services, effective immediately following the 60-day termination notice of services with the MIFSM (Michigan Institute of Forensic Science and Medicine); and further, to authorize the Chairman to sign said agreement, and that the Administration Office send the termination notice to MIFSM immediately following the December 15, 2022 Regular Board Meeting.

ATTACHMENTS YES xx NO \_\_\_\_\_



# INTERLOCAL AGREEMENT

## BETWEEN

## OAKLAND COUNTY

## AND

## LAPEER COUNTY

---

This Agreement ("Agreement") is made between the County of Oakland, ("Oakland County"), a Michigan Constitutional and Municipal Corporation, by and through the Oakland County Medical Examiner's Office ("OCMEO"), whose address is 1200 North Telegraph, Pontiac, Michigan 48341, and Lapeer County ("Lapeer County"), by and through the Lapeer County Sheriff's Department ("LCSD"), whose address is 3231 John Conley Drive, Lapeer, Michigan 48446. The term "Oakland County" means Oakland County and the Oakland County Medical Examiners Office jointly. The term "Lapeer County" means Lapeer County and the Lapeer County Sheriff's Office, jointly. In this Agreement, "Oakland County" and "Lapeer County" may also be referred to jointly as the "Parties."

**PURPOSE OF AGREEMENT.** Oakland County and Lapeer County enter into this Agreement pursuant to the Urban Cooperation Act of 1967, 1967 Public Act 7, MCL 124.501 *et seq.*, for the purpose of the OCMEO providing medical examiner services to LCSD, and delineating the duties of the Parties related to providing medical examiner services. The Parties agree, subject to the terms and conditions set forth in this Agreement, to provide funds and/or services as described in Exhibits I and Exhibit II.

In consideration of the mutual promises, obligations, representations, and assurances in this Agreement, the Parties agree to the following:

1. **DEFINITIONS.** In addition to any other defined terms in this Agreement (e.g., "Agreement," "Oakland County," "OCMEO", "Lapeer County," "LCSD", "Party," or "Parties," etc.), the Parties agree that the following words and expressions used throughout this Agreement, whether used in the singular or plural, shall be defined, and interpreted as follows:
  - 1.1. **Agreement** means the following documents, which this Agreement includes and incorporates:
    - 1.1.1. Interlocal Agreement
    - 1.1.2. Exhibit I: Financial Obligations
    - 1.1.3. Exhibit II: Scope of Services
  - 1.2. **Claim(s)** mean any alleged losses, claims, complaints, demands for relief or damages, lawsuits, causes of action, proceedings, judgments, deficiencies, liabilities, penalties, litigation, costs, and expenses, including, but not limited to, reimbursement for reasonable attorney fees, witness fees, court costs, investigation expenses, litigation expenses, amounts paid in settlement, and/or other amounts or liabilities of any kind which are incurred by or asserted against Oakland County or Lapeer County, or for which Oakland County or Lapeer County may become legally and/or contractually obligated to pay or defend against, whether direct, indirect or consequential, whether based upon any alleged violation of the federal or the state constitution, any federal or state statute, rule, regulation, or any alleged violation of federal or state common

law, whether any such claims are brought in law or equity, tort, contract, or otherwise, and/or whether commenced or threatened.

- 1.3. **Day** shall be defined as any calendar day, which shall always begin at 12:00:00 a.m. and end at 11:59:59 p.m.
- 1.5. **Lapeer County** means Lapeer County, a constitutional and municipal Corporation, including, but not limited to, all of its departments, divisions, the Lapeer County Board of Commissioners, elected and appointed officials, directors, board members, council members, commissioners, authorities, committees, commissions, employees, agents, volunteers, and/or any such persons' successors.
- 1.6. **Lapeer County Employee** means without limitation any employees, officers, directors, managers, trustees, volunteers, attorneys, and representatives of Lapeer County, including any person who was an Lapeer County Employee at any time during the term of this Agreement but, for any reason, is no longer employed, appointed, or elected in that capacity.
- 1.7. **LCSO** means the Lapeer County Sheriff's Office, with all of the duties and responsibilities for exercising the authority vested by the Michigan Constitution and Michigan Compiled Laws Chapter 51 with jurisdiction over the County of Lapeer.
- 1.8. **Oakland County** means Oakland County, a constitutional and municipal Corporation, including, but not limited to, all of its departments, divisions, the Oakland County Board of Commissioners, elected and appointed officials, directors, board members, council members, commissioners, authorities, committees, commissions, employees, agents, volunteers, and/or any such persons' successors.
- 1.9. **Oakland County Employee** means without limitation, any employees, officers, directors, managers, trustees, volunteers, attorneys, and representatives of the Oakland County, including any person who was an Oakland County Employee at any time during the term of this Agreement but, for any reason, is no longer employed, appointed, or elected in that capacity.
- 1.10. **OCMEO** means the Oakland County Medical Examiner's Office, a department of Oakland County created pursuant to the County Medical Examiners Act, MCL 52.201 *et. seq.*
- 1.11. **Points of Contact** mean the individuals designated by the OCMEO and LCSO to act as primary and secondary contacts for communication and other purposes as described herein.

## **2. EFFECTIVE DATE AND DURATION OF THE AGREEMENT.**

- 2.1. This Agreement, and/or any subsequent amendments must be in writing and shall be effective when executed by both Parties with resolutions passed by the governing bodies of each Party except as otherwise specified below. The approval and terms of this Agreement and any amendments, except as specified below, shall be entered in the official minutes and proceedings of the governing bodies of each Party. An executed copy of this Agreement and any amendments shall also be filed with the office of the Clerk of the County with Secretary of State.
- 2.2. This Agreement, and/or any subsequent amendments thereto, shall not become effective prior to the filing of this Agreement, and/or any possible subsequent amendments with the Michigan Secretary of State (MCL 124.510).
- 2.3. Unless extended by an Amendment, this Agreement shall remain in effect for ONE year from the date the Agreement is completely executed by all Parties or until cancelled or terminated by any of the Parties pursuant to the terms of the Agreement.

### **3. OAKLAND COUNTY RESPONSIBILITIES.**

- 3.1. Subject to the terms and conditions in this Agreement, and except as otherwise provided by law, the Oakland County shall provide those services for the Lapeer County as described in Exhibit II.
- 3.2. Oakland County shall provide Lapeer County with a detailed invoice of Oakland County's costs within sixty (60) Days of the completion of each autopsy or external exam for the services provided herein and/or a statement describing any amounts owed to Oakland County as described in Exhibit I.
- 3.3. The Parties intend, agree, and acknowledge that no services, other than those services described in this Agreement, shall or are otherwise required to be provided by Oakland County for or to Lapeer County. Additional services may be contracted by mutual agreement between the Parties.

### **4. LAPEER COUNTY FINANCIAL/PAYMENT OBLIGATIONS.**

- 4.1. Lapeer County shall pay the full amount shown on an invoice to Oakland County within sixty (60) calendar days after the date shown on any such invoice.
- 4.2. Unless there is a termination as provided for herein, Lapeer County's obligations set forth in this Section, shall be absolute and unconditional and shall not be affected by the occurrence of either Party's default of any term or condition of this Agreement, nor shall any other occurrence or event relieve, limit, or impair the obligation of Lapeer County to pay any such amount due and owing to Oakland County.
- 4.3. Nothing in this Section shall operate to limit Oakland County's right to pursue or exercise any other legal rights or remedies under this Agreement or at law against Lapeer County to secure payment of amounts due Oakland County under this Agreement. The remedies in this Section shall be available to Oakland County on an ongoing and successive basis if Lapeer County at any time becomes delinquent in its payment. Notwithstanding any other term and condition in this Agreement, if Oakland County pursues any legal action in any court to secure its payment under this Agreement, Lapeer County agrees to pay all costs and expenses, including attorney fees and court costs, incurred by Oakland County in the collection of any amount owed by Lapeer County.
- 4.4. This Section shall not be interpreted as limiting Lapeer County's legal right to dispute whether the underlying amount invoiced by Oakland County was actually due and owing under this Agreement.

### **5. ASSURANCES AND WARRANTIES.**

- 5.1. The Parties have taken all actions and secured all approvals necessary to authorize and complete this Agreement. The persons signing this Agreement on behalf of each Party have the legal authority to sign this Agreement and bind the parties to the terms and conditions contained herein.
- 5.2. Each Party shall comply with all federal, state, and local ordinances, regulations, administrative rules and requirements applicable to its activities performed under this Agreement, including but not limited to laws relating to nondiscrimination and conflicts of interests.
- 5.3. Any and all Oakland County services set forth in this Agreement are provided on an "as-is" and "as-available" basis, without any warranty of any kind, to the maximum extent permitted by

applicable law. Oakland County expressly further disclaims any and all warranties, of any kind, whether express or implied, including, without limitation, any implied warranties of merchantability, fitness for a particular purpose, or non-infringement and/or that any Oakland County services under this Agreement will meet any of Lapeer County's needs or requirements, will be uninterrupted, timely, secure, error or risk free/or that any deficiencies in any Oakland County service. The entire risk arising out of the use of any and all Oakland County services herein remains at all times, with Lapeer County to the maximum extent permitted by law.

**6. LIABILITY.**

- 6.1. Each Party shall be responsible for any Claims made against that Party by a third party and for the acts or omissions of its employees arising under or related to this Agreement.
- 6.2. Except as provided for in Section 4.3, in any Claim that may arise from the performance of this Agreement, each Party shall seek its own legal representation and bear the costs associated with such representation, including judgment and attorney fees.
- 6.3. Except as otherwise provided in this Agreement, neither Party shall have any right under this Agreement or any legal principle to be indemnified or reimbursed by the other Party or any of its employees or agents in connection with any Claim.
- 6.4. This Agreement does not, and is not intended to, impair, divest, delegate or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty or immunity of the Parties. Nothing in this Agreement shall be construed as a waiver of governmental immunity for either Party.

**7. LIMITATION OF LIABILITY.** In no event shall either Party be liable to the other Party or any other person, for any consequential, incidental, direct, indirect, special, and punitive or other damages arising out of this Agreement

**8. DISPUTE RESOLUTION.**

- 8.1. All disputes relating to the execution, interpretation, performance, or nonperformance of this Agreement involving or affecting the Parties may first be submitted to Oakland County's Point of Contact and Lapeer County's Point of Contact for possible resolution. Oakland County's Point of Contact and Lapeer County's Point of Contact may promptly meet and confer in an effort to resolve such dispute.
- 8.2. If they cannot resolve the dispute in five (5) business days, the dispute may be submitted to the signatories of this Agreement or their successors in office. The signatories of this Agreement may meet promptly and confer in an effort to resolve such dispute.

**9. NO IMPLIED WAIVER.**

- 9.1. Absent a written waiver, no act, failure, or delay by a Party to pursue or enforce any rights or remedies under this Agreement shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Agreement.
- 9.2. No waiver of any term, condition, or provision of this Agreement, whether by conduct or otherwise, in one or more instances, shall be deemed or construed as a continuing waiver of any term, condition, or provision of this Agreement.
- 9.3. No waiver by either Party shall subsequently affect its right to require strict performance of this Agreement.

10. **AUDITING** Oakland County agrees that financial records will be available upon request for review or audit by Lapeer County or other appropriate officials.

11. **AGREEMENT INTERPRETATION.** The Parties agree that performance under this Agreement will be conducted in compliance with all federal, Michigan, and local laws and regulations. This Agreement is made and entered into in the County of Oakland and in the State of Michigan. The language of all parts of this Agreement is intended to and under all circumstances to be construed as a whole according to its fair meaning and not construed strictly for or against any Party.

12. **TERMINATION OR CANCELLATION OF AGREEMENT.**

12.1. Either Party may terminate and/or cancel this Agreement upon sixty (60) Days written notice to the other Party. The effective date of termination and/or cancellation shall be clearly stated in the written notice. Termination of this Agreement does not release any Party from any obligations that Party has pursuant to any law.

12.2. The Parties agree and acknowledge that either Party's decision to terminate and/or cancel this Agreement, or any one or more individual Oakland County Services identified herein, shall not relieve Lapeer County of payment obligations for any Oakland County services rendered prior to the effective date of any termination or cancellation of this Agreement. The provisions of this Subsection shall survive the termination, cancellation, and/or expiration of this Agreement.

12.3. Oakland County's obligations upon termination of the contract is to provide services to Lapeer County as described in Exhibits I and II through the end of the Contract and provide a final invoice of Oakland County's costs within sixty (60) Days of the termination date of the contract.

12.4. Lapeer County's obligations upon termination of the contract is to honor all of its obligations contained in Exhibits I and II and submit payments for outstanding invoices submitted by Oakland County within sixty (60) calendar days after the date shown on any submitted invoices.

13. **NO EMPLOYEE-EMPLOYER RELATIONSHIP.** Nothing in this Agreement shall be construed as creating an employee-employer relationship between Oakland County and Lapeer County.

14. **NO THIRD-PARTY BENEFICIARIES.** Except as provided for the benefit of the Parties, this Agreement does not and is not intended to create any obligation, duty, promise, contractual right or benefit, right to indemnification, right to subrogation, and/or any other right in favor of any other person or entity.

15. **RECORD RETENTION.** The Parties agrees to maintain records in accordance with state law. All records relative to this Agreement shall be available at any reasonable time for examination or audit by personnel authorized by law.

16. **DELEGATION/SUBCONTRACT/ASSIGNMENT.** Neither Party shall delegate, subcontract, and/or assign any obligations or rights under this Agreement without the prior written consent of the other Party.

17. **FORCE MAJEURE.** Each Party shall be excused from any obligations under this Agreement during the time and to the extent that a Party is prevented from performing due to causes beyond the Party's control, including, but not limited to, an act of God, war, fire, strike, labor disputes, civil

disturbances, reduction of power source, or any other circumstances beyond the reasonable control of the affected Party. Reasonable notice shall be given to the other party of any such event.

18. **SEVERABILITY**. If a court of competent jurisdiction finds a term or condition of this Agreement to be illegal or invalid, then the term or condition shall be deemed severed from this Agreement. All other terms, conditions, and provisions of this Agreement shall remain in full force.
19. **PRECEDENCE OF DOCUMENTS**. In the event of a conflict between the terms of and conditions of any of the documents that comprise this Agreement, the terms in the Agreement shall prevail and take precedence over any allegedly conflicting terms in the Exhibits or other documents that comprise this Agreement.
20. **CAPTIONS**. The section and subsection numbers, captions, and any index to such sections and subsections contained in this Agreement are intended for the convenience of the reader and are not intended to have any substantive meaning. The numbers, captions, and indexes shall not be interpreted or be considered as part of this Agreement. Any use of the singular or plural number, any reference to the male, female, or neuter genders, and any possessive or non-possessive use in this Agreement shall be deemed the appropriate plurality, gender or possession as the context requires.
21. **NOTICES**. Notices given under this Agreement shall be in writing and shall be personally delivered, sent by express delivery service, certified mail, or first class U.S. mail postage prepaid, and addressed to the person listed below. Notice will be deemed given on the date when one of the following first occur: (1) the date of actual receipt; (2) the next business day when notice is sent express delivery service or personal delivery; or (3) three days after mailing first class or certified U.S. mail.
  - 21.1. If Notice is sent to the County, it shall be addressed and sent to: 1200 North Telegraph, Pontiac, Michigan 48341.
  - 21.2. If Notice is sent to Lapeer County, it shall be addressed and sent to: Administrator/Controller, Lapeer County Complex, 255 Clay Street, Lapeer, MI 48446
  - 21.3. Either Party may change the address and/or individual to which Notice is sent by notifying the other Party in writing of the change.
22. **GOVERNING LAW**. This Agreement shall be governed, interpreted, and enforced by the laws of the State of Michigan without giving effect to its conflict of law principles.
23. **JURISDICTION AND VENUE**. Except as otherwise required by law or court rule, any action brought to enforce, interpret, or decide any Claim(s) arising under or related to this Agreement shall be brought in the Sixth Judicial Circuit Court of the State of Michigan, the 50th District Court of the State of Michigan, or the United States District Court for the Eastern District of Michigan, Southern Division, as dictated by the applicable jurisdiction of the court. Except as otherwise required by law or court rule, venue is proper in the courts set forth above. The choice of forum set forth above shall not be deemed to preclude the enforcement of any judgment obtained in such forum or taking action under this Agreement to enforce such judgment in any appropriate jurisdiction.
24. **ENTIRE AGREEMENT**. This Agreement sets forth the entire agreement between the Parties along with the Agreement Documents. In entering into this Agreement, Lapeer County acknowledges that it has not relied upon any prior or contemporaneous agreement, representation, warranty, or other statement by the Oakland County and/or any Oakland County Agent that is not expressly set

forth in this Agreement, and that any and all such possible, perceived or prior agreements, representations, understandings, statements, negotiations, understandings and undertakings, whether written or oral, in any way concerning or related to the subject matter of this Agreement are fully and completely superseded by this Agreement.

- 24.1. If there is a contradicting term or condition in any Exhibit to this Agreement, the Agreement controls.
- 24.2. It is further agreed that the terms and conditions of this Agreement are contractual and binding and are not mere recitals. The Parties acknowledge that this Agreement contains certain limitations and disclaimers of liability.

The undersigned hereby acknowledges that he/she has been authorized by Lapeer County to execute this agreement on behalf of Lapeer County and hereby accepts and binds Lapeer County to the terms and conditions of this Agreement.

**THE COUNTY OF LAPEER**

\_\_\_\_\_:

**BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

\_\_\_\_\_ ,

**BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

\_\_\_\_\_ ,

The undersigned hereby acknowledges that he has been authorized by a resolution of the Oakland County Board of Commissioners to execute this Agreement on behalf of Oakland County, and hereby accepts and binds Oakland County to the terms and conditions of this Agreement.

**THE COUNTY OF OAKLAND**

**BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

\_\_\_\_\_,  
**Chairperson, Oakland County Board of Commissioners**

# OAKLAND COUNTY INTERLOCAL AGREEMENT

## BETWEEN

## OAKLAND COUNTY

## AND

## LAPEER COUNTY

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### EXHIBIT I: Financial Obligations

Under the terms of the Fee Schedule, Lapeer County agrees to provide Lapeer County Medical Investigators for on-scene investigations and assume all costs associated with on-scene investigations. JCMEO further agrees to provide transportation and assume all costs of transportation of any body requiring an autopsy by the OCMEO under the terms of the agreement. Oakland County agrees to provide the services contained herein under the Fee Schedule. Lapeer County shall be solely responsible for issuing Death Certificates and any and all costs associated with issuing Death Certificates related to any autopsy performed under the terms of the Agreement. Lapeer County shall also be solely responsible for issuing Cremation Permits and any and all costs associated with issuing Cremation permits related to any autopsy performed under the terms of the Agreement.

### Fee Schedule

Service	Fee
Complete Autopsy	\$2,500.00 (includes up to 5 calendar days of storage at OCME, X-Ray, Evidentiary photographs, histopathology, neuropathology, Postmortem expanded blood tests, removal service from Lapeer Regional Hospital
External Exam (inspection)	\$1,000.00 (up to 5 calendar days of storage at OCME, evidentiary photographs and routine toxicology, removal service from Lapeer Regional Hospital
Medical Examiner Certifications	\$250.00 per case
Body Storage Fee	\$25.00 per day after 5 days
Administrative Fee Costs	10% per invoice
Consultations For:	
Forensic Anthropology	At Cost <sup>1</sup>
Forensic Entomology	At Cost
Forensic Odontology	At Cost
MEI	Handled by Lapeer County
Death Certificates	Completed by Oakland County Medical Examiner
Cremation Permits	Completed by Oakland County Medical Examiner billed to Funeral Home At Cost per permit

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<sup>1</sup> At Cost is the current going rate to perform those services or obtain appropriate permits.

# **OAKLAND COUNTY INTERLOCAL AGREEMENT**

## **BETWEEN**

## **OAKLAND COUNTY**

## **AND**

## **LAPEER COUNTY**

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### **EXHIBIT II: Scope of Services**

The Oakland County Medical Examiner's Office (OCMEO) will investigate unexpected, unattended, unexplained, traumatic/violent deaths and other deaths referred by the Lapeer County Medical Examiner's Office (JCMEO).

The OCMEO agrees during the term of this Agreement to the following services:

- A. Employ a sufficient number of qualified fulltime board-certified forensic pathologists, board-eligible forensic pathologists working under supervision of the board-certified pathologists, other professional staff, and technical personnel to insure provision of high level forensic pathology services to Lapeer County which include but are not limited to the following:
  - 1. In a timely manner, perform autopsies, laboratory examinations and other medical procedures necessary to determine cause and manner of death as required by the Medical Examiner's Office of the Lapeer County Health Department pursuant to MCLA 52.201 *et seq.* (hereinafter referred to as "Medical Examiner cases.")
    - i. Perform autopsies within 24 hours of the death or at the start of the death investigation, whichever is later.
    - ii. Perform other tests deemed necessary prior, during, or after the autopsy.
  - 2. Comply with all Standard Operating Procedures (SOP) published by the OCMEO.
  - 3. Submit written autopsy and toxicology reports detailing the results of Medical Examiner cases to the LCSD within sixty (60) days of the completion of the case death investigation
  - 4. Deliver invoices to the LCSD for work performed pursuant to the Fee Schedule contained in Exhibit I within sixty (60) days of the completion of case death investigation.
  - 5. Prepare, as necessary, for retention and storage of tissues, blocks, sections and other materials obtained in connection with forensic pathology services performed on Medical Examiner cases, and supervise the proper retention and storage of such materials, maintaining the chain of custody.

6. Consult, coordinate and cooperate with the LCSD including Medical Examiner Investigators, Michigan State Police, local police and county sheriff agencies operating in Lapeer County and with the Lapeer County Prosecuting Attorney and staff.
  7. Provide a current list, with revisions if necessary, of all employed board-certified and board eligible forensic pathologists who are full-time staff of the OCMEO. Those professionals may be appointed as Lapeer County Deputy Medical Examiners.
- B. Provide pathology services through qualified board-certified forensic pathologists and board-eligible forensic pathologists who are supervised by board-certified forensic pathologists, other professional staff, and other technical personnel, which conform to; (i) all applicable state laws, rules and regulations; (ii) all applicable professional associations, including the College of American Pathologists and American Academy of Forensic Sciences; and (iii) any mutually agreed upon applicable standards of accreditation by the National Association of Medical Examiners.
  - C. Provide the facilities, equipment and supplies needed to perform forensic pathology services required under this Agreement.
  - D. To meet with the Lapeer County Sheriff's Department staff to conduct Forensic Pathology Case (FPC) reviews of Lapeer County Medical Examiner cases as needed.
  - E. OCMEO agrees to receive high-level cooperation and professional input from the Lapeer County Medical Examiner and his/her agents.
  - F. OCMEO will be available to provide the guidance in designating Medical Examiner cases and releasing non-Medical Examiner cases.
  - G. OCMEO will handle cremation permits and other matters within the scope of function of the Medical Examiner. (revenue to Oakland County)
  - H. Lapeer County will handle Freedom of Information Act requests.
  - I. Bodies will be transported to Lapeer Regional Hospital by Lapeer County. Bodies will be transported from Lapeer Regional to Oakland County Medical Examiner by contracted Oakland County removal services.