

PINCONNING TOWNSHIP AND CITY OF PINCONNING DOWNTOWN
DEVELOPMENT AUTHORITY FOR
ACCOUNTING SERVICES

This Agreement is entered into on the dates set forth below between Pinconning Township, a Michigan general law township whose address is 175 East Cody Estey Road, Pinconning, Michigan 48650 ("Township") and the City of Pinconning Downtown Development Authority, a Michigan municipal corporation whose address is 208 South Manitou Street, P.O. Box 628, Pinconning Michigan, 48650 ("DDA") (collectively, the "Parties").

WHEREAS, the Parties, pursuant to the Urban Cooperation Act, 1967 PA 7, (MCL 124.501, *et seq.*), may enter into this Agreement to provide accounting and financial services to one another; and

WHEREAS, the Downtown Development Authority Act, MCL 125.4201, *et seq.*, requires the DDA to perform certain accounting and financial services; and

WHEREAS, the Parties believe it is in the best interest of each party to enter into this Agreement for the provision of accounting and financial services by the Township to the DDA as set forth below.

THEREFORE, the Parties agree to be bound by the following mutual promises and expression of cooperation:

1. Basic Services. The Parties agree that the Township will provide five (5) hours per month of certain financial and accounting services for the DDA as set forth below (the "Basic Services"):

- a. Financial reporting, including preparation of the monthly revenue and expenditure report and budget to actual report;
- b. Maintaining the check register and recording deposits based on information provided by the Township for Community Building rental income and tax increment financing ("TIF") income via disbursement and settlement reports and vouchers from Bay County and City of Pinconning;
- c. Overseeing and maintaining the DDA's balance sheet;
- d. Preparing checks based on information provided by the DDA;
- e. Monitoring and reconciling TIF proceeds;
- f. Reconciling bank accounts; and
- g. Making all necessary journal entries.

2. Additional Services. The Parties agree that the Township may, upon the DDA's request and in the Township's sole discretion, perform the following additional accounting services for the DDA-, as set forth below (the "Additional Services"):

- a. Assisting with audit requirements and ensuring proper financial documentation;
- b. Preparing and filling 1099 forms;
- c. Assisting with publication requirements;
- d. Any Basic Services performed above five (5) hours; and
- e. Any other accounting services agreed to by the Parties.

3. Township Representations. Township represents to the DDA that:

- a. Township's personnel, have, and will continue to have the certifications and qualifications required to perform the Basic and Additional Services (collectively, the "Services") contemplated by this Agreement;
- b. Township has the power and authority under its ordinances to enter into this Agreement; and
- c. Execution of this agreement has been authorized by the Township Board.

4. DDA Representations. The DDA represents to Township that:

- a. DDA has the power and authority under its approved Development Plan as per 2018 PA 57, as amended and its adopted rule of procedure. as and to enter into this Agreement; and
- b. Execution of this Agreement has been authorized by the DDA's Board of Directors.

5. Township's Responsibilities. Township shall utilize its own equipment, tools, software, and computers in performance of the Services provided herein.

6. DDA's Responsibilities. DDA shall provide Township with timely access to the systems, databases and financial documents necessary for Township to perform the Services contained herein. DDA shall ensure all financial documentation is accurate and, in a format easily accessible by Township. DDA shall cooperate and communicate any deadlines to ensure Township has sufficient time to complete the Services.

7. Terms of Payment. DDA shall pay Township a flat rate of \$350.00 per month for the performance of up to five (5) hours of Basic Services contained in Section 1 and \$75.00 per hour for Additional Services contained in Section 2 of this Agreement. Township shall invoice DDA for all Services performed on a monthly basis. All invoices will contain the

number of hours worked per month and payment shall be due thirty (30) days from receipt. Any overdue payments will be subject to a 2% interest charge per month, or the maximum amount permitted by law. The Township's initial invoice will include the cost of attorneys' fees incurred in drafting this Agreement, which the Parties agree will be paid by the DDA.

8. Term of Agreement. The Agreement shall commence on July 1, 2025, and shall expire on June 30, 2026. The term of this Agreement may be extended by written amendment, if mutually agreed to by the Parties.

9. Non-Employee Status. Any Township personnel utilized to perform the Services contained in this Agreement shall at all times remain employees of Township. Neither party shall be an employee, agent or partner of the other. Township shall remain responsible for all workers' compensation and other insurance, income tax, social security and other withholding, and all other compensation or benefits for Township employees involved in providing the agreed services. At no time shall any Township employee involved in providing services be considered or claimed to be an employee or agent of DDA, and DDA shall not in any manner attempt to control, supervise or direct Township employees involved in providing the agreed services.

10. Termination of Agreement. Either party may terminate this Agreement without cause upon thirty (30) days written notice to the other party at any time prior to the stated date of termination. However, such termination shall not be effective until the end of the month in which the termination is effective. For instance, if the DDA on June 15th provides a thirty day notice to the Township that it is terminating this Agreement, such termination shall not be effective until July 31st. All of DDA's records held by Township shall be delivered to DDA within a 30-day period after such notice. After the expiration or termination of this Agreement, Township shall have no further obligations under this Agreement except as set forth in Section 12.

11. Ownership of Records. All documents, including financial records provided by DDA to Township necessary for the performance of Services provided in this Agreement, shall remain the property of DDA. In the event Township receives a Freedom of Information Act ("FOIA") (*MCL 15.231 et seq.*) request for such documents in its possession, Township shall comply with the request to the extent the information is not exempt by the FOIA and provide notice to DDA as reasonably practicable prior to the release of such documents.

12. Cooperation Covenant. Township agrees that after termination of this Agreement, it will cooperate with DDA's reasonable request for information and assistance relating to any, civil litigation, or investigative matter related in whole or in part to Township's Services provided under the terms of this Agreement. If Township provides services to comply with the obligations contained in this Section, DDA shall timely reimburse Township \$75.00 per hour for each of the hours any employee of Township devotes at DDA's request in order to actively cooperate with DDA (e.g. participate in interviews, attend depositions, or prepare for or testify at a hearing).___

13. Insurance and Indemnification. To the extent permitted by law, DDA agrees to defend, indemnify and hold Township harmless from any and all claims or liability arising out of or related to the Services performed during the term of the Agreement.

14. Limitation of Liability. Township's liability under this Agreement for the Services contained in this Agreement shall be limited to the fees paid by DDA for one-year of service under the Agreement. Township shall pay no consequential, incidental, indirect or special damages for any acts of its employees directly related to the Services provided under this Agreement. Township shall not be liable for any damages, costs, or losses related to or arising from any inaccuracies in the financial documents or other information necessary for the performance of the Services provided under this Agreement.

15. Assignment of Rights and Duties. Neither of the Parties shall assign nor transfer this Agreement or any portion thereof without receiving written approval from the other party.

16. Amendments. Amendments of this Agreement shall be in writing, approved by concurrent resolutions of DDA's Board of Directors and the Township Board, signed by authorized representatives.

17. Dispute Resolution. Any dispute arising between the Parties under this Agreement, including but not limited to disputes over the meaning, interpretation, or implementation of the terms, covenants, paragraphs, or conditions of this Agreement, shall first be submitted to voluntary mediation before a neutral mediator jointly chosen by the Parties. In case of any such mediation, the Parties shall share equally the costs of the neutral mediator. All other costs, such as those of attorneys, experts or discovery, shall be borne by the party incurring them.

18. Governing Law. This Agreement has been executed and delivered in and shall be interpreted, construed and enforced pursuant to and in accordance with the laws of the State of Michigan. All duties and obligations of the Parties created hereunder are performable in Bay County, Michigan, and Bay County, Michigan shall be the venue for any mediation or arbitration between the Parties that may be brought in connection with or arise out of or by reason of this Agreement. Mediation shall be a condition precedent to the initiation of court action, and in the event, mediation fails to resolve the claim or dispute the Parties may commence suit in a court of competent jurisdiction in Bay County, Michigan.

19. Notices. Service of any notices given hereunder will be complete upon personal delivery or if sent by certified mail to DDA, or to Township, at the addresses set forth above, addressed to the Township Manager and DDA Executive Director; further, service of any notice served by mail shall be effective upon the date on which such notice is deposited in a receptacle of the United States Postal Service properly addressed and with adequate postage fully prepaid.

20. Severability. If any provision of this Agreement is invalid or unenforceable, it shall be ineffective only to the extent of such invalidity without invalidating the remainder of such

provision or the remaining provisions of this Agreement, and the other provisions hereof shall be liberally construed to effectuate the purpose and intent of this Agreement.

21. No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any third party other than the Parties in this Agreement and their respective successors and assignees.

22. Waiver of Breach. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

23. Counterparts. This Agreement may be executed in any number of counterparts and each such counterpart shall be considered a valid original.

24. Captions and Headings. The captions, headings, and titles in this Agreement are a convenience and not intended to have any substantive meaning or be interpreted as part of this Agreement.

25. Compliance with Law. The Township's performance of services set forth in this Agreement shall comply with all applicable Federal and State laws, rules, and regulations.

26. Complete Agreement. The Agreement contains the entire agreement between Township and DDA with respect to the services provided by Township to DDA and it supersedes any prior oral or written understandings or agreements. It is further understood and agreed that the terms and conditions of this Agreement are not mere recital and that there are no other agreements, understandings, contracts, or representations between the Parties in any way related to the subject matter of this Agreement, except as expressly stated in this Agreement.

27. Prior Agreements between the Parties. After this Agreement becomes effective, all prior agreements between the Parties that relate to Township providing to DDA accounting and financial services are declared null and void.

WHEREFORE, the parties have executed this agreement on the dates set forth below.

PINCONNING TOWNSHIP

By: Paul Pomaville
Paul Pomaville, Township Supervisor
Date: July, 11, 2025

By: Michele Faith
Michele Faith, Township Clerk
Date: July 10, , 2025

CITY OF PINCONNING DOWNTOWN
DEVELOPMENT AUTHORITY

By: Tara L Marczak
Tara L Marczak, Secretary
Date: July, 10, 2025

By: Brian L. Saha
Brian L. Saha, Chairperson
Date: July, 10, 2025