

# CITY OF GROSSE POINTE WOODS NOTICE OF MEETING AND AGENDA COMMITTEE-OF-THE-WHOLE

### Monday, January 10, 2022 at 7:30 PM

Robert E. Novitke Municipal Center - Council Chamber/Municipal Courtroom 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 (313) 343-2440

Mayor Arthur W. Bryant has called a meeting of the City Council, meeting as a Committee-of-the-Whole, for **Monday, January 10, 2022 at 7:30 PM.** The meeting will be held in the Council Chambers/Municipal Court Room of the Municipal Building, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 and is accessible through the Municipal Court doors. In accordance with Public Act 267, the meeting is open to the public and the agenda items are as follows:

- 1. CALL TO ORDER
- 2. ROLL CALL
- 3. ACCEPTANCE OF AGENDA
- 4. ITEMS FOR DISCUSSION
  - A. Sewer System Evaluation Strategy/Budget Amendment

     Council Excerpt 11/08/21
     Memo 10/27/21 City Administrator
     Memo 10/27/21 Anderson, Eckstein & Westrick, Inc.
  - B. <u>Contract: 2021 Sewer Cleaning & CCTV Modification</u> <u>1) Council Excerpt 11/08/21</u> <u>2) Memo 10/26/21 - Director of Public Services</u> <u>3) Letter 10/19/21 - Anderson, Eckstein & Westrick, Inc.</u>
  - C. <u>Rifle Lease Purchase Program</u> <u>1) Memo 01/07/22 - Director of Public Safety</u> <u>2) Lease Purchase Agreement</u> <u>3) Quote - Loyal 9 Mfg</u> <u>4) Quote - TAG Firearms LLC</u> <u>5) Quote - Vance's Law Enforcement</u>
  - D. <u>Increase Dispatcher Salaries</u>

     <u>1) Memo 01/04/22 Director of Public Safety</u>

     <u>2) Letter of Understanding</u>

     <u>3) Salary Rates</u>
  - E. <u>Ordinance Amendment: Chapter 2, Article 1 City Administrator Supervision of Clerk,</u> <u>Treasurer, and City Departments</u>

1) Memo 11/30/21 - City Attorney 2) Ordinance Draft

- F. <u>Extension of COVID Time Bank for Employees</u> <u>1) Memo 01/05/22 - City Administrator</u>
- G. <u>Discussion Regarding Appraisal of Land</u> <u>1) Letter 01/07/22 - Frohm & Widmer, Inc.</u> <u>2) Appraisal Report</u>
- 5. NEW BUSINESS/PUBLIC COMMENT
- 6. ADJOURNMENT

### IN ACCORDANCE WITH PUBLIC ACT 267 (OPEN MEETINGS ACT) POSTED AND COPIES GIVEN TO NEWSPAPERS

The City of Grosse Pointe Woods will provide necessary, reasonable auxiliary aids and services, such as signers for the hearing impaired, or audio tapes of printed materials being considered at the meeting to individuals with disabilities. All such requests must be made at least five days prior to a meeting. Individuals with disabilities requiring auxiliary aids or services should contact the City of Grosse Pointe Woods by writing or call the City Clerk's office, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 (313) 343-2440 or Telecommunications Device for the Deaf (TDD) 313 343-9249.

#### COUNCIL CLIPPING 11-08-21

Motion by Granger, seconded by Koester, regarding Sewer System Evaluation Strategy/Budget Amendment, and regarding Contract: 2021 Sewer Cleaning and C.C.T.V. Modification, that these items be tabled.

Motion carried by the following vote:

Yes: Brown, Bryant, Gafa, Granger, Koester, McConaghy, Vaughn No: None Absent: None

CC: Derector Public ferrices File 3

RECEIVED

CITY OF GROSSE POINTE WOODS CLERK'S DEPARTMENT

MEMO 21-51

TO: Bruce Smith, City Administrator

FROM: Frank Schulte, Director of Public Services F, S,

DATE: October 27, 2021

SUBJECT: Sewer System Evaluation Strategy and Budget

On Thursday, July 15, 2021, there was a Town Hall Meeting as a result of the June 25 rain event. At that meeting City Council requested the Department of Public Works and the city's engineering firm, Anderson, Eckstein and Westrick, Inc., to provide the City of Grosse Pointe Woods with a sewer evaluation strategy plan.

In order to evaluate how the Grosse Pointe Woods sewer system reacts to large rainfalls, the proposed plan is to install 14 level sensors in interceptors and local sewers in the most affected areas of the city from the June 25 rain event. The level sensors will be able to read flow and will have cellular capabilities. These devices will be linked to a supervisory control and data acquisition (SCADA) system. The SCADA system will be web based, which will provide real time monitoring of the city's sewer system during rain events and will be linked to the Torrey Road Pump Station, which will also receive an updated SCADA system.

We believe it will take years to evaluate how the sewer system reacts to large rainfalls. Attached is the Sewer System Evaluation Strategy and map showing the locations of the level sensors and diagram of the placement in interceptors and local sewers. Below is the proposed initial budget for the first year and the estimated annual costs after the first year is completed.

Purchase Level Sensor Monitoring Equipment	\$148,000.00
Purchase Remote Supervisory Control and Data Acquisition (SCADA) System Incorporation Equipment	\$150,000.00
Contingency for Purchase of Equipment	\$50,000.00
Total Equipment	\$348,000.00
Equipment Installation and Maintenance (Engineering Fees)	\$35,000.00
Data Collection, Modeling and Presentation (Engineering Fees)	\$72,000.00
Total Engineering	\$107,000.00
Total for First Year	\$455,000.00
Estimated Annual Costs (After First Year)	\$115,000.00

I am recommending City Council to move forward with the Sewer Evaluation Strategy and Budget provided by

Anderson, Eckstein and Westrick, Inc., 51301 Schoenherr Rd., Shelby Twp., MI 48315, in the amount of \$455,000.00 for the first year and \$115,000.00 for annual costs after the first year.

This is not a budgeted item in the 2021/2022 fiscal year budget and requires budget amendments from the Water/Sewer Fund Balance account no. 592-000-697.000 into the water/sewer contractual services account no. 592-537-818.000 in the amount of \$107,000.00 and the water/sewer equipment account no. 592-537-977.000 in the amount of \$348,000.00.

I do not believe any benefit will accrue to the City by seeking further bids. Council consideration.

Bruce Smith, City dministrator

10/28

Fund Certification: Account numbers and amounts have been verified as presented.

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10-28-2021 Data

Shawn Murphy, Treasurer/Comptroller



## ANDERSON, ECKSTEIN & WESTRICK, INC. CIVIL ENGINEERS - SURVEYORS - ARCHITECTS

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# MEMORANDUM

TO: Frank Schulte, Director of Public Services

FROM: Scott Lockwood, PE, City Engineer

DATE: October 27, 2021

SUBJECT: Sewer System Evaluation Strategy and Budget

As we have been discussing since the rain event on June 25, 2021 and as requested by City Council at the Town Hall Meeting on July 15, 2021 we have put together costs and a preliminary plan in order to evaluate how your sewer system reacts to large rainfalls. Attached is a Sewer System Evaluation Summary which details the proposed steps to start to get a more thorough understanding of the system's reaction to rain events. In summary, we suggest the City budget the following amounts in order to commence with the evaluation:

1.	Purchase Monitoring Equipment:	\$148,000
2.	Remote Scada Incorporation:	\$150,000
3.	Equipment Installation and Maintenance:	\$35,000
4.	Data Collection, Modeling and Presentation:	\$72,000
5.	Contingency:	<u>\$50,000</u>
	Total	\$455,000

Please note, the evaluation will evolve as data is received. In other words, as we see how the system reacts to rain events, we will mobilize monitoring equipment in order to complete micro analysis in certain locations of the City. Also, the evaluation is dependent on consistent, heavy rainfalls, so it is very hard to determine how long it will take until we have conclusive information.

If the Council concurs with the suggested strategy we recommend \$455,000 be budgeted this year in order to commence with this work. It is anticipated subsequent years will require an estimated budget of \$115,000 to continue evaluation.

Please contact me with any questions or comments.

M:\0160\0160-0444\Gen\Letters\Memo Sewer Evaluation Strategy 10272021 SL.docx

Section 4, Item A.



### ANDERSON, ECKSTEIN & WESTRICK, INC. CIVIL ENGINEERS - SURVEYORS - ARCHITECTS

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### SEWER SYSTEM EVALUATION SUMMARY

#### INTRO:

On June 25, 2021 the City of Grosse Pointe Woods and the surrounding communities experienced a rain event of historic magnitude. Hundreds of basements flooded as a result of this event in the City of Grosse Pointe Woods. The purpose of this letter is to summarize the rain event and present recommendations to the City of Grosse Pointe Woods.

#### RAINFALL:

Three rain gauges are located within the city of Grosse Pointe Woods. The rain gauges are located at the Torrey Road Pump Station (TRPS), the Milk River Pump Station and Retention Treatment Basin (MRPS & RTB), and near Allard Road and Mack Avenue.

Within a 24-hour period. the rain gauges at MRPS & RTB, Allard and Mack, and TRPS recorded 4.08 (>25-year storm), 4.28 (>25-year storm), and 6.00 (>200-year storm) inches of rain respectively. According to NOAA Atlas 14, these 24-hour rainfall totals correspond to greater than a 25-year storm, 25-year storm, and 200-year storm respectively.

During the 3-hour period between 11:20 PM on June 25 and 2:20 AM on June 26, the rain gauges at MRPS & RTB, Allard and Mack, and TRPS received 2.33, 2.99, and 5.30 inches of rain respectively. According to NOAA Atlas 14, these 3-hour rainfall totals correspond to greater than a 10-year storm, 25-year storm, and 1,000-year storm respectively.

Based on the rainfall data in and around the City of Grosse Pointe Woods, the most intense rainfall was concentrated to the southern portion of the City of Grosse Pointe Woods.

#### FLOODING:

The locations of basement flooding were primarily concentrated in the southern portion of the City of Grosse Pointe Woods. This area corresponds with the area of highest intensity rainfall. This area also corresponds with the TRPS service area.

#### **OPERATIONS:**

The TRPS operated for the entire duration of the rain event. TRPS was operated manually by city staff in order to maximize the capacity of the pump station. All pumps ran continuously from 12:30 AM to 5:00 AM on June 26, 2021.

Sanitary flow from Harper Woods was diverted to the TRPS at 12:00 AM on June 26, 2021. At the time of diversion, the flow rate was recorded at 12.6 cfs.

During the event, the MRPS & RTB operated at firm capacity (6 storm pumps running) continuously for over 100 minutes. The RTB began discharging to Lake St. Clair at 12:40 AM on June 26, 2021 until 4:11 AM on June 26, 2021. The storage volume of the RTB is 19 million gallons. The calculated volume discharged during this event was 239.2 million gallons.

#### **RECOMMENDATIONS:**

The following is a summary of our recommendations for the City of Grosse Pointe Woods as a result of the June 25, 2021 rain event. Estimated costs for each recommendation are included separately.

#### Temporary Level Sensors

It is our recommendation that the City of Grosse Pointe Woods install a series of temporary level sensors throughout the combined sewer system. This will provide valuable data on how the sewer system responds to rain events. Installing temporary level sensors will also allow the City of Grosse Pointe Woods to more effectively identify areas of concern for planning improvements.

Figure 1 shows the proposed locations for the temporary level sensors. Four of the locations are along the larger diameter, interceptor sewers. The intent of these level sensors is to provide an estimated hydraulic grade line (HGL) along the profile of the interceptor sewers. Figure 2 shows an example profile view of an interceptor sewer illustrating how level sensors can help estimate the HGL.

Seven of the locations are on local sewers immediately upstream of their connections to the interceptor sewers. The intent of these level sensors is to compare the HGL in the local sewer to the estimated HGL in the interceptors in order to determine if upstream issues are a result of the localized area or the interceptor sewers. Figure 3 shows an example profile view at these level sensors and how they are connected to the interceptor sewers.

The frequency with which the level sensors produce useful data is dependent on the quantity and magnitude of rainfall events that occur within the service area while the level sensors are in place. It is recommended that the City of Grosse Pointe Woods incorporate level monitoring into their annual budget to account for monitoring performance of the sewer system continuously.

#### SCADA Improvements

It is recommended that the City of Grosse Pointe Woods upgrade their existing SCADA system to receive:

- Data recorded by the proposed, temporary level sensors.
- Data recorded by the rain gauge at TRPS.
- Operational data from TRPS, including but not limited to pump status, pump runtime, and wet well level.

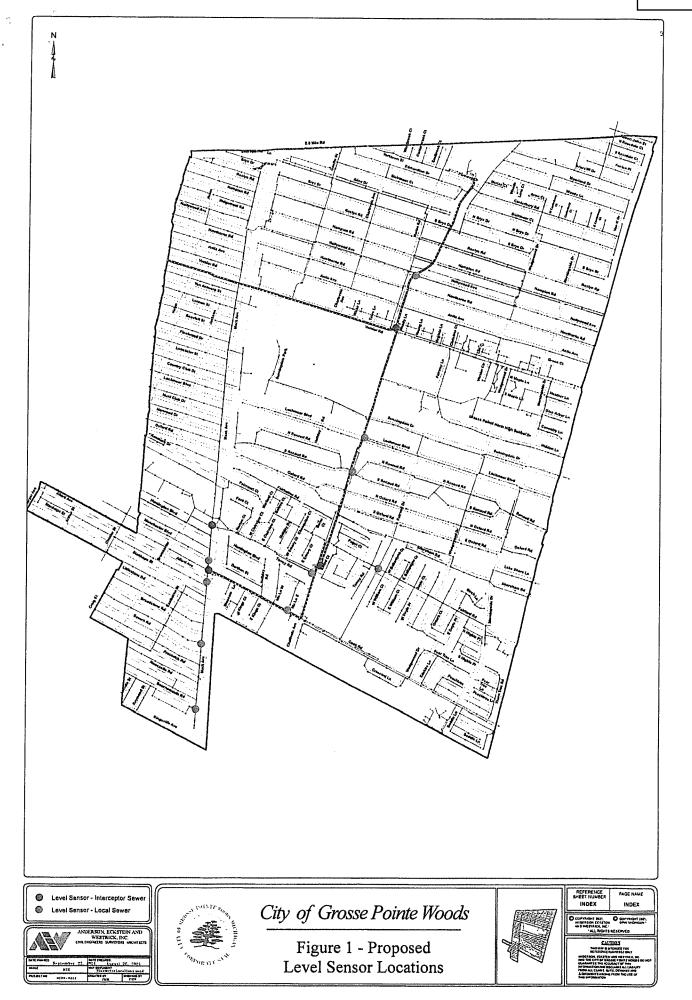
With these SCADA upgrades, all of the city's available data relevant to the combined sewer system can be remotely monitored and accessed from a web-based system. The operations of the TRPS and the combined sewer system can be more efficiently evaluated and compared to local rainfall data during and after rain events.

#### Data Review

It is recommended that the City of Grosse Pointe Woods incorporate in their annual budget, the cost for routine review and presentation of data collected after significant rain events.

#### Preliminary Modeling

It is recommended that the City of Grosse Pointe Woods develop a preliminary model of the combined sewer system. The preliminary model should represent the physical geometry of the larger diameter sewers within the system. Development of a preliminary model will improve understanding of the existing system. The preliminary model will also provide the ability to simulate flow conditions in order to identify possible areas of concern. With a preliminary model of the large diameter sewers, the City of Grosse Pointe Woods will be in a position, going forward, to further expand the model, to include hydrologic representation of service areas, and to engage in model calibration efforts. It is recommended that the City of Grosse Pointe Woods incorporate modeling efforts into their annual budget to account for continuous development and improvement of the model.



Section 4, Item A.

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> GROUND SURFACE -WATER SURFACE ELEVATION MANHOLE WITH LEVEL SENSOR 0 1111 INTERCEPTOR SEWER



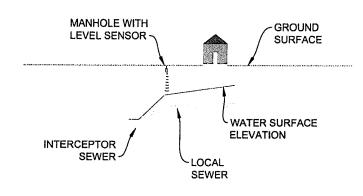


FIGURE 3

AEN 0160 - 0438 COUNCIL CLIPPING 11-08-21

Motion by Granger, seconded by Koester, regarding Sewer System Evaluation Strategy/Budget Amendment, and regarding Contract: 2021 Sewer Cleaning and C.C.T.V. Modification, that these items be tabled.

Motion carried by the following vote:

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Yes:Brown, Bryant, Gafa, Granger, Koester, McConaghy, VaughnNo:NoneAbsent:None

CC: Derector Public Services File

RECEIVED

TO: Bruce Smith, City Administrator

Frank Schulte, Director of Public Services FS . FROM:

DATE: October 26, 2021

CITY OF GROSSE POINTE WOODS CLERK'S DEPARTMENT SUBJECT: Recommendation - 2021 Sewer Cleaning and Closed-Circuit Television Investigation Program Modification - AEW Project No. 0160-0438

On Tuesday, June 29, 2021, four bids were received for the 2021 Sewer Cleaning and Closed-Circuit Television Investigation Program. The lowest qualified bidder was Corby Energy Services, Inc. of Belleville, Michigan.

On Monday, August 2, 2021, City Council approved the contract with Corby Energy Services, Inc. in amount not to exceed \$218,375.00, including engineering fees.

As a result of the historic rainfall levels received on Friday, June 25, 2021 to Saturday, June 26, 2021, Anderson, Eckstein and Westrick, Inc. (AEW) contacted Corby Energy Services about expanding the scope of services. To complete the investigation of sewers in District 5 (west of Mack Ave., between south city limits and City Hall), where the Torrey Road Pump Station is located, an additional 32,300 feet of televising and cleaning will need to be completed (shown on attached map).

Corby Energy Services has agreed to extend the current unit bid prices to investigate the district that was affected in the June 2021 rain event. Considering the urgency in cleaning and investigating this area, I concur with AEW and I recommend to approve a contract modification for the 2021 Sewer Cleaning and Closed-Circuit Television Investigation Program to include the additional footage to Corby Energy Services, Inc., 6001 Schooner, Belleville, Michigan 48112 in the amount of \$51,562.50.

I recommend additional engineering fees that will be provided by Anderson, Eckstein and Westrick, Inc., 51301 Schoenherr Rd., Shelby Twp., MI 48315 in an amount not to exceed \$20,000,00 to cover the review of the added work. I further recommend a contingency in an amount not to exceed \$10,000.00 for any unforeseen problems should they arise. The total project modification will not exceed \$81,562.50.

This was not a budgeted item and will require a budget amendment from the Water/Sewer Fund Balance account no. 592-000-697.000 into the water/sewer sewer cleaning - construction account no. 592-537-975.005 in the amount of \$61,562.50 and the water/sewer sewer cleaning - engineering account no. 592-537-975.004 in the amount of \$20,000.00.

	Amount	Account No.
Water/Sewer Cleaning Construction	\$51,562.50	592-537-975.005
Water/Sewer Cleaning Construction Contingency	\$10,000.00	592-537-975.005
Total Construction	\$61,562.50	592-537-975.005
	<b>建筑和政策</b> 会通过的	
Water/Sewer Cleaning Engineering	\$20,000.00	592-537-975.004
Total Engineering	\$20,000.00	592-537-975.004
		<b>和新闻的</b> 是如何的问题。
Total Project	\$81,562.50	

I do not believe any benefit will accrue to the City by seeking further bids. Approved for Council consideration.

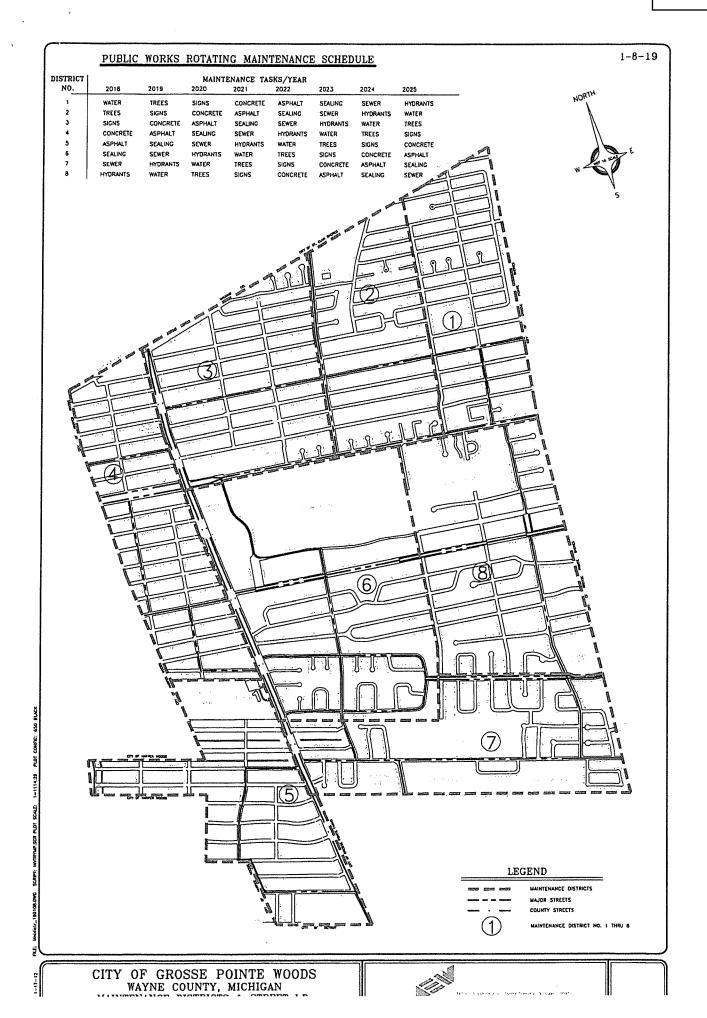
Bruce Smith, City Administrator

10/28/2021

Fund Certification: Account numbers and amounts have been verified as presented.

Shawn Murty

Shawn Murphy, Treasurer/Comptroller





### ANDERSON, ECKSTEIN & WESTRICK, INC. CIVIL ENGINEERS - SURVEYORS - ARCHITECTS

October 19, 2021

Frank Schulte, Director Department of Public Works City of Grosse Pointe Woods 1200 Parkway Drive Grosse Pointe Woods, Michigan 48236

Reference: 2021 Sewer Cleaning and CCTV Investigation AEW Project No. 0160-0438

Dear Frank:

At your request, we have contacted Corby Energy Services who is under contract for the above project about expanding the scope of services in adding additional cleaning and CCTV footage.

Corby has agreed to extend the current unit bid prices to add areas in the Torrey Road Pump Station drainage district that were affected in the June 2021 basement flooding.

Considering the urgency in cleaning and investigating those areas, and maintaining the current pricing, we feel it to be in the best interest of the City to process a contract modification for the additional footage while Corby is currently working. The cost of the additional work is estimated at \$51,562.50

In addition, we are recommending an increase of \$20,000.00 to the engineering budget to cover the inspection and CCTV review of the added work, for a total cost of \$71,562.50.

Please see the attached Contract Modification No. 1 for your review and approval.

Sincerely,

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Frank D. Varicalli

Enclosure: Enclosure

cc: Scott Lockwood, PE, AEW

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### **Contract Modification**

Anderson, Eckstein and Westrick, Inc.

10/19/2021 10:31 AM

FieldManager 5.3c

### Contract: .0160-0438, 2021 Sewer Cleaning and CCTV Investigation

Cont. Mod. Number	Revision Number	Cont. Mod. Date			et Change	Awarded Contract Amount
1	1	10/19/2021	No	\$132,375.00		
Route Managing Office Anderson, Eckstein and Westrick, Inc					District 07539	Entered By Michelle Ankawi
ontract Locati		TV Investigation	ein and westrick,		07539	Michelle Ankawi

#### Short Description

Add footage of sewers from 2021 basement flooding in the Torrey Rd Pump Station District

#### **Description of Changes**

- A. Original Contract Amount: \$132,375.00
- B. Current Contract value (including this revision): \$183,937.50
- C. Net Total Change (B-A): \$51,562.50
- D. Net Percent Change (C/A\*100): 38.95%

#### Increases / Decreases

Item Description	ltem Code	Prop. Line	Proj. Line	Project	Catg. Item Type	Quantity Change Unit	Unit Price	Dollar Value
Cleaning 06 - 12 inch Combined Sewers	4027001	0010	0010	0160-0438	0000 Original	3,600.000 Ft	1.50000	\$5,400.00
_ Cleaning 15 - 21 inch Combined Sewers	4027001	0015	0015	0160-0438	0000 Original	5,200.000 Ft	1.75000	\$9,100.00
_ Cleaning 24 - 36 inch Combined Sewers	4027001	0020	0020	0160-0438	0000 Original	1,100.000 Ft	2.00000	\$2,200.00
_ Cleaning 42 - 48 inch Combined Sewers	4027001	0025	0025	0160-0438	0000 Original	400.000 Ft	2.50000	\$1,000.00
_ Final TV Investigation and Log, 06 - 12 inch Combined Sewers	4027001	0030	0030	0160-0438	0000 Original	3,500.000 Fi	1.50000	\$5,250.00



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### **Contract Modification**

Anderson, Eckstein and Westrick, Inc.

10/19/2021 10:31 AM

FieldManager 5.3c

#### Increases / Decreases

Item Description	ltem Code		Proj. Line	Project	Catg. Iten	Quantity 1 Type Change	Unit Unit Price	Dollar Value
_ Final TV Investigation and Log, 15 - 21 inch Combined Sewers	4027001	0035	0035	0160-0438	0000 Origir	al 5,200.000 F	ít 1.50000	\$7,800.00
_ Final TV Investigation and Log, 24 - 36 inch Combined Sewers	4027001	0040	0040	0160-0438	0000 Origir	nal 1,100.000 F	1 1.50000	\$1,650.00
_ Final TV Investigation and Log, 42 - 48 inch Combined Sewers	4027001	0045	0045	0160-0438	0000 Origin	al 400.000 F	t 2.00000	\$800.00
_ Final TV Investigation and Log, 54 inch Storm Sewers	4027001	0050	0050	0160-0438	0000 Origin	al 975.000 F	3.00000	<b>\$2,9</b> 25.00
_ Final TV Investigation and Log, 60 inch Storm Sewers	4027001	0055	0055	0160-0438	0000 Origin	al -1,925.000 F	3.00000	\$-5,775.0 <b>0</b>
_ Final TV Investigation and Log, 72 inch Storm Sewers (Man Entry)	4027001	0060	0060	0160-0438	0000 Origin	al -550.000 Fi	5.00000	<b>\$-2,</b> 750.00
_ Heavy Cleaning 06 - 12 inch Combined Sew ers	4027001	0065	0065	0160-0438	0000 Origina	al 1.000.000 Fi	1.00000	\$1,000.00
_ Heavy Cleaning 15 - 21 inch Combined Sew ers	4027001	0070	0070	0160-0438	0000 Origina	al 1,600.000 Ft	1.00000	\$1,600.00



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### **Contract Modification**

Anderson, Eckstein and Westrick, Inc.

10/19/2021 10:31 AM

FieldManager 5.3c

#### Increases / Decreases

Item Description	ltem Code		Proj. Line	Project	Catg.	ltem Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Heavy Cleaning 24 - 36 inch Combined Sev ers		0075	0075	0160-0438	0000	Original	500.000	Fl	1.00000	\$500.00
_ Heavy Cleaning 42 - 48 inch Combined Sew ers		0080	0080	0160-0438	0000	Original	100.000	Fl	1.00000	\$100.00
_ Mineral Deposil, Rem	4027050	0085	0085	0160-0438	0000	Original	50.000	Ea	25.00000	\$1,250.00
_ Cutting Service Lead Protrusions	4037050	0090	0090	0160-0438	0000	Original	5.000	Ea	50.00000	\$250.00
_ Extra Heavy Cleaning	8167040	0105	0105	0160-0438	0000	Original	16.000	-Ir	325.00000	\$5,200.00

Total Dollar Value: \$37,500.00

Item Description	ltem Code	Prop. Line	Proj. Line	Project	Catg.	ItemType	Proposed Quantity	Unit	Unit Price	Dollar Value
Cleaning 39 inch Combined Sewers	4027001	0115	0115	0160-0438	0000	Extra	1,950.000	Ft	2.25000	\$4,387.50
Reason: Additic	onal footage	e for se	wers							
Heavy Cleaning 39-inch Combined Sewers	4027001	0120	0120	0160-0438	0000	Extra	500.000	Fl	1.00000	\$500.00
Reason: Additic	nal footage	e for sev	wers							
_ Final TV Investigation and Log, 39-inch Combined Sewers	4027001	0125	0125	0160-0438	0000	Extra	1,950.000	Ft	1.50000	\$2,925.00

Reason: Additional footage for sewers



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### **Contract Modification**

Anderson, Eckstein ar		19/2021 10:31 AM FieldManager 5.3c					
New Items							
Item Description	ltem Code	Prop. Proj. Line Line	Project	Cato ItemType	Proposed Quantity Unit	Unit Price	Dollar Value

Item Description	Code	Line	Line	Project	Catg.	ItemTy	pe Quanti	ty Unit	Uni	t Price	Dollar Value
_ Final TV Investigation and Log, 63 inch Storm Sewers	4027001	0130	0130	0160-0438	0000	ExIra	375.0	000 Ft	5	.00000	\$1,875.00
Reason: Addili	onal footage	e for se	wers								
_ Final TV Investigation and Log, 66 inch Storm Sewers	4027001	0135	0135	0160-0438	0000	Extra	375.0	100 Fl	5	.00000	\$1,875.00
Reason: Addition	onal lootage	e for se	wers								
_ Deliverables	8267051	0140	0140	0160-0438	0000	Extra	1.0	00 LS	2,500.	.00000	\$2,500.00
Reason: Additio	onal footage	e for se	wers								
								Total	Dollar V	alue:	\$14,062.50
Project / Cate	gory Su	Imma	ary								
Project/Catg	Proje De	ct/Cate scriptio	gory on	Fed Num			Project Status	Fina Syst		Control lection	Dollar Value
0160-0438	2021 Sew CCTV Inv			d			XMPT	STU	ιL		
0000											\$51,562.50
									Tota	al:	\$51,562.50



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### **Contract Modification**

Anderson, Eckstein and Westrick, Inc.

10/19/2021 10:31 AM

FieldManager 5.3c

If authorized, the contractor agrees to do the work outlined above under the direction of the Engineer, and to accept as payment in full the basis of payment as indicated. Prime Contractor, you are authorized and instructed as the contractor to do the work described herein in accordance with the terms of your contract.								
Frank D. Varicalli, AEW, Inc.	City of Grosse Pointe Woods							
Signature Date	Signature Date							
Corby Energy Services, Inc.								
Signature Date								



# CITY OF GROSSE POINTE WOODS DEPARTMENT OF PUBLIC SAFETY

**Date:** January 07, 2022

To: Frank Schulte, City Administrator

### From: John G Kosanke, Director John A. Jonance Subject: Request for Implementation of a Rifle Lease Purchasing Program

The Department of Public Safety is requesting the approval to implement a rifle lease purchasing program. This program is an essential upgrade to the operations of the department. It has been determined that the shooting accuracy of each officer would greatly improve if they had their own specific rifle which they were familiar with. As active shooter situations increase throughout the country, it is important for each officer to be as ready as possible to react with proficiency in matters where split-second decisions are required. As the Director of Public Safety, it is my obligation to provide our officers with the tools and resources necessary to do their job safely.

The need to upgrade our equipment is also important because our current rifles are outdated and worn and not adequate to deal with increased threat levels throughout the country. It is our department's duty to the public to be equipped to handle any emergencies in the best manner possible.

Improved technology in new equipment will vastly improve officer safety. Instituting the rifle program into future union contracts is a benefit which will also make the department more attractive to new hires. Having the rifle program in place will also help to enhance our department when the Accreditation process we are pursuing will begin.

The majority of the requested funds for the program will be returned to the City within the next two years as the funds for each officer's rifle package, with the exception of \$1.00, will be deducted from their paychecks at an estimated cost of \$42.00 over the next 52 pay periods. The remaining \$1.00 will be deducted at the time that the officer leaves the department, upon which time they will assume full possession of the rifle package. The estimated cost per package, which includes the rifle, suppressor, weapon light, three magazines, and a rifle bag is \$2,156.00. As two officers have chosen to opt out of the program, those two rifle packages will be paid for in full by the City and the weapons will be used as spares.

Copies of the Lease Purchase Agreements, which will be signed by each participating officer, have been sent to City Attorney Debra A. Walling of Rosati, Schultz, Joppich & Amtsbuechler for review and approval.

Sons of Liberty Gun Works was chosen as the rifle manufacturer because of their quality control and manufacturing processes, and lifetime warranty on the rifle, including the barrel and all small parts. If any officer is without their firearm for any reason, including evidentiary procedures, Sons of Liberty Gun Works will provide that officer/agency with an equivalent loaner until their weapon is returned.

The following is a breakdown of the cost:

Vendor	Product	Quantity	Unit Price	Total Cost
Loyal 9	M4-76	29	\$1,377.00	\$39,933.00
Mfg.	Custom			
	Rifle			
Loyal 9	Sandman	29	\$535.00	\$15,515.00
Mfg.	pyro cap			
Loyal 9	Mod Button	29	\$325.00	\$9,425.00
Mfg.	package			
Loyal 9	shipping	1	\$560.00	\$560.00
Mfg.				
TAG	EOTECH	24	\$470.00	\$11,280.00
Firearms,	sights		(includes	
LLC			shipping)	
Aimpoint	Micro T-2	5	\$784.73	\$3,923.65
	AR Ready			
Vance's	Ammunition	16 cases	\$172.13	\$2,574.08
Law				
Enforcement				
Vance's	shipping	1	\$136.00	\$136.00
Law				
Enforcement				
GRAND				\$83,346.73
TOTAL				
COST				

Funding for the rifle program will require a budget transfer of \$8,684.08 to cover the cost of the expense that the City will incur. The breakdown of the cost is as follows:

Two Rifles	\$2,754.00
Sandman Pyro Cap	1,070.00
Mod Button Package	650.00
Shipping	696.00
Ammunition	\$2,574.08
EOTECH Sights	940.00
TOTAL	\$8,684.08

The remaining amount of \$74,662.65 will not require a budget amendment. This amount will be paid out of General Fund and charged to a receivable that will reduced as the employee pays for the rifle through payroll deduction.

I respectfully request that the implementation of the Rifle Lease Purchasing Program be considered as an agenda item on the City Council meeting scheduled for Monday, January 24, 2022.

This agreement is made and entered into by the City of Grosse Pointe Woods and

\_\_\_\_\_, an employee and Sworn Officer with the Grosse Pointe Woods

Department of Public Safety.

The above two parties agree to the following:

- 1) That the City of Grosse Pointe Woods will purchase a Son's of Liberty SOLGW M476 10.5" barrel riffle equipped with a Modlight flashlight with pressure switch.
- 2) That the undersigned employee will pay the entire cost of the weapon system minus one dollar back to the City of Grosse Pointe Woods by way of payroll deduction. This payroll deduction will be broken down into equal payments that will span over a 24 month period.
- 3) When the undersigned employee retires or separates employment from the public safety department the undersigned employee will have the option of turning the weapon system back over to the City of Grosse Pointe Woods or to pay the City of Grosse Pointe Woods \$1.00 (one Dollar) and become to sole owner and take possession of the weapon system.
- 4) The undersigned employee shall not alter, change or stop the payroll deduction until the weapon system is paid for in its entirety minus one dollar.
- 5) The undersigned employee is responsible for the complete payment of the weapon system. If during the 24 month payroll deduction payment plan the undersigned employee retires or separates their employment from the Public Safety Department, the remaining monies owed, including the dollar shall be taken out of the undersigned employee's last payroll check. The undersigned employee will then become the sole owner and take possession of the weapon system. Should the employee not be able to legally own the weapon system upon separation from the City, the City will reimburse all completed lease payments and retain ownership of the weapon system.
- 6) During the undersigned employee's employment the City of Grosse Pointe Woods will retain ownership of the weapon system and thus be responsible for maintenance and repair. General cleanliness and maintenance will be the responsibility of the undersigned employee.
- 7) Any additions or changes to the chosen weapon system will only be done by the Department's armorer and only with prior approval from the Public Safety Director.
- 8) The undersigned employee shall only carry department issued ammunition and shall meet the department standard for qualification prior to carrying the chosen weapon system on duty.
- 9) If the officer chooses to take the weapon system home, understanding the importance of security and safety. The officer will keep the weapon system in a safe, secure and locked environment when not in use.

By signing this document I, the undersigned employee agrees to the terms of this agreement.

#### **LEASE PURCHASE AGREEMENT**

#### THIS LEASE PURCHASE AGREEMENT is hereby entered into this day of

\_\_\_\_\_, 20\_\_\_, by and between the City of Grosse Pointe Woods, Michigan, a Municipal Corporation, hereinafter referred to as the "City", and \_\_\_\_\_\_, hereinafter referred to as "Employee".

WHEREAS, the City has adopted a Department of Public Safety Firearm Lease Purchase Program, hereinafter referred to as the "Program"; and,

WHEREAS, Employee has made a written request to participate in the Program by entering into this lease purchase agreement with the City concerning the property described on Exhibit "A", which is attached hereto and incorporated herein by reference and hereinafter collectively referred to as the "Equipment"; and,

WHEREAS, the Director of Public Safety has approved the request.

**NOW THEREFORE**, in consideration of the mutual promises contained herein, the parties hereto do agree as follows:

- 1. That the City hereby leases to Employee and Employee hereby rents from the City the Equipment upon the terms and conditions hereinafter set forth.
- 2. Employee, by his/her signature below states:
  - a. That he/she has examined the Equipment leased as fully as he/she desires.
  - b. That he/she understands that the City does not warrant the fitness, merchantability, design, condition, capacity, suitability or performance of the Equipment.
  - c. That he/she lease the Equipment "as is".
  - d. That the Equipment leased is for his or her own use.

- e. That no defect, regardless of the cause or consequence, in the Equipment, shall relieve the Employee from performance of this lease, including rental payments.
- 3. Employee agrees to pay the City the rental cost, as set forth in Exhibit A, in 52 equal installments. The first such installment shall be due on the day of , 20, the date of such first installment being a regular payday of the City. Each subsequent installment shall coincide with each payday of the City thereafter until the total of the lease payments have been made in full. Employee hereby specifically agrees that the City may deduct from Employee's wages the amounts of such installments and that this lease purchase agreement shall be considered signed authorization by the Employee for such deductions and that Employee further agrees that such deductions are for a lawful purpose accruing to the benefit of Employee. Employee further agrees that if Employee retires or Employee's employment with the City is terminated for any reason whatsoever, including involuntary termination, that the entire outstanding balance of this lease shall be due and owing as of the last day of employment with the City. Employee hereby authorizes the City to deduct from Employee's final paycheck all sums due hereunder and Employee agrees that this lease purchase agreement shall be considered signed authorization by the Employee for such deduction and that such deduction is for a lawful purpose accruing to the benefit of the Employee. In the event Employee's wages are insufficient to satisfy the entire outstanding balance, Employee agrees to pay the balance of such sums on or before the last day of employment with the City. Should the employee not be able to legally own the equipment upon separation from the City, the City will reimburse the employee for all completed lease payments and maintain ownership of the equipment.

- 4. The City assumes the risk of theft, destruction or damage of, or to, the Equipment throughout the term of this lease, unless such theft, destruction, or damage is intentionally caused by Employee.
- 5. Employee shall not assign, transfer, pledge, or otherwise dispose of this lease, the Equipment, or any interest therein, without the written consent of the City.
- 6. Employee agrees to pay any and all taxes, assessments or other charges levied or assessed on, or with respect to the Equipment or its use, value or ownership thereof, whether during the term of this lease or thereafter.
- 7. Title to the Equipment shall remain at all times in the City. Upon the successful completion of this lease by Employee, the City shall sell, and the Employee shall purchase, the Equipment for the sum of One Dollar (\$1.00) upon separation from the City. The City shall provide Employee with a bill of sale upon such purchase.
- 8. Employee shall be in default if Employee shall:
  - a. Fail to pay any rent, or other indebtedness under the terms of this agreement within ten (10) days after the same becomes due and payable.
  - b. Fail to perform or observe, according to its terms any covenant contained in this lease or any other instrument or document executed in connection with this lease.
  - c. Commence any act of bankruptcy, become insolvent, make an assignment for the benefit of creditors, cause to be appointed, with or without the consent of Employee, a receiver, trustee or liquidator to oversee or dispose of any of the assets of the Employee.
  - d. Commits, or fails to commit, any act which results in jeopardizing the rights of the City or cause the City to deem itself insecure as to its rights hereunder.

- 9. If Employee is in default, the City, with or without notice to the Employee, shall have the right to exercise concurrently, or separately, and without any election of remedies to be deemed made, the following remedies:
  - a. Elect that the rental payments due hereunder be accelerated and the entire amount of rental be due immediately.
  - b. Terminate this lease.
  - c. Repossess the Equipment; however, any such repossession shall not constitute a termination of this lease unless the City so notifies the Employee in writing and the City shall have the right, at its option, to dispose of the Equipment as it determines.
  - d. Sell the Equipment to the highest bidder at public or private sale at which sale the City may be the purchaser, in either of such events, there shall be due from Employee, and Employee will immediately pay to the City, the difference between the total amount of rentals to be received from any third person, or the purchase price at said sale, as the case may be, and the total unpaid rental provided to be paid herein, plus all costs and expenses of the City in repossessing, releasing, transporting, repairing, selling or otherwise handling the Equipment.
- 10. Employee shall hold the City, its agents, officials, and employees free and harmless, and shall indemnify the City, its agents, officials, and employees from each and every suit, liability expense, including attorneys' fees and expenses, damage or claim or demand of whatever nature, made on behalf of or by any person or persons against the City by reason of any occurrence or accident arising out of Employee's personal use.

- 11. Employee is responsible for general cleanliness and maintenance of the Equipment.Employee shall use, transport, and store the Equipment in a safe and reasonable manner at all times.
- 12. Throughout the term of this Lease, the City shall be responsible for repair of the Equipment. Any additions or changes to the Equipment will only be done by the Grosse Pointe Woods Department of Public Safety's armorer and only with the prior approval from the Public Safety Director.
- 13. Employee shall only carry Grosse Pointe Woods Department of Public Safety issued ammunition and shall meet the department standard for qualification prior to carrying the chosen weapon system on duty.
- 14. Employee shall comply with all local, state, and federal laws and regulations regarding the possession and use of the Equipment.
- 15. The City assumes no liability and makes no representation as to the treatment of this lease agreement by any federal, state or local taxing authority. Employee is advised to seek independent legal or tax counsel.
- 16. This agreement shall be binding upon the parties hereto, their heirs, executors, administrators, and assigns.
- 17. If any portion of this agreement is deemed invalid, it shall not affect the balance of this agreement.

**IN WITNESS WHEREOF**, the parties have executed this agreement as of the effective date written above.

#### **CITY OF GROSSE POINTE WOODS**

#### EMPLOYEE

John Kosanke Director of Public Safety (Signature)

(Print)

### Estimate

### Loyal 9 Mfg

Loyal 9 Manufacturing 2828 S Laredo St San Antonio, TX 78207 Phone: +1 2108522859 Email: billing@sonsoflibertygw.com

Order #	Date
SQUOTE 11080	12/20/20

12/20/2021



Bill To:	
City of Grosse Pointe Woods	
20025 Mack Plaza Dr	
Grosse Pointe Woods, MI 48236	

Ship To: City of Grosse Pointe Woods 20025 Mack Plaza Dr Grosse Pointe Woods, Ml 48236

Contact: City of Grosse Pointe Woods

Customer: City of Grosse Pointe Woods

Sales Rep	Payment Terms	FOB Point	Carrier	Ship Service	Date Scheduled
william_solgw	COD	Origin	UPS		01/31/2022

Item	l				Qty	
#	Туре	Number	Description	<b>Unit Price</b>	Ordered	<b>Total Price</b>
1	Sale	M4-76 CUSTOM RIFLE	M4-76 CUSTOM RIFLE PRICE VALID THROUGH 1/31/22	\$1,377.00	28 ea	\$ 38,556.00
2	Sale	SMK-SOL-ZF	DEADAIR SANDMAN K 5.56 PYRO CAP W/ NO MUZZLE DEVICE	\$535.00	28 ea	\$ 14,980.00
3	Sale	MODLIGHT PLH w/ MOD BUTTON PACKAGE	MODLIGHT-PLH w/ MOD BUTTON PACKAGE	\$325.00	28 ea	\$ 9,100.00
4	Misc. Sale		SHIPPING	\$20.00	28 ea	\$ 560.00
5	Sale	LIFETIME WARRANTY	LIFETIME WARRANTY - INCLUDING WEAR	\$0.00	28 ea	\$ 0.00
6	Sale	CRITICAL INCIDENT / ACCIDENT REPLACMENT	REPLACEMENT FOR ACCIDENT OR OIS GOV ONLY	\$0.00	28 ea	\$ 0.00

Subtotal:
Sales Tax:
Total:

\$63,196.00 \$0.00 \$63,196.00

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

ITAR:

December 20, 2021 5:07:56 PM CST

Page 1 of 1



TAG Firearms LLC 1301 Tacoma Ave, Suite #110 Bismarck, ND 58504 701-226-6096 tagfirearms.com

12/10/2021

QUOTE #1212

C/O Neal Kapoor Grosse Pointe Woods Police Department 20025 Mack Plaza Dr Grosse Pointe MI 48236 313-343-2400 <u>nkapoor@gpwmi.us</u>

Neal,

Below is a quote for thirty EOTECH EXPS2-0 HWS sights:

Per Unit Price: \$470 (includes UPS two-day air shipping) TOTAL QUOTE: \$14,100

#### \*\*Estimated delivery is 45-60 days upon receipt of payment\*\*

Thank you for the opportunity to bid on your unit's needs – this proposal is valid until 1/10/2022. Please let me know if there is anything I can assist with in the future.

Regard Chris Striege President

Neal,

The Micro T-2 AR Ready #200198 are \$784.73 each with the total being \$11,770.95 for 15. If you would like to proceed with an order or need an official quote, let us know and we'll get an account setup for your department. I'll just need a copy of your tax exempt certificate to get the process started.

Thanks, Cole

Cole Ritchie eCommerce Customer Support

Aimpoint, Inc 7309 Gateway Ct Manassas, VA 20109 USA Phone: 703.263.9795 ext 202 Fax: 703-263-9463 cole.ritchie@aimpoint.com www.aimpoint.com



Hello Bekah,

I have submitted the quote to my chief and just awaiting approval. Can you please give me an additional quote for the following ammo, I appreciate it.

FMJ BT 5.56 500 \$6310.50 15000 rounds

\$210.35 per case of

Blackhills Mk262 77g 5.56 or Hornady TAP 75g 5.56 2700 rounds



Lieutenant Brian A. Conigliaro City of Grosse Pointe Woods Dept. of Public Safety Office: 313 343-2400 Cell: 313 283-3781 Fax: 313 343-2439

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<b>A</b> W	ENFORCE	VENT

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4250 Alum Creek Dr Columbus, On 45224 Ober2, OH 43207 ph (614)471-0712 ph (614)489-5025 fx (614)471-2134 fx (614)489-5077 Contact Name Neal Kapoor

Date 12/20/2021 Quote Number 00043283

			-
Section	4.	Item	С

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Account Name Grosse Pointe Woo	ods Public Safety		
Bill To 20025 Mack Plaza	Grosse Pointe Woods, MI 48236	Prepared By Jamie Wilson	
Email nealkapoor36@gmail.com			
		15.00 81295 Hornady 5.56 NATO 75gr TAP SBR 200 Rds	
\$172.13 \$2,581.95			
		Subtotal \$2,581.95 Trade In Value \$0.00 Shipping and \$136.00 Handling Tax \$0.00	
		Quote Grand Total \$2,717.95	
Payment Details			
Net 30 ¥	Name	Expires CRV CODE CREDIT CARDS OVER \$1,000 incur a 3% SURCHARGE	
Credit Card	CC #	Number of Days Quote Valid	
		Quote Valid 30 Days	

	CITY OF GROSSE POINTE WOODS DEPARTMENT OF PUBLIC SAFETY
Date:	January 4, 2022
То:	Frank Schulte, City Administrator F.S.
From:	John G. Kosanke, Director of Public Safety
Subject:	John G. Kosanke, Director of Public Safety

I am requesting to increase the salaries of all Communications Dispatchers in the department to the top level of pay for Tier One employees hired prior to the date of July 01, 2011. Although the current Union Contract is in effect until June 30, 2022, it is necessary to increase the salaries now in order to attract qualified applicants to fill vacancies in the department.

The department is budgeted for three full-time and three part-time dispatchers. On January 02, 2022, we will have only one full-time and two part-time dispatchers employed due to recent resignations and a retirement. Until we are fully staffed, we will be forced to take officers off of road patrol duties to cover the dispatch desk.

After two weeks, advertisements for the openings in our Dispatch center have not as yet resulted in any viable candidates. One of the reasons may be that our wages are not competitive. A salary comparison was done with other area departments, including Harper Woods, Macomb County, and SERESA (South East Regional Emergency Services Authority) and the results concluded that Grosse Pointe Woods dispatch salaries were significantly lower than all the others. The comparison sheet is attached.

Currently, the starting salary for newly hired dispatchers in our department (Tier Two) is \$17.8427 per hour (\$37,112.88 annually for full-time employees). The highest level of pay we offer for newly hired dispatchers after a period of 36 months is \$19.3436 per hour (\$40,234.79 annually for full-time employees). The highest level of pay offered for dispatchers hired prior to July 01, 2011 is \$22.8083 (\$47,441.34 for full-time employees). We are seeking to increase the pay rate for all dispatchers, full and part-time, to this highest rate of \$22.8083 per hour. We are also requesting that the increase be retroactive to January 09, 2022.

Per calculations done by our Finance Department, the increase to pay adjustment for this pay rate change would amount to \$16,764.68 in total. This amount includes the FICA amount of 7.65%. The increase would still be within the budgeted amount for FYE 2021-2022 of \$165,279.00. The summary for the projected increase is attached. We are hopeful that the increase in pay would help to attract suitable candidates for the open Communications Dispatch positions which are vital to the successful operation of our department.

Although this request for \$16,764.68 is substantial, it is still significantly less than the continued cost of hiring a Public Safety Officer to work overtime to cover the Dispatch desk. The cost to have one officer at the top rate of pay cover dispatch duties for one eight-hour Dispatch shift would be \$420.16, including benefits. If the officer was working overtime to cover the Dispatch desk, that rate would increase to \$630.23.

A Letter of Understanding has been drafted by our Labor Attorney, Gouri Sashital of Keller/Thoma, PC, as an agreement between the City and the Communications Dispatchers Union to increase the dispatchers' salaries on a one-time, non-precedential basis. I am requesting that the City of Grosse Pointe Woods allow me to sign this document.

#### LETTER OF UNDERSTANDING

IT IS HEREBY AGREED between the City of Grosse Pointe Woods ("the City") and the Police Officers Labor Council, Communications/Dispatchers ("the Union") as follows:

- 1. Notwithstanding any contrary provisions in the parties' current collective bargaining agreement, the parties agree that the City shall move all members of the bargaining unit to the top step of the applicable salary schedule beginning in the first pay period following ratification of this Letter of Understanding by both parties.
- The parties expressly agree and acknowledge that the City's agreement to move all bargaining unit members to the top step of the salary schedule is on a one-time, non-precedential basis. The parties further expressly agree and acknowledge that this Letter of Understanding shall not be considered as precedent or past practice in future situations.
- 3. This document represents the parties' complete agreement as to the matters addressed herein, and no other such agreement shall be binding unless in writing and signed by the parties.

THE CITY	THE UNION
Ву:	Ву:
lts:	lts:
Date:	Date:

### EXHIBIT A

#### SALARY RATES

	START	6 MONTHS	12 MONTHS	18 MONTHS	24 MONTHS	30 MONTHS	36 MONTHS			
	Communic	ations Dis	spatchers	Hired Prio	r to July 1	, 2011				
July 1, 2019 to June 30, 2020	41,651.90	42,251.53	42,818.35	43,422.08	43,987.88	44,589.55	45,155.35			
Hourly Rate	20.0250	20.3132	20.5857	20.8760	21.1480	21.4373	21.7093			
July 1, 2020 to June 30, 2021	42,693.20	43,307.81	43,888.81	44,507.63	45,087.57	45,704.29	46,284.23			
Hourly Rate	20.5256	20.8211	21.1004	21.3979	21.6767	21.9732	22.2520			
July 1, 2021 to June 30, 2022	43,760.53	44,390.51	44,986.03	45,620.32	46,214.76	46,846.90	47,441.34			
Hourly Rate	21.0387	21.3416	21.6279	21.9328	22.2186	22.5225	22.8083			
	Communi	cations Di	spatchers	Hired Aft	er July 1,	2011				
July 1, 2019 to June 30, 2020	35,324.58	35,834.00	36,314.73	36,826.20	37,305.90	37,816.35	38,296.05			
Hourly Rate July 1, 2020 to June 30, 2021	16.9830 <b>36,207.6</b> 9	17.2279 36,729.85	17.4590 <b>37.222.59</b>	17.7049 37,746.86	17.9355 38.238.55	18.1809 38,761.76	18.4116 39,253.45			
Hourly Rate	17.4075	17.6586	17.8955	18.1475	18.3839	18.6355	18.8719			
July 1, 2021 to June 30, 2022	37,112.88	37,648.10	38,153.16	38,690.53	39,194.51	39,730.80	40,234.79			
Hourly Rate	17.8427	18.1000	18.3429	18.6012	18.8435	19.1013	19.3436			

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n 4

Opy         Effective Dates         Starting Salary         Stanting Salary	<b>Dispatch Salary Comparison</b>								-	1	
Image: constraint of the field bates         Starting Salary         6 Months         12 Months         24 Months         30 Months         36 Months											
34       July 01, 2021-June 30, 2022       537,112.88       537,648.10       538,153.16       538,690.53       539,194.51       539,730.80       540,134.79       540,	δ	Effective Dates	Starting Salary	6 Months	12 Months	18 Months	24 Months	an Monohr	36 442-442		
13       July 01, 2021-June 30, 2022       537,112.84       537,5646.10       538,5690.53       539,194.51       539,730.80       540,237       539,730.80       540,237       539,730.80       540,237       5       5         2       July 01, 2018-June 30, 2022       538,410.74       42,859.65       545,740.45       548,623.33       549,786.67       543,708.67       551,908.90       5       5         3       July 01, 2018-June 30, 2022       538,410.74       42,859.65       545,740.45       548,623.33       549,786.67       543,908.90       543,786.67       551,908.90       5 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>SUITION DE</td><td>49 Months</td><td>72 months</td></td<>									SUITION DE	49 Months	72 months
statistic       violuti 2018-lune 30, 2022       S38,410.74       violuti 2013       S49,766.67       S49,766.67       S49,736.67       S49,736.67       S49,736.67       S40,234.79       N         statistic       luly 01, 2020-lune 30, 2021       S41,017.60       S41,017.60       S41,017.60       S41,017.60       S49,786.67       S43,796.67       S51,908.90       S40,233.33       S49,786.67       S51,908.90       S40,234.79       N         visit       luly 01, 2020-lune 30, 2021       S41,017.60       S41,017.60       S41,017.60       S41,017.60       S41,017.60       S49,088.00       S40,088.00       S40,089.00       S40,088.00	Grosse Pointe Woods	July 01, 2021 - June 30, 2022	\$37,112,88	\$37 64R 10	<b>C3R 1C3 16</b>	(20 COV C2	-10 00 L				
s       July 01, 2018 - June 30, 2022       S38,410.74       A.2853.65       \$43,740.45       \$48,623.33       \$49,766.67       \$49,786.67       \$53,7908.60       \$53,908.90       \$         1       July 01, 2020 - June 30, 2021       \$41,017.60       \$41,017.60       \$41,017.60       \$43,018.00       \$49,088.00       \$49,088.00       \$49,088.00       \$59,088.00       \$50,918.40       \$         1       Introvincent.       1 <td></td> <td></td> <td></td> <td></td> <td>07-00-Y (00-A</td> <td>cr'nco'ort</td> <td>TC'bGT'GEC</td> <td>\$39,730.80</td> <td>\$40,234.79</td> <td>\$40,234.79</td> <td>\$40,234.79</td>					07-00-Y (00-A	cr'nco'ort	TC'bGT'GEC	\$39,730.80	\$40,234.79	\$40,234.79	\$40,234.79
statistication         March 101, 2018 - June 30, 2022         538,410.74         4.2859.65         545,740.45         548,623.33         549,786.67         549,786.67         551,908.90         551,908.90         5         551,908.90         5         551,908.90         5											
*         Uty UL, D18 - Line 30, 2022         538, 410.74         4.2,859.65         549,623.33         549,766.67         551,908.90         551,908.90         5         551,908.90         5         551,908.90         5         551,908.90         5         551,908.90         5         551,908.90         5         551,908.90         5         551,908.90         5         551,908.90         551,908.90         551,908.90         551,908.90         5         551,908.90         5         551,908.90         551,908.90         551,908.90         551,908.90         551,908.90         551,908.90         551,908.90         550,918.40         50,213.40         42,35	Grarra Balata Carnes										
MityO1, 2020- June 30, 2021       S41,017.60	Close Fointe Farms	July 01, 2018 - June 30, 2022	\$38,410.74	42.859.65	\$45,740.45	\$48,623.33	\$49.786.67	\$49 786 67	CC1 000 00	651 000 00	
Iuly 01, 2020- Lune 30, 2021       \$41,017.60									ACIONEITOC	06'90'5'TCC	551,908.90
Introductor         May 01, 2020- June 30, 2021         \$41,017.60         \$41,017.60         \$43,018.00         \$49,088.00         \$49,088.00         \$49,088.00         \$59,088.00         \$59,088.00         \$59,088.00         \$59,088.00         \$50,918.40											
Moods         Instant         Mode         Province         Pro	Grosse Pointe Park	July 01, 2020 - June 30, 2021	\$41.017.60	\$41 017 60	\$41 017 60	¢40.000.00	640.000.00				
Woods         January 01, 2022 · December 30, 2022         \$40,132.87         \$42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,362.48         42,352.48		ant current		00' (TA'TA'	DD:/TD/TLC	01.000.044	243,088.00	\$49,088.00	\$50,918.40	\$53,414.40	\$53,414.40
Woods         January 01, 2022 - December 30, 2022         S40,132.87         S40,132.87         42.362.48					-						
moors         January 01, 3022 - December 30, 3022         \$40,132.87         \$42,362.48         \$2,362.48	11										
Ocumy     November 05, 2019 - current     \$49,051.79     \$40,051.79     \$	Harper woods	January 01, 2022 - December 30, 2022	\$40,132.87	\$40,132.87	42.362.48	42.362.48	42.362.48	47.362.48	47 267 A8	OV LOE LY	
D County         November 05, 2019 - current         \$49,051.79         Movember 05, 2019 - current         S49,051.79           D County         November 05, 2019 - current         \$49,621.39         November 05, 2019 - current         November 05, 2019 - cur									01-100-11	04:305.34	42.362.48
Another	Macomb County	November 05, 2019 - current	S40.051.70								
current			C LITERICL'		_					\$53,028.97	\$53,028.97
	SERESA	Turnet	04 637 40								
			64-770'546	_	-						\$55,552.12

		FT-Dispatcher-				Total Increase
Employee	FT-Dispatcher	VACANT	PT-DISPATCHER	PT-DISPATCHER	PT-DISPATCHER	in Wages
Current Rate	19.34	19.34	\$ 19.1013	\$ 18.3429	\$ 18.6012	D
New Rate	22.81	22.81 \$	\$ 22.8083	Ş	Ş	
Hours per week	40.00	40.00	40			
Total weeks until June 30th (As of						
January 2022)	26.00	26.00	26	26	26	
Difference in Pay	3,603.29	3,605.06	\$ 3,855.28	\$ 2,322.01	Ś	2.187.69 \$ 15.573.37
FICA (7.65%)	275.65	275.79		ş	S	\$ 1.191.36
Total per employee	3,878.94	3,880.84 \$	\$ 4,150.21 \$	2	\$	\$

# FY 21-22 Budget

					TOTAL
		TOTAL	PROJECTED		PROJECTED
		<b>EXPENDED AS</b>	<b>EXPENSE AT</b>	INCREASE DUE TO	EXENSE AT
101-310-702.500	BUDGET	OF 12.15.2021	6.30.2021	PAY ADJUSTMENT	6.30.2022
Three (3) Part-Time Dispatchers	75,313.00				
Two (2) Full-Time Dispatchers	79,966.00				
	155,279.00				
Holiday Pay Worked	10,000.00				
TOTAL	165,279.00	57,098.38	128,713.16 \$	\$ 16,764.68	145,477,84
PROJECTED UNDER BUDGET FY 21-2	1-22				-19,801.16

One (1) Full-Time Dispatcher charged to Fund 261 (911)



LISA A. ANDERSON landerson@rsjalaw.com

27555 Executive Drive, Suite 250 Farmington Hills, Michigan 48331 P 248.489.4100 | F 248.489.1726 rsjalaw.com



ROSATI | SCHULTZ JOPPICH | AMTSBUECHLER

## MEMORANDUM

- TO: Grosse Pointe Woods City Council
- FROM: Lisa A. Anderson, City Attorney

DATE: November 30, 2021

RE: Ordinance Amendment Regarding City Administrator Supervision of Clerk, Treasurer, and City Departments

As you know, on November 2, 2021, voters approved two charter amendments to permit Council to adopt an ordinance placing the City Clerk and Treasurer, and their departments, under the supervision of the City Administrator. At the request of the Mayor, I have prepared a proposed ordinance to accomplish these goals. The ordinance adds a new Section 2-1 to the City Code to provide that the Clerk and Treasurer positions will work under the supervision of the City Administrator. The Clerk and Treasurer will continue to be appointed by and serve at the pleasure of Council, with Council fixing their compensation. A new Section 2-2 will be added to provide that all City departments, other than the Assessor and Attorney, will be under the supervision of the City Administrator. I will be available at the December 6, 2021 Council meeting to address any questions.

#### ORDINANCE NO.

AN ORDINANCE TO AMEND CITY OF GROSSE POINTE WOODS CODE OF ORDINANCES, CHAPTER 2, ADMINISTRATION, ARTICLE I, IN GENERAL, TO ADD REGULATIONS PLACING THE CITY CLERK, CITY TREASURER, AND CITY DEPARTMENTS UNDER THE SUPERVISON OF THE CITY ADMINISTRATOR.

#### THE CITY OF GROSSE POINTE WOODS ORDAINS:

#### Section 1. Ordinance Amendment.

The Grosse Pointe Woods City Code, Chapter 2, "Administration," Article I, "In General," is hereby amended to read as follows:

#### **ARTICLE I. – IN GENERAL**

#### Sec. 2-1. – Clerk and treasurer.

The City Clerk and the City Treasurer shall be appointed by and serve at the pleasure of the Council. The Clerk and the Treasurer shall, for administrative purposes, work under the supervision of the City Administrator and shall perform duties requested by the City Administrator, so long as such duties are not inconsistent with the Charter or any statutory provisions as to the powers and duties of their office.

#### Sec. 2-2. – Supervision of city departments.

All city departments shall be under the supervision of the City Administrator, except for the departments of the City Attorney and City Assessor.

#### Section 2. Repeal.

All ordinances, parts of ordinances, or sections of the City Code in conflict with this ordinance are repealed only to the extent necessary to give this ordinance full force and effect, and the City of Grosse Pointe Woods Code of Ordinances shall remain in full force and effect, amended only as specified above.

#### Section 3. Savings Clause.

The amendments of the City of Grosse Pointe Woods Code of Ordinances set forth in this ordinance do not affect or impair any act done, offense committed, or right accruing, accrued, or acquired or liability, penalty, forfeiture or punishment, pending or incurred prior to the amendments of the City of Grosse Pointe Woods Code of Ordinances set forth in this ordinance.

#### Section 4. Severability.

If any section, clause or provision of this ordinance, or the application thereof to any person, firm, corporation, legal entity or circumstances, shall be for any reason adjudged by a court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair, or invalidate the remainder of this ordinance. It is hereby declared to be the legislative intent of this body that the ordinance is severable, and that the ordinance would have been adopted had such invalid or unconstitutional provision not have been included in this ordinance.

#### Section 5. Effective Date.

This ordinance shall be effective 20 days after enactment.

#### **CERTIFICATION OF CLERK**

I hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the City Council of the City of Grosse Pointe Woods, County of Wayne, State of Michigan, at a regular meeting of the City Council duly called and held on \_\_\_\_\_ day of December, 2021.

Lisa K. Hathaway, City Clerk

First Reading: Second Reading: Published in GPN: Adopted: Effective: Date Posted:

. . ^



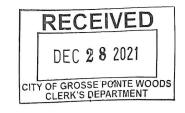
## **CITY OF GROSSE POINTE WOODS**

## MEMORANDUM

Date: January 5, 2022

To: Mayor and City Council

From: Frank Schulte, City Administrator  $FS_c$ 



## Subject: Extension of COVID Time Bank for Employees

At the March 15, 2021, City Council meeting City Council authorized the City Administrator to establish an employee COVID-19 time bank of 80 hours per employee for the 2021 calendar year.

The virus continues to be an ongoing health crisis affecting city employees, especially with the highly contagious Delta and Omicron variants.

I am requesting that the Council provide employees a new COVID-19 time bank of 40 hours for calendar year 2022. This would provide a bank of 40 hours to be used in the following circumstances:

- The employee is subject to quarantine or isolation due to COVID-19.
- The employee has been advised by a health care provider to selfquarantine due to COVID-19.
- The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis.
- The employee is caring for an individual who is subject to a quarantine or isolation order by a healthcare provider.

The time would not be carried over into the following year nor be allowed to be part of an employee's final compensation computation.



January 7, 2022

City of Grosse Pointe Woods % Mr. Bruce J. Smith, City Administrator 20025 Mack Plaza Drive Grosse Pointe Woods, Michigan 48236

 RE: <u>Restricted Appraisal Report</u> City-owned Parking Lots
 20775 Mack Ave. (40-003-04-0153-001, ±0.274 acres)
 1929 Anita Ave. (40-003-04-0159-000, ±0.154 acres)
 Grosse Pointe Woods, Wayne County, Michigan 48236

Frohm & Widmer, Inc. File No. 21-79C

Dear Mr. Smith:

Corresponding with your request, I have prepared a Restricted Appraisal Report for the above described property. The reported market value conclusion is expressed in terms equivalent to cash, and contemplates ownership in fee simple estate. The subject was most recently observed on October 13, 2021, and the valuation is effective on this date. Pertinent definitions used in the valuation process are supplied in the accompanying Restricted Appraisal Report.

The subject property consists of two (2) adjacent, City-owned parking lots containing a total site area of  $\pm 0.428$  acres. More detailed physical and economic information involving the subject property is supplied in the accompanying Restricted Appraisal Report.

John R. Widmer, Jr., MAI has inspected the subject and all comparable properties relied upon in this appraisal, and personally made the necessary investigations and analyses pertinent to this appraisal problem. The accompanying report details the method of the appraisal together with data gathered during my investigations. I certify that I have no past, present, or contemplated interest in the subject, and neither my employment nor fee is dependent upon the value conclusion reported.

This appraisal has been prepared in conformity with <u>Standard Rule 2-2(b)</u> of the Uniform Standards of Professional Appraisal Practice (USPAP) <u>2020-2021 Edition</u>, and all <u>Code of</u> <u>Professional Ethics</u> and <u>Standards of Professional Appraisal Practice</u> of the Appraisal Institute. As stipulated by Michigan law, "appraisers are to be licensed/certified and are regulated by the Michigan Department of Licensing and Regulatory Affairs, P.O. Box 30018, Lansing, Michigan 48909", and John R. Widmer, Jr., MAI is licensed in the state of Michigan as a certified general appraiser.

Page 2 Mr. Bruce J. Smith January 7, 2022

Corresponding with Uniform Standards of Professional Appraisal Practice (USPAP) <u>2020-2021</u> <u>Edition</u>, an appraiser may communicate the results of the appraisal in one of two options, namely: Appraisal Report [Standards Rule 2-2(a)], or Restricted Appraisal Report [Standards Rule 2-2(b)]. The essential difference between these two options is in the content and level of information provided. The appropriate reporting option and the level of information necessary in the report are dependent on the intended use. Based on the appraisal engagement agreement with the client, market value will be established and reported in a Restricted Appraisal Report, in conformance with Standards Rule 2-2(b).

Within 2020-2021 USPAP, it is noted that it may be appropriate to issue a Restricted Appraisal Report if:

- the client understands the limited utility of this option;
- the intended use of the appraisal is appropriate for a report which may not contain supporting rationale for all of the opinions and conclusions set forth in the report; and,
- the client (and, if applicable, named other intended users) do not need the level of information required in an Appraisal Report.

In fact USPAP provides some examples of situations in which a Restricted Appraisal Report may be appropriate, and one example cites "*The intended use is consultation for acquisition or disposition by a party who is knowledgeable about the subject property*". Standards Rule 2-2(b) states that the report must clearly and conspicuously disclose that the report is intended for the client and the named intended users to establish market value for potential transfer of the asset, and that the report may not contain supporting rationale for all of the opinions and conclusions set forth in the report. In this instance, the client of this Restricted Appraisal Report is the City of Grosse Pointe Woods. The intended user of this report includes the client, and potentially Mr. Bill Matouk of Woods Fine Wine, the party that is considering acquisition of the property.

Corresponding with USPAP, the accompanying Restricted Appraisal Report will include a signed certification, which is acknowledged as being an integral part of the report. Said certification denotes that the undersigned accepts full responsibility for all elements of the certification, for the assignment results, and for the contents of the Restricted Appraisal Report. The signing appraiser is responsible for the decision to rely upon the work of others contributing in the appraisal process. Likewise, the signing appraiser is required to have a reasonable basis for believing that any individual performing the work is competent and have no reason to doubt that the work of said individual is credible. The names of individuals providing significant real property appraisal assistance who do not sign a certification must be stated in the certification, however, the extent of the significant assistance provided by others must be summarized. In this instance, it will be disclosed that Ronald E. Frohm, MAI has provided real property appraisal assistance in the preparation of this report.

Page 3 Mr. Bruce J. Smith January 7, 2022

After a thorough analysis of all pertinent data and information, and subject to the extraordinary assumptions, hypothetical conditions, and standard limiting conditions presented herein, the following applies:

Fee Simple Market Value, effective October 13, 2021 ..... \$660,000

Corresponding with USPAP, it is necessary to emphasize that the conclusion contained herein reflects market conditions apparent as of the effective date of this valuation. It is also important to understand that during the COVID-19 pandemic, markets may continue to change, and may continue to experience significant fluctuations until market conditions stabilize.

This letter of transmittal is not an appraisal, however, it is part of the accompanying Restricted Appraisal Report, which reveals the data used and methods applied in estimating market value. The above opinion is subject to the assumptions and limiting conditions contained herein. I am available to answer any questions you may have regarding the contents or methods employed in this appraisal. If further assistance is required, please call at your convenience.

Respectfully submitted,

FROHM & WIDMER, INC.

John R. Widmer, Jr., MAI Certified General Appraiser No. 1201000280 jwidmer@frohmwidmer.com Direct line: 248-471-6767 ext. 11

/jrw

**INTRODUCTION:** An appraiser must properly identify the problem to be solved in order to determine the appropriate scope of work. The appraiser must be prepared to demonstrate that the scope of work is sufficient to produce credible assignment results. Scope of work includes, but is not limited to:

- the extent to which the property is identified;
- the extent to which tangible property is inspected;
- the type and extent of data researched; and,
- the type and extent of analyses applied to arrive at opinions or conclusions.

Appraisers have broad flexibility and significant responsibility in determining the appropriate scope of work for an appraisal assignment. Credible assignment results require support by relevant evidence and logic. The credibility of assignment results is always measured in the context of the intended use. A Restricted Appraisal Report requires the following items:

- (i.) State the identity of the client, or if the client requested anonymity, state that the identity is withheld at the client's request.
- (ii.) State the identity of any other intended users by name.
- (iii.) Clearly and conspicuously state a restriction that limits use of the report to the client and the named intended user(s).
- (iv.) Clearly and conspicuously warn that the report may not contain supporting rationale for all of the opinions and conclusions set forth in the report.
- (v.) State the intended use of the appraisal.
- (vi.) State information sufficient to identify the real estate involved in the appraisal.
- (vii.) State the real property interest appraised.
- (viii.) State the type of value and cite the source of the definition.
- (ix.) State the effective date of the appraisal and the date of the report.
- (x.) State the scope of work used to develop the appraisal.
- (xi.) State the extent of any significant real property appraisal assistance.
- (xii.) Provide sufficient information to indicate that the appraiser complied with the requirements of Standard 1, by:
  - Stating the appraisal methods and techniques employed;
  - Stating the reasons for excluding the sales comparison, cost or income approach(es) if any have not been developed;
  - Summarizing the results of analyzing the subject sales, agreements of sale, options and listings in accordance with Standards Rule 1-5; and,
  - Stating the value opinion(s) and conclusion(s).
- (xiii.) State the use of the real estate existing as of the effective date and the use of the real estate reflected in the appraisal.
- (xiv.) When an opinion of highest and best use was developed by the appraiser, state that opinion.
- (xv.) Clearly and conspicuously, state all extraordinary assumptions and hypothetical conditions; and, state that their use might have affected the assignment results.
- (xvi.) include a signed certification in accordance with Standards Rule 2-3.

In this instance, market rent and market value will be established and reported in a Restricted Appraisal Report, in conformance with Standards Rule 2-2(b). This report will be used relative to establishing market value related to the potential sale of the subject's real property.

Introduction - continued:

The subject property is referenced in the City of Grosse Pointe Woods Assessment Rolls as Parcel No. 40-003-04-0153-001 and 40-003-04-159-000, with legal descriptions and plat map provided below:

20775 MACK AVE. (40-003-04-0153-001, ±0.274 ACRES): WDE153A TO WDE158A, LOTS 153 TO 158 INCLUSIVE, EXCEPT THE EASTERLY PART THEREOF MEASURING ±41.06 FEET ON THE NORTHERLY LINE OF LOT 153 AND ±41.53 FEET ON THE SOUTHERLY LINE OF LOT 158, BEAUFAIT KOCH TESSMAR SUBDIVISION (PC249, L55- P47 WCR)

<u>1929 ANITA AVE. (40-003-04-0159-000, ±0.154 ACRES):</u> WDE159, LOT 159 BEAUFAIT KOCH TESSMAR SUBDIVISION (PC249, L55- P47 WCR)



#### **CLIENT/INTENDED USER:** The client of this appraisal report is:

City of Grosse Pointe Woods % Mr. Bruce J. Smith, City Administrator 20025 Mack Plaza Drive Grosse Pointe Woods, Michigan 48236

**INTENDED USE OF APPRAISAL REPORT:** This report will be used for internal review of a possible transfer of ownership interests in the subject's real property.

<u>PURPOSE OF THE APPRAISAL</u>: The purpose of this appraisal is to provide an opinion of the fee simple market value for the subject property. This valuation considers the prevailing market conditions as of October 13, 2021.

**<u>COMPETENCY STATEMENT</u>**: The Appraiser has the appropriate knowledge, education and experience to complete this assignment with competence. The Appraiser's qualifications are submitted in the **Addendum** of this Restricted Appraisal Report.

**DEFINITION OF MARKET VALUE:** Within USPAP, market value is a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. Forming an opinion of market value is the purpose of many real property appraisal assignments, particularly when the client's intended use includes more than one intended user. The conditions included in market value definitions establish market perspectives for development of the opinion. These conditions may vary from definition but generally fall into three categories:

- 1.) the relationship, knowledge, and motivation of the parties (i.e., seller and buyer);
- 2.) the terms of sale (e.g., cash, cash equivalent, or other terms); and,
- 3.) the conditions of sale (e.g., exposure in a competitive market for a reasonable time prior to sale).

A current economic definition agreed upon by agencies that regulate federal financial institutions in the United States of America is:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1.) buyer and seller are typically motivated;
- 2.) both parties are well informed or well advised, and acting in what they consider their own best interests;
- 3.) a reasonable time is allowed for exposure in the open market;
- 4.) payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- 5.) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Federal Register / Vol. 75, No. 237 / Friday, December 10, 2010 / Notices

**<u>PROPERTY INTEREST APPRAISED</u>**: Definitions of various ownership interests that may apply in a real property appraisal are provided below:

<u>Fee simple interest</u>: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.<sup>2</sup>

<u>Leased fee interest</u>: The ownership interest held by the lessor, which includes the right to the contract rent specified in the lease plus the reversionary right when the lease expires.<sup>3</sup>

<u>Leasehold interest:</u> The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.<sup>4</sup>

As of the effective date of this appraisal, there is no known unrelated party, or arm's length, lease encumbrance in place on the effective date of valuation. As such, market value will be established on the basis of ownership in fee simple estate. Likewise, there is no unusual easement or restrictive use covenant encumbering the property.

DATE OF APPRAISAL: January 7, 2022

EFFECTIVE DATE OF VALUE: October 13, 2021

<sup>4</sup> Ibid

<sup>&</sup>lt;sup>2</sup> <u>The Appraisal of Real Estate</u>, Appraisal Institute, 2013, 14<sup>th</sup> Edition, page 5

<sup>&</sup>lt;sup>3</sup> Ibid, page 72

**SCOPE OF WORK:** The general scope of work for this assignment included the following:

- Identification of the subject property by its legal description, real property tax identification number and the commonly as-known-as address. In defining the subject property, the following data sources have been reviewed:
  - City of Grosse Pointe Woods Assessment records
  - <u>www.bsasoftware.com</u> database records
  - CoStar database records

Amongst the above data sources, information was sufficient to quantify physical characteristics of the subject property.

- John R. Widmer, Jr., MAI observed the property on October 13, 2021, when photographs were taken.
- At the time of the property observation, the neighborhood was driven and the development patterns were noted.
- Identification relevant demographic factors through a combination of internet search engines, <u>www.semcog.org</u>, <u>www.stdbonline.com</u>, and CoStar database.

Once the subject property was defined, a review of generally accepted methods of measuring market value were reviewed. The most acceptable technique for arriving at the most appropriate indication of fee simple market value for subject is:

<u>The Sales Comparison</u>, also referred to as the "*Market Approach*", is a method of estimating market value whereby a subject is compared with other similar properties that have sold, are listed or have pending offers. The most important premise is the market will determine a price for the property being appraised in the same manner it establishes a price of comparable, competitive properties. Essentially, this is a systematic procedure for carrying out "*comparative shopping*". This approach is generally regarded as the most reliable, and is considered a relevant means of establishing market value.

In this approach, it is a requirement to develop sufficient comparable data to apply in the valuation, on the premise its marketability is not impacted by its physical characteristics. Within this appraisal, data sources relied upon to research improved building sales, in no particular order, includes the following:

- Appraisal files of Frohm & Widmer, Inc.
- <u>www.loopnet.com</u>
- <u>www.realcomponline.com</u>
- www.bsasoftware.com
- CoStar Group, Inc. [Comps and Property databases]
- Commercial brokerage companies, active in the sale of commercial land in the subject's competitive market area
- Discussion with Appraiser peers related to prior appraisal assignments of like properties
- Discussion with Developers active in the competitive sub-market
- Review of various business periodicals, e.g., Crain's Detroit Business, used as source material for comparable sale leads.

As discussed, the opinion of market value concluded herein will be reported in a Restricted Appraisal Report. Accordingly, a Restricted Appraisal Report must include a prominent statement that the rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without additional information in the Appraiser's workfile. Likewise, for this report, a detailed presentation of comparables will not be supplied, and only a summary statement of the adjustment process will be included. However, all data, rationale and reasoning for adjustments has been retained in the Appraisal workfile, and will resemble what would eventually be provided within an Appraisal Report, if necessary.

# A requirement within the Uniform Standards of Professional Appraisal Practice (USPAP) 2020-2021 Edition is:

If known prior to accepting an assignment and/or if discovered at any time during the assignment, an appraiser must disclose to the client, and in the subsequent report certification:

- 1.) any current or prospective interest in the subject property or parties involved; and,
- 2.) any services regarding the subject property performed by the appraiser within the 3-year period immediately preceding acceptance of the assignment, as an appraiser or in any other capacity.

There are some cases in which the appraiser is asked by the client not to reveal that he or she has appraised that particular property. In such cases, the fact that the appraiser previously appraised the property is confidential information. If the occurrence of a prior appraisal is confidential, and disclosure of prior appraisals is a condition of a potential new assignment or a requirement of USPAP, the appraiser must decline the new assignment, because the appraiser could not make the requested disclosure. Corresponding with this requirement, I must report that I have not provided real estate appraisal services, or any other services for this property within the 3-year period immediately preceding acceptance of this assignment.

**EXTRAORDINARY ASSUMPTIONS:** An extraordinary assumption is "an assignment specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis." <sup>5</sup>

As provided within USPAP, an extraordinary assumption may be used in an assignment only if:

- it is required to properly develop credible opinions and conclusions;
- the appraiser has a reasonable basis for the extraordinary assumption;
- use of the extraordinary assumption results in a credible analysis; and,
- the appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

The value reported herein is conditioned upon the following extraordinary assumptions:

- 1.) The property is free a clear of any adverse environmental conditions, whether in the form of surface or sub-surface soil contamination and/or building material contaminates. While not an expert in measuring the potential for environmental contamination, I did not observe any obvious form of environmental contamination. Correspondingly, the value is conditioned upon the fact there are no environmental conditions that would have an adverse influence on either value or marketability of the property. Should any adverse environmental conditions arise, I reserve the right to review these findings and the value estimate and make any revisions, if necessary.
- 2.) The property's legal boundaries exhibited within this appraisal are accurate, as recent title policies identifying the subject property was not supplied. The site dimensions and land areas are based on information obtained from the City of Grosse Pointe Woods Assessment records. Should a future survey indicate a variation in the legal descriptions or net site area, I reserve the right to review any variances to establish whether there would be any impact on value and marketability reported in this appraisal.

<sup>&</sup>lt;sup>5</sup> Uniform Standards of Professional Appraisal Practice (USPAP), <u>2020-2021 Edition</u>, page 4

**HYPOTHETICAL CONDITIONS:** A hypothetical condition is "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis." <sup>6</sup>

As provided within USPAP, a hypothetical condition may be used in an assignment only if:

- use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- use of the hypothetical condition results in a credible analysis; and,
- the appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

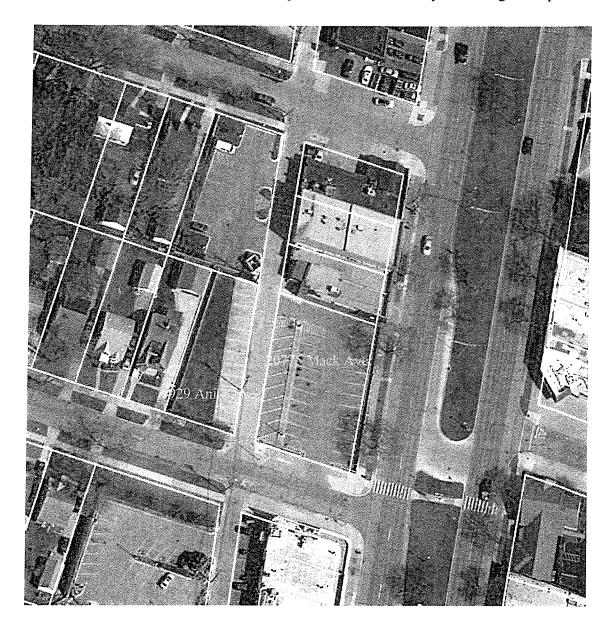
When a value opinion is subject to a hypothetical condition, the report must clearly and conspicuously disclose the assumption or condition and state that its use might have affected the value conclusion. The value conclusion presented herein is not subject to any hypothetical condition.

**<u>OWNERSHIP HISTORY</u>**: The current fee owner of record is City of Grosse Pointe Woods. There have been no arm's length, market sales of the subject property in the 3-years preceding the effective date of valuation.

<sup>&</sup>lt;sup>6</sup> Uniform Standards of Professional Appraisal Practice (USPAP), <u>2020-2021 Edition</u>, page 4

SITE CHARACTERISTICS: An objective summary of site characteristics follows:

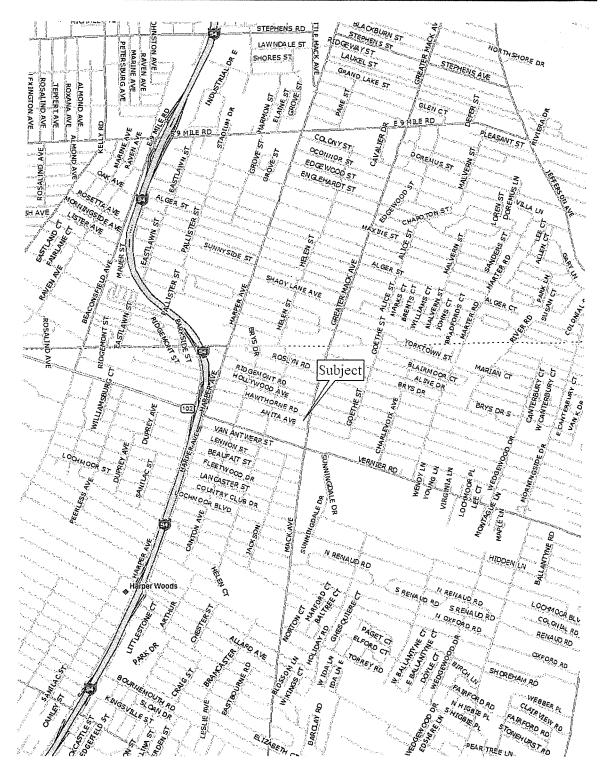
CONFIGURATION: The subject site is located along the northwest corner of Mack Avenue's intersection with Anita Avenue. Both sites are mostly rectangular in shape. Included below is a plat drawing of the parcels:



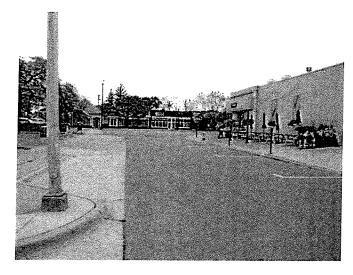
NET SITE AREA:

The parcel located at 20775 Mack Avenue contains  $\pm 0.274$  acres and includes  $\pm 128$  feet of frontage along Mack Avenue and an estimated  $\pm 87$  feet along Anita Avenue. The parcel located at 1929 Anita Avenue contains  $\pm 0.154$  acres and includes an estimated 63 feet of frontage along Anita Avenue. The total net site area is  $\pm 0.428$  acres.

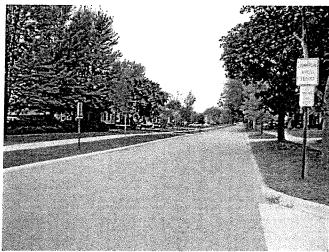
TOPOGRAPHY:	Level and at road elevation
EXPOSURE:	Average
INGRESS/EGRESS:	The property includes an access drive along Anita Avenue and both parcels are accessed via an alley, which separates the two parcels.
UTILITIES:	Public utilities include community water, municipal sewer, natural gas, electricity, and telephone/data service.
SITE IMPROVEMENTS:	The property is asphalt paved with the west section of the Anita Avenue parcel landscaped. There are a total of 43 metered parking spaces on the combined parcel.
SUB-SOIL CONDITION:	Assumed stable
WETLANDS:	None
USE RESTRICTIONS:	There do not appear to be any unusual easements or encumbrances that would adversely impact value and/or marketability.
	There do not appear to be any unusual easements or encumbrances that



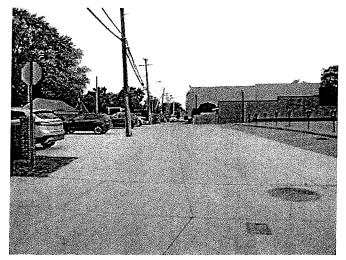
NEIGHBORHOOD LOCATION



ANITA AVENUE LOOKING EAST FROM SUBJECT AT LEFT



ANITA AVENUE LOOKING WEST FROM SUBJECT AT RIGHT



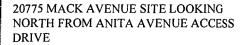
VIEW OF ALLEY SEPARATING SUBJECT PARCELS LOOKING NORTH FROM ANITA AVENUE

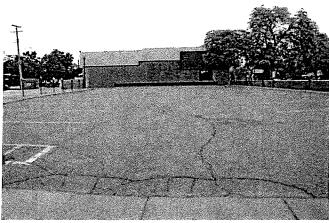
1929 ANITA AVENUE SITE LOOKING NORTHWEST FROM ALLEY

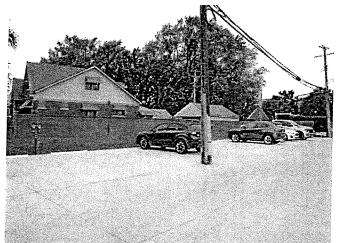


-14-

20775 MACK AVENUE SITE LOOKING NORTHEAST FROM ALLEY









**ZONING:** The parcel located at 20775 Mack Avenue is zoned P-1 Vehicular Parking and the parcel located at 1929 Anita Avenue is zoned R-1E One-Family Residential.

**ASSESSED VALUE AND PROPERTY TAXES:** Both parcels are owned by the City of Grosse Pointe Woods and they are tax exempt.

**HIGHEST AND BEST USE:** Highest and best use is a fundamental concept in real estate valuation. The analysis of highest and best use considers those forces which impact the market, and imminently the market value of the subject. The results from the highest and best use analysis forms the basis for the application of the applicable approaches to value. Highest and best use may be generally classified as the use or uses which supports the highest value of the property as of the date of appraisal, and is defined as:

The reasonably probable use of property that results in the highest value.<sup>7</sup>

This simple definition serves as a point of departure for further examining the concept. To be reasonably probable, a use must meet certain conditions, namely:

- The use must be physically possible (or it is reasonably probable to render it so);
- The use must be legally permissible (or it is reasonably probable to render it so); and,
- The use must be financially feasible.

Uses that meet the three criteria of reasonably probable uses are tested for economic productivity, and the reasonably probable use with the highest value is the highest and best use of the property. Appraisal literature further states:

The theoretical focus of highest and best use analysis is on the potential uses of the land as though vacant. In practice, however, the contributory value of the existing improvements and any possible alteration of those improvements are just as important in determining highest and best use and, by extension, in developing an opinion of the market value of the property. In the analysis of highest and best use of land as though vacant, the appraiser seeks the answers to several questions:

- · Should the land be developed or left vacant;
- If left vacant, when would future development be financially feasible; and,
- If developed, what kind of improvements should be built?

In the analysis of the highest and best use of the property as improved, additional questions must be answered:

- Should the existing improvements on the property be maintained in their current state, should they be altered in some manner to make them more functionally efficient, or should they be demolished to create a vacant site for a different use; or,
- If renovation or re-development is warranted, when should the new improvements be built? The mechanism for answering those questions is the application of the four tests to both the land as though vacant and the property as improved.<sup>8</sup>

<sup>&</sup>lt;sup>7</sup> <u>The Appraisal of Real Estate</u>, Appraisal Institute, 2013, 14<sup>th</sup> Edition, page 332

<sup>&</sup>lt;sup>8</sup> Ibid, page 337

#### Highest and Best Use, as vacant: Future commercial use

SALES COMPARISON APPROACH: As cited in the Scope of Work section of this appraisal, the primary valuation technique for the subject's underlying land will be sales comparison. This approach, also commonly referred to as the "Market Approach", is a method of estimating market value whereby a subject is compared with other similar properties that have sold, are listed or have pending offers. Ideally, the comparables would be the most recently closed sales, located in the subject's immediate market area, with ideally similar physical and economical attributes. However, in practical terms, there is rarely an occurrence when there is such an abundance of analogous comparables. This creates the need for an expansion of the search area, and it may sometimes be necessary to select property sales outside a subject's immediate submarket.

An important premise of the Sales Comparison Approach is the market will determine a price for the property being appraised in the same manner that it determines the prices of comparable, competitive properties. Essentially, this approach is a systematic procedure for carrying out *comparative shopping*. Concerning real estate, the comparison is applied to the unique characteristics of the economic good that cause real estate prices to vary. The Sales Comparison Approach is typically applied in five (5) steps, as follows:

- research the market to obtain information on closed sales, listings, and pending offers to purchase properties similar to the subject;
- verify the information by confirming the statistics obtained are factually accurate and the transactions reflect arm's-length market considerations;
- select relevant units of comparison (e.g., price per square foot), and develop a comparative analysis for the unit of comparison selected;
- compare the subject and comparables using the elements of comparison, and review adjustments, either quantitatively or qualitatively;
- reconcile the various value indications produced from the analysis of comparables into a single value indication or a range of values, understanding an imprecise market may best provide only a range of values.

After the sales data has been gathered and verified, systematic analysis begins. Because like units must be compared, each sale price should be stated in terms of appropriate units of comparison (e.g., price per square foot, price per unit, etc.). There are two deficiencies with this methodology, namely:

- there is no comparable so similar it accurately mirrors all of a subject's circumstances, especially in economic terms; and,
- without a large sampling of data, all possessing similar economic variables as a subject, adjustments are difficult to quantify.

Taking these factors into consideration, the valuation process must then consider a number of variables, including:

- economic conditions of the community it is a part of;
- supply and demand within the sub-market it is a part of; and,
- value indications derived from the most comparable sales data.

The following data sources were relied upon for this comparable search:

- 1.) appraisal files of Frohm & Widmer, Inc.
- 2.) on-line comparable service
- 3.) local appraisers
- 4.) local assessment offices
- 5.) local planning departments
- 6.) real estate brokers
- 7.) mortgage brokers
- 8.) developers and owners of commercial land

Included below is a chart itemizing pertinent physical and economic characteristics of two land sales and two current listings considered in the valuation of the subject's site:

	SALE NO. 1	SALE NO. 2	SALE NO. 3	SALE NO. 4
PROJECT:	24621 Jefferson Ave.	22948-22980 9 Mile Rd.	20599 Mack Ave.	14950 Mack Ave.
LOCATION:	E/S, S of 10 Mile Rd.	S/S, W of Jefferson Ave.	W/S, S of Vernier	SEC of Alter Rd.
	St. Clair Shores	St. Clair Shores	Grosse Pointe Woods	Grosse Pointe/ Detroit
TAX I.D. NO:	09-14-27-279-038	09-14-34-229-033	40-007-01-1767-000	39-007-08-0059-000
				21-001004-8
PHYSICAL DATA:				
configuration:	irregular	rectangular	rectangular	mostly rectangular
frontage:	+/-127 feet	+/-220 feet	+/-250 feet	+/-205 feet
net site area:	36,547 square feet	41,382 square feet	25,657 square feet	13,504 square feet
net site area:	0.839 acres	0.950 acres	0.589 acres	0.310 acres
wetlands:	none	none	none	none
utilities:	all available	all available	all available	all available
road surface:	paved	paved	paved	paved
zoning:	Comm. & Res.	Commercial	Commercial	Commercial
status at sale:	vacant	vacant	B.O.A. bank brance	vacant
use:	future commercial	future commercial	MedPost Urgent Care	bank branch
SALE DATA:				
sale price:	\$399,000	\$450,000	\$995,000	\$225,000
date:	January 7, 2022	January 7, 2022	August 25, 2015	May 21, 2019
terms of sale:	active listing	active listing	cash	cash
seller:	24621 Jefferson, LLC	Chabula Production, LLC	20599 Mack, LLC	City of Grosse Pointe
purchaser:	N/A	N/A	MP Grosse Pointe, Ltd.	Huntington National Bank
unit pricing:	\$10.92 per SF	\$10.87 per SF	\$38.78 per SF	\$16.66 per SF
VERIFICATION:	Public Records	Public Records/Broker	Public Records	Public Records/Broker
COMMENTS:	future commercial	future commercial	Urgent Care	bank branch

For the above properties, the range of unit pricing reflects location and physical characteristics variances. In analyzing the sales information, the salient physical, location and economic characteristics are examined and adjustments are made prior to concluding a market unit price per square foot for the subject site. In the Sales Comparison Approach transactional adjustments are made to the sale comparables in the following order:

- property rights conveyed
- financing (cash equivalency)
- conditions of sale
- expenditures after purchase
- market conditions

Transactional adjustments are applied in a specific sequence and they are made to the total sale price. The adjusted price is then converted into a unit price and adjusted for the "property"

related elements of comparison. These adjustments are made in no specific order and are summarized below:

- location
- economic characteristics
- use/zoning
- non-realty components
- physical characteristics

<u>"as is" Fee Simple Market Value by Sales Comparison Approach</u>: Adjustments were made for conditions of sale, location, site configuration, and economic factors (demographic), with a summary of the adjustments provided below:

	SALE	NO. 1	SALE	NO. 2	SALE	NO. 3	SALE	NO. 4
Un-adj. unit pricing (\$/SF) Sequential adjustments:	\$10.92		\$10.87		\$38.78		\$16.66	
Property Rights Conveyed	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%
interim adj. unit price Financing	\$10.92 0.00	0.0%	\$10.87 0.00	0.0%	\$38.78 0.00	0.0%	\$16.66 0.00	0.0%
<i>interim adj. unit price</i> Conditions of Sale		-10.0%		-10.0%	\$38.78 0.00	0.0%	\$16.66 0.00	0.0%
<i>interim</i> adj. unit price Expenditures after Sale	\$9.83 0.00	0.0%	\$9.79 0.00	0.0%	\$38.78 0.72	1.9%	\$16.66 0.00	0.0%
<i>interim adj. unit price</i> Market Conditions	<b>\$9.83</b> (0.12)	-1.2%	\$9.79 0.00	0.0%	\$39.50 9.09	23.0%	\$16.66 2.00	12.0%
interim adj. unit price	\$9.71		\$9.79		\$48.60		\$18.66	
Cumulative adjustments: Location:								
municipality	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%
infrastructure	0.00	0%	0.00	0%	0.00	0%	0.00	0%
external influences	3.40	35%	3.43	35%	0.00	0%	4.67	25%
use/zoning sub-total:	0.00 \$3.40	<u>    0%</u> 35%	0.00 \$3.43	<u>0%</u> 35%	0.00	0%	0.00	0% 25%
Physical Characteristics	φ3.40	35 %	\$5.45	33 %	φ0.00	0 /0	φ4.07	2576
parcel size	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%
configuration	2.43	25%	0.00	0%	0.00	0%	0.00	0%
topography	0.00	0%	0.00	0%	0.00	0%	0.00	0%
overall utility	0.00	0%	0.98	10%	0.00	0%	0.00	0%
sub-total:	\$2.43	25%	\$0.98	10%	\$0.00	0%	\$0.00	0%
Sequential adjusted unit pricing	\$9.71		\$9.79		\$48.60		\$18.66	
Total of curnulative adjustments	5.83	60%	4.40	45%	0.00	0%	4.67	25%
Final adjusted unit pricing	\$15.54		\$14.19		\$48.60		\$23.33	
Total adjustment applied:	42.3	%	30.5	%	25.3	%	40.0	%

Based on the economic and physical characteristics of each sale, market value has been concluded placing most weight on Sale No. 3, the most comparable, although also most dated comparable in the sample. For this analysis, the conclusion is reasonably estimated within a range from  $\pm$ \$34 to  $\pm$ \$37 per square foot. Applying these rates to the land area of 18,644 square feet, the resultant values follow:

18,644	SF @	\$34.00	per SF =	\$633,896
18,644	SF @	\$37.00	per SF =	\$689,828
	reconc	ciled mar	rket value:	\$660,000
		\$	/SF GBA:	\$35.40

According to the city, there are 34 meters in the Anita Municipal Parking Lot, with 25 meters being 10-hour meters, and nine (9) meters being 4-hour meters. Meters are enforced Monday through Saturday, except Holidays. Generally speaking, \$0.25 provides 30-minutes, \$0.10 provides 12-minutes, and \$0.05 provides 6-minutes. On average, it is reported the meters generate  $\pm$ \$600 per month, or  $\pm$ \$7,200 per year. From a capitalization perspective, the parking revenue generated from the meters produces an average annual return of  $\pm$ 2.5%, which is measurably lower than typical Ground Lease type investments encumbering a vacant site, with leasehold improvements. Based on the conclusion rendered herein, maximum productivity for the site is to market the property for sale and undertake re-development by the private sector.

#### CONTRIBUTORY VALUE OF PERSONAL PROPERTY/INTANGIBLES: None noted.

**EXPOSURE TIME:** A reasonable exposure time is one of a series of conditions in most market value definitions. Exposure time is "an opinion, based upon supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal".<sup>9</sup> It has been concluded a reasonable exposure time for the subject would have been  $\pm 9$  months, assuming pricing within the general range of that indicated as market value.

<sup>&</sup>lt;sup>9</sup> Uniform Standards of Professional Appraisal Practice, 2020-2021 Edition, page 4

**STANDARD APPRAISAL LIMITING CONDITIONS:** This Restricted Appraisal Report is subject to the following limiting conditions, as well as those which have been specifically set forth within the analysis:

- By receipt and acceptance of this report, the client acknowledges disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute and the undersigned is a member of the Appraisal Institute. The By-Laws and Regulations of the Institute require each member and candidate to control the use and distribution of each appraisal report signed by such member or candidate. Therefore, except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of this appraisal report, in its entirety, to such third parties as may be selected by the party for whom this appraisal report was prepared; however, portions of this appraisal report shall not be given to third parties without prior written consent of the signatories of this appraisal report.
- Use of this appraisal report is contingent upon fulfillment of the appraisal contract, whether written or oral. Upon full payment of all sums due the appraiser, this appraisal report becomes property of the client subject to all restrictions upon disclosure and use included herein and made a part hereof. The report and its conclusions will not be released to a third party by the appraiser or his employees without the client's consent. This limitation on release does not apply to market data or other information obtained by the appraiser for use within the report.
- Neither all nor part of the contents of this report, especially conclusions as to value and the identity and affiliations of the appraiser, shall be disseminated to the public through advertising, public relations media, news media, sales media or any other public means of communication without the prior written consent and specific approval of the appraiser.
- By receipt and acceptance of this report, the client acknowledges that, unless otherwise specifically agreed to elsewhere in writing, the fee for this appraisal report does not include any subsequent services such as meetings, conferences, depositions, hearings, trial preparation, attendance and testimony at trial, or any other dissemination or defense of the appraisal and its conclusions by the appraiser. These services, if requested, will be invoiced and paid on an hourly basis at the standard hourly rate of the appraiser at the time of the actual service.
- No responsibility is assumed for matters legal in character nor is any opinion rendered as to title, which is assumed to be good. All existing liens and encumbrances have been disregarded, except as noted otherwise, and the property is appraised as though free and clear under responsible ownership and competent management.
- Other information identified in this report as being furnished by others is believed to be reliable but no responsibility is assumed for its accuracy.
- No survey or analysis of the property has been made. Unless otherwise noted, investigation into hidden or underground conditions of the subject has not been undertaken and no opinion is offered in this regard. This limiting condition includes, but is not limited to, adverse soil conditions, hidden structural defects, hazardous materials, toxins and infestation.
- I have assumed the subject to be free of hazardous waste or toxins. As a real estate appraiser, I am neither trained nor qualified to investigate or identify the existence of toxins or hazardous waste on the subject.

- Information concerning market data was obtained from buyers, sellers, brokers, attorneys, trade publications or public records, and to the extent possible, was examined for accuracy and is believed to be reliable. Comparable sales data and sources are confidential and for purposes of this report only.
- Exhibits in the report are intended to assist a reader in visualizing the property and its surroundings; drawings are not intended as surveys; no responsibility is assumed for cartographic accuracy nor are drawings intended to be exact in size, scale or detail.
- Unit values applied to the subject parcel as a whole are applicable only to the entire parcel as defined. All unit values or other means of comparison should not be applied to other properties or individual sub-parcels or divisions of the subject. It is also inappropriate to make a partition based upon fractional or minority ownership interests, unless specifically addressed within the appraisal report.
- All areas and dimensions have been checked on the ground, where practical. If furnished by the person(s) requesting the appraisal, or from public records, I assume areas and dimensions to be reasonably accurate. In the absence of registered surveys, land areas may be based upon representations made, and no responsibility is assumed for discrepancies which may become evident from a licensed survey of the property.
- I have not made a specific compliance survey and analysis of the property to determine whether it is in conformity with the various detailed requirements of the Americans with Disabilities Act (ADA). It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of ADA. If so, this fact could negatively impact value and/or marketability of the property. Since I have no direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of the ADA in estimating market value of the real property.
- The appraiser assumes no responsibility for economic, physical, political, or demographic factors, which may affect or alter the opinions in this report if said economic, physical, political, or demographic factors change after the effective date of value. The appraiser is not obligated to predict future political, economic, or social trends and/or events. All conclusions and opinions expressed in this appraisal report apply to the effective date of valuation set forth in the letter of transmittal contained within this report.
- Corresponding with the appraisal engagement agreement, it is necessary to emphasize that the conclusions contained herein reflect market conditions apparent as of the effective date of this valuation. It is also important to understand that during the COVID-19 pandemic, markets are rapidly changing, and may continue to experience significant fluctuations until market conditions stabilize.

**<u>CERTIFICATION</u>**: I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I have not performed an appraisal or any other real estate services regarding the property that is the subject of this report, within the 3-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in a manner which complies with <u>Standard 2-2(b)</u> of the **Uniform Standards of Professional Appraisal Practice (USPAP)** <u>2020-2021 Edition</u>.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the <u>Code of Professional Ethics</u> and <u>Standards of</u> <u>Professional Appraisal Practice</u> of the **Appraisal Institute**.
- The use of this report is subject to the requirements of the **Appraisal Institute** relating to review by its duly authorized representatives.
- John R. Widmer, Jr., MAI has made a physical inspection of the property that is the subject of this report, inspected all comparables utilized in substantiation of market value for the subject, and personally made the necessary investigations and analyses pertinent to valuing the property.
- Ronald E. Frohm, MAI provided real property appraisal assistance to the person signing this certification.
- As of the date of this report, John R. Widmer, Jr., MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- I am licensed in the state of Michigan as a <u>certified general</u> appraiser, and as stipulated by Michigan law, "appraisers are required to be licensed and are now regulated by the Michigan Department of Licensing & Regulatory Affairs, P.O. Box 30018, Lansing, Michigan 48909".

Certification - continued:

• In my opinion, the following has been reconciled for the subject property:

Fee Simple Market Value, effective October 13, 2021\$660,000

Corresponding with USPAP, it is necessary to emphasize that the conclusion contained herein reflects market conditions apparent as of the effective date of this valuation. It is also important to understand that during the COVID-19 pandemic, markets may continue to change, and may continue to experience significant fluctuations until market conditions stabilize.

John R. Widmer, Jr., MAI Certified General Appraiser No. 1201000280 jwidmer@frohmwidmer.com Direct line: 248-471-6767 ext. 11

DATE: January 7, 2022

#### APPRAISAL QUALIFICATIONS of JOHN R. WIDMER, JR., MAI

#### APPRAISAL EXPERIENCE

Over 35-years experience in the real estate appraisal field. Principal activities have included a wide range of income property valuation, across the state of Michigan. Appraisal assignments primarily include comprehensive narrative reporting of market value for owner-user and investment properties. Additional experience includes appraisal review and consultation for an assortment of litigation matters, involving various property types. Real estate related services include property owner representation in ad valorem appeals filed with the Michigan Tax Tribunal.

#### **ILLUSTRATION OF APPRAISAL EXPERIENCE**

- 1990-Present: **Frohm & Widmer, Inc.** Specializing in the appraisal of income producing properties, with extensive experience also with regard to owner/user properties and going-concern valuations. Property types include but are not limited to shopping centers, apartments, office and industrial buildings, golf courses, hotels, and special use properties. Appraisals and consultation completed for tax and zoning appeals, estate and probate matters, mortgage financing, condemnation, feasibility analysis for new construction, establishing bid and/or sale prices, investment analysis and annual portfolio reviews for institutional investors. Additional appraisal related activity includes fee review assignments.
- 1986-1990: <u>Independent Fee Appraiser</u> specializing in the preparation of narrative appraisal reports on various income producing properties. Appraisal assignments sub-contracted through local fee appraisers. Consulting services included condominium and single-family subdivision market studies, zoning appeal, and lease analyses.

#### ASSOCIATED CLIENTELE

Appraisals prepared for various local and national commercial banks, life insurance companies, governmental agencies, municipalities, attorneys, accountants, developers, institutional and private investors.

#### PROFESSIONAL MEMBERSHIPS AND AFFILIATIONS

Member, Appraisal Institute (MAI No. 9038 - August 1991) (As of the date of this report, John R. Widmer, Jr. has completed the continuing education program for Designated Members of the Appraisal Institute)

Member - MAI Admissions Review Committee, Michigan Chapter Member - Region III Ethics/Review and Counseling Committee Certified General Appraiser - Permanent I.D. No. 1205000280 (through 7/31/2023)

#### **GENERAL EDUCATION**

Eastern Michigan University, Ypsilanti, Michigan (December 1985) Bachelor Business Administration - Real Estate and Finance majors

Real Estate Related Courses:

Introduction to Real Estate Appraisal Property Management Real Estate Development (Ind. Study) Land Use Planning Economics Real Estate Law Real Estate Financing Investment Analysis

#### APPRAISAL EXAMINATIONS SUCCESSFULLY COMPLETED

American Institute of Real Estate Appraisers - Course 1A-1/8-1 "Real Estate Appraisal Principles"

American Institute of Real Estate Appraisers - Course 8-2 "Residential Valuation"

American Institute of Real Estate Appraisers - Course 1A-2 "Basic Valuation Procedures"

American Institute of Real Estate Appraisers - Course 1B-A "Capitalization Theory and Techniques, Part A"

American Institute of Real Estate Appraisers - Course 1B-B "Capitalization Theory and Techniques, Part B"

> American Institute of Real Estate Appraisers "Comprehensive Examination"

#### SPECIALIZED APPRAISAL EDUCATION

American Institute of Real Estate Appraisers - Course SPP "Standards of Professional Practice"

American Institute of Real Estate Appraisers - Course 2-1 "Case Studies in Real Estate Valuation"

American Institute of Real Estate Appraisers - Course 2-2 "Report Writing and Valuation Analysis"

Appraisal Institute - Course 410 "Standards of Professional Practice - Part A (USPAP)"

Appraisal Institute - Course 420 "Standards of Professional Practice - Part B"

Appraisal Institute - Course 430 "Standards of Professional Practice - Part C"

Appraisal Institute - Course 520 "Highest and Best Use and Market Analysis"

#### APPRAISAL SEMINARS

A sampling of appraisal seminars I have attended include:

Leased Fee Valuation - Appraisal Institute Valuation of Partial Interests - Appraisal Institute Discounted Cash Flow Analysis - Appraisal Institute Market Rate Extraction - Appraisal Institute Current Issues & Misconceptions in the Appraisal Process - Appraisal Institute Appraisal of Retail Properties - Appraisal Institute Analyzing Operating Expenses - Appraisal Institute Feasibility, Market Value, Investment Timing: Option Value - Appraisal Institute Small Hotel/Motel Valuation - Appraisal Institute Introduction to GIS Applications for Real Estate Appraisal - Appraisal Institute Online Internet Search Strategies for Appraisers - Appraisal Institute Michigan Appraisal Law - Appraisal Institute

I have presented the following seminars:

Understanding Appraisals (Commercial Lending Group - Michigan National Corporation) "Nuts and Bolts" of the Market Approach (International Association of Assessing Officers) Michigan Property Tax (Lorman Education Services)

#### NOTABLE APPRAISAL ASSIGNMENTS

#### Office:

Wilshire Plaza (3) Class "A" Office bldgs. 3-story/547,000 SF Troy, MI

Michigan National Bank HQ 27777 Inkster Road Farmington Hills, MI

American Center Class "A" Office/Retail 25-story/623,773 SF Southfield, MI

Standard Federal HQ Class "A" Office 6-story/450,000 SF Troy, MI

Columbia Center Class "A" Office/Retail 13-story/250,000 SF Troy, MI

Timberland Office Center class A office park 355,000 square feet Troy, MI

Volkswagen of N.A. Headquarters - ±330,000 SF Auburn Hills, MI

#### Retail:

JCPenney Dept. Stores Various locations across state of Michigan

Westwood Mall enclosed regional mall 456,000 square feet Jackson, MI

Meadowbrook Village open-air lifestyle center Rochester Hills, MI

Partridge Creek Mall Open-air lifestyle center Clinton Twp., MI Northland Mall enclosed regional center Southfield, MI

Grand Traverse Mall enclosed regional center Garfield Twp., MI

Fountain Walk open-air lifestyle center Novi, MI

Industrial: Metro Airport Center Foreign trade zone 297,941 square feet Romulus, MI

Centerpoint Business Park GM/Etkin joint venture 146 acres Pontiac, MI

Reid Road Warehouse Multi-tenant 673,534 square feet Grand Blanc, MI

Detroit Diesel Corporation Industrial Manufacturing ±3.2 million square feet Redford Twp., MI

Residential:

Franklin Park Towers 1,135 unit elevator project Southfield, MI

The Willits Luxury condos/CBD Retail Birmingham, MI

Hidden Lake Private, lakefront community 330 units, ±380 acres Green Oak Township, MI The Hamlet 954 unit P.D.D. Canton Township, MI

Miscellaneous: Forest Lake CC Bloomfield Twp., MI

Suburban Collection Exposition Center Novi, MI

Townsend Hotel full-service, luxury hotel Birmingham, MI

Parking lots at DTW 13,600 spaces, long-term, "off-airport" parking Romulus, MI

EDS deep injection well Valuation impact study Romulus, MI

MIS - Motorsports Super Speedway Brooklyn, MI

SSIHM Monroe Campus Motherhouse, accessory land and structures Monroe, MI

Farmington Founders Park Municipal recreation park 93.80 acres Farmington Hills, MI

Treetops Resort 4-season Recreation Resort Gaylord, MI

City of Detroit Hotel Assessments CBD, New Center & Midtown

#### **RECENT REPRESENTATIVE LIST OF CLIENTS**

#### **Financial Institutions:**

Bank of America JPMorgan Chase Bank PNC Bank TCF National Bank Talmer Bank Huntington Bank Fifth Third Bank People's Bank The Private Bank Level One Bank Comerica Bank First National Bank in Howell

#### Mortgage Companies:

AMI Capital, Inc. AMRESCO, Inc. Bloomfield Acceptance Corp. Eichler, Fayne & Associates Hartger & Williard J.E. Robert Company Keycorp Mortgage, Inc. Washington Mortgage Financial Washington Capital

#### Attorneys:

Jackier Gould, PC Hallahan & Associates, PC Monaghan, PC Honigman Miller Schwartz & Cohn, LLP Frasco Caponigro Wineman & Scheible, PC Secrest Wardle, PC Sullivan & Leavitt, PC Miller, Canfield, PLC Wright Penning & Beamer, PC Eastman & Smith Ltd. Kerr, Russell and Weber, PLC Steinhardt Pesick & Cohen, PC

#### **Development/Investment:**

AEW Capital Partners, LP Biltmore Properties Damavoletes Properties Etkin Equities, Inc. JP Morgan Investment Mgt., Inc. JFK Investment Group Kojaian Management R.A. DeMattia Company The Farbman Group The Selective Group

#### **Corporations:**

Argus Corporation **Botsford General Hospital** Catherine McAuley Health Systems Clark Refining & Marketing **Country Building Supplies** Daughters of Charity of St. Vincent dePaul **Roush Technologies** Environmental Disposal Systems, Inc. Hines Park Lincoln Mercury Jackson National Life **JCPenney** LDJ Electronics McDonald Ford Northwest Propane **Phillips Service Industries Rush Trucking** Ticor Title Insurance Company World Computer Corporation

#### Institutional Lenders:

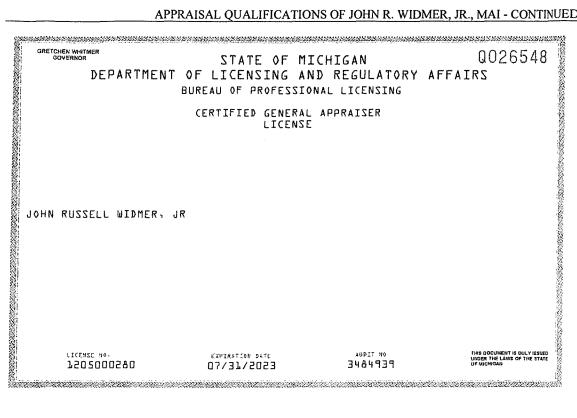
AEGON USA Realty Advisors Alexander Hamilton Life CIBC World Markets Citi Mortgage IDS Financial Services The Equitable of Iowa Nomura Asset Capital Corporation United of Omaha Life Starwood Mortgage Capital, LLC

#### **Government Related:**

FDIC FNMA State of Michigan M-DOT

#### **Municipalities:**

Adrian, Auburn Hills, Bear Creek Twp., Big Rapids, Birmingham, Bloomfield Twp., Cambridge Twp., Clinton Twp., Detroit, Farmington, Farmington Hills, Garfield Twp., Greenville, Livonia, Marion Twp., Orchard Lake Village, Orion Twp., Port Huron, Rochester Hills, Royal Oak, Southfield, Taylor, Tecumseh, West Bloomfield Twp., Westland



#### PROFESSIONAL REFERENCES - FROHM & WIDMER, INC.

Since the inception of Frohm & Widmer, Inc. in 1990, appraisal assignments have covered a wide spectrum of property types, including but not limited to Office, Industrial, Shopping Centers, Apartments, Hotels, Golf Courses, Vacant Land and a variety of Special Use properties. For a list of notable Appraisal Assignments, please refer to the Curriculum Vitae. Over the past several years, focus of Appraisal Assignments has been on a sampling of more complex properties, primarily in association with litigation support services. A summary of trial testimony related to these assignments is provided below:

COURT	PARTIES	CLIENT	DOCKET	DATE
Oakland County Circuit	Civic Center Office, LLC v. RCOC	Property Owner	00-025373-CC	May-02
Michigan Tax Tribunal	Highland-Howell Dev. Co., LLC v. Marion Twp.	Respondent	261431 & 266534	07/09/09
Michigan Tax Tribunal	Oakland Commons Acq., LLC v. City of Southfield	Respondent	333712	11/09/09
Washtenaw County Circu	it Grand Sakwa of Northfield, LLC v. Northfield Twp.	Property Owner	04-1105-CH	Mar-10
Michigan Tax Tribunal	Brighton Mall v. City of Brighton	Petitioner	360623	10/18/11
Michigan Tax Tribunal	Knolwood Country Club v. West Bloomfield Twp.	Respondent	285849	11/07/11
Michigan Tax Tribunal	Treetops Acqusition Co., LLC v. Township of Dover	Petitioner	316763	05/07/12
Michigan Tax Tribunal	Eight-Haggerty Properties, LP v. City of Novi	Petitioner	371622	08/07/12
Michigan Tax Tribunal	JBM Tecumseh MFG RE, LLC v. City of Tecumseh	Respondent	417491	10/10/13
Michigan Tax Tribunal	JCPenney v. City of Grandville	Petitioner	453898	01/26/15
Michigan Tax Tribunal	Dorian Ford v. Clinton Twp.	Respondent	455503	08/27/15
Michigan Tax Tribunal	Plum Hollow Golf Club v. City of Southfield	Respondent	452499	09/24/15
Macomb County Probate	Maurice A. Reygaert Revocable Living Trust	Defendant	2013-211177-DA	01/06/16
Michigan Tax Tribunal	Glassman Oldsmobile v. City of Southfield	Respondent	14-003012-TT	03/17/16
Michigan Tax Tribunal	VEV Real Estate, LLC v. City of Taylor	Respondent	14-003099-TT	05/17/16
Michigan Tax Tribunal	Pine Lake Country Club v. West Bloomfield Twp.	Respondent	14-003247-TT	06/28/16
Michigan Tax Tribunal	Rough Road Holding Co., LLC v. Surrey Twp.	Petitioner	15-001837-TT	03/31/17
Michigan Tax Tribunal	Sherry Wagar v. Northfield Twp.	Respondent	15-006926-TT	05/30/17
Michigan Tax Tribunal	Iris, LLC v. City of Royal Oak	Respondent	16-003127-TT	11/28/17
Michigan Tax Tribunal	Kroger Co. of Michigan v. City of Howell	Petitioner	16-002784-TT	02/07/18
Michigan Tax Tribunal	Plum Hollow Golf Club v. City of Southfield	Respondent	17-002072-TT	11/14/18
Michigan Tax Tribunal	Meijer, Inc. v. City of Flat Rock	Respondent	16-001205-TT	02/15/19
Michigan Tax Tribunal	Parkway Village, LLC v. Township of Clinton	Respondent	17-002793-TT	03/05/19
Michigan Tax Tribunal	Detroit Diesel Corporation v. Township of Redford	Respondent	17-001174-TT	03/25/19
Michigan Tax Tribunal	Rural King v. Hartland Township	Respondent	17-002207-TT	05/07/19
Michigan Tax Tribunal	Armada Oil & Gas v. City of Southfield	Respondent	18-000532-TT	07/31/19
Michigan Tax Tribunal	SA676US23, LLC v. Township of Harrisville	Respondent	18-002297-TT	02/27/20
Michigan Tax Tribunal	STW Investments, LLC v. City of Brighton	Respondent	19-002585-TT	11/09/20
Michigan Tax Tribunal	Indianwood Golf & CC v. Township of Orion	Respondent	18-001886-TT	01/22/21
Michigan Tax Tribunal	Meadowbrook CC v. Township of Northville	Respondent	19-002548-TT	02/09/21
Aichigan Tax Tribunal	NOSAJ Properties, LLC v. City of Belleville	Respondent	18-001259-TT (	03/15/21
lichigan Tax Tribunal	RMKB Holdings, LLC v. City of Chelsea	Respondent	20-000974-TT (	09/27/21