



**Regular City Council Meeting
7:00 p.m., Monday, January 7, 2018
Conference Room
23600 Liberty Street
Farmington, MI 48335**

REGULAR MEETING AGENDA

- 1. Roll Call**
- 2. Approval of Agenda**
- 3. Public Comment**
- 4. Planning Commission Reappointment Interview**
- 5. Discuss professional services agreement with Plante Moran for Unified Communication services including replacement of the City's phone systems**
- 6. Public Safety Director Demers – Discussion on how Farmington Public Safety is enforcing the recreational marijuana law**
- 7. Discussion on Founders Festival**
- 8. Other Business**
- 9. Council Comment**
- 10. Adjournment**

Farmington City Council Staff Report	Council Meeting Date: January 7, 2019	Item Number 4
Submitted by: Melissa Andrade		
<u>Agenda Topic:</u> Board and Commission reappointments		
<u>Proposed Motion:</u> A. Move to reappoint Miriam Kmetzo to the Farmington to the Farmington Planning Commission for a term ending June 30, 2021. B. Move to reappoint Steven Majoros to the Farmington Planning Commission for a term ending June 30, 2021.		

Farmington City Council Staff Report	Council Meeting Date: January 7, 2019	Item Number 5
Submitted by: City Manager		
Agenda Topic: Unified Communication (including a City Phone System)		
Proposed Motion: Discussion Only		
<p>Background: The City's phone systems are obsolete and should be replaced. Currently, the City has different phone systems at City Hall, the DPW, the Civic Theater, and the Governor Warner Mansion. It is difficult to find parts and qualified technicians to make repairs to the City Hall and DPW systems; and, basic updates require costly service calls. This issue is especially problematic at the DPW, where there is a chance that the system could fail and may not be repairable.</p> <p>City Administration would like to hire a consultant to coordinate the purchase of a new phone system for the City. The consultant would provide the following services:</p> <ol style="list-style-type: none"> 1. Inventory, Assessment, and Planning 2. Pre-Project Services 3. Project Build, Implementation, and Close Out Services <p>Earlier this year, the City participated in a joint RFP process with Farmington Hills for unified communications, including implementation of a new phone system. Unified communication included implementing the following projects:</p> <ol style="list-style-type: none"> 1. IP based phone system 2. CCTV interior and exterior in City facilities and parks 3. Security enhancements as they relate to UC Systems 4. Emergency notification of employees 5. Infrastructure and storage enhancements 6. Improved Wi-Fi 7. Video Collaboration 8. Audio/Visual improvements and enhancements <p>It made sense to partner with the Hills on this project, as some of our needs are similar. Savings could be achieved due to economies of scale, and if the 2 cities select the same systems, the City could benefit from low or no cost IT support from the Hills for basic questions. Due to a lack of funding, the City withdrew from the process, and the Hills ultimately selected Plante Moran to do the work. With funding now available through the new millage, the City has the opportunity to join back in with the Hills under their approved contract. See attached pricing proposal and engagement letter.</p> <p>The cost of the consulting services agreement is split into 2 components. The first component is a fixed fee of \$12,100 for inventory, assessment, and planning services. The second component is a percentage fee based on the project budget. The cost of a new phone system is estimated to be approximately \$50,000 - \$70,000. Therefore, Plante Moran's fee for the phone system component would be \$9,000 to \$12,600. The cost of the other features of the unified communication system are not determined at this time.</p>		
Materials: Plante Moran Pricing Proposal and Engagement Letter		



Plante & Moran, PLLC
 27400 Northwestern Highway
 P.O. Box 307
 Southfield, MI 48037-0307
 Tel: 248.352.2500
 Fax: 248.352.0018
 plantemoran.com

May 4, 2018

Ms. Kelly Monico, Director of Central Services
 Department of Central Services
 Purchasing Division
 City of Farmington Hills, MI
 31555 Eleven Mile Road
 Farmington Hills, MI 48336-1165

Dear Ms. Monico:

We appreciated the opportunity to meet with you and your team on April 23, 2018 to review our cost proposal and provide clarifications as it relates to the City’s Unified Communications (UC) Consulting Services Request for Qualifications (RFQ). We are excited about the opportunity to partner with the City on this very important initiative and this letter serves as an addendum to our previously submitted qualifications and cost proposal documents.

As previously outlined in our submittals, our services will include:

- Phase 1** - Inventory, Assessment & Planning
- Phase 2** - Pre-Project Services (Procurement Assistance)
- Phase 3** - Project Build/Implementation Management

Though specific projects were identified in the City’s RFQ and request for cost proposal documents, we understand that the sequencing and timing for these types of projects may vary based on the outcome of Phase 1. Upon completion of Phase 1, we will work with the City’s project team to evaluate the current list of technology initiatives and modify them accordingly to address the needs of the City. As technology progresses and the needs of the City change, we understand that technology initiatives may also change and go beyond the initial 2-year planning horizon. To help adapt to the changing needs of the City, we are amending our fee structure.

Since Phase 1 is a defined activity, consistent with your expectations, we are proposing a fixed fee for Phase 1 which is as follows and is consistent with our Cost Proposal submittal.

#	Activity	CoFH	CoF	Fixed Fee
10.A	Phase 1 - Inventory, Assessment & Planning	\$33,200	\$12,100	\$45,300
10.B				

For phases 2 and 3, we are proposing a framework for identifying our fees for professional services rendered. The fee structure will be based on a percent of established budget for each project and will include pre-project services, project build/implementation management and program management activities. A project is defined as a technology initiative designed to accomplish a specific objective. A published bid may solicit proposals for multiple projects.



		Fee Structure (Based on Project Budget Amount)			
#	Activity/Project Budget	\$50K - \$100K	\$100K - \$250K	\$250K - \$500K	> \$500K
10.C	• Phase 2 - Pre-Project Services	12%	9%	8%	5%
10.D	• Phase 3 - Project Build/Implementation Services • Program Management	6%	5%	4%	4%
Total Fees as a % of Project Budget		18%	14%	12%	9%
*We would like to discuss the fees with the City for project budgets identified in these ranges and for any projects below \$50K before we can provide a not to exceed fee.					

The above framework may be used to identify our fees for any technology initiatives where consulting services are desired. For each technology initiative, we will review with the City’s project team, the desired scope of services, the estimated budget for the initiative, and we will provide the City with a not-to-exceed fee for our efforts. We understand that this framework may not to be directly applicable to every technology initiative therefore we will discuss any concerns with the City first and we will proceed only upon your approval. Our fees are based on providing both on-site and off-site services as required by specific project activities.

We understand that the City of Farmington is also a partner in the UC initiative and is interested in participating in certain aspects of the program. Our fixed fees (for Phase 1) and the fee structure (for Phases 2 and 3) assume that all aspects of the Phase 1, Phase 2 and Phase 3 will occur simultaneously for both the City of Farmington Hills and City of Farmington, as there are synergies to be gained and those factors were taken into consideration when identifying the fees for this project. The fees may be impacted if the timelines for common initiatives vary.

The fee structure table shown above may be extended to other infrastructure and technology design projects as outlined in the City’s “Capital Improvements Plan 2018/2019-2023/2024” document and can include projects such as:

- Virtual Desktop Infrastructure (VDI)
- Infrastructure systems and storage upgrades
- Expansion of a two-factor based Virtual Private Network
- Technology design and planning for new constructions and building renovations

OTHER TECHNOLOGY SERVICES

As per our discussion, in addition to the services identified by your UC Consulting Service RFQ and Capital Improvements Plan, as shown in our Request for Qualifications (Tab B) submittal dated January 10, 2018, Plante Moran can offer a wide range of Information Technology Consulting Services. Through this submittal, we would like to extend the following fee structure and/or rate schedule for the following category of services that maybe under consideration by the City.

Cybersecurity Services: Our security team provides a variety of solutions to public sector clients including:

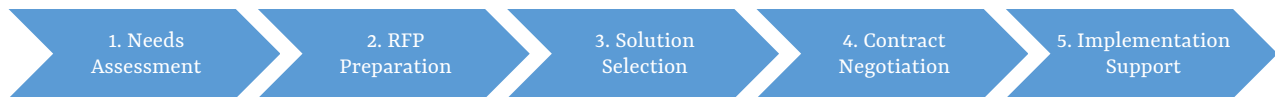
- IT risk and internal control assessment
- Baseline network security assessments (layered approach – Internet, firewall, network, etc.)



- Business process/application security and control reviews
- Security planning including development of security strategies and plans, policies, procedures and training
- Adherence to compliance-related issues such as PCI Data Security Standards, HIPAA, GLBA and Red Flag
- Network security assessment and penetration studies
- Business continuity and disaster recovery planning

These services very often use a variety of resources, and fees for these activities will be offered at our blended hourly rate of \$180 for all employee classifications. For the desired services, we will provide the City with a not-to-exceed fee and will proceed only upon your approval.

ERP Software Advisory Consulting Services: Having performed similar ERP projects for many large and medium size public sector organizations over the years, Plante Moran’s project consultants have developed and refined a proven methodology and set of related tools that provide outstanding and valued service to our clients by leveraging best practices while incorporating the unique needs of our clients. Our methodology to help the City review its existing ERP software and potentially select a financial/enterprise resource planning (ERP) software vendor includes the following phases:



Plante Moran proposes a time and materials not-to-exceed budget for all professional services, and we are providing preliminary estimated fees for our involvement in the City’s ERP project as summarized in the matrix below. All ERP consulting fees are based on a discounted blended professional services rate to the City for all consultants of \$245/hour which is inclusive of a limited amount of project related travel costs and expenses.

Phases 1-4: Through ERP Vendor Contract		Fees
Phase 0: Project Initiation/Project Management	(180 hours est.)	\$44,100
Phase 1: Needs Assessment		
Phase 2: RFP Preparation	(222 hours est.)	\$54,390
Phase 3: Solution Selection		
Phase 4: Contract Negotiation assistance (optional)		
Total Phase 1-4: Fees:		\$98,490

Scenarios for Phase 5: Implementation Support (optional)			
City’s Future ERP Vendor Investment ^A	Implementation Duration (months) ^A	Avg. % of City ERP Investment ^B	Estimated Plante Moran Fees ^C
< \$300,000	< 6	20%	\$58,800
< \$500,000	< 8	16%	\$78,400
< \$1,500,000	< 18	12%	\$176,400
< \$1,500,000	< 24	14%	\$235,200

- A. Scenario estimates for Plante Moran's implementation support role are based on the non-discounted 5 year total cost of ownership with the City future selected ERP vendor and the assumed implementation duration.
- B. Plante Moran Implementation Support fee estimates based on forty hours/week for the implementation duration.
- C. Plante Moran Implementation Support fees as percentage of the City's Future ERP Vendor Investment may range 5-10% higher or lower than the estimated percentage stated based on Plante Moran's role/level of involvement in project. Specific fees can be provided in conjunction/at such time when the City selects its preferred ERP vendor and develops implementation schedule and statement of work.

OTHER REQUIREMENTS AND ACKNOWLEDGEMENTS

In the City's Request for Pricing document dated March 23, 2018, we would like to provide clarifications to the following requirements/items.

- 10.D.1) "Hold and manage contracts with all sub-contractors" – We cannot hold in our name the City's contract with the awarded vendor(s). As a part of Phase 3, we will manage the awarded vendor to ensure projects are done in accordance the established contract.
- 10.D.2) "Provide oversight of building permits and inspections" – We will work with the vendor(s) to review the necessary building permits and inspections that may be required, but cannot obtain permits on their behalf.

We appreciate the opportunity to be of service to the Cities of Farmington Hills and Farmington. If you are in agreement with our understanding of this engagement, as set forth in this engagement letter and the accompanying Professional Services Agreement, please sign the enclosed copy of this letter and return it to us with the accompanying Professional Services Agreement. If you have any questions regarding this engagement letter, please do not hesitate to contact Sri Chalasani at 248.223.3707 or me at 248.223.3304.

Very truly yours,

Plante & Moran, PLLC



Judy Wright

Judy Wright, Partner

Agreed and Accepted

We accept this engagement letter and the accompanying Professional Services Agreement, which set forth the entire agreement between the City of Farmington Hills and Plante & Moran, PLLC with respect to the services specified in the “Scope of Services” section of this engagement letter. This agreement may be amended by written agreement between Plante & Moran, PLLC and City of Farmington Hills.

City of Farmington Hills

Kelly Monico

Date

Title

Appendix A: Professional Services Agreement – Consulting Services
Addendum to Plante Moran, PLLC Engagement Letter Dated May 4, 2018

This Professional Services Agreement is part of the engagement letter for our consulting services dated May 4 2018 between Plante & Moran, PLLC (referred to herein as “PM”) and City of Farmington (referred to herein as “the City”).

1. **Management Responsibilities** – The consulting services PM will provide are inherently advisory in nature. PM has no responsibility for any management decisions or management functions in connection with its engagement to provide these services. Further, the City acknowledges that the City is responsible for all such management decisions and management functions; for evaluating the adequacy and results of the services PM will provide and accepting responsibility for the results of those services; and for establishing and maintaining internal controls, including monitoring ongoing activities, in connection with PM’s engagement. The City has designated Kelly Monico, Director of Central Services, to oversee the services PM will provide.
2. **Nature of Services** – PM’s project activities will be based on information and records provided to PM by the City. PM will rely on such underlying information and records and the project activities will not include audit or verification of the information and records provided to PM in connection with the project activities.

The project activities PM will perform will not constitute an examination or audit of any the City financial statements or any other items, including the City’s internal controls. This engagement also will not include preparation or review of any tax returns or consulting regarding tax matters. If the City requires financial statements or other financial information for third-party use, or if the City requires tax preparation or consulting services, a separate engagement letter will be required. Accordingly, the City agrees not to associate or make reference to PM in connection with any financial statements or other financial information of the City. In addition, this engagement is not designed and cannot be relied upon to disclose errors, fraud or illegal acts that may exist. However, PM will inform you of any such matters that come to PM’s attention.

3. **Project Deliverables** – At the conclusion of PM’s project activities and periodically as PM progresses, PM will review the results of its work with the City and provide the City with any observations related to PM’s services that PM believes warrant the City’s attention. PM also will provide the City with copies of analyses or other materials that PM may develop in the course of this engagement upon the City’s request. PM will not issue a written report as a result of this engagement and the City agrees that the nature and extent of the work product that PM will provide, as outlined in this agreement, are sufficient for the City’s purposes.
4. **Interactive Analyses and Visualizations** – In instances where PM expressly agrees in the accompanying engagement letter to provide interactive analyses or visualization tools (collectively, “Electronic Documents”) to the City, such Electronic Documents will be provided in a format determined to be acceptable to PM. the City acknowledges and agrees that the City’s ability to access such Electronic Documents requires software programs which PM does not develop, license, distribute, support, or sell, and the City shall be solely responsible for the costs to obtain, use, or support any such required software. PM makes no representation or warranty with respect to such software or the continuing functionality of such software relative to the Electronic Documents and disclaims any and all express or implied warranties if any, associated with such software, its merchantability, and/or its fitness for any particular use by the City.

If and to the extent provided by PM, Electronic Documents are provided solely for the purpose of supporting the project deliverables and are to be used only as expressly described in and authorized by the project deliverables. PM disclaims any responsibility for any use of the Electronic Documents that is not expressly provided for in and authorized by the project deliverables. Further, the City acknowledges that the City is solely responsible for evaluating the adequacy and accuracy of any results generated through the use of Electronic Documents. PM will have no responsibility to support or update the Electric Documents for any events or circumstances that occur or become known subsequent to the date of their corresponding project deliverables.

The City acknowledges that PM may utilize proprietary works of authorship that have not been created specifically for the City and were conceived, created, or developed prior to, or independent of, this engagement including, without limitation, computer programs, methodologies, algorithms, models, templates, software configurations, flowcharts, architecture designs, tools, specifications, drawings, sketches, models, samples, records, and documentation (collectively, “PM Intellectual Property”). The City agrees and acknowledges that PM Intellectual Property is and shall remain solely and exclusively the property of PM. Upon payment for the engaged services, to the extent that PM incorporates PM Intellectual Property into the Electronic Documents (which PM shall do only as expressly provided for in the accompanying engagement letter), PM grants to the City a

limited royalty-free, nonexclusive, right and license to use such incorporated PM Intellectual Property for internal purposes only and in the original format. The City agrees not to copy, publish, modify, disclose, distribute, decompile, reverse engineer, or create derivative works based on PM Intellectual Property. Notwithstanding the foregoing, in no event will PM be precluded from developing for itself or for others, works of authorship which are similar to those included in the project deliverables.

If and to the extent PM shares information obtained from third-party data sources with the City, the City agrees not to (i) disclose or redistribute any such third-party data to third parties without the express written consent of PM; or (ii) attempt to extract, manipulate, or copy any embedded or aggregated third-party data from the Electronic Documents for any purpose.

5. **Confidentiality, Ownership and Retention of Work papers** – During the course of this engagement, PM and PM staff may have access to proprietary information of the City, including, but not limited to, information regarding trade secrets, business methods, plans, or projects. PM acknowledges that such information, regardless of its form, is confidential and proprietary to the City, and PM will not use such information for any purpose other than its consulting engagement or disclose such information to any other person or entity without the prior written consent of the City.

In the interest of facilitating PM's services to the City, PM may communicate or exchange data by internet, e-mail, facsimile transmission or other electronic methods. While PM will use its best efforts to keep such communications and transmissions secure in accordance with PM's obligations under applicable laws and professional standards, the City recognizes and accepts that PM has no control over the unauthorized interception of these communications or transmissions once they have been sent, and consents to PM's use of these electronic devices during this engagement.

Professional standards require that PM create and retain certain work papers for engagements of this nature. All work papers created in the course of this engagement are and shall remain the property of PM. PM will maintain the confidentiality of all such work papers as long as they remain in PM's possession.

Both the City and PM acknowledge, however, that PM may be required to make its work papers available to regulatory authorities or by court order or subpoena in a legal, administrative, arbitration, or similar proceeding in which PM is not a party. Disclosure of confidential information in accordance with requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this agreement. In the event that a request for any confidential information or work papers covered by this agreement is made by regulatory authorities or pursuant to a court order or subpoena, PM agrees to inform the City in a timely manner of such request and to cooperate with the City should the City attempt, at the City's cost, to limit such access. This provision will survive the termination of this agreement. PM's efforts in complying with such requests will be deemed billable to the City as a separate engagement. PM shall be entitled to compensation for its time and reasonable reimbursement of its expenses (including legal fees) in complying with the request.

PM reserves the right to destroy, and it is understood that PM will destroy, work papers created in the course of this engagement in accordance with PM's record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of work papers. PM has no obligation to maintain work papers other than for its own purposes or to meet those regulatory requirements.

Upon the City's written request, PM may, at its sole discretion, allow others to view any work papers remaining in its possession if there is a specific business purpose for such a review. PM will evaluate each written request independently. The City acknowledges and agrees that PM will have no obligation to provide such access or to provide copies of PM's work papers, without regard to whether access had been granted with respect to any prior requests.

6. **Consent to Disclosures to Service Providers**– In some circumstances, PM may use third-party service providers to assist with an engagement. In those circumstances, PM will require any such third-party service provider to: (i) maintain the confidentiality of any information furnished; and (ii) not use any information for any purpose unrelated to assisting with PM's services for the City. In order to enable these service providers to assist PM in this capacity, the City, by its duly authorized signature on the accompanying engagement letter, consents to PM's disclosure of all or any portion of the City's information to such service providers to the extent such information is relevant to the services the third-party service provider may provide and agrees that PM's disclosure of such information for such purposes shall not constitute a breach of the provisions of this agreement. The City's consent shall be continuing until the services provided for this engagement agreement are completed.
7. **Third-Party Data** – PM may reference third-party data sources in performing the services described in this engagement letter. Third-party data may include publicly-available data, commercially-available data licensed to PM, or information obtained from other sources. PM will use its judgment, discretion, best efforts and good faith in evaluating the use of third-party data sources, but does not warrant or guarantee the accuracy, completeness, or timeliness of any data obtained from third-party data sources and disclaims any liability arising out of or relating to the use of data from third-party data sources. The City acknowledges that any commercially-available third-party data sources referenced by PM are licensed to PM and PM's ability to share information obtained from commercially available third-party data sources is often restricted by the terms of use granted to PM by the licensor and, unless expressly set forth in the accompanying engagement letter, PM makes no representation or

warranty that the City will have access to data obtained from third-party data sources. If and to the extent PM shares information obtained from third-party data sources with the City, the City agrees not to disclose or redistribute any such third-party data to third parties without the express written consent of PM. This agreement does not convey to the City a sublicense to any third-party data source unless expressly agreed to in writing and signed by a duly authorized representative of PM. However, nothing herein shall prevent the City from directly contracting with or obtaining a license from any third-party data source if the City determines, in its sole discretion, that any such direct contract or license to be in its best interest.

8. **Fee Quotes** – In any circumstance where PM has provided estimated fees, fixed fees or not-to-exceed fees (“Fee Quotes”), these Fee Quotes are based on the City personnel providing PM staff the assistance necessary to satisfy the City responsibilities under the scope of services. This assistance includes availability and cooperation of those the City personnel relevant to PM’s project activities and providing needed information to PM in a timely and orderly manner. In the event that undisclosed or unforeseeable facts regarding these matters causes the actual work required for this engagement to vary from PM’s Fee Quotes, those Fee Quotes will be adjusted for the additional time PM incurs as a result.

In any circumstance where PM’s work is rescheduled, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadline related to the completion of PM’s work. Because rescheduling its work imposes additional costs on PM, in any circumstance where PM has provided Fee Quotes, those Fee Quotes may be adjusted for additional time PM incurs as a result of rescheduling its work.

PM will advise the City in the event these circumstances occur, however it is acknowledged that the exact impact on the Fee Quote may not be determinable until the conclusion of the engagement. Such fee adjustments will be determined in accordance with the Fee Adjustments provision of this agreement.

9. **Payment Terms** – PM’s invoices for professional services are due upon receipt unless otherwise specified in this engagement letter. In the event any of PM’s invoices are not paid in accordance with the terms of this agreement, PM may elect, at PM’s sole discretion, to suspend work until PM receives payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of PM’s consulting work. The City agrees that in the event that work is suspended, for non-payment or other reasons, PM shall not be liable for any damages that occur as a result of PM ceasing to render services.
10. **Fee Adjustments** – Any fee adjustments for reasons described in this agreement will be determined based on the actual time expended by PM staff at PM’s current hourly rates, plus all reasonable and necessary travel and related costs PM incurs, and included as an adjustment to PM’s invoices related to this engagement. the City acknowledges and agrees that payment for all such fee adjustments will be made in accordance with the payment terms provided in this agreement.
11. **Force Majeure – Neither party shall be deemed to be in breach of this engagement agreement as a result of any** delays or non-performance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, acts of God, war or other violence, or epidemic (each individually a “Force Majeure Event”). A Force Majeure Event shall not excuse any payment obligation relating to fees or costs incurred prior to any such Force Majeure Event.
12. **Exclusion of Certain Damages** – Except to the extent finally determined to have resulted from PM’s gross negligence or willful misconduct, the liability of PM and any of PM’s officers, directors, partners, members, managers, employees, affiliated, parent or subsidiary entities, and approved allied third party service providers (collectively, “PM Persons”) for any and all claims, losses, costs, and damages of any nature whatsoever so that the total aggregate liability of the PM and/or the PM Persons with respect to and arising out of the services provided hereunder shall not exceed the total fees paid to PM for the services provided in connection with this engagement agreement. It is agreed that these limitations on PM’s and the PM Persons’ maximum liability are reasonable in view of, among other things, the nature, scope, and limitations of the services PM is to provide, and the fees PM is to receive under this engagement. In no event shall the PM or the PM Persons be liable, whether a claim be in tort, contract, or otherwise, for any consequential, indirect, lost profit, punitive, exemplary, or other special damages. The exclusion of certain damages as set forth in this Section apply to any and all liabilities or causes of action against PM and/or the PM Persons, however alleged or arising, unless and to the extent otherwise prohibited by law. This provision shall survive the termination of this engagement.

In the event this engagement agreement expressly identifies multiple phases of services, the total aggregate liability of PM to the City shall be limited to no more than the total amount of fees paid by the City for the particular phase of services alleged to have given rise to any such liability.

13. **Defense, Indemnification, and Hold Harmless** – As a condition of PM’s willingness to perform the services provided for in the engagement letter, the City agrees to defend, indemnify and hold PM and the PM Persons harmless against any claims by third

parties for losses, claims, damages, or liabilities, to which PM or the PM Persons may become subject in connection with or related to the services performed in the engagement, unless a court having jurisdiction shall have determined in a final judgment that such loss, claim, damage, or liability resulted primarily from the willful misconduct or gross negligence of PM, or one of the PM Persons. This defense, indemnity and hold harmless obligation includes the obligation to reimburse PM and/or the PM Persons for any legal or other expenses incurred by PM or the PM Persons, as incurred, in connection with investigating or defending any such losses, claims, damages, or liabilities.

14. **Receipt of Legal Process** – In the event PM is required to respond to a subpoena, court order, or other legal process (in a matter involving the City but not PM) for the production of documents and/or testimony relative to information PM obtained and/or prepared during the course of this engagement, the City agrees to compensate PM for the affected PM staff's time at such staff's current hourly rates, and to reimburse PM for all of PM's out-of-pocket costs incurred associated with PM's response unless otherwise reimbursed by a third party.
15. **Termination of Engagement** – This agreement may be terminated by either party upon written notice. Upon notification of termination, PM's services will cease and PM's engagement will be deemed to have been completed. The City will be obligated to compensate PM for all time expended and to reimburse PM for related costs PM incurs through the date of termination of this engagement.
16. **Time Limits** – Except for actions to enforce payment of PM's invoices and without limiting any claims for indemnification hereunder, any claim or cause of action arising under or otherwise relating to this engagement must be filed within two years from the completion of the engagement without regard to any statutory provision to the contrary.
17. **Entire Agreement** – This engagement agreement is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties regarding the subject matter hereof. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this agreement, signed by all of the parties.
18. **Severability** – If any provision of this engagement agreement (in whole or part) is held to be invalid or otherwise unenforceable, the other provisions shall remain in full force and effect.
19. **Conflicts of Interest** – PM's engagement acceptance procedures include a check as to whether any conflicts of interest exists that would prevent acceptance of this engagement. No such conflicts have been identified. The City understands and acknowledges that PM may be engaged to provide professional services, now or in the future, unrelated to this engagement to parties whose interests may not be consistent with interests of the City.
20. **Agreement Not to Influence** – the City and PM each agree that each respective organization and its employees will not endeavor to influence the other's employees to seek any employment or other contractual arrangement with it, during this engagement or for a period of one year after termination of the engagement. The City agrees that PM employees are not "contract for hire." PM may release the City from these restrictions if the City agrees to reimburse PM for its recruiting, training, and administrative investment in the applicable employee. In such event, the reimbursement amount shall be equal to two hundred hours of billings at the current hourly rate for the PM employee.
21. **Signatures** – Any electronic signature transmitted through DocuSign or manual signature on this engagement letter transmitted by facsimile or by electronic mail in portable document format may be considered an original signature.
22. **Governing Law** – This agreement shall be governed by and construed in accordance with the laws of the State of Michigan, and jurisdiction over any action to enforce this agreement, or any dispute arising from or relating to this agreement shall reside exclusively within the State of Michigan.

End of Professional Services Agreement – Consulting Services



Plante & Moran, PLLC
 27400 Northwestern Highway
 P.O. Box 307
 Southfield, MI 48037-0307
 Tel: 248.352.2500
 Fax: 248.352.0018
 plantemoran.com

April 4, 2018

Ms. Kelly Monico, Director of Central Services
 Department of Central Services
 Purchasing Division
 City of Farmington Hills, MI
 31555 Eleven Mile Road
 Farmington Hills, MI 48336-1165

Dear Ms. Monico:

We appreciate the opportunity to submit our pricing proposal to provide Unified Communications (UC) Consulting Services to the City of Farmington Hills (hereinafter referred to as “Farmington Hills” or “City”). We understand that the City of Farmington is also a partner in the UC initiative and is interested in participating in certain aspects of the program. We are excited about the opportunity to work with you on this very important initiative.

PROJECT BACKGROUND

The Cities of Farmington and Farmington Hills recognize that engaging a Unified Communications strategy can be a critical component of their City’s digital transformation initiative and will be a quantum leap forward in how City employees will interact (communicate and collaborate) with one another and its residents. Over the next several years, it is the City’s intent to complete a series of projects that will fulfill the requirements necessary to update their communications systems. In January 2018, the City solicited Request for Qualifications (RFQ) from firms to partner with the City throughout this process. This letter is a follow-up to our RFQ submittals dated January 10, 2018 and our discussion conducted on March 9, 2018.

SCOPE OF SERVICES

The Unified Communications projects that the two Cities wish engage in are as follows. As requested for each of these projects, our services will include:

- Phase 1** - Inventory, Assessment & Planning
- Phase 2** - Pre-Project Services (Procurement Assistance)
- Phase 3** - Project Build/Implementation Management

Our detailed workplan for each of these projects and associated phase are described in **Tab F – Sample Workplan** for our RFQ submittal.

#	UC Project	Phase 1	Phase 2	Phase 3
1	IP based phone system	City of Farmington Hills – 28 buildings City of Farmington – 4 buildings		
2	CCTV interior and exterior in City facilities and parks	City of Farmington Hills - 28 buildings + parks locations on trails		
3	Security enhancements as they relate to UC systems	City of Farmington Hills; may include City of Farmington if phone system is managed out of the City of Farmington Hills data center		



#	UC Project	Phase 1	Phase 2	Phase 3
4	Emergency notification of employees	City of Farmington Hills		
5	Infrastructure and storage enhancements/upgrades as they relate to UC systems	City of Farmington Hills; may include City of Farmington if phone system is managed out of the City of Farmington Hills data center		
6	Improved Wi-Fi	City of Farmington Hills - 5 buildings + some parks locations		
7	Video Collaboration	City of Farmington Hills; extension of IP Based Phone System		
8	Audio/Visual improvements & enhancements	City of Farmington Hills – 6 primary locations and possibly 22 secondary locations		

Upon the completion of the Phase 1 (Inventory, Assessment & Planning), Phases 2 and 3 will commence. Due to synergies between the projects and also based on our experience in working with similar technologies, we have logically grouped the projects to form two bid packages so as to optimize the procurement process and their timing for release.

- **Bid Package 1** will address Communications Systems that incorporates:
 1. IP-based phone system
 2. Security enhancements as they relate to unified communication systems
 3. Infrastructure and storage enhancements/upgrades as they relate to unified communication systems
 4. Emergency notification of employees
 5. Video Collaboration
- **Bid Package 2** will address Infrastructure Systems, Physical Security & Multimedia Systems that incorporates:
 6. Improved Wi-Fi
 7. CCTV interior and exterior in City facilities and parks and
 8. Audio/Visual improvements & enhancements

We will work with the City’s project team to confirm and/or modify these the groupings. We will develop a detailed bid schedule that releases the RFPs (bid packages) in a logical manner, considering project timing, interdependencies, and grouping of technologies.

PROJECT SCHEDULE/ENGAGEMENT DURATION

Based on our discussions, we understand the City anticipates allocating its budget for the various projects and fees for project consulting support across the City’s fiscal years. As a result, we understand that the project may span across two years and potentially beyond. We have taken this into consideration while developing an estimation of the UC project’s timeline; we are open to adjusting this timeline to address the City’s needs. Please note that the timeline is predicated on the availability and responsiveness of your staff and assumes that project planning activities (Phase I) can take place immediately up on award notification.

	Months (mm/yy)																							
	5/18	6/18	7/18	8/18	9/18	10/18	11/18	12/18	1/19	2/19	3/19	4/19	5/19	6/19	7/19	8/19	9/19	10/19	11/19	12/19	1/20	2/20	3/20	4/20
Program Management																								
Steering Committee Meetings																								
Status / Functional Team Meeting																								
Phase I: Inventory, Assessment & Planning																								
1. Project Kick-off																								
2. Collect and Review Doc.																								
3. Stakeholder Interviews																								
4. Systems Assessment																								
5. Current State Assmt. Report																								
6. Dev. Draft UCC Strategic Plan																								
7. Coordinate Tech Demos																								
8. Finalize UCC Strategic Plan																								
9. Present Findings																								
Phase II: Pre-Project Services and Phase III: Project Build/Imp. Mgmt																								
Bid Package 1																								
Pre-Project Services																								
1. Conceptual Designs																								
2. Detailed Designs and Bid Pkg																								
3. RFP Dist. & Process Facilitation																								
4. Solution Eval, Select & Reco.																								
5. Update UCC Strategic Plan																								
6. Contract Negotiations (City)																								
Project Build/Imp. Mgmt																								
1., Project Kick-off																								
2. Vendor & Contract Mgmt.																								
3. Conduct Project Status Mtgs.																								
4. On-site Insp & Commissioning																								
5. Project Closeout																								
Bid Package 2																								
Pre-Project Services																								
1. Conceptual Designs																								
2. Detailed Designs and Bid Pkg																								
3. RFP Dist. & Process Facilitation																								
4. Solution Eval, Select & Reco.																								
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4. On-site Insp & Commissioning																								
5. Project Closeout																								
Program Closeout																								

PROJECT STAFFING AND AVAILABILITY

Please refer to **Tab D – Project Team** in our RFQ submittal for listing of the individuals comprising our proposed team for this project. A description of the role each will serve and resumes of each team member have also provided in our RFQ submittal.

Plante Moran is prepared to start the project within two weeks of notification. It is anticipated that the City will maintain a primary project sponsor and project manager who will be our main points of contact during the course of the project and will have the authority to make decisions on behalf of or in coordination with the City’s management team (i.e., the Advisory Team, Project Management Team and/or Project Sponsors). The Plante Moran consulting team also anticipates active participation from the City of Farmington during pertinent activities to ensure a successful implementation.

PROFESSIONAL SERVICES/FEEES

Our fee for this engagement, subject to the terms and conditions of the accompanying Professional Services Agreement (**Appendix D**), will be based on the value of the services we provide. Some key assumptions related to our pricing are as follow:

- The fees provided below are best effort estimates based on our understanding of your needs and knowledge of your environment. We welcome the opportunity to further discuss your needs and refine our fees to better match those needs.
- Per your request, we have identified the fees for each participating city. In an endeavor such as this, synergies and common tasks exist resulting in some common costs.
 - City of Farmington Hills is responsible for all costs related to 10.C Pre-Project Services for Bid Package 2, due to the City of Farmington not participating in these projects.
 - Costs for all other project activities are allocated to the two Cities on a prorated basis, calculated using the phone lines (handset) quantities provided, i.e., total of 607 - City of Farmington Hills – 562 (93%) and City of Farmington – 45 (7%).
 - **Appendix A: Summary of Activities and Professional Fees** provides detail regarding those costs that we believe are directly attributable to each city, as well as the allocation of shared costs based on the proration method described above. If desired, we will work with both Cities to identify an alternative allocation method as needed for the activities that are common to both organizations.
- Our fees assume that all aspects of the Phase 1 (Inventory, Assessment & Planning) and Phase 2 (Pre-Project Services) will occur simultaneously for both the City of Farmington Hills and City of Farmington, as there are synergies to be gained and those factors were taken into consideration when identifying the fees for this project.
- Our fees for the UC program, by phase, are as follows:

#	Activity	CoFH	CoF	Total
	UC Program Management	\$55,700	\$4,500	\$60,200
10.A 10.B	Inventory, Assessment & Planning	\$33,200	\$12,100	\$45,300
10.C	Pre-Project Services	\$60,000	\$3,100	\$63,100
10.D	Project Build/Implementation Services & Project Close-Out Services	\$23,100	\$4,800	\$27,900
	Total for all Projects & Phases	\$172,000	\$24,500	\$196,500

The “#” (where applicable) refers to the section numbers and associated activities in the “2041 Plante Moran Request Pricing” letter sent to us. CoFH - City of Farmington Hills, CoF - City of Farmington

As you probably realize, our primary cost is salaries that are paid currently. Accordingly, our invoices, which will be rendered as services are provided, are due when received. In the event an invoice is not paid timely, a late charge in the amount of 1.25 percent per month will be added, beginning 30 days after the date of the invoice.

OTHER REQUIREMENTS AND ACKNOWLEDGEMENTS

Phased Work & Fee Schedules

10.E.1) All dollar based fees, terms & conditions listed in your proposal will remain firm for ninety (90) days or upon award, whichever is later, except for the successful firm whose prices are to remain firm for two (2) years from date of award. The City of Farmington Hills & the City of Farmington reserve the right to renew this contract as stated herein, with the awarded firm, through mutual consent and under the same terms and conditions, for a period of four (4) years after the initial term. Please include with your proposal any appropriate pricing escalator per year to begin at year three (3) of the agreement.

PM response: We comply. We estimate our pricing escalator to be 3% per year and is negotiable at the time of an extension.

10.E.2) All percentage (%) based fees, terms & conditions listed in your proposal will remain firm for ninety (90) days or bid award, whichever comes first, except for the successful firm whose prices are to remain firm for the entire length of the agreement and all extensions. Please include a statement with your proposal acknowledging said agreement.

PM response: We comply and acknowledge that for the agreed upon scope our prices will remain firm for the entire length of the agreement and all extensions.

Additional Work

10.F As additional projects are budgeted and phased for the City of Farmington Hills, the City may require the awarded firm(s) to provide pricing proposals that will extend terms beyond the initial scope.

PM response: We comply and acknowledge that we will provide pricing proposals that will extend terms beyond the initial scope noted in our RFQ submittal and this letter.

Award Extension

10.G Please submit the form below noting whether or not your Company is willing to extend pricing and terms given to the agencies listed in this agreement to other local agencies which are part of our purchasing cooperative.

PM response: We comply and acknowledge that for similar projects listed in the Scope of Services, we are willing to extend pricing and terms given to the agencies listed in this agreement to other local agencies which are part of our purchasing cooperative.

Please see **Appendix B** for our MITN Extension of Award

Proposal Acknowledgement

A signed copy of the Proposal Acknowledgement is included in **Appendix C**.

PROJECT ASSUMPTIONS

For the purpose of our planning and budgeting, we have made the following assumptions and welcome the opportunity to review, discuss and amend these assumptions jointly with the City's project team.

- 1) We will work with the two Cities to develop a mutually agreeable project plan including sequencing of all activities.
- 2) We would recommend a program organization consisting of a Program Steering Committee which would meet monthly as well as Technical & Functional team that will meet with a variable cadence based on project activities occurring at that time.
- 3) The projects have been logically grouped to form two bid packages in order to optimize the procurement process and timing for release; the projects included in each bid package are noted in the Scope of Services section.
- 4) The proposed sequencing of tasks is based on the assumption that upon approval of the Strategic Plan, budgets are available over the period of 24 months to commence design and bidding activities.
- 5) The project timeline assumes that two bid packages will be sequenced over 24 months accounting for potential overlap of subsequent bid package design activities and previous bid package implementation activities.
- 6) The UC program is based upon the locations for the City of Farmington Hills (CoFH) and the City of Farmington (CoF), as identified in the Scope of Services section.

IN CLOSING

We appreciate the opportunity to be of service to the Cities of Farmington Hills and Farmington. If you are in agreement with our understanding of this engagement, as set forth in this engagement letter and the accompanying Professional Services Agreement, please sign the enclosed copy of this letter and return it to us with the accompanying Professional Services Agreement. If you have any questions regarding this engagement letter, please do not hesitate to contact Sri Chalasani at 248.223.3707 or me at 248.223.3304.

Very truly yours,

Plante & Moran, PLLC



Judy Wright, Partner

Agreed and Accepted

We accept this engagement letter and the accompanying Professional Services Agreement, which set forth the entire agreement between the City of Farmington Hills and Plante & Moran, PLLC with respect to the services specified in the “Scope of Services” section of this engagement letter. This agreement may be amended by written agreement between Plante & Moran, PLLC and City of Farmington Hills.

City of Farmington Hills

Kelly Monico

Date

Title

Appendix A: Summary of Activities and Professional Fees

The “#” (where applicable) refers to the section numbers and associated activities in the “2041 Plante Moran Request Pricing” letter sent to us. In the table shown below, the “**Total Shared Costs**” for common activities are allocated to the two Cities on a prorated basis calculated using the phone lines (handset) quantities provided, i.e., total of 607 phone lines, City of Farmington Hills – 562 (93%) and City of Farmington – 45 (7%), so “Total Shared Costs” are prorated at 93% to the City of Farmington Hills and 7% to the City of Farmington.

#	Activity	City of Farmington Hills (Direct + Allocation of Shared Cost)	City of Farmington (Direct + Allocation of Shared Cost)	Total Shared Costs	Total
	UC Program Management	\$0+ \$55,700 = \$55,700	\$0 + \$4,500 = \$4,500	\$60,200	\$60,200
1	Steering Committee Meetings				
2	Status/Functional Team Meeting				
10.A 10.B	Inventory, Assessment & Planning	\$24,500 + \$8,700 = \$33,200	\$11,400 + \$700 = \$12,100	\$9,400	\$45,300
1	Review resources and meet up to 10 departments				
2	Conduct a comprehensive inventory and assessment of communications systems, phone systems, CCTV and supporting infrastructure and storage				
3	Assessment report of all systems, incl. inventory				
4	Provide a suggested, phased and prioritized plan of action for necessary upgrades, remodels, retrofits and additions; Coordinate technology demonstrations				
5	Prepare draft and final reports outlining findings				
6	Refine the unified communications strategic plan and develop a high level conceptual cost estimate for strategic planning and budgeting purposes				
7	Present findings before City leadership				
10.C	Pre-Project Services	\$34,000 + \$26,000 = \$60,000	\$1,000 + \$2,100 = \$3,100	\$28,100	\$63,100
1	Provide design and engineering services approved through the planning and budgeting process				
2	Assist City with determination of probable costs				

Appendix A

#	Activity	City of Farmington Hills (Direct + Allocation of Shared Cost)	City of Farmington (Direct + Allocation of Shared Cost)	Total Shared Costs	Total
3	Prepare and divide bid packages				
4	Review plans for constructability, value engineering				
5	Coordinate all testing				
6	Prepare a budget and projected cash flow.				
7	Conduct pre-bid conferences for trades				
8	Conduct or attend bid opening (s).				
9	Review bids with City representatives				
10	Conduct post bid interviews				
11	Determine the responsiveness & responsibility of bidders				
12	Recommend award				
10.D	Project Build/Implementation Services & Project Close-Out Services	\$21,200 + \$1,900 = \$23,100	\$4,600 + \$200 = \$4,800	\$2,100	\$27,900
1	Hold and manage contracts with all sub-contractors				
2	Provide oversight of building permits and inspections				
3	On-site implementation supervision (Bid Packages 1, 2)				
4	In-house project management				
5	Conduct project meetings (included in program management)				
6	Prepare and update detailed project schedule, cost estimate, and budget including variances.				
7	Coordinate the work of contractors				
8	Communicate and coordinate with City representatives.				
9	Work with contractors to maintain a safe, clean and organized work site				

Appendix A

#	Activity	City of Farmington Hills (Direct + Allocation of Shared Cost)	City of Farmington (Direct + Allocation of Shared Cost)	Total Shared Costs	Total
10	Work with contractors to establish and maintain appropriate safety measures				
11	Administrate any changes to any project				
12	Maintain as-built drawings; work with contractors to maintain updates				
13	Prepare and review pay applications				
14	Provide waivers as required				
15	Obtain performance and payment bonds, as required.				
16	Develop and manage project close out punch list				
17	Coordinate final inspections and approvals				
18	Coordinate and review documentation (operating manuals, product warranty materials and as built drawings)				
19	Prepare and review applications for final payout				
20	Coordinate corrections to final work during final warranty period				
21	Final payments will not be rendered until this is completed in its entirety				
	Total for all Projects & Phases	\$172,100	\$24,400		\$196,500

Appendix C: Proposal Acknowledgement

CITY OF FARMINGTON HILLS
DEPARTMENT OF CENTRAL SERVICES
PURCHASING DIVISION
31555 ELEVEN MILE ROAD
FARMINGTON HILLS, MI 48336-1165
www.fhgov.com



PHONE 248-871-2435
FAX 248-871-2431

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PROPOSAL ACKNOWLEDGEMENT

The undersigned hereby declares that he/she has carefully examined the statement of qualifications' documents and specifications and will provide professional engineering services as described herein for the prices set forth in this proposal. Any changes to the specifications and its impact on the final cost will be discussed and mutually agreed upon before the delivery of the services.

It is understood that all proposed prices shall remain in effect for at least one hundred twenty (120) days from the date of the pricing proposal opening to allow for the award and that, if chosen the successful vendor, the prices & percentages will remain firm throughout the agreement.

The proposer affirms that he/she is duly authorized to execute this proposal, that this company, corporation, firm partnership, or individual has not prepared this proposal in collusion with any other proposer and that the contents of this proposal as to prices, terms or conditions have not been communicated by the undersigned, nor by any employee or agent, to any competitor, and will not be, prior to the award and the proposer has full authority to execute any resulting contract awarded as the result of, or on the basis of the proposal.

By submission of a response the Proposer agrees that at the time of submittal, he/she: (1) has no interest (including financial benefit, commission, finder's fee, or any other remuneration) and shall not acquire any interest, either direct or indirect, that would conflict in any manner or degree with the performance of Proposer's services, or (2) benefit from an award resulting in a "Conflict of Interest." A "Conflict of Interest" shall include holding or retaining membership, or employment, on a board, elected office, department, division or bureau, or committee sanctioned by and/or governed by the City of Farmington Hills. Proposers shall identify any interests, and the individuals involved on a separate paper with the response and shall understand that the City, at its discretion may reject their proposal.

The Proposer, in submitting this proposal, agrees that the Proposer shall include in their resume any and all information pertinent to aiding the City in determining the abilities of the Proposer. Proposer shall execute the attached contract awarded on the basis of this proposal within ten (10) days after being notified of award.

The undersigned certifies on behalf of the Proposer that the Proposer is not an "Iran Linked Business," as defined in the Iran Economic Sanctions Act of the State of Michigan, 2012 PA 517.

Firm Name: Plante Moran PLLC

Representative's Name: Judy Wright

Title: Partner

Signature: 

Appendix D: Professional Services Agreement – Consulting Services
Addendum to Plante Moran, PLLC Engagement Letter Dated April 4, 2018

This Professional Services Agreement is part of the engagement letter for our consulting services dated April 4 2018 between Plante & Moran, PLLC (referred to herein as “PM”) and City of Farmington (referred to herein as “the City”).

1. **Management Responsibilities** – The consulting services PM will provide are inherently advisory in nature. PM has no responsibility for any management decisions or management functions in connection with its engagement to provide these services. Further, the City acknowledges that the City is responsible for all such management decisions and management functions; for evaluating the adequacy and results of the services PM will provide and accepting responsibility for the results of those services; and for establishing and maintaining internal controls, including monitoring ongoing activities, in connection with PM’s engagement. The City has designated Kelly Monico, Director of Central Services, to oversee the services PM will provide.
2. **Nature of Services** – PM’s project activities will be based on information and records provided to PM by the City. PM will rely on such underlying information and records and the project activities will not include audit or verification of the information and records provided to PM in connection with the project activities.

The project activities PM will perform will not constitute an examination or audit of any the City financial statements or any other items, including the City’s internal controls. This engagement also will not include preparation or review of any tax returns or consulting regarding tax matters. If the City requires financial statements or other financial information for third-party use, or if the City requires tax preparation or consulting services, a separate engagement letter will be required. Accordingly, the City agrees not to associate or make reference to PM in connection with any financial statements or other financial information of the City. In addition, this engagement is not designed and cannot be relied upon to disclose errors, fraud or illegal acts that may exist. However, PM will inform you of any such matters that come to PM’s attention.

3. **Project Deliverables** – At the conclusion of PM’s project activities and periodically as PM progresses, PM will review the results of its work with the City and provide the City with any observations related to PM’s services that PM believes warrant the City’s attention. PM also will provide the City with copies of analyses or other materials that PM may develop in the course of this engagement upon the City’s request. PM will not issue a written report as a result of this engagement and the City agrees that the nature and extent of the work product that PM will provide, as outlined in this agreement, are sufficient for the City’s purposes.
4. **Interactive Analyses and Visualizations** – In instances where PM expressly agrees in the accompanying engagement letter to provide interactive analyses or visualization tools (collectively, “Electronic Documents”) to the City, such Electronic Documents will be provided in a format determined to be acceptable to PM. the City acknowledges and agrees that the City’s ability to access such Electronic Documents requires software programs which PM does not develop, license, distribute, support, or sell, and the City shall be solely responsible for the costs to obtain, use, or support any such required software. PM makes no representation or warranty with respect to such software or the continuing functionality of such software relative to the Electronic Documents and disclaims any and all express or implied warranties if any, associated with such software, its merchantability, and/or its fitness for any particular use by the City.

If and to the extent provided by PM, Electronic Documents are provided solely for the purpose of supporting the project deliverables and are to be used only as expressly described in and authorized by the project deliverables. PM disclaims any responsibility for any use of the Electronic Documents that is not expressly provided for in and authorized by the project deliverables. Further, the City acknowledges that the City is solely responsible for evaluating the adequacy and accuracy of any results generated through the use of Electronic Documents. PM will have no responsibility to support or update the Electric Documents for any events or circumstances that occur or become known subsequent to the date of their corresponding project deliverables.

The City acknowledges that PM may utilize proprietary works of authorship that have not been created specifically for the City and were conceived, created, or developed prior to, or independent of, this engagement including, without limitation, computer programs, methodologies, algorithms, models, templates, software configurations, flowcharts, architecture designs, tools, specifications, drawings, sketches, models, samples, records, and documentation (collectively, “PM Intellectual Property”). The City agrees and acknowledges that PM Intellectual Property is and shall remain solely and exclusively the property of PM. Upon payment for the engaged services, to the extent that PM incorporates PM Intellectual Property into the Electronic Documents (which PM shall do only as expressly provided for in the accompanying engagement letter), PM grants to the City a limited royalty-free, nonexclusive, right and license to use such incorporated PM Intellectual Property for internal purposes

only and in the original format. The City agrees not to copy, publish, modify, disclose, distribute, decompile, reverse engineer, or create derivative works based on PM Intellectual Property. Notwithstanding the foregoing, in no event will PM be precluded from developing for itself or for others, works of authorship which are similar to those included in the project deliverables.

If and to the extent PM shares information obtained from third-party data sources with the City, the City agrees not to (i) disclose or redistribute any such third-party data to third parties without the express written consent of PM; or (ii) attempt to extract, manipulate, or copy any embedded or aggregated third-party data from the Electronic Documents for any purpose.

5. **Confidentiality, Ownership and Retention of Work papers** – During the course of this engagement, PM and PM staff may have access to proprietary information of the City, including, but not limited to, information regarding trade secrets, business methods, plans, or projects. PM acknowledges that such information, regardless of its form, is confidential and proprietary to the City, and PM will not use such information for any purpose other than its consulting engagement or disclose such information to any other person or entity without the prior written consent of the City.

In the interest of facilitating PM's services to the City, PM may communicate or exchange data by internet, e-mail, facsimile transmission or other electronic methods. While PM will use its best efforts to keep such communications and transmissions secure in accordance with PM's obligations under applicable laws and professional standards, the City recognizes and accepts that PM has no control over the unauthorized interception of these communications or transmissions once they have been sent, and consents to PM's use of these electronic devices during this engagement.

Professional standards require that PM create and retain certain work papers for engagements of this nature. All work papers created in the course of this engagement are and shall remain the property of PM. PM will maintain the confidentiality of all such work papers as long as they remain in PM's possession.

Both the City and PM acknowledge, however, that PM may be required to make its work papers available to regulatory authorities or by court order or subpoena in a legal, administrative, arbitration, or similar proceeding in which PM is not a party. Disclosure of confidential information in accordance with requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this agreement. In the event that a request for any confidential information or work papers covered by this agreement is made by regulatory authorities or pursuant to a court order or subpoena, PM agrees to inform the City in a timely manner of such request and to cooperate with the City should the City attempt, at the City's cost, to limit such access. This provision will survive the termination of this agreement. PM's efforts in complying with such requests will be deemed billable to the City as a separate engagement. PM shall be entitled to compensation for its time and reasonable reimbursement of its expenses (including legal fees) in complying with the request.

PM reserves the right to destroy, and it is understood that PM will destroy, work papers created in the course of this engagement in accordance with PM's record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of work papers. PM has no obligation to maintain work papers other than for its own purposes or to meet those regulatory requirements.

Upon the City's written request, PM may, at its sole discretion, allow others to view any work papers remaining in its possession if there is a specific business purpose for such a review. PM will evaluate each written request independently. The City acknowledges and agrees that PM will have no obligation to provide such access or to provide copies of PM's work papers, without regard to whether access had been granted with respect to any prior requests.

6. **Consent to Disclosures to Service Providers**– In some circumstances, PM may use third-party service providers to assist with an engagement. In those circumstances, PM will require any such third-party service provider to: (i) maintain the confidentiality of any information furnished; and (ii) not use any information for any purpose unrelated to assisting with PM's services for the City. In order to enable these service providers to assist PM in this capacity, the City, by its duly authorized signature on the accompanying engagement letter, consents to PM's disclosure of all or any portion of the City's information to such service providers to the extent such information is relevant to the services the third-party service provider may provide and agrees that PM's disclosure of such information for such purposes shall not constitute a breach of the provisions of this agreement. The City's consent shall be continuing until the services provided for this engagement agreement are completed.
7. **Third-Party Data** – PM may reference third-party data sources in performing the services described in this engagement letter. Third-party data may include publicly-available data, commercially-available data licensed to PM, or information obtained from other sources. PM will use its judgment, discretion, best efforts and good faith in evaluating the use of third-party data sources, but does not warrant or guarantee the accuracy, completeness, or timeliness of any data obtained from third-party data sources and disclaims any liability arising out of or relating to the use of data from third-party data sources. the City acknowledges that any commercially-available third-party data sources referenced by PM are licensed to PM and PM's ability to share information obtained from commercially available third-party data sources is often restricted by the terms of use granted to PM by the licensor and, unless expressly set forth in the accompanying engagement letter, PM makes no representation or warranty that the City will have access to data obtained from third-party data sources. If and to the extent PM shares

information obtained from third-party data sources with the City, the City agrees not to disclose or redistribute any such third-party data to third parties without the express written consent of PM. This agreement does not convey to the City a sublicense to any third-party data source unless expressly agreed to in writing and signed by a duly authorized representative of PM. However, nothing herein shall prevent the City from directly contracting with or obtaining a license from any third-party data source if the City determines, in its sole discretion, that any such direct contract or license to be in its best interest.

8. **Fee Quotes** – In any circumstance where PM has provided estimated fees, fixed fees or not-to-exceed fees (“Fee Quotes”), these Fee Quotes are based on the City personnel providing PM staff the assistance necessary to satisfy the City responsibilities under the scope of services. This assistance includes availability and cooperation of those the City personnel relevant to PM’s project activities and providing needed information to PM in a timely and orderly manner. In the event that undisclosed or unforeseeable facts regarding these matters causes the actual work required for this engagement to vary from PM’s Fee Quotes, those Fee Quotes will be adjusted for the additional time PM incurs as a result.

In any circumstance where PM’s work is rescheduled, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadline related to the completion of PM’s work. Because rescheduling its work imposes additional costs on PM, in any circumstance where PM has provided Fee Quotes, those Fee Quotes may be adjusted for additional time PM incurs as a result of rescheduling its work.

PM will advise the City in the event these circumstances occur, however it is acknowledged that the exact impact on the Fee Quote may not be determinable until the conclusion of the engagement. Such fee adjustments will be determined in accordance with the Fee Adjustments provision of this agreement.

9. **Payment Terms** – PM’s invoices for professional services are due upon receipt unless otherwise specified in this engagement letter. In the event any of PM’s invoices are not paid in accordance with the terms of this agreement, PM may elect, at PM’s sole discretion, to suspend work until PM receives payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of PM’s consulting work. The City agrees that in the event that work is suspended, for non-payment or other reasons, PM shall not be liable for any damages that occur as a result of PM ceasing to render services.
10. **Fee Adjustments** – Any fee adjustments for reasons described in this agreement will be determined based on the actual time expended by PM staff at PM’s current hourly rates, plus all reasonable and necessary travel and related costs PM incurs, and included as an adjustment to PM’s invoices related to this engagement. the City acknowledges and agrees that payment for all such fee adjustments will be made in accordance with the payment terms provided in this agreement.
11. **Force Majeure – Neither party shall be deemed to be in breach of this engagement agreement as a result of any** delays or non-performance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, acts of God, war or other violence, or epidemic (each individually a “Force Majeure Event”). A Force Majeure Event shall not excuse any payment obligation relating to fees or costs incurred prior to any such Force Majeure Event.
12. **Exclusion of Certain Damages** – Except to the extent finally determined to have resulted from PM’s gross negligence or willful misconduct, the liability of PM and any of PM’s officers, directors, partners, members, managers, employees, affiliated, parent or subsidiary entities, and approved allied third party service providers (collectively, “PM Persons”) for any and all claims, losses, costs, and damages of any nature whatsoever so that the total aggregate liability of the PM and/or the PM Persons with respect to and arising out of the services provided hereunder shall not exceed the total fees paid to PM for the services provided in connection with this engagement agreement. It is agreed that these limitations on PM’s and the PM Persons’ maximum liability are reasonable in view of, among other things, the nature, scope, and limitations of the services PM is to provide, and the fees PM is to receive under this engagement. In no event shall the PM or the PM Persons be liable, whether a claim be in tort, contract, or otherwise, for any consequential, indirect, lost profit, punitive, exemplary, or other special damages. The exclusion of certain damages as set forth in this Section apply to any and all liabilities or causes of action against PM and/or the PM Persons, however alleged or arising, unless and to the extent otherwise prohibited by law. This provision shall survive the termination of this engagement.

In the event this engagement agreement expressly identifies multiple phases of services, the total aggregate liability of PM to the City shall be limited to no more than the total amount of fees paid by the City for the particular phase of services alleged to have given rise to any such liability.

13. **Defense, Indemnification, and Hold Harmless** – As a condition of PM’s willingness to perform the services provided for in the engagement letter, the City agrees to defend, indemnify and hold PM and the PM Persons harmless against any claims by third parties for losses, claims, damages, or liabilities, to which PM or the PM Persons may become subject in connection with or

related to the services performed in the engagement, unless a court having jurisdiction shall have determined in a final judgment that such loss, claim, damage, or liability resulted primarily from the willful misconduct or gross negligence of PM, or one of the PM Persons. This defense, indemnity and hold harmless obligation includes the obligation to reimburse PM and/or the PM Persons for any legal or other expenses incurred by PM or the PM Persons, as incurred, in connection with investigating or defending any such losses, claims, damages, or liabilities.

14. **Receipt of Legal Process** – In the event PM is required to respond to a subpoena, court order, or other legal process (in a matter involving the City but not PM) for the production of documents and/or testimony relative to information PM obtained and/or prepared during the course of this engagement, the City agrees to compensate PM for the affected PM staff's time at such staff's current hourly rates, and to reimburse PM for all of PM's out-of-pocket costs incurred associated with PM's response unless otherwise reimbursed by a third party.
15. **Termination of Engagement** – This agreement may be terminated by either party upon written notice. Upon notification of termination, PM's services will cease and PM's engagement will be deemed to have been completed. The City will be obligated to compensate PM for all time expended and to reimburse PM for related costs PM incurs through the date of termination of this engagement.
16. **Time Limits** – Except for actions to enforce payment of PM's invoices and without limiting any claims for indemnification hereunder, any claim or cause of action arising under or otherwise relating to this engagement must be filed within two years from the completion of the engagement without regard to any statutory provision to the contrary.
17. **Entire Agreement** – This engagement agreement is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties regarding the subject matter hereof. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this agreement, signed by all of the parties.
18. **Severability** – If any provision of this engagement agreement (in whole or part) is held to be invalid or otherwise unenforceable, the other provisions shall remain in full force and effect.
19. **Conflicts of Interest** – PM's engagement acceptance procedures include a check as to whether any conflicts of interest exists that would prevent acceptance of this engagement. No such conflicts have been identified. The City understands and acknowledges that PM may be engaged to provide professional services, now or in the future, unrelated to this engagement to parties whose interests may not be consistent with interests of the City.
20. **Agreement Not to Influence** – the City and PM each agree that each respective organization and its employees will not endeavor to influence the other's employees to seek any employment or other contractual arrangement with it, during this engagement or for a period of one year after termination of the engagement. The City agrees that PM employees are not "contract for hire." PM may release the City from these restrictions if the City agrees to reimburse PM for its recruiting, training, and administrative investment in the applicable employee. In such event, the reimbursement amount shall be equal to two hundred hours of billings at the current hourly rate for the PM employee.
21. **Signatures** – Any electronic signature transmitted through DocuSign or manual signature on this engagement letter transmitted by facsimile or by electronic mail in portable document format may be considered an original signature.
22. **Governing Law** – This agreement shall be governed by and construed in accordance with the laws of the State of Michigan, and jurisdiction over any action to enforce this agreement, or any dispute arising from or relating to this agreement shall reside exclusively within the State of Michigan.

End of Professional Services Agreement – Consulting Services

**Farmington City Council
Staff Report**

**Council Meeting
Date: January 7, 2019**

**Item
Number
7**

Submitted by: City Manager

Agenda Topic: Discussion on the Founders Festival

Proposed Motion: N/A

Background: I am proposing to hold two meetings in January regarding the Founders Festival. The first meeting would be with the downtown merchants to see what ideas they have for this year in the downtown and what aspects of the festival works best for their business. The second meeting would be with some of the stakeholders such as Farmington Hills, Farmington School District, Library, DDA and Chamber. I think a meeting with these entities would be helpful to brainstorm on defining and reinventing the festival and what it should look like moving forward. I would like the council member's thoughts and input on this.

Materials: None