



## CITY of NOVI CITY COUNCIL

**Agenda Item D**  
**October 23, 2017**

**SUBJECT:** Approval of recommendation from the Consultant Review Committee to award a contract for General Legal Services to Johnson Rosati Schultz Joppich PC for a four-year contract with two one-year renewal options, and adoption of associated fees and charges, effective January 1, 2018.

**SUBMITTING DEPARTMENT:** City Manager

**CITY MANAGER APPROVAL:** 

**BACKGROUND INFORMATION:**

The Consultant Review Committee convened on October 9, 2017 to interview firms to provide general legal services. Upon the conclusion of the interviews, the firm of Johnson Rosati Schultz Joppich PC was unanimously recommended for a four-year contract with two one-year renewal options effective January 1, 2018. Johnson Rosati Schultz Joppich PC has provided general legal services for the City of Novi since March 2012.

**RECOMMENDED ACTION:** Approval of recommendation from the Consultant Review Committee to award a contract for General Legal Services to Johnson Rosati Schultz Joppich PC for a four-year contract with two one-year renewal options, and adoption of associated fees and charges, effective January 1, 2018.

## **CONTRACT FOR GENERAL LEGAL COUNSEL SERVICES**

**AGREEMENT** between City of Novi (“Novi”) and the law firm of Johnson, Rosati, Schultz & Joppich PC (the “Firm”) for the provision of General Legal Counsel services for Novi.

### **RECITATIONS:**

The Charter of the City of Novi, Chapter 4, Section 4.10, makes provision for the establishment of a general legal counsel, or city attorney, for the City.

The Novi City Council determined to retain the Firm’s services, on the terms and provisions described below.

### **NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

#### **IN GENERAL**

Novi retains the Firm to provide General Counsel Services for Novi, which shall include the provision of all legal counsel services as set forth in The Charter of the City of Novi, Chapter 4, Section 4.10, with the exception of: prosecuting traffic violations in the District Court, providing labor and employment law services, and providing bond counsel services. Such General Counsel Services shall be provided in accordance with the terms and provisions of this Agreement. The authority and responsibility for General Counsel Services under this Agreement shall commence on January 1, 2018.

As of the date of this Agreement, services to the City are intended to be provided by a team of attorneys from the Firm. Thomas R. Schultz, a Shareholder (Partner) in the Firm, will be the City’s business contact person. Mr. Schultz will oversee the Firm’s General Counsel Services to the city of Novi, will serve as principal attorney for contact and will provide day-to-day services and advice along with Elizabeth M. Kudla Saarela. Gary Dovre, Carol Rosati, and Matthew Zalewski are proposed as the key attorneys to serve as the principal back-up attorneys. Stephanie Simon-Morita, will provide representation on Tax Tribunal matters. Chuck Snell and/or Beth Kudla-Saarela will be assigned to the District Court for ordinance enforcement purposes.

#### **SERVICES ANTICIPATED TO BE PROVIDED**

The services anticipated to be provided by the Firm under this Agreement are the following, among others:

1. Attend meetings of the City Council, Planning Commission and Zoning Board of Appeals, and attend meetings with and on behalf of members of the City Administration as required to undertake the legal business of the City and/or required to provide general legal counseling and consultation.

2. Prepare legal opinions and agreements, prepare codes and ordinances, and amendments of such documents, and proactively make recommendations in the interest of Novi.
3. Assist with City planning.
4. Provide City zoning services.
5. Represent Novi in litigation, including Circuit Court, Court of Appeals, Supreme Court, Federal Court, Tax Tribunal and administrative proceedings; and, monitor litigation in which legal counsel has been assigned by Novi's insurance provider, including review of billings and serving as co-counsel on appropriate cases, as determined by the City Council.
6. Work with the City Administrator to enhance the City.
7. Provide environmental law services.
8. Provide services in connection with infrastructure installation and finance (with the exception of bond counsel services).
9. Provide services relative to telecommunications matters.
10. Provide services relative to real estate and condemnation matters.
11. Prepare for and attend monthly meetings of the City Council (or on other periodic basis as the City shall determine appropriate) for the purpose of summarizing and receiving direction from Council on pending litigation.

The services to be provided by the Firm under this Agreement shall not include the prosecution of traffic violations in the District Court, or the provision of labor and employment law services or bond counsel services.

### **MANAGEMENT AND PROVISION OF SERVICES**

The following reflects current staffing by the Firm. The firm will notify the City of any expected or required changes in personnel.

#### ***Meeting Attendance***

- City Council: Thomas Schultz
- Planning Commission: Thomas Schultz, Gary Dovre, Carol Rosati, Matthew Zalewski or other designate
- Zoning Board of Appeal: Beth Kudla-Saarela

### ***Day-to-Day Advice, Calls and Meetings***

This function will be performed by Thomas Schultz, Beth Kudla-Saarela and Gary Dovre. Thomas Schultz and Beth Kudla-Saarela will be available for phone calls and conferences and for meetings out of the office as requested. In addition, if the City would like an attorney to maintain regular office hours at the City (e.g. specified time at the City each week), Thomas Schultz and Beth Kudla-Saarela would represent the Firm for this service.

### ***Litigation***

As desired by the City, and depending upon the specific subject matter at issue, litigation will be handled by Thomas Schultz, Carol Rosati, Gary Dovre, Christopher Johnson, or other designate.

### ***Tax Tribunal***

Tax assessment litigation, claims of tax exemptions and challenges to special assessments will be handled by Stephanie Simon-Morita.

### ***Real Estate and Condemnation***

Real Estate and Condemnation will be handled by Thomas Schultz and Beth Kudla Saarela with the assistance of Gary Dovre and Steve Joppich.

### ***Agreements***

Agreements will be reviewed and prepared by Thomas Schultz and Beth Kudla Saarela, with the assistance of and other attorneys in the Firm (as needed, depending on the need for particular expertise, e.g. a contract with sensitive environmental aspects may also be reviewed by the Environmental Group of the Firm).

### ***Planning and Zoning***

Planning and zoning matters will be handled by Thomas Schultz, Gary Dovre, Carol Rosati, Steve Joppich, Matthew Zalewski, or other designate.

### ***Infrastructure***

Infrastructure issues, including sewer, water, drainage, roads, sidewalks and the like, will be handled by Thomas Schultz and Beth Kudla-Saarela, with assistance by Gary Dovre.

### ***Telecommunications***

Telecommunications matters will be headed up by Tom Schultz or Gary Dovre.



***Prosecutions***

Code enforcement matters will be handled by Chuck Snell, Steve Meads, or Beth Kudla-Saarela.

**COMPENSATION AND BUDGET**

The Firm shall provide legal services based exclusively upon an hourly rate compensation agreement. The following rates for legal services shall apply, based upon the classification of attorneys within the Firm, unless and until the Parties mutually agree otherwise:

|             |                   |
|-------------|-------------------|
| Partners:   | \$140.00 per hour |
| Associates: | \$135.00 per hour |

The partners who are likely to provide services to the City under this Agreement are Thomas Schultz, Christopher Johnson, Carol Rosati, Steven Joppich, Laura Amtsbuechler, Steven Meads, and Beth Kudla Saarela.

The senior associates who may provide services to the City under this Agreement are Stephanie Simon-Morita, Chuck Snell, and Matthew Zalewski.

On the date of this Agreement, the attorneys in the Firm and their respective classifications are as set forth above. Classifications may change within the Firm and in such event notice of same will be given to the City for approval of a change in classification for purposes of this Agreement.

Costs for copying, faxing, mileage, phone, computer research and postage for the monthly billing period shall be billed at a flat 2% of the total monthly billing. Other costs incurred or advanced on behalf of Novi, such as costs for trial transcripts, expert fees and the like shall be paid or reimbursed by Novi.

A special arrangement applies for matters to be billed under the City Ordinance Code provision for the escrow of fees by applicants for legal review prior to City action. The following general rules shall apply to legal reviews understood to be financed by escrowed funds:

- Unless directed otherwise, the Firm shall not commence work on a matter to be financed by escrowed monies until the Firm receives a written or electronic notice from the City Manager or City Finance Director, or a person designated by the City Manager or Finance Director, that the escrow monies have been collected for the respective review.

- Unless otherwise approved, the Firm shall not be paid an amount in excess of the amount specified in the ordinance or resolution, or the amount estimated by the Firm for the particular review, as applicable for the respective review.

Detailed monthly billing statements shall be provided within 30 days after the period covered in the bill, specifying the attorney performing each service, the date, description and time expended for each service performed, and an itemization of expenses to be reimbursed. Except amounts coverage under the 2% category, as specified above, expenses shall be billed at cost, without an add-on multiplier.

**ASSIGNMENT OF WORK AND DURATION OF AGREEMENT**

Legal work shall be consistent with the contemplation of the City Charter and shall be assigned as specified in the proceeding section of this contract, and matters involving the assessment of property taxes may be assigned by the City Assessor. Modifications of this authorization for the assignment of work, and/or any other modifications of the interrelationship of the City and Firm shall be provided by action of the City Council if the modification is initiated by the City, or by the management of the Firm if initiated by the Firm.

This Agreement shall continue and remain in effect until December 31, 2022, with an option on the part of the City to renew for a fifth (2021), or until a notice of termination is provided by either the City Council or the Firm. A notice of termination may be given at any time by either the City or the Firm.

CITY OF NOVI

By: \_\_\_\_\_  
ROBERT J. GATT, MAYOR

By: \_\_\_\_\_  
CORTNEY HANSON, CITY CLERK

JOHNSON, ROSATI, SCHULTZ & JOPPICH PC

By: \_\_\_\_\_  
THOMAS R. SCHULTZ

Dated: Effective January 1, 2018.



JOHNSON ROSATI SCHULTZ JOPPICH PC  
27555 Executive Drive Suite 250 ~ Farmington Hills, Michigan 48331  
Phone: 248.489.4100 | Fax: 248.489.1726

**FEE PROPOSAL  
CITY OF NOVI LEGAL SERVICES**

Our proposed hourly rates are as follows:

2018 - 2020:           \$135.00 Associate  
                              \$140.00 Shareholder

Option Years:         Negotiable

In addition, consistent with the existing agreement between the City and the firm, the following billing practices would apply:

- The time of legal services will be billed in increments of 2/10 (0.2) of an hour (12 minutes). For example, if 18 minutes are spent making a phone call and preparing a brief letter, the charge will be 3/10 (0.3) of an hour.
- Costs for copying, faxing, mileage, phone, computer research and postage for the monthly billing period shall not exceed 2% of the total monthly billing. Other costs incurred or advanced on behalf of Novi, such as costs for trial transcripts, expert fees and the like shall be paid or reimbursed by Novi.

We are willing to discuss the terms of this fee proposal with the City as needed and requested, including during the term of any agreement.

  
\_\_\_\_\_  
Thomas R. Schultz

  
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Carol A. Rosati