



CITY OF NOVI CITY COUNCIL
JULY 28, 2025

SUBJECT: Professional Services Contract for Long-Range Strategic Planning

SUBMITTING DEPARTMENT: City Manager

KEY HIGHLIGHTS:

- Staff recommends invoking the termination clause in the contract with BerryDunn due to ongoing misalignment and performance concerns.
- Despite attempts to realign expectations, the engagement has not met the City's needs or expectations.
- Staff is reassessing the strategic planning timeline and approach, with revised recommendations to follow at the next Long-Range Strategic Planning Committee meeting.

BACKGROUND INFORMATION:

The City entered into a contract with BerryDunn to support long-term strategic planning. While early work showed promise, the engagement has not progressed as intended. Key issues, including misalignment in approach and underdelivered outcomes, have affected the City's expectations for completion of the assignment.

Given the importance of this initiative, staff believes it is in the City's best interest to end the engagement and pursue alternative approaches moving forward.

RECOMMENDED ACTION: Approval to invoke the termination clause of the contract with BerryDunn and discontinue further services.

CONTRACT FOR PROFESSIONAL SERVICES

THIS CONTRACT FOR PROFESSIONAL SERVICES ("Contract"), shall be considered as made and entered into as of the date of the last signature ("Effective Date"), and is between the City of Novi, a Michigan municipal corporation, whose address is 45175 Ten Mile, Novi, Michigan 48375, (hereinafter referred to as "Client"), and **Berry, Dunn, McNeil & Parker, LLC**, whose address is 2211 Congress Street, Portland, ME 04102-1955, (hereinafter referred to as "Consultant").

THE CLIENT AND CONSULTANT AGREE AS FOLLOWS:

Article I. Statement and Performance of Work.

For payment by the Client as provided under this Contract, Consultant shall perform the work, duties and responsibilities described on and in Schedule A (the "work"), which is attached hereto and made a part of this Contract by this reference, in a competent, accurate, efficient, timely, good, professional, thorough, complete and responsible manner, and in compliance with the terms and conditions set forth below.

Article II. Timing of Performance.

Performance of this Contract shall commence immediately upon execution by both parties, and performance of the work shall be completed according to the timing set forth as part of Schedule A. The timing for performance of any such work may be extended for additional specified periods of time, if allowed in writing by the Client in its sole discretion. Services on each phase after the first phase shall commence only after Client's authorization to proceed. Out-of-sequence services (i.e., commencement of work on a future phase, before completion of a prior phase), if requested and ultimately not accepted by Client as part of the overall project, shall be compensated as Additional Services.

Article III. Contract Price and Payment.

- A. Subject to the terms and conditions of this Contract, the Client agrees to pay Consultant in the amount, manner, and according to the timing for making such payments set forth in Schedule A (referred to in this Contract as "payments"). Such payments are in exchange for, and consideration of the timely and satisfactory performance and completion of the work required under and pursuant to this Contract.
- B. The Client agrees to pay Consultant amounts due within thirty (30) days of receipt of an itemized billing/invoice from Consultant detailing all work performed and provided in connection with the billing and the hours and charges applicable to each such item of work. Such itemized billings shall be submitted and shall be paid only upon satisfactory completion of the work itemized in the billing.

- C. All costs and expenses incurred by Consultant in the course of performing the work under this Contract are deemed to be included in the hourly fees and amounts set forth in Schedule A, unless specifically identified in Schedule A as reimbursable expenses and such expenses have been approved by the Client or its designee.
- D. Consultant will obtain written approval of the Client prior to proceeding with any services or work that is not stated on Schedule A; otherwise, the Client will not be billed for such extra/additional services or work.
- E. Payments shall be made upon verification of invoices received by the Client. All payments to Consultant shall be submitted by mail to Consultant's address first listed above, unless Consultant provides written notice of a change in the address to which such payments are to be sent.

Article IV: Termination.

- A. This Contract, including any extension or amendment of this Contract, may be terminated at any time, with or without cause, by either party upon thirty (30) calendar days' written notice to the other party. In such event, the effective date of such termination shall be the 30th calendar day following the date of the written notice of such termination.
- B. In the event this Contract is terminated prior to completion of the work, the Client shall not be responsible to make any further payments for work performed after the effective date of such termination and shall pay Consultant for such work as has been completed and is eligible for payment under the terms of this Contract through the date of such termination. In all events, the Client shall only be responsible to make the payments described in the preceding sentence if, at the Client's request, Consultant continues to fully perform its duties and obligations in full compliance with the terms of this Contract through the effective date of the termination. Additionally, termination shall not relieve Consultant of its obligation to provide Client with all the plans and product generated under this Contract through the effective date of termination. Articles V, VI, VII and VIII of this Contract shall survive completion of the work and any termination of this Contract.
- C. Prior to the effective date of any termination or prior to the completion of the work (including any extension of the timing for completion), whichever is the first to occur, Consultant shall deliver to the Client all reports, opinions, compilations, research work, studies, data, materials, artifacts, samples, documents, plans, drawings, specifications, correspondence, ledgers, permits, applications, manuals, contracts, accountings, schedules, maps, logs, invoices, billings, photographs, videotapes and other materials in its possession or control that is gathered or generated in the course of performing the work or that relates to the work in any way; provided that Consultant may retain a copy of such materials for its files. The Client shall be permitted to withhold any payments and reimbursements otherwise owing to Consultant under the terms of this Contract until all such materials are delivered to the Client in accordance with the terms and conditions of this Contract.

Article V: Independent Contractor Relationship.

- A. In the performance of this Contract, the relationship of Consultant to the Client shall be that of an independent contractor and not that of an employee or agent of Client. Consultant is and shall perform under this Contract as an independent contractor, and no liability or responsibility with respect to benefits of any kind, including without limitation, medical benefits, worker's compensation, pension rights, or other rights or liabilities arising out of or related to a contract for hire or employer/employee relationship shall arise or accrue to either party as a result of the performance of this Contract.
- B. Consultant, as an independent contractor, is not authorized to enter into or sign any agreements on behalf of the Client or to make any representations to third parties that are binding upon the Client. Although Consultant is required under this Contract to advise, make recommendations to and to a limited extent represent the Client, all plans, studies, applications, submittals, surveys, reports and any other information relating to the work must be submitted to and approved by the Client or the Client's authorized official prior to being disseminated to any third party and shall only be so disseminated if such dissemination is approved in advance by the Client or an authorized Client official.
- C. Consultant represents that it will dedicate sufficient resources and provide all necessary personnel required to perform the work described in Schedule A in accordance with the terms and conditions of this Contract. Except as may be specifically stated and agreed to in Schedule A, Consultant shall perform all the work under this Contract and no other person or entity shall be assigned or sub-contracted to perform the work, or any part thereof, unless approved by the Client in advance.

Article VI: Liability and Insurance.

- A. Consultant agrees to indemnify and hold harmless the Client, its elected and appointed officials and employees, from and against any and all claims, demands, suits, losses and settlements, including actual attorney fees incurred and all costs connected therewith, for any damages which may be asserted, claimed or recovered against the Client by reason of (i) personal injury, death and/or property damages which arises out of or is in any way connected or associated with the actions or inactions of Consultant in performing or failing to perform the work, or (ii) civil damages which arise out of any dispute between Consultant and its subcontractors, affiliates, employees or other private third parties in connection with this Contract.
- B. Consultant shall provide evidence of adequate insurance coverage in the types and amounts set forth on Schedule A, which is attached hereto and incorporated herein by this reference. Such insurance shall be maintained at the specified level of coverage throughout the term of this Contract, including any extension of such

term, and will cover all work, acts and omissions by and on behalf of Consultant in connection with this Contract, with the Client as named additional insureds, but with such coverage being primary and non-contributory as described in the attached Schedule A. Consultant's professional liability insurance shall cover a claim if and to the extent that the insured causes damage to others in the rendering of its professional services. Consultant shall give the Client immediate notice of any change in or cancellation of the coverage in place at the time this agreement is executed, shall provide a copy of any cancellation notice received from its insurer to the Client, and shall request that its insurer send such notice of cancellation to the Client. Consultant shall provide evidence of insurance coverage as set forth herein coverage at any time requested by the Client.

Article VII: Information.

It is expressly acknowledged and agreed that all reports, opinions, compilations, research work, studies, data, materials, artifacts, samples, documents, plans, drawings, specifications, correspondence, ledgers, permits, manuals, applications, contracts, accountings, schedules, maps, logs, invoices, billings, photographs, videotapes and all other materials generated by and/or coming into the possession of Consultant during the term of this Contract, and any extension thereof, that in any way relate to the performance of work by Consultant under this Contract or that are otherwise related or relevant to the work, belong exclusively to the Client and shall be promptly delivered to the Client upon the termination of this Contract or, at any time, upon the Client's request.

Article VIII: Accuracy.

Consultant promises that the information it provides in the work to be performed under this Contract will be accurate, excepting only inaccuracies resulting from incorrect information provided by the Client, other consultants and/or other public sources. Consultant will not charge Client for necessary corrections to its work and will be responsible for any increased cost incurred by the Client as a result of any inaccuracies in the work, excepting inaccuracies resulting from incorrect information provided by the Client, other consultants and/or other public sources.

Article IX: General Provisions.

- A. Entire Agreement. This instrument, together with the attached Schedules, contains the entire Contract between the Client and Consultant. No verbal agreement, conversation, or representation by or between any officer, agent, or employee of the parties hereto, either before or after the execution of this Contract, shall affect or modify any of the terms or obligations herein contained.
- B. Compliance with Laws. This Contract and all of Consultant's work and practices shall be subject to all applicable state, federal and local laws, ordinances, rules or regulations, including without limitation, those which apply because Client is a public governmental agency or body. Consultant represents that it is in compliance with all such laws and eligible and qualified to enter into this Contract.

C. Governing Law. This Contract shall be governed by the laws of the State of Michigan.

D. Assignment. Consultant shall not assign this Contract or any part thereof without the written consent of the Client. This Contract shall be binding on the parties, their successors, assigns and legal representatives.

E. Third Parties. It is the intention of the parties hereto that this Agreement is not made for the benefit of any private third party. It is acknowledged that Client may receive a portion of the funding for the payments under this Contract from one or more private sources, and it is understood by Consultant that it is hired by Client to work exclusively for Client (and by extension for the City should the work be accepted and implemented by the City) and Consultant agrees that no private party or parties will be allowed to hold sway or influence, in any way, over Consultant's performance of the work.

F. Notices. Written notices under this Contract shall be given to the parties at their addresses contained in this Contract by personal or registered mail delivery to the attention of the following persons:

Client: City Manager Victor Cardenas and City Clerk Cortney Hanson
Consultant: Seth Hedstrom

G. Changes. Any changes in the provisions of this Contract must be in writing and signed by the Client and Consultant.

H. Waivers. No waiver of any term or condition of this Contract shall be binding and effective unless in writing and signed by all parties, with any such waiver being limited to that circumstance only and not applicable to subsequent actions or events.

I. Jurisdiction and Venue of Contract. This Contract shall be considered for all purposes, including the establishment of jurisdiction and venue in any court action between the parties, as having been entered into and consummated in the 52-1 District Court in the City of Novi, or the Sixth Circuit Court in Pontiac, Oakland County, Michigan or in the U.S. District Court for the Eastern District of Michigan-Southern Division as dictated by applicable court rule.

J. Conflict. In the event of any conflict or inconsistency between the above provisions of this Contract and either or both of the attached Schedules, the provisions in the above text shall govern.

K. Anti-Discrimination. The Contractor shall not discriminate against any employee, or applicant for employment because of religion, race, color, national origin, age, sex, height, weight, handicap, ancestry, place of birth, sexual preference or marital status. The Contractor further covenants that it will comply with the Civil Rights Act of 1973, as amended; and the Michigan Civil Rights Act of 1976 (78. Stat. 252 and 1976 PA 453) and will require a similar covenant on the part of any consultant or subcontractor employed in the performance of this contract.

IN WITNESS WHEREOF, the Client and the Consultant have executed this Contract in Oakland County, Michigan, as of the date first listed above.

WITNESS/DATES OF SIGNATURE:

Alyssa M. Ciglar

Date:

[Signature]

Date:

City of Novi ("Client"):

By: [Signature]
Justin Fischer, It's Mayor

By: Courtney Hanson
Courtney Hanson, Its Clerk

WITNESS/DATES OF SIGNATURE

4/10/2025

Date:

4/10/2025

Date:

**Berry, Dunn, McNeill & Parker, LLC
("Consultant"):**

By: [Signature]
Seth Hedstrom, Principal

By: [Signature]
Jonathan Grace, Principal

SCHEDULE A