

**AMENDMENT NUMBER 1 TO
PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE UNDERSTANDING GROUP
AND THE CITY OF ANN ARBOR**

The City of Ann Arbor, a Michigan municipal corporation, having its offices at 301 E. Huron, Ann Arbor, Michigan 48104 ("City"), and The Understanding Group ("Contractor") a(n) Michigan, LLC with its address at 4415 Crestline Drive Ann Arbor, MI 48103 agree to amend the professional services agreement for the Information Architecture Re-Fresh, dated August 8, 2011, as follows on this ___ day of March, 2012.

- 1) Article III (A) and (B), Services, are amended to read as follows:

Services

A. The Contractor agrees to provide wire-frames for the homepage, global navigation and the Parks and Recreation sub site including functional specifications services ("Services") in connection with the Project as described in Exhibit A and Exhibit A-1 (which is attached to this Amendment and made a part thereof). To the extent any Deliverable specifies a specific date for delivery of Services, Contractor shall not be liable to City for any delay or failure in performance caused by acts beyond Contractor's reasonable control, including without limitation, acts of God, war, sabotage, accidents, fires, floods, strikes, labor disputes, mechanical breakdown, shortages or delays in obtaining suitable parts or equipment, material, labor or transportation, acts of any unit of government or governmental agency, or any similar cause. The City retains the right to make changes to the quantities of service within the general scope of the Agreement at any time by a written order. If the changes add to or deduct from the extent of the services, the contract sum shall be adjusted accordingly. All such changes shall be executed under the conditions of the original agreement.

B. Quality of Services under this Agreement shall be of the level of professional quality performed by experts regularly rendering this type of service. Determination of acceptable quality shall be made solely by the Contract Administrator consistent with the Services as outlined in Contractor's Proposal, dated January 9, 2012, the accepted terms of which have been incorporated as part of Exhibits A and A-1.

- 2) Article IV (A) and (B), Compensation of Contractor, is amended to read as follows:

IV. COMPENSATION OF CONSULTANT

A. The Contractor shall be paid in the manner set forth in Exhibits B and Version B-1 (which is attached to this Amendment and made a part thereof). Payment shall be made per payment term is specified in Exhibit B-1, following receipt of invoices submitted by the Contractor, and approved by the Contract Administrator.

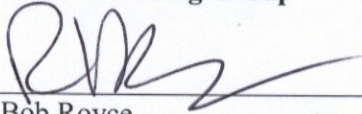
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B. The Contractor will be compensated for Services performed in addition to the Services described in Section III, only when those additional Services have received prior written approval of the Contract Administrator. Compensation will be on a fixed cost according to the schedule of rates in Exhibit B or Exhibit B-1, whichever applicable. The Contract Administrator shall be the sole arbitrator of what shall be considered "reasonable" under this provision.

All terms, conditions, and provisions of the original agreement between the parties executed March __, 2012, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

For Contractor
The Understanding Group

By 
Bob Royce
Its: President

For City of Ann Arbor

By _____
John Hieftje, Mayor

By _____
Jacqueline Beaudry, City Clerk

Approved as to form and content

Stephen K. Postema, City Attorney

Approved as to substance

Steven D. Powers, City Administrator

Tom Crawford, Finance and Administrative
Service Area Administrator/CFO

EXHIBIT A-1

In addition to the Services specified in Exhibit A, Contractor agrees to provide the following:

City of Ann Arbor Information Architecture Re-fresh

Following TUG's heuristic evaluation of the city's website, the City of Ann Arbor's IT leaders believe there is now the opportunity to address fundamental, site-wide navigation and findability problems at A2gov.org.

This proposal is for a project to update the global site navigation and the information architecture of the Home page (<http://a2gov.org>) and the parks and recreation section of the site. The project would be conducted in two parallel streams:

Stream 1—Global Navigation and Homepage and

Stream 2—Parks and Recreation.

Each stream is comprised of the following activities (with some differences as noted):

Discovery Phase (~2 weeks)

Stakeholder Interviews: For each stream, TUG will gather business requirements and identify success metrics in a series of interviews with stakeholders.

In the case *Stream 1* TUG will conduct six (6) interviews, each comprised of small groups of stakeholders.

In the case of *Stream 2* TUG will interview two (2) interviews, each comprised of small groups of stakeholders.

User Interviews: For each stream, TUG will develop insights into user needs and information seeking behaviors through interviews with city residents from key constituencies.

In the case *Stream 1* TUG will interview eight (8) users.*

In the case of *Stream 2* TUG will interview four (4) users.*

*This City will be responsible for recruiting users in consultation with TUG.

Strategy and Alignment (1–2 weeks)

Requirements & Strategy Brief: For each stream, TUG will develop a Strategy Brief detailing the requirements it captured in stakeholder and user interviews, and a proposed strategy for guiding the design phase to follow.

Alignment Session: For each stream, TUG will share what it's learned about business requirements and user needs, and will present the Strategy Brief for guiding the design phases that follow.

Structural Design (1–2 weeks)

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For each stream TUG will develop designs for the organization, inter-linking, and layout of the required content and content types delineated in the prior phase of the project. The home page and global navigation (Stream 1) will be wire-framed and Tug will make up to two rounds of revisions. For the parks and recreation department (Stream 2), seven (7) page types will be wire-framed, again with two rounds of revision, as part of a comprehensive re-architecting of the section.

User Testing (1–2 weeks)

For each stream TUG will test the designs approved in the previous project phase with users.

In the case *Stream 1* TUG will test navigability of homepage and global navigation designs with five test users completing three tasks. Useresting.com will be the source of test subjects and of test session video capture.

In the case of *Stream 2*, TUG will conduct moderated user interviews (ideally with the previous people interviewed for the Discovery phase) to review and assess the new page designs and navigation structures developed for the parks and recreation section of the site.

Review Meeting: The results of the User Testing for each stream will be reviewed with the appropriate stakeholders.

Specifications (1 week)

The final deliverable for Stream 1 will consist of an annotated set of wire-frames for the homepage and global navigation along with functional specifications.

The final deliverable for Stream 2: Parks will consist of annotated wire-frames for up to seven (7) page types and functional specifications.

Final deliverables will be reviewed with the City at a concluding meeting for each Stream.

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**EXHIBIT B-1
COMPENSATION**

The total fee to be paid Contractor for those Services performed pursuant to Amendment No 1 to the Agreement shall not exceed \$35,000 inclusive of all reimbursable expenses (if applicable), in accordance with the terms and conditions herein. The Compensation Schedule below states nature and amount of compensation the Contractor may charge the City:

- A. Fee Schedule. Contractor's Cost Proposal, dated January 9, 2012, is attached and incorporated herein.

- B. Reimbursable Expenses. Reimbursable Expenses are defined as those expenses necessary and authorized by the City to perform the Services. Reimbursable Expenses to be paid to Contractor under this Amendment are included in the NTE amount of \$35,000.

Cost and Terms:

This project will be billed on a Fixed Price basis with payments due Net 30 from the date of each invoice. The cost total project cost for Amendment No. 1 is \$35,000. Invoices will be submitted on the following schedule:

- \$10,000 upon signing of the contract.
- \$15,000 upon approval of the Requirements and Strategy Brief.
- \$10,000 upon approval of the Wire-frames and Functional Specification.

