



Legislation Text

File #: 17-1924, **Version:** 1

Resolution to Approve Amendment No. 3 to the Professional Services Agreement with Dykema Gossett PLLC for Legal Services Relative to the IRS IDR for the City of Ann Arbor Capital Improvement Bonds, Series 2009-A and Appropriate the Necessary Funds (\$10,000.00 amendment/ \$45,000.00 total contract) **(8 Votes Required)**

The resolution before you is to approve a professional services agreement amendment with Dykema Gossett PLLC for its legal services relative to the examination by IRS of the City of Ann Arbor Capital Improvement Bonds, Series 2009-A bond issue

Budget/Fiscal Impact: Funding for this request was not budgeted within the existing FY18 Finance Services budget. Funding is available for transfer from the FY18 General Fund Fund Balance

Dykema Gossett currently serves as the City's bond counsel. The City Attorney selected Dykema Gossett to provide advice and representation before the IRS in connection with the City's response to the IRS's request for documents related to the City's issuance of the City of Ann Arbor Capital Improvement Bonds, Series 2009-A (Build American Bonds).

As Council was previously informed, the amount of time and cost of legal services for the IRS IDR could not be predicted with certainty. The cost of the firm's services through closure of the inquiry by the IRS exceeded the estimated expenditure. Authorization of an additional \$10,000.00 is necessary for final payment for legal services to Dykema Gossett PLLC.

Dykema Gossett PLLC complies with the requirements of the City's non-discrimination and living wage ordinances.

Approval of the third and final amendment to the professional services agreement with Dykema Gossett, PLLC for an additional \$10,000.00, for legal services relative to the IRS IDR for the City of Ann Arbor Capital Improvement Bonds, Series 2009-A bond issue, for a total contract amount of \$45,000.00, is recommended.

Prepared by: Mary Joan Fales, Senior Assistant City Attorney

Reviewed by: Tom Crawford, CFO/Finance and Administrative Services Administrator
Stephen K. Postema, City Attorney

Approved by: Howard S. Lazarus, City Administrator

Whereas, Dykema Gossett, PLLC has served as the City's bond counsel for many years and is well qualified to provide legal services representing the City relative to the IRS IDR for the City of Ann Arbor Capital Improvement Bonds, Series 2009-A bond issue;

Whereas, The City and firm entered into a contract for legal services for an amount not to exceed \$35,000.00, as amended by the first and second amendments based on estimated costs of representation for the matter;

Whereas, The estimated cost of legal services was exceed

Whereas, The City Attorney and the CFO recommend a third and final amendment in the amount of \$10,000.00 for those services; and

Whereas, Dykema Gossett PLCC complies with the City of Ann Arbor's Non-Discrimination and Living Wage ordinances;

RESOLVED, That City Council approve Amendment No. 3 to the Professional Services Agreement with Dykema Gossett PLCC for legal representation relative to the IRS IDR for the City of Ann Arbor Capital Improvement Bonds, Series 2009-A bond issue for a in total contract amount of \$45,000.00;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney;

RESOLVED, That City Council appropriate \$10,000.00 from the FY18 General Fund Fund Balance to FY18 Finance Administration Expense budget; and

RESOLVED, That the City Attorney be authorized to take all necessary actions to implement this Resolution.