

**AGREEMENT BETWEEN
MUNICIPAL CONSULTING SERVICES, LLC AND THE CITY OF ANN ARBOR
FOR
Non-Union Compensation Study**

The City of Ann Arbor, a Michigan municipal corporation, having its offices at 301 E Huron Avenue, Ann Arbor, Michigan 48104 ("City"), and Municipal Consulting Services, LLC ("Contractor"), a Michigan LLC, with an office at 5269 Daniel Drive, Brighton, MI 48114 agrees as follows on this ___ day of 2017.

The Contractor agrees to provide professional services to the City under the following terms and conditions:

I. DEFINITIONS

Administering Service Area/Unit means City Administrator/ Human Resources Unit

Contract Administrator means HR & Labor Relations Director, acting personally or through any assistants authorized by the Administrator/Manager of the Administering Service Area/Unit.

Project Manager means Compensation & HRIS Supervisor, acting personally, or through any assistants authorized by Administrator/Manager of the Administering Service Area/Unit.

Deliverables means all Reports, Recommendations and other materials developed for and/or delivered to the City by Contractor under this Agreement.

Project means RFP #987, Non-Union Compensation Study.

II. DURATION

This Agreement shall become effective on 7/1/2017 and shall remain in effect until satisfactory completion of Services, unless terminated as provided for in this Agreement.

III. SERVICES

- A. The Contractor agrees to provide property appraisal services as described in Exhibit A ("Services"). 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 professional regularly rendering this type of service. Determination of acceptable quality shall be made solely by the Contract Administrator.
- C. The Contractor shall perform its Services for the Project in compliance with all

statutory, regulatory and contractual requirements now or hereafter in effect as may be applicable to the rights and obligations set forth in the Agreement.

- D. The Contractor may rely upon the accuracy of reports and surveys provided to it by the City except when defects should have been apparent to a reasonably competent professional or when it has actual notice of any defects in the reports and surveys.
- E. The Contractor is not authorized to assume or create any obligation or responsibility, express or implied, on behalf of, or in the name of, the City of Ann Arbor or bind the City in any manner. The Parties agree that at all times and for all purposes under the terms of this Agreement each Party's relationship to any other Party shall be that of an independent Contractor. Each Party will be solely responsible for the acts of its own employees, agents, and servants. No liability, right, or benefit arising out of any employer/employee relationship, either express or implied, shall arise or accrue to any Party as a result of this Agreement. Contractor retains the right to exercise such discretion and judgment in the provision of its service to fulfill and comply with the requirements of this Agreement.

IV. COMPENSATION OF CONTRACTOR

- A. The Contractor shall be paid in the manner set forth in Exhibit B. Payment shall be made monthly, unless another payment term is specified, following receipt of invoices submitted by the Contractor, and approved by the Contract Administrator. Total compensation including reimbursable expenses, payable for all Services performed during the term of this Agreement shall be at the fixed fee amount of Sixty-one thousand One hundred Eighteen dollars and twenty cents. (\$61,118.22).
- 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 payable according to the fee schedule in Exhibit B.
- C. The Contractor shall keep complete records of work performed on the Project so that the City may verify invoices submitted by the Contractor. Such records shall be made available to the City upon request and submitted in summary form with each invoice.

V. INSURANCE/INDEMNIFICATION

- A. The Contractor shall procure and maintain during the life of this contract, such insurance policies, including those set forth in Exhibit C, as will protect itself and the City from all claims for bodily injuries, death or property damage which may arise under this contract; whether the acts were made by the Contractor or by any subcontractor or anyone employed by them directly or indirectly. In the case of all contracts involving on-site work, the Contractor shall provide to the City, before commencement of any work under this contract, documentation demonstrating it has obtained the policies and endorsements required by Exhibit C.

- B. Any insurance provider of Contractor shall be admitted and authorized to do business in the State of Michigan and shall carry and maintain a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A-" Overall and a minimum Financial Size Category of "V". Insurance policies and certificates issued by non-admitted insurance companies are not acceptable unless approved in writing by the City.
- C. The Contractor agrees to indemnify, defend and hold the City, its officers, employees and agents harmless from all suits, claims, judgments and expenses including attorney's fees resulting or alleged to result, from any acts or omissions by the Contractor or its employees and agents occurring in the performance of or breach in this Agreement.
- D. The City agrees to hold Contractor, its officers, employees and agents, harmless from any damage, judgment, loss or expense sustained or incurred by Contractor caused by or resulting from the City's negligence or intentional misconduct in performance of its obligations under this Agreement.
- E. This Agreement does not, and is not intended to, impair, divest, delegate or contravene any constitutional, statutory and/or other legal right, privilege, power, obligation, duty or immunity of the Parties.

VI. COMPLIANCE REQUIREMENTS

- A. Nondiscrimination. The Contractor agrees to comply and to require its subcontractor(s) to comply, with the nondiscrimination provisions of Section 209 of the Elliot-Larsen Civil Rights Act (MCL 37.2209) The Contractor further agrees to comply with the nondiscrimination provisions of Chapter 112 of the Ann Arbor City Code and to assure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity
- B. Living Wage. The Contractor is a "covered employer" as defined in Chapter 23 of the Ann Arbor City Code and agrees to comply with the living wage provisions of Chapter 23 of the Ann Arbor City Code. The Contractor agrees to pay those employees providing Services to the City under this Agreement a "living wage," as defined in Section 1:815 of the Ann Arbor City Code, as adjusted in accordance with Section 1:815(3); to post a notice approved by the City of the applicability of Chapter 23 in every location in which regular or contract employees providing services under this Agreement are working; to maintain records of compliance; if requested by the City, to provide documentation to verify compliance; to take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee or person contracted for employment in order to pay the living wage required by Section 1:815; and otherwise to comply with the requirements of Chapter 23.

VII. WARRANTIES BY THE CONTRACTOR

- A. The Contractor warrants that the quality of its Services under this Agreement shall conform to the level of professional quality performed by professionals regularly rendering this type of service.
- B. The Contractor warrants that it, and any of its employees and agents performing Services under this Agreement, have all the skills, experience, and professional licenses and certifications necessary to perform the Services specified in this Agreement.
- C. The Contractor warrants that it has available, or will engage, at its own expense, sufficient trained employees or subcontractors to provide the Services specified in this Agreement. Further Contractor warrants that it will provide any training or supplement the training of any person(s) employed by Contractor, at its own expense, to perform services under this Agreement to fulfill and comply with requirements of this Agreement.
- D. The Contractor warrants that it is not, and shall not become overdue or in default to the City for any contract, debt, or any other obligation to the City including real and personal property taxes. Further Contractor agrees that the City shall have the right to set off any such debt against compensation awarded for Services under this Agreement.
- E. The Contractor warrants that its proposal was made in good faith, it arrived at the costs of its proposal independently, without consultation, communication or agreement, for the purpose of restricting completion as to any matter relating to such fees with any competitor for these Services; and no attempt has been made or shall be made by the Contractor to induce any other perform or firm to submit or not to submit a bid for the purpose of restricting competition.

VIII. TERMINATION OF AGREEMENT

- A. If either party is in breach of this Agreement for a period of fifteen (15) days following receipt of notice from the non-breaching party with respect to a breach, the non-breaching party may pursue any remedies available to it against the breaching party under applicable law, including but not limited to, the right to terminate this Agreement without further notice. Provided however, and except as provided in Section V. C., under no circumstances shall Contractor's liability exceed amounts received in payment from the City for Services under this Agreement.
- B. The City may terminate this Agreement, on at least thirty (30) days advance notice, for any reason, including convenience, without incurring any penalty, expense or liability to the Contractor, except the obligation to pay for Services actually performed under the Agreement before the termination date.
- C. Contractor acknowledges that, if this Agreement extends for several fiscal years, continuation of this Agreement is subject to appropriation of funds for this Project. If funds to enable the City to effect continued payment under this Agreement are

not appropriated or otherwise made available, the City shall have the right to terminate this Agreement without penalty at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to the Contractor. The Contract Administrator shall give the Contractor written notice of such non-appropriation within thirty (30) days after it receives notice of such non-appropriation.

- D. The remedies provided in this Agreement will be cumulative, and the assertion by a party of any right or remedy will not preclude the assertion by such party of any other rights or the seeking of any other remedies. Absent a written waiver, no act, failure, or delay by a Party to pursue or enforce any rights or remedies under this Agreement shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Agreement. No waiver of any term, condition, or provision of this Agreement, whether by conduct or otherwise, in one or more instances, shall be deemed or construed as a continuing waiver of any term, condition, or provision of this Agreement. No waiver by either Party shall subsequently effect its right to require strict performance of this Agreement.
- E. The provisions of Article V and VII shall survive the expiration or earlier termination of this Agreement for any reason. The expiration or termination of this Agreement, for any reason, shall not release either party from any obligation or liability to the other party.

IX. OBLIGATIONS OF THE CITY

- A. The City agrees to give the Contractor access to the Project area and other City-owned properties as required to perform the necessary Services under this Agreement.
- B. The City shall notify the Contractor of any defects in the Services of which the Contract Administrator has actual notice.

X. ASSIGNMENT

- A. The Contractor shall not subcontract or assign any portion of any right or obligation under this Agreement without prior written consent from the City. Notwithstanding any consent by the City to any assignment, Contractor shall at all times remain bound to all warranties, certifications, indemnifications, promises and performances, however described, as are required of it under the Agreement unless specifically released from the requirement, in writing, by the City.
- B. The Contractor shall retain the right to pledge payment(s) due and payable under this Agreement to third parties.

XI. NOTICE

All notices and submissions required under this Agreement shall be delivered to the respective party in the manner described herein to the address stated in this Agreement or such other address as either party may designate by prior written notice to the other.

Notices given under this Agreement shall be in writing and shall be personally delivered, sent by next day express delivery service, certified mail, or first class U.S. mail postage prepaid, and addressed to the person listed below. Notice will be deemed given on the date when one of the following first occur: (1) the date of actual receipt; (2) the next business day when notice is sent next day express delivery service or personal delivery; or (3) three days after mailing first class or certified U.S. mail.

If Notice is sent to the CONTRACTOR, it shall be addressed and sent to:

Municipal Consulting Services, LLC
Attn: Mark Nottley
3999 Daniel Drive
Brighton, MI 48114

If Notice is sent to the CITY, it shall be addressed and sent to:

City of Ann Arbor
Attn: Ashley Walicki
301 E. Huron St., POB 8647
Ann Arbor, Michigan 48107-8647

XII. CHOICE OF LAW AND FORUM

This Agreement will be governed and controlled in all respects by the laws of the State of Michigan, including interpretation, enforceability, validity and construction. The parties submit to the jurisdiction and venue of the Circuit Court for Washtenaw County, State of Michigan, or, if original jurisdiction can be established, the United States District Court for the Eastern District of Michigan, Southern Division, with respect to any action arising, directly or indirectly, out of this Agreement or the performance or breach of this Agreement. The parties stipulate that the venues referenced in this Agreement are convenient and waive any claim of non-convenience.

XIII. OWNERSHIP OF DOCUMENTS

Upon completion or termination of this Agreement, all documents (i.e., Deliverables) prepared by or obtained by the Contractor as provided under the terms of this Agreement shall be delivered to and become the property of the City. Original basic survey notes, sketches, charts, drawings, partially completed drawings, computations, quantities and other data shall remain in the possession of the Contractor as instruments of service unless specifically incorporated in a deliverable, but shall be made available, upon request, to the City without restriction or limitation on their use. The City acknowledges that the documents are prepared only for the Project. Prior to completion of the contracted Services the City shall have a recognized proprietary interest in the work product of the Contractor.

Unless otherwise stated in this Agreement, any intellectual property owned by Contractor prior to the effective date of this Agreement (i.e., preexisting information) shall remain the exclusive property of Contractor even if such Preexisting Information is embedded or otherwise incorporated in materials or products first produced as a result of this Agreement or used to develop Deliverables. The City's right under this provision shall not apply to any Preexisting Information or any component thereof regardless of form or media.

XIV. CONFLICT OF INTEREST

Contractor certifies it has no financial interest in the Services to be provided under this Agreement other than the compensation specified herein. Contractor further certifies that it presently has no personal or financial interest, and shall not acquire any such interest, direct or indirect, which would conflict in any manner with its performance of the Services under this Agreement.

XV. SEVERABILITY OF PROVISIONS

Whenever possible, each provision of this Agreement will be interpreted in a manner as to be effective and valid under applicable law. However, if any provision of this Agreement or the application of any provision to any party or circumstance will be prohibited by or invalid under applicable law, that provision will be ineffective to the extent of the prohibition or invalidity without invalidating the remainder of the provisions of this Agreement or the application of the provision to other parties and circumstances.

XVI. EXTENT OF AGREEMENT

This Agreement, together with any affixed exhibits, schedules or other documentation, constitutes the entire understanding between the City and the Contractor with respect to the subject matter of the Agreement and it supersedes, unless otherwise incorporated by reference herein, all prior representations, negotiations, agreements or understandings whether written or oral. Neither party has relied on any prior representations, of any kind or nature, in entering into this Agreement. This Agreement shall be binding on and shall inure to the benefit of the parties to this Agreement and their permitted successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement. This Agreement may be altered, amended or modified only by written amendment signed by the Contractor and the City. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement.

FOR CONTRACTOR

By _____

Its:

FOR THE CITY OF ANN ARBOR

By _____

Christopher Taylor, Mayor

By: _____

Jacqueline Beaudry, City Clerk

Approved as to substance

Howard S. Lazarus, City Administrator

Robyn Wilkerson, HR & Labor Relations
Director

Approved as to Form and Content

Stephen K. Postema, City Attorney

EXHIBIT A

SCOPE OF SERVICES

Contractor shall provide Services as stated in their Proposal to City RFP #987, dated 11/18/2016, updated 12/27/2016 and the general terms and conditions of this Contract and RFP #987. In case of any conflict of terms between the documents, this contract's terms shall control.

Consultant's Proposed Work Plan:

Task 1: Meet with the Project Manager and Refine the Work Plan

It will be Contractor's intention to work closely with the City to develop the classification and compensation system. Related, as a first step in the study process, Contractor, Project Manager and HR determined City project team will meet to further define, and logistically plan, our approach and work schedule. At the initial meeting, we will discuss the preferred methods for project administration and develop a schedule for future meetings.

Task 2: Collect and Review Compensation-Related Documentation

Additionally, at this time Contractor will also request and review relevant compensation information, including existing job descriptions, compensation plans, compensation-related personnel policies, labor contracts and all other information that will provide them with an understanding of classification and compensation issues.

Task 3: Provide Employee Orientation and Elicit Employee Input

At this time, Contractor will schedule a group meeting with the employees. The purpose of this meeting will be threefold, including:

- Orienting employees to the project work plan and objectives.
- Explaining the importance of their input in writing with our project consultant.
- Eliciting their assistance in the study process – more specifically, to complete a job analysis questionnaire document regarding their specific job duties, reporting relationships and other aspects of their job pertaining to compensation. Project Manager will print out the job questionnaires for the employee to review at the meeting.

Task 4: Conduct Department Head and Key Supervisory Interviews

The completed job questionnaires, in conjunction with City's existing job descriptions, will provide Contractor with a good overview of the job duties and reporting relationships. However, Contractor does not feel that the questionnaire is sufficient for fully understanding the function of the position within the larger organization. Consequently, Contractor will consider it important that additional information be gathered through a subsequent interview process.

Therefore, after reviewing the completed questionnaire, Contractor will schedule interviews with department heads and supervisory personnel and for any other classifications for which require additional information. The interviews will focus on:

- Obtaining a broader definition of duties and responsibilities for purposes of point factoring and determining relative grade positioning.
- Clearly defining key duties to be used to compare the position to the labor market.

Related to the above, the City can anticipate approximately twenty interviews.

Task 5: Determine List of Market Comparables in Consultation with the City

To establish compensation parameters for the studied positions, we must first determine the labor market. Ideally, the defined market will be comprised of a mix of similar cities as well as local employers. In Task 5, Contractor will work with Project Manager at the City to define a representative labor market. To accomplish this, Contractor will:

- Present the City with a listing of potential comparable employers. Contractor will develop and present profile data on each entity to support this process.
- With input from Project Manager, Contractor will determine which prepared surveys and local sources will be used to gather compensation data for the local labor market and to which positions this data might be applied.

Task 6: Develop Survey Instrument for Compensation

Having completed Task 5, Contractor will develop a survey instrument to elicit feedback regarding each position. This will be a “custom survey” that briefly describes each classification. In regard to the survey scope it will be Contractor’s intention to survey a minimum of one-half of the job classifications included in the study.

Task 7: Conduct Survey Process and Finalize Results

Project Manager will mail the survey and Contractor will tabulate the incoming results. Follow-up calls will be made to clarify particular points by Contractor.

Task 8: Conduct Job/Point-Factor Evaluation and Develop Pay Ranges

Point –factoring is a process which each position is point-ranked relative to all other positions in the organization or group. Ideally, point-factoring is considered as a means of establishing internal equity, and in turn, pay grade placement. In Task 8, Contractor will develop a point factor plan specifically for the City of Ann Arbor. Contractor will then perform a point factor plan specifically for the City of Ann Arbor. We will then perform a point-factor analysis encompassing all positions included in the study. In this process, each position will be ranked in relation to ten factors including:

- Education and Experience

- Judgement and Independence
- Internal and External Relations
- Supervisory or Managerial Responsibility
- Job Complexity
- Responsibility for the Welfare of Others
- Technology Use
- Impacts on Programs and Operations
- Document Concentration
- Work Environment

The results will be used to develop a grade structure, and establish grade placement for each individual position. Recommendations will also be made for any new classifications that become apparent during the course of the study or any classifications that should be consolidated. Additionally, Contractor will give consideration to progression systems for particular job groups (such as those mentioned in RFP #987 or others that become apparent during the study) and assure that the grade structure is designed to accommodate organizational advancement and retention of key personnel.

Task 9: Apply Survey Results and Develop Pay Ranges for Each Pay Grade

In Task 9, Contractor will use the results of the survey process to develop a pay range for each applicable pay grade. The results will be comprehensive pay grade structure that includes all of the studied positions.

Task 10: Analyze Each Position within the Confines of the New Pay Grade Structure

Contractor will then processed to evaluate the wage levels of each position relative to the newly established pay ranges. All positions will be evaluated using a compa-ratio analysis to illustrate their specific positions within their respective ranges.

Task 11: Develop Pay Progression Options and Analysis of Results

There are various methods for implementing a pay system. Many clients prefer a multi-year methodology for advancing employees through the pay range. This may depend of performance evaluation results or be more structured (such as a step system with progressive pay increases linked to performance evaluation). Related to this, Contractor will also:

- Revisit and discuss the City's current compensation adjustment process and City representatives.

- Introduce several examples of pay progression systems that are currently used in the public sector.
- Provide cost data to illustrate the impact of different approaches and adjustments based on the study results.

Task 12: Develop Final Report Document

At the conclusion of Task 11, Contractor will develop a comprehensive final report document. This will include:

- Written summation of all project methodologies.
- All schedules and summary results developed in the preceding tasks.
- The recommended pay grade structure for each classification.
- Identification of any positions that fall below or above the range parameters specified for their respective classifications.
- Pay progression options and analysis intended to facilitate implementation of the study's results.
- Cost analysis for implementation of the new pay plan.
- Specification of annual procedures required to update the system for ongoing use including reclassification analysis, annual pay range adjustment and other requirements.

Task 13: Present Final Report to the City Council

At the conclusion of Task 12, Contractor will schedule and provide a report presentation to the City Council or a project committee, if preferred.

Project Deliverables:

- Five bound copies of the final report document and an electronic file of the final report in PDF format, from which additional copies can be printed or source data can be extracted for future use.
- Final report will include administrative procedures for reclassification, annual update of the pay ranges and other actions necessary to maintain the new pay system. Additional procedural documentation will be limited to providing templates at no extra cost and consulting with Project Manager on particular approaches.
- The timeframe anticipated for this compensation study is 5 months. The timeframe can be extended with Project Manager and Contractor approval but it is anticipated to not exceed 7 months.

City responsibilities (Project Manager lead):

- Selection of the market comparables as a joint effort with the Contractor.
- Identify the survey targets/professional contacts and creating the merge letter sheet (i.e. name, address).
- Provide follow-up to the survey targets and encourage survey participation.
- Timely response to information requests.
- Coordination and scheduling of project interviews and meetings.
- Attendance and independent note-taking at the interviews.
- Other tasks of a similar nature.

Essentially, the above input of HR would be designed to facilitate the survey process by providing peer-to-peer contact rather than consultant solicitation of the data.

Municipal Consulting, LLC (“Contractor”) responsibilities:

- Timely response to information requests.
- Refine the work plan.
- Collect and review compensation-related documentation.
- Provide employee orientation and elicit employee input.
- Conduct department head and key supervisory interviews.
- Determine the list of market comparables in consultation with the Project Manager.
- Develop and design the survey instrument to elicit feedback regarding each position.
- Send out the survey (On City letterhead) and also via email (postage to be paid by Contractor).
- Conduct the survey process and tabulate the survey data.
- Conduct job/point-factor evaluation and develop pay grades.
- Apply survey results and develop pay ranges for each pay grade.

- Analyze each position within the confines of the new pay grade structure.
- Develop pay progression options and analysis of the results.
- Develop and provide Project Manager the final report document.
- Present final report to the City Council or a project committee, if preferred.
- Provide procedural documentation templates.

**EXHIBIT B
COMPENSATION**

Contractor's total compensation for all Services shall be payable as specified in Article IV above. Services component prices are stated as:

Non-Union Compensation Study - (fees not to exceed this amount)	\$59,800.00
2 additional positions to be reviewed	\$1,000.00
Mileage to be paid at prevailing IRS rate (.53.5/mi) & Parking Fees. (41.20 miles per trip *10 trips= \$220.42, \$52.80 parking)	\$273.22
Postage for surveys being sent to market comparables \$3.00 * 15	\$45.00
Total Compensation	<u>\$61,118.22</u>

Invoicing:

Contractor shall no more frequently than once monthly invoice the City for the allowed project expenses and a portion of the Contractor's fixed fee for the work performed during the previous month in accordance with the Work Plan set forth in Exhibit A and completed to the City's satisfaction. It is understood and agreed that with the exception of the final invoice upon the project's completion no invoice shall exceed FIFTEEN THOUSAND AND NO/100 DOLLARS (\$15,000) and that no more than eighty percent (80%) of the fixed fee shall be invoiced and paid prior to the completion of the entire project to the City's satisfaction.

In addition to its invoice, Contractor shall provide the City with such supporting documentation as the City may reasonable require that support the fees and expenses being invoiced to the City. The City shall, when it received Contractor's invoice and all satisfactory documentation the City may require regarding fees and expenses, process and pay Contractor's invoice in accordance with the City's procedure for processing and payment of Accounts Payable.

Invoices are to be paid by the City within 30 days of the date the invoice is received.

EXHIBIT C

INSURANCE REQUIREMENTS

Effective the date of this Agreement, and continuing without interruption during the term of this Agreement, Contractor shall provide certificates of insurance and endorsements to the City on behalf of itself, and when requested any subcontractor(s).

A. Contractor shall have insurance that meets the following minimum requirements.

1. Worker's Compensation Insurance in accordance with all applicable state and federal statutes. Further, Employers Liability Coverage shall be obtained in the following minimum amounts:

Bodily Injury by Accident - \$500,000 each accident
Bodily Injury by Disease - \$500,000 each employee
Bodily Injury by Disease - \$500,000 each policy limit

2. Errors and Omissions Insurance protecting the Contractor and its employees in an amount not less than \$1,000,000.

3. Commercial General Liability Insurance equivalent to, as a minimum, Insurance Services Office form CG 00 01 07 98 or current equivalent. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements which diminish the City's protections as an additional insured under the policy. Further, the following minimum limits of liability are required:

\$1,000,000	Each occurrence as respect Bodily Injury Liability or Property Damage Liability, or both combined
\$2,000,000	Per Job General Aggregate
\$1,000,000	Personal and Advertising Injury

4. Motor Vehicle Liability Insurance, including Michigan No-Fault Coverages, equivalent to, as a minimum, Insurance Services Office form CA 00 01 07 97 or current equivalent. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles. Further, the limits of liability shall be \$1,000,000 for each occurrence as respects Bodily Injury Liability or Property Damage Liability, or both combined.

5. Umbrella/Excess Liability Insurance shall be provided to apply in excess of the Commercial General Liability, Employers Liability and the Motor Vehicle coverage enumerated above, for each occurrence and for aggregate in the amount of \$1,000,000.

B. Insurance required under A 3 above of this contract shall be considered primary as respects any other valid or collectible insurance that the City may possess, including any self-insured retentions the City may have; and any other insurance the City does possess shall be considered excess insurance only and shall not be

required to contribute with this insurance. Further, the Contractor agrees to waive any right of recovery by its insurer against the City.

- C. Insurance companies and policy forms are subject to approval of the City Attorney, which approval shall not be unreasonably withheld. Documentation must provide and demonstrate an unconditional 30-day written notice of cancellation in favor of the City of Ann Arbor. Further, the documentation must explicitly state the following: (a) the policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts; (b) any deductibles or self-insured retentions which shall be approved by the City, in its sole discretion; (c) that the policy conforms to the requirements specified. Contractor shall furnish the City with satisfactory certificates of insurance and endorsements prior to commencement of any work. Upon request, the Contractor shall provide within 30 days a copy of the policy(ies) to the City. If any of the above coverages expire by their terms during the term of this contract, the Contractor shall deliver proof of renewal and/or new policies to the Administering Service Area/Unit.