

FIRST AMENDMENT TO
AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE CITY OF ANN ARBOR
AND VARNUM LLP FOR LEGAL SERVICES

Effective _____, 2018, the City of Ann Arbor, a Michigan municipal corporation, with offices at 301 E. Huron St. Ann Arbor, Michigan 48107-8647 ("City") and Varnum LLP, formerly Varnum, Riddering, Schmidt & Howlett, LLP, a Michigan limited liability partnership, with offices at 333 Bridge Street NW, Grand Rapids, MI 49504 ("Firm") agree to amend the professional services agreement for professional legal services relative to intervention by the City in DTE Electric Company rate case No. U-18091 before the Michigan Public Service Commission ("MPSC") executed January 11, 2017, as follows:

- 1) Paragraph A of Section 1, Services, is amended to read as follows:
 - A. The Firm previously agreed to provide initial professional legal services relative to intervention by the City in DTE Electric Company rate case Case No. U-18091 before the Michigan Public Service Commission ("MPSC"). City now wishes and Firm agrees to continue those services and provide the City with professional legal services relative to continuing matters associated with MPSC Case No. U-18091 regarding DTE's payment amounts and obligations for the purchase of hydro power from the City, and related Case No. U-18419, as described in First Amended Exhibit A.

- 2) Paragraph A of Section 4, Compensation of the Firm, is amended to read as follows:
 - A. The Firm shall be paid as described in First Amended Exhibit B. Payment shall be made following receipt of monthly invoices submitted by the Firm. The invoices shall include a detailed report of the Firm's activities for the month.

All terms, conditions, and provisions of the original Agreement between the parties executed January 11, 2017, unless specifically amended above, are to apply to this first amendment and are made a part of this first amendment as though expressly rewritten, incorporated, and included herein.

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

Dated this _____, 2018.

For Contractor

By _____
Tim Lundgren, Partner

For City of Ann Arbor

By _____
Christopher Taylor, Mayor

By _____
Jacqueline Beaudry, City Clerk

Approved as to substance

Howard S. Lazarus, City Administrator

Craig A. Hupy, PE, Public Services Area
Administrator

Approved as to form and content

Stephen K. Postema, City Attorney

FIRST AMENDED EXHIBIT A

Scope of Services

General

The Firm will provide legal services relative to matters associated with the DTE Electric Company hearing, Case No. U-18091, before the Michigan Public Service Commission regarding hydro rates, and with related Case No. U-18419.

Conflicts in Representation

The Firm will advise the City when the Firm has been retained to handle a matter in which its representation is adverse to the City. The City will consent to the Firm's representation of other clients in matters that are adverse to the City unless, as the result of the Firm's representation of the City, the Firm has obtained sensitive, proprietary or otherwise confidential information of a non-public nature that, if known to the Firm's other proposed client, could be used in any such other matter by the other client to the material disadvantage of the City. Each matter will be reviewed on a case-by-case basis.

FIRST AMENDED EXHIBIT B

Schedule of Fees and Costs

Effective September 1, 2015, this Third Amended Exhibit B replaces the original Exhibit B, as amended by First Amended Exhibit B and Second Amended Exhibit B.

General

The Firm shall be paid for those services performed pursuant to this Agreement, as amended, inclusive of all reimbursable expenses, in accordance with the terms and conditions herein and with Exhibit A in particular. The total amount for the Services shall not exceed \$49,300.00.

The Firm will contract with Peter Richardson to serve as expert witness on behalf of the City, for an amount not to exceed \$5,000.00. The City will pay Peter Richardson upon receipt of his invoices from the Firm.

Fee Schedule

Hourly rate for attorneys based on average hourly rate	\$350.00 per hour
Hourly rate for Peter Richardson	\$250.00

Reimbursable Expenses

Normal and customary expenses necessary to perform the services are included in the not to exceed fee amounts.