



cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item 1
December 20, 2010

SUBJECT: Approval of recommendation from Consultant Review Committee to award a contract for Labor Relations and Employee Law to Keller Thoma for a two-year term and one-year renewal option, and adoption of associated fees and charges, effective December 31, 2010.

SUBMITTING DEPARTMENT: Assistant City Manager's 

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

This past Fall the Consultant Review Committee (CRC) directed City Administration to review the attorney contracts that are set to expire on December 31, 2010. Per the direction of the CRC a Request for Proposals (RFP) was announced for Labor Legal Services this past November. Eleven (11) firms submitted proposals by the deadline. An evaluation team comprised of Leadership Team members evaluated the proposals utilizing the Quality Based Selection system (QBS). The results were presented to the CRC at their meeting on December 6, 2010. At that meeting the CRC concluded that three of the recommended firms should be brought in for interviews. Interviews were held on December 14, 2010. Upon completion of the interviews the CRC recommended to award a contract to Keller Thoma through December 31, 2012 with an option to renew in 2013

The draft agreement provides for a fee increase from the rates adopted in 2008 as follows:

Existing Rates:

<u>Position</u>	<u>Hourly Rate</u>
Principles	\$135.00
Associates	\$130.00
Law Clerks	\$ 90.00
Paralegals	\$ 85.00

Proposed Rates:

<u>Position</u>	<u>Hourly Rate</u>
Principles	\$140.00 (+\$5/hour from current agreement)
Associates	\$130.00
Law Clerks	\$ 90.00
Paralegals	\$ 85.00

RECOMMENDED ACTION: Approval of award of contract for Labor Relations and Employee Law to Keller Thoma for a two-year term and one-year renewal option, and adoption of associated fees and charges, effective December 31, 2010, subject to completion and signature of contract incorporating terms, conditions, fees, and charges in accordance with the proposal and signature by Mayor and Clerk.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Fischer				
Council Member Margolis				

	1	2	Y	N
Council Member Mutch				
Council Member Staudt				
Council Member Wrobel				

MEMORANDUM OF UNDERSTANDING
RE: LABOR RELATIONS & EMPLOYMENT LAW LEGAL SERVICES

The City of Novi, herein called "City," and Keller Thoma, herein called "Attorneys," agree as follows:

1. The City Council of the City of Novi employs the Attorneys as special counsel to represent the City in the area of labor relations and employment law.
2. The Attorneys shall comply with the insurance provisions described in the attached Exhibit A - Insurance Requirements.
3. The Attorneys shall perform the services described in the attached Exhibit B - Scope of Services.
4. For the services described in Section 2 above, the Attorneys shall be paid as described in the attached Exhibit C – Price Proposal from the Attorneys dated November 17, 2010
5. Fees for services as outlined above may be adjusted in accordance with revised schedules as may be approved by both parties in conjunction with adoption of the City's budgets.
6. **Dennis B. DuBay**, Principal shall be primarily responsible for the provision of the services listed, and he shall attest to the accuracy of all invoices submitted pursuant to this agreement. Attorneys agree that a sufficient number of attorneys shall be assigned to the City's work to assure timely delivery of services.
7. This Agreement shall continue and remain in effect for a period of two (2) years, with the option of an additional year through mutual consent, or until a notice of termination is earlier provided by either the City Council or the Attorneys. Either party may terminate this agreement at any time upon sixty (60) days written notice to the other for any reason. In the event of termination the parties agree to cooperate in the transition to successor legal counsel in conformance with State Bar of Michigan ethical guidelines to protect the public interests of the City.

IN WITNESS WHEREOF, the parties hereunto have executed this agreement on the date below stated.

CITY OF NOVI

By: _____
David Laundry, Mayor

By: _____
Maryanne Cornelius, City Clerk

Keller Thoma

By: _____

Dated: _____

Exhibit A
Insurance Requirements

Insurance Requirements

1. The Attorneys shall maintain at its expense during the term of this Agreement, the following insurance:
 - a. **Worker's Compensation** insurance with the Michigan statutory limits and **Employer's Liability** insurance with minimum limits of **\$100,000 (One Hundred Thousand Dollars)** each accident.
 - b. **Commercial General Liability Insurance** – The Attorneys shall procure and maintain during the life of this Agreement, **Commercial General Liability Insurance, Personal Injury, Bodily Injury and Property Damage on an "Occurrence Basis"** with limits of liability not less than **\$3,000,000 (Three Million Dollars)** per occurrence combined single limit.
 - c. **Automobile Liability** insurance covering all owned, hired and non-owned vehicles with **Personal Protection** insurance to comply with the provisions of the Michigan No Fault Insurance Law including **Residual Liability** insurance with minimum bodily injury limits of **\$3,000,000 (Three Million Dollars)** each person and **\$3,000,000 (Three Million Dollars)** each occurrence and/or aggregate minimum property damage limits of **\$3,000,000 (Three Million Dollars)** each occurrence and/or aggregate.
 - d. The Attorneys shall provide proof of **Professional Liability** coverage in the amount of not less than **\$3,000,000 (Three Million Dollars)** per occurrence and/or aggregate.
2. The Attorneys shall be responsible for payment of all deductibles contained in any insurance required hereunder.
3. If during the term of this Agreement changed conditions or other pertinent factors should in the reasonable judgment of the city render inadequate insurance limits, the Attorneys will furnish on demand such additional coverage as may reasonably be required under the circumstances. All such insurance shall be effected at the Attorneys' expense, under valid and enforceable policies, issued by the insurers of recognized responsibility which are well-rated by national rating organizations and are acceptable to the city.
4. All policies shall name the Attorneys as the insured and shall be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days prior notice date to the city.

All policies except Professional Liability insurance shall name the City of Novi, its officers, agents and employees as additional insured. Certificates of Insurance evidencing such coverage shall be submitted to Carol J. Kalinovic, Purchasing Director, City of Novi, 45175 West Ten Mile Road, Novi, Michigan 48375-3024 prior to commencement of performance under this Agreement and at least fifteen (15) days prior to the expiration dates of expiring policies.

5. If any work is sublet in connection with this Agreement, the Attorneys shall require each Attorney to effect and maintain at least the same types and limits of insurance as fixed for the Attorneys.
6. The provisions requiring the Attorneys to carry said insurance shall not be construed in any manner as waiving or restricting the liability of the Attorneys under this Agreement.
7. The city has the authority to vary from the specified limits as deemed necessary.

Exhibit B
Scope of Services

Scope of Services

The Attorneys shall perform and/or represent the City regarding the following services:

- Municipal employment discrimination charges and lawsuits, as well as investigation of allegations of discrimination and harassment.
- Defense against allegations of wrongful discharge, breach of employment contract.
- Represent City with Labor Relations Board, including unfair labor practice complaints.
- Collective bargaining negotiations and arbitration including Act 312 Binding Arbitration procedures and processes.
- Public employer proceedings before state regulatory agencies.
- Worker's compensation and unemployment compensation matters.
- ERISA, retirement, employee benefits and compensation matters and litigation in conjunction with our employee benefits.
- Occupational Safety and Health (OSHA) matters.
- Preparation and enforcement of employment agreements, including employee confidentiality agreements and related litigation.
- Wage and salary administration, including counsel on federal and state wage-hour laws.
- Americans with Disabilities Act (ADA) issues and development of compliance plans.
- Family and Medical Leave Act compliance (federal and state).
- Immigration law and related matters.
- Updates and advice concerning current issues facing employers, such as workplace violence, leased and temporary employees, and AIDS, drug, alcohol and genetic testing.
- Counsel on affirmative action requirements, including preparation and review of federal, state and municipal affirmative action plans; assistance in dealing with the Office of Federal Contract Compliance Programs (OFCCP) and state and local contracting agencies during compliance audits and in litigation.
- Labor law audits, including legal analyses of hiring and termination practices, employment applications, employee handbooks and policy and procedure manuals.
- In-service training programs for employers and their supervisory personnel on such topics as (1) preventing and investigating claims of harassment, (2) employee evaluation and discipline, and (3) proper handling of discrimination claims before State and Federal agencies.
- Provide information addressing timely labor topics.

KELLER THOMA

A PROFESSIONAL CORPORATION

COUNSELORS AT LAW

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November 17, 2010

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Of Counsel

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(1905 - 1970)
THOMAS H. SCHWARZE
(1943 - 1998)
RICHARD J. THOMA
(1904 - 2001)

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CATHERINE HEITCHUE REED†††

City of Novi
Members of the City Council
45175 West Ten Mile Road
Novi, Michigan 48735-3024

Re: Fee Proposal (Legal Services - Labor Relations and Employment Law)

Dear City Council Members:

Our professional services are provided at an hourly rate. These rates cover routine matters, as well as additional services which may be requested. The firm rates effective July 1, 2011 are proposed to be as follows:

Principals, \$140; Associates, \$130; Law Clerks, \$90; Paralegals, \$85

Charges may be incurred on an as-needed basis for incidental expenses such as court filing fees, telephone calls and copying costs. Charges will be incurred for travel time, however, if the travel time occurs before or after normal business hours, it is charged at one-half rate. Our statements for professional services are rendered in one-quarter of an hour increments. We normally submit a statement each month. We are pleased to provide whatever detail the client desires, e.g., date, attorney, matter involved, time, and/or dollar cost.

We have always found our fees to be very competitive with firms of similar qualifications, experience and expertise.



KELLER THOMA

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November 17, 2010
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In the event you have any questions, please feel free to contact us.

Very truly yours,

KELLER THOMA, A PROFESSIONAL CORPORATION


Dennis B. DuBay

DBD/dg

