



**CITY OF NOVI CITY COUNCIL
OCTOBER 10, 2022**

SUBJECT: Approval of five-year agreement between the City of Novi and Reason Consulting Corporation for Personal Property Assessment Services at a cost of \$40,000 for the first year for canvassing and processing of personal property accounts, with an additional \$20,000 for audits and special audits as needed.

SUBMITTING DEPARTMENT: Assessing

EXPENDITURE REQUIRED	\$40,000 canvassing/processing of personal property <u>\$20,000 estimated as-needed audits</u> \$60,000 total
AMOUNT BUDGETED	\$60,000
APPROPRIATION REQUIRED	\$0
LINE ITEM NUMBER	101-209.00-807.000

BACKGROUND INFORMATION:

Since June 2016, the City of Novi has contracted with Tax Management Associates, Inc. (TMA) to assist in areas pertaining to personal property canvassing, form processing and auditing. In a Memorandum dated May 4, 2022, former City Assessor Micheal Lohmeier notified City Manager Peter Auger and City Council that TMA's contract for services was up for renewal in June 2022.

Additionally, at that time, TMA was being purchased by Mark C. Cooke, one of the main principal owners of TMA. The purchase has been completed, and the new company is known as Reason Consulting Corporation.

This new owner will continue the personal property assessment and audit operations in Michigan as it currently exists, with all the existing assets, resources, contracts, and personnel in place under the name of "Reason Consulting Corporation". For all intents and purposes for the City of Novi, our personal property services will continue to be served in the same manner as with TMA.

In the May Memorandum, Mr. Lohmeier concluded, after conducting due diligence and considering alternative options, that it is in the best interest of the City of Novi to continue the strong relationship we have built with TMA, now known as Reason Consulting Corporation. I agree with Mr. Lohmeier's conclusion, and I anticipate that Reason Consulting Corporation will continue to provide the excellent service that TMA has provided since 2016.

Contract with Reason Consulting Corporation

Attached to this Memorandum is the contract for Reason Consulting Corporation to provide personal property services, including canvassing, form processing, and auditing. The contract is proposed to automatically renew for successive 12-month periods (unless either party provides the other with written notice of non-renewal) and the contract may only renew for an additional four terms unless otherwise amended and approved by both parties.

The first-year fee for personal property Outsourcing Services will be \$40,000, which is effectively consistent with previous years' fees incurred with the formerly named TMA. Audit fees will be invoiced separately on an as-needed basis and will range from \$1,000 to \$1,500 per account. Special audits, when needed to defend tax appeals, will be quoted on a case-by-case basis. An additional \$20,000 is budgeted for audits and special audits, for a total of \$60,000.

In the past, the contracts were signed by Mayor Robert J. Gatt, and City Clerk, Cortney Hanson. However, it can be assigned to a different party on behalf of the City of Novi, including the City Manager.

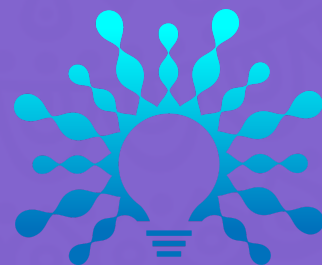
RECOMMENDED ACTION: Approval of five-year agreement between the City of Novi and Reason Consulting Corporation for Personal Property Assessment Services at a cost of \$40,000 for the first year for canvassing and processing of personal property accounts, with an additional \$20,000 for audits and special audits as needed.

Consulting Services Agreement

Prepared For

City of Novi Michigan

Sep 12, 2022



REASON
— CONSULTING —

Consulting Agreement

This Consulting Services Agreement (the “Agreement” or “Consulting Agreement”) states the terms, subject matter, and conditions that govern the contractual agreement between **Reason Consulting Corporation** (“Reason Consulting”), a North Carolina Corporation (the “Consultant”), and the **City of Novi**, a political subdivision of the State of Michigan, (the “Client”) who both agree to be bound by this Agreement as entered into on September 12, 2022 (“Effective Date” or “Start Date”).

WHEREAS, the Client is of the opinion that the Consultant has the necessary qualifications, experience, and abilities to provide consulting services to the Client; and,

WHEREAS, the Client desires to retain the Consultant to render the Services as defined herein and in addendums attached hereto and according to the terms and conditions contained herein;

NOW, THEREFORE, In consideration of the mutual covenants and promises made by the Parties hereto, the Consultant and the Client (individually, each a “Party” and collectively, the “Parties”) covenant and agree as follows:

1. Term and Effective Date

This Agreement shall begin on the Agreement's Effective Date and continue for a period of twelve months. After the initial term, this Agreement shall automatically renew for successive 12-month periods unless either party provides the other party with written notice of non-renewal at least 90 days prior to the end of the then-current term. This contract may only renew for an additional four terms unless otherwise amended and signed by both Parties. All services are subject to available funding.

2. Termination

This Agreement may be terminated under certain conditions as described in this section. Both Parties agree that Termination is a last resort option and that methods for resolving any issues or disputes arising from this Agreement will be pursued in advance of termination.

a. **Mutual Consent.** Termination may occur with the written consent of both parties in mutual agreement that Termination is the best course of action. All undisputed outstanding invoices provided to the Client by the Consultant will be paid regardless of termination, and the Consultant will be permitted to submit a final invoice for Consulting Services delivered to Client within thirty (30) days of termination.

b. **Termination for Convenience.** Client may terminate this agreement in whole or in part at any time given that at least 180 days notice is provided to the Consultant.

b. **Failure to Perform.** If either Party fails to perform under this Agreement, the other Party may in its sole discretion notify the failing Party of the specific remedies. The notified Party will have thirty days to provide a plan of action to produce the remedies. In absence of a mutually agreed plan of action or the completion of such plan as described in writing, the notifying Party will have the right to terminate this Agreement.

c. **Final Payment.** On termination, whether by agreement, through fault, or by the natural cessation of the term of this Agreement, Consultant will have the right to complete any tasks assigned under this Agreement, and submit an invoice for any outstanding items not yet invoiced and as agreed to herein. The period for performing these obligations shall not exceed 90 days from the date of termination.

3. Consulting Services

Reason Consulting is offering to perform for the Client various "Consulting Services" ("Service" "Services") defined as work processes, subject matter expertise, solution design, solution implementation, software development, data analytics, and other matters in which Reason Consulting has an expertise and as outlined below. If the Client elects to purchase any Service, Reason Consulting will provide a Statement of Work to outline the deliverables and delivery schedule as well as a fee schedule as an amendment to this Agreement which shall be executed by both Parties.

a. **Direction.** All services described herein shall be performed by Consultant solely at the discretion and direction of the Client and in accordance with all applicable laws of the State of Michigan.

b. **Audit Services.** Reason Consulting uses its expertise, research, and contact with individuals and businesses to reconcile details of reported or unreported tax obligations, facts supporting the receipt of certain tax benefits, and potential fraud. These audits are conducted in a professional manner and may include the use of data management systems, data analytics tools and contact center resources.

i. All audits are assigned by the Client and are conducted under Client supervision. Consultant will provide summary and detailed information on all audits during the course of the Agreement.

ii. Client agrees to provide all necessary materials required by Consultant to conduct audits on their behalf, including data, paper records, or other materials. Client shall help facilitate the provision of data or records that may be located in other departments, organizations, or agencies but which would have a beneficial impact on the audit process.

iii. Consultant will be responsible for its own business requirements in order to conduct audits on behalf of the client, including: maintaining an appropriate office environment, phone systems, email, and other communication tools; computers, data analytics systems, and other aspects of a technical environment; and, all intellectual property related to the systems and know how required.

iv. Consultant is responsible for all costs related to conducting audits on behalf of the Client including those incurred in the course of day-to-day business, travel, employee expenses and other like expenses necessary in the performance of the Consultant's duties under this Agreement.

c. **Form Processing.** Consultant will process forms sent to the Client as directed by the Client. This may involve various work products, but will in general include transferring data from the submitted form to the record keeping system utilized by the Client, and managing the organization and storage of the forms in a manner consistent with the Client's business practices. Where possible technology enhanced methods for data extraction, data submission, and form storage will be employed as agreed to by the Consultant and the Client.

d. **Canvassing.** Canvassing is defined as the augmentation of existing data through various methods to determine if a data element should be added or deleted from the system of record. Consultant will use its expertise to develop Canvassing methodologies to be applied to data sets assigned for review by the Client.

i. **Physical Canvassing.** Where appropriate Consultant will use employees and other tools to conduct a Physical Canvas to validate the data being reviewed. A Physical Canvas involves using a geographically planned approach to physically observe and record information.

ii. **Digital Canvassing.** Consultant will use various databases and proprietary algorithms to cross link data to the Client's data records. Various data sources may be provided by the Client or other contributory sources. Consultant may also provide other data sources from public or private sources.

e. **Contact Center.** Consultant will provide a Contact Center staffed by Consultant's employees and located in the domestic United States for the purpose of outreach and communications with individuals or entities involved in certain Consulting Services. The Contact Center will be staffed by subject matter experts who are trained examiners, auditors, or otherwise qualified by their experience and professional designations. The Contact Center will operate from 8am to 6pm Eastern Standard Time, Monday through Friday, but will also maintain asynchronous contact technologies such as email, voicemail, and physical mail.

g. **Software Services.** Consultant will provide certain Software Services to the Client including Software as a Service ("SaaS") products and other software related tools, platforms, or resources. Software Services also include the custom modification of certain SaaS products. Consultant can also provide custom software solutions as requested on a design, build, deploy and maintain process utilizing custom code and deployment in a cloud based environment.

h. **Data Science.** Consultant will provide Data Science services to the Client. Data Science may include data engineering, data analysis, creation of data algorithms, processing of data, data visualizations, and training on data tools. Consultant also resells access to data tools as Software Licenses and use fees.

4. Confidentiality

a. **Business Intelligence.** In connection with this Agreement, the Client may have access to certain information that the Consultant treats as confidential, including, without limitation, information regarding the Consultant's information systems and proprietary technology (collectively, "Confidential Information"). During and after the term of this Agreement, the Client shall (a) hold the Consultant's Confidential Information in confidence using the same degree of care that it uses to protect its own Confidential Information (but in no event less than a reasonable degree of care), (b) use the Consultant's Confidential Information solely in connection with performing its obligations hereunder or, in the case of Client, in connection with its use of the Products, Software, Services or Deliverables, and (c) not disclose any of the Consultant's Confidential Information to any employee or other third-party except to a limited number of its employees who have a need to know the Consultant's Confidential Information in order to perform its obligations under this Agreement or, in the case of Client, in connection with its use of the Products, Software, Services or Deliverables. Confidential Information shall not include information that the Client can demonstrate by written records: (i) is or becomes a part of the public domain through no act or omission of the Client; (ii) was in the Client's lawful possession prior to the disclosure and had not been obtained by the Client either directly or indirectly from the Consultant; (iii) is lawfully disclosed to the Client by a third-party without restriction on disclosure; or (iv) is independently developed by the Client without the use of any of the Consultant's Confidential Information. The Client shall not be in violation of this Section 4.a for disclosure of the Consultant's Confidential Information that is required to be disclosed pursuant to governmental or judicial process, provided that the notice of such process is promptly provided to the Consultant .

b. **FOIA.** Consultant acknowledges that information may fall under the Freedom of Information Act and agrees to abide by all legal requirements to protect and to aid in the dissemination of information according to the laws of the United States and the State of Michigan.

c. **Indemnification.** Consultant indemnifies and holds the Client harmless from any liability that may result from the Consultant's employees or agents actions regarding the confidentiality of taxpayer records.

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5. Intellectual Property

This paragraph intentionally left empty.

6. Software Agreements

The Client agrees that all Terms and Conditions, Privacy Policies, or other such agreements that may be accepted as part of the course of using software provided by the Consultant are recognized as contracts and the terms therein accepted as conditions for using the software.

7. Fees, Expenses, and Taxes

a. **Fees.** Consultant shall invoice Client for all amounts that Client owes Consultant under this Agreement. Unless otherwise expressly set forth in an Exhibit or Statement of Work, Client shall pay the undisputed portion of each invoice within 30 days after its receipt thereof. If Client fails to pay all undisputed amounts of an invoice by the due date for such invoice, then Consultant may charge a late fee on such undisputed amount in an amount not to exceed 5% per month; provided, however, Consultant shall not charge a late fee on any past due undisputed amount unless (i) it first provides Client with written notice of the past due undisputed amount and of Consultant's intent to charge a late fee and (ii) Client fails to pay the past due undisputed amount within 3 business days after receipt of such notice.

b. **Expenses.** If Customer agrees in an Exhibit or Statement of Work to pay or reimburse Consultant for expenses incurred in the course of performing these Services on behalf of the Client, then these expenses will be included on the regular invoice provided to the Client. If requested by the Client, Consultant shall provide copies of the invoices supporting any expense for which Consultant is seeking payment or reimbursement from Client.

c. **Taxes.** Client shall be responsible for paying any applicable governmental taxes required to be paid on any Products, Services, or Software Services purchased or licensed by Client under this Agreement, excluding, however, any taxes related to Consultant's income, personnel or operations. Evidence of tax-exempt status shall be provided to the Consultant in advance of the first invoice.

d. **Electronic Invoices/Payment.** If requested by Client, Consultant shall send all invoices to Client electronically and accept payment of invoices electronically, all in accordance with Consultant's electronic funds transfer procedures and requirements.

8. Notices

All notices, payments, consents, waivers and other communications required or permitted by this Agreement shall be in writing and shall be deemed given to a party when (a) delivered to the appropriate address; and (b) received by the person (by name or title) designated below (or to such other address, or person as a party may designate by notice to the other party):

City of Novi	Reason Consulting Corporation
	Attn: Mark C. Cooke, CEO 2820 Selwyn Ave, STE 856 Charlotte NC 28209 contracts@reason.consulting

9. Limitation on Liability

EXCEPT FOR EXCLUDED CLAIMS (AS DEFINED BELOW): (A) EACH PARTY’S AGGREGATE LIABILITY IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED THE AGGREGATE AMOUNTS PAID BY CLIENT TO CONSULTANT IN CONNECTION WITH THIS AGREEMENT AND (B) NEITHER PARTY SHALL BE LIABLE FOR ANY EXEMPLARY, SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION LOST PROFITS), EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FOR PURPOSES OF THIS SECTION 10, “EXCLUDED CLAIMS” MEAN: ANY BREACH OF THE CONFIDENTIALITY PROVISIONS OF SECTION 4, CLAIMS ARISING FROM A BREACH OF INTELLECTUAL PROPERTY RIGHTS PROVISIONS OF SECTION 5, AND THE INDEMINIFICATION PROVISIONS OF SECTION 16.

10. Warranty Disclaimer

EXCEPT FOR WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT, CONSULTANT DISCLAIMS ALL WARRANTIES WITH RESPECT TO THE PRODUCTS, SOFTWARE AND SERVICES PURCHASED OR LICENSED PURSUANT TO THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

10. Promotional Matters

Consultant shall not use Client's logos, service marks, trademarks or trade, brand or corporate names without the prior written consent of Customer in each instance, including, without limitation, use within any advertising, marketing materials, press releases or sales presentations.

11. Relationship of Parties

It is understood and agreed that Consultant is an independent contractor for purposes of this Agreement, and Client shall neither direct the manner nor the method by which Consultant performs its duties under this Agreement. The parties hereto do not intend to create an employment, joint venture, partnership or agency relationship between Client and Consultant. Consultant acknowledges that it is an independent contractor for all purposes.

12. Unlimited Data Rights

It is understood and agreed that Consultant shall receive data from the Client in the performance of Services, or through the use of Software licensed to the Client, under this Agreement. During the term of this Agreement, and for a reasonable period of time afterwards, Client grants a right to any data given to Consultant, including the rights to reproduce, modify, display, reuse, alter, store, or use in derivative works all for the purpose of providing services to the Client. Consultant shall treat data as sensitive and/or confidential according to the laws of the State of Michigan record retention requirements.

13. Assignment

Neither party shall assign, subcontract or delegate any of its rights or obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonable withheld, delayed or conditioned; provided, however, each of Client and Consultant may assign this Agreement to its parent corporation or any Affiliate of its parent corporation.

14. Miscellaneous

a. **Severability.** If any provision contained in this Agreement is held to be unenforceable by an arbitrator or by a court of law or equity, this Agreement shall be construed as if such provision did not exist, and the unenforceability of such provision shall not in any way affect the enforceability of any other provision of this Agreement.

b. **Waiver.** The failure to enforce or the waiver by either party of one default or breach of the other party shall not be considered to be a waiver of any subsequent default or breach.

c. **Remedies.** Each party acknowledges that a violation of this Agreement may cause substantial and irreparable injury to the other party for which the other party's remedies at law may not be adequate. Accordingly, the parties agree that the non-breaching party shall be entitled to seek injunctive relief with respect to any breach, or threatened breach, of this Agreement, and that such right shall be in addition to, and not in limitation of, any other rights or remedies to which the non-breaching party may be entitled at law or in equity. The rights and remedies provided for in this Agreement are cumulative and shall be in addition to any other rights and remedies provided by law or in equity.

d. **Entire Agreement; Modification.** This Agreement, the Exhibits and any Statements of Work constitute the entire and integrated agreement between Client and the Consultant with respect to the subject matter hereof and thereof. All previous understandings relative thereto, either written or oral, are hereby annulled and superseded. No modification to this Agreement shall be binding on either party unless it is in writing and signed by both Client and Consultant.

e. **Counterparts.** This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall be effective when one or more such counterparts have been signed by each of the parties and delivered to the other Parties.

f. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan without giving effect to any choice or conflict of law provision or rule.

15. Force Majeure

Neither party shall be liable to the other party or be deemed to have breached this Agreement for any failure or delay in the performance of all or any portion of its obligations under this Agreement if such failure or delay is due to any contingency beyond its reasonable control (a “Force Majeure Event”). Without limiting the generality of the foregoing, Force Majeure Events include, but are not limited to, acts of God, fires, floods, pandemics, storms, earthquakes, riots, boycotts, strikes, lock-outs, acts of terror, wars and war operations, restraints of government, power or communication line failure or other circumstance beyond such party’s reasonable control. Both parties are obligated to provide reasonable back-up capability to avoid the potential interruptions from a Force Majeure Event. If a Force Majeure Event occurs, the party delayed or unable to perform shall give immediate notice to the other party. If a party is unable to perform any of its obligations because of a Force Majeure Event, then (i) such party shall immediately resume performing its obligations once the Force Majeure Event is removed, (ii) the other party may cease performing its obligations during the period in which the affected party is not performing, (iii) the other party may terminate this Agreement or any Exhibit or Description Document if a Force Majeure Event prevents a party from performing its obligations under this Agreement or such Exhibit or Description Document for more than 30 days, or (iv) if Consultant is unable to perform any of its Services as a result of a Force Majeure Event, then Consultant shall refund Customer a pro rata amount of the fees most-recently paid by Customer for such Services.

16. Indemnification

a. **Consultant's Actions.** Consultant shall indemnify and hold harmless the Client, its officials, agents and employees from and against all claims, damages, losses and expenses, direct or indirect, or consequential (including but not limited to, fees and charges of engineers or architects, attorneys and other professionals and costs related to court action or arbitration) arising out of or resulting from the Consultant's performance directly related to actions taken under this Agreement or the actions of Consultant or its officials, employees or contractors under this Agreement or under any agreements entered into by Consultant to perform services under this Agreement. This indemnification shall survive the termination of this Agreement.

b. **Performed Duties.** Client shall indemnify and hold harmless the Consultant, its officials, agents and employees from and against all claims, damages, losses and expenses, direct or indirect, or consequential (including but not limited to, fees and charges of engineers or architects, attorneys and other professionals and costs related to court action or arbitration) arising out of or resulting from the Consultant's performance directly related to actions taken under this Agreement and as directed by the Client and performed by the Consultant in good faith of the Consultant's duties and obligations as described within this Agreement. This indemnification shall survive the termination of this Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed the day and year first above written.

CITY OF NOVI

REASON CONSULTING CORPORATION

Mark C. Cooke
CEO

Audit Services Statement of Work

This Statement of Work is hereby added to the Consulting Services Agreement (the “Agreement” or “Consulting Agreement”) between **Reason Consulting Corporation** ("Reason Consulting", the “Consultant”), and **City of Novi** (the “Client”) as originally entered into on September 12, 2022("Effective Date" or "Start Date"). Individually and collectively both the Consultant and the Client may be referred to as "Party" or "Parties" herein.

1. Term

This Statement of Work shall begin on September 12, 2022 and continue for a period of twelve months. After the initial term, this Statement of Work shall automatically renew for successive 12-month periods unless either party provides the other party with written notice of non-renewal at least 90 days prior to the end of the then-current term. This Statement of Work terminates when the Consulting Services Agreement terminates.

2. Services

Consultant will provide Audit Services to reconcile the self reported amounts of certain business accounts on behalf of the Client against the business's books, records, and physical examination of the properties involved, as required to have a complete and accurate report of the audited account's reporting requirements.

- a. **Assignment.** Client has the sole right to assign certain accounts for review by the Consultant. Client is required to provide sufficient information for the purpose of identifying the business and any prior returns or financial information in relation to which the audit services are to be applied.
- b. **Methods.** Reason Consulting will use reasonable methods to contact the business account, acquire sufficient information for the audit of the assigned business accounts, and complete the audit services. Consultant retains the right to modify, alter, or otherwise change these methods as required to complete the audit services but always in accordance with the laws of the State of Michigan.
- c. **Physical Inspection.** Reason Consulting, if necessary to complete the Audit Services, may travel to the business account for the purpose of physically inspecting assets and properties related to the business account Audit Services.

3. Deliverables

The deliverables for Audit Services will be an Audit Report per business account describing the audited reconciliation of assets and asset values associated with each assigned business account. The Audit Report and its supporting documents will be the only deliverable for which fees will be charged by the Consultant.

4. Fees

a. **Audit Fee.** The fee for Audit Services is per business account, or per business location, and is **\$1,500** per financial review, plus an additional **\$1,000** per Physical Review. Physical Reviews are not required to complete an audit, and will only be performed at the direction of the Client.

b. **Monthly Invoices.** Consultant may send invoices monthly, but not more frequently, in each month in which deliverables are received by Client. Invoices are due and payable as described in the Consulting Services Agreement Section 7.

c. **Special Audit on Appeals.** Individually assigned audits for businesses involved in appeals and which require additional preparation, review, or additional audit services, will be proposed on a separate Statement of Work to be accepted by the Client. Proposed fees will be inclusive of all costs related to Consultant's participation in administrative review, proceedings, or participation in court preparation and testimony.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed the day and year first above written.

City of Novi	Reason Consulting Corporation
	Mark C Cooke CEO

Outsourcing Services Statement of Work

This Statement of Work is hereby added to the Consulting Services Agreement (the “Agreement” or “Consulting Agreement”) between **Reason Consulting Corporation** ("Reason Consulting", the “Consultant”), and the **City of Novi** (the “Client”) as originally entered into on September 12, 2022("Effective Date" or "Start Date"). Individually and collectively both the Consultant and the Client may be referred to as "Party" or "Parties" herein.

1. Term

This Statement of Work shall begin on September 12, 2022 and continue for a period of twelve months. After the initial term, this Statement of Work shall automatically renew for successive 12-month periods unless either party provides the other party with written notice of non-renewal at least 90 days prior to the end of the then-current term. This Statement of Work terminates when the Consulting Services Agreement terminates.

2. Services

Consultant will provide Outsourcing Services to augment the business processes of the Client in relationship to processing forms sent by taxpayers, taxpayer contact, and other duties.

- a. **Assignments.** Client has the sole right to assign certain outsourcing activities to the Consultant. Client is required to provide sufficient information for the purpose of identifying duties to be performed by the Consultant, and direction and documentation for how such services are to be performed.
- b. **Methods.** Consultant will use reasonable methods to complete duties originating from the Client's Assignment. Consultant retains the right to modify, alter, or otherwise change these methods as required to complete the Outsourcing Services.
- c. **Physical Inspection.** Consultant, if necessary to complete the Outsourcing Services, may travel to business accounts for the purpose of physically inspecting assets and properties related to the business account.
- d. **Paper Forms.** Reason Consulting will use reasonable methods to safeguard the Client's data against loss. As this data may be presented on physical media such as paper forms, the Consultant agrees to use methods to prevent the data from being lost or destroyed. However, paper forms may be removed from the Client and kept at a location secured by the Consultant. Consultant may also make digital copies of any paper form.
- e. **Client Systems.** Consultant shall be given access to Client's computer systems, software, and other electronic resources required to fulfill the obligations as set forth in the Assignments. Consultant agrees to make every effort to ensure the continuity and safeguarding, as well as the improvement of these resources.

3. Deliverables

The deliverables for Outsourcing Services will be the completion of Assignments, which may include but are not limited to any of the various activities outlined in this section. All Assignments will be documented by the Consultant and the documentation approved by the Client, and shall contain the description of duties and dates whereby the duties shall be completed.

- a. **Form Processing.** Consultant will process forms sent to the Client as directed by the Client. This may involve various work products, but will in general include transferring data from the submitted form to the record keeping system utilized by the Client, and managing the organization and storage of the forms in a manner consistent with the Client's business practices. Where possible technology enhanced methods for data extraction, data submission, and form storage will be employed as agreed to by the Consultant and the Client.

- b. **Canvassing.** Canvassing is defined as the augmentation of existing data through various methods to determine if a data element should be added or deleted from the system of record. Consultant will use its expertise to develop Canvassing methodologies to be applied to data sets assigned for review by the Client.
 - i. **Physical Canvassing.** Where appropriate Consultant will use employees and other tools to conduct a Physical Canvas to validate the data being reviewed. A Physical Canvas involves using a geographically planned approach to physically observe and record information.

 - ii. **Digital Canvassing.** Consultant will use various databases and proprietary algorithms to cross link data to the Client's data records. Various data sources may be provided by the Client or other contributory sources. Consultant may also provide other data sources from public or private sources.

- d. **Contact Center.** Consultant will provide a Contact Center staffed by Consultant's employees and located in the domestic United States for the purpose of outreach and communications with individuals or entities involved in certain Consulting Services. The Contact Center will be staffed by subject matter experts who are trained examiners, auditors, or otherwise qualified by their experience and professional designations. The Contact Center will operate from 8am to 6pm Eastern Standard Time, Monday through Friday, but will also maintain asynchronous contact technologies such as email, voicemail, and physical mail.

- e. **Tax Exemption Review.** Reason Consulting may review various exemptions being received to determine the eligibility of businesses or individuals to qualify for the related tax exemptions. Consultant will use appropriate review methodologies applicable to each tax exemption.

4. Fees

- a. **Annual Fee.** The fee for Outsourcing Services will be based on the number of Assignments to be completed annually, mutually agreed upon by both parties at the beginning of each contract year, and consisting of an annual fee not to be exceeded.
- b. **First Year.** From the Start Date of this Statement of Work and continuing for twelve months thereafter, the first year fee for Outsourcing Services will be \$40,000.
- c. **Monthly Invoices.** The Annual Fee will be billed in equal installments monthly beginning the first month of the First Year. Invoices are due and payable as described in the Consulting Services Agreement Section 7.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed the day and year first above written.

Client	Reason Consulting Corporation
	Mark C Cooke CEO

CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN

RESOLUTION TO APPROVE INTERLOCAL AGREEMENT FOR OAKLAND COUNTY
TO APPROVE THE DESIGNATED ASSESSOR
FOR THE PERIOD JANUARY 1, 2023 THROUGH DECEMBER 31, 2027

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on _____, _____, at ____ o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers _____

ABSENT: Councilmembers _____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS; Public Act 660 of 2018 requires a county to have a Designated Assessor on file with the State Tax Commission as of December 31, 2020; and

WHEREAS; an interlocal agreement (hereinafter "Agreement") has been approved by the Board of Commissioners for Oakland County, and presented to the City of Novi for Approval; and

WHEREAS; the City of Novi is a Municipal Corporation located within the County of Oakland, in the State of Michigan; and

WHEREAS; the Michigan Constitution of 1963, Article 7, Section 28 permits a political subdivision to exercise jointly with any other political subdivision any power, privilege or authority which such political subdivisions share in common with each other and which each might exercise separately; and

WHEREAS; the Urban Cooperation Act of 1967, being MCL 124.505 *et seq.*, and the Intergovernmental Transfer of Functions and Responsibilities Act, give effect to the Constitutional provision by providing that public agencies may enter into interlocal agreements to carry out their respective functions, powers and authority; and

WHEREAS; P.A. 660 of 2018 requires each County to enter into an Agreement that designates the individual who will serve as the County's Designated Assessor. That

interlocal agreement must be approved by the County Board of Commissioners and a majority of the Assessing Districts in the County; and

WHEREAS; P.A. 660 of 2018 mandates that the Designated Assessor shall be an advanced assessing officer or a master assessing officer; and

NOW, THEREFORE, BE IT HEREBY RESOLVED that the City Council for the City of Novi, hereby agrees to the terms of the Interlocal Agreement for Oakland County to Approve the Designated Assessor for the Period January 1, 2023 through December 31, 2027 and hereby authorizes the City Manager to execute the Agreement on behalf of the City of Novi.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this _____ day of October, 2022, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

Cortney Hanson, City Clerk
City of Novi