



**City Council Meeting
7:00 p.m., Monday, May 1, 2017
Conference Room
23600 Liberty Street
Farmington, MI 48335**

COUNCIL MEETING AGENDA

- 1. Roll Call**
- 2. Approval of Agenda**
- 3. Public Comment**
- 4. Downtown Parking Advisory Committee Interviews**
- 5. Consideration to Extend Plante Moran's Contract with the City**
- 6. Consideration to Approve an Agreement for Election Equipment Software**
- 7. Other Business**
- 8. Council Comment**
- 9. Adjournment**

Farmington City Council Staff Report	Council Meeting Date: May 1, 2017	Item Number 4
Submitted by: Melissa Andrade		
<u>Agenda Topic</u> Interview three candidates for the Downtown Farmington Parking Advisory Committee		
<u>Proposed Motion:</u> Motion to appoint _____ to the Parking Advisory Committee for a 3-year term ending June 30, 2020.		
<u>Background:</u> There is currently a vacancy on the Downtown Farmington Parking Advisory Committee left by the resignation of Elizabeth Turton. Her term is to expire on June 30 of this year. Parking Advisory Committee is a 3-year commitment. This appointment would be to fill the term July 1, 2017 through June 30, 2020, in addition to completing Elizabeth Turton's term through June 30 of this year. <u>Interviews are as scheduled:</u> 7 p.m. John Perry 7:20 p.m.: David Lipka 7:40 p.m. Geof Perrot Vacancies on other city boards and commissions include: Farmington/Farmington Hills Emergency Preparedness Committee Historical Commission Zoning Board of Appeals (alternate)		
<u>Materials:</u> John Perry's application David Lipka's application Geof Perrot's application		

PLEASE CHECK YOUR PREFERENCE(S)

Mayoral Appointments

- A. Children, Youth & Families
- B. Downtown Development Authority *
- C. Retirement System Board of Trustees
- D. Planning Commission
- E. Commission on the Environment

Council Appointments

- F. Construction Board of Appeals *
- G. Farmington Community Library
- H. Special Assessment Deferred Payment Review Committee
- I. Traffic and Safety Board
- J. Board of Review
- K. Board of Canvassers
- L. Board of Zoning Appeals
- M. Commission on Aging
- N. Arts Commission
- O. Historical Commission
- P. Friends of Civic Theatre Committee *

* Farmington city residency not required

EDUCATIONAL ACHIEVEMENT

Name of College/University	Degree	Year Attained
University of Michigan	BS in Mechanical	1985
Name of Institution/High School	Diploma/Certificate	Year Attained
Harrison High	Yes	1981

(Degree or advance education is not required for appointment consideration.)

EMPLOYMENT/PROFESSIONAL EXPERIENCE

Please describe your professional qualifications and/or employment experience.

< 31 years in the construction business
<Specializing in Concrete, Asphalt, Aggregate and Steel Mill Services
<Most of my career has been spent practicing as a civil engineer.
<Currently handle Technical Sales, Application Engineering and Governmental Affairs for the Edw. C. Levy Co.
<Board member and Committee chair on a number of association based organizations.

COMMUNITY/PUBLIC SERVICE EXPERIENCE

Please describe your previous experience with community-based organizations or other volunteer activities.

<Farmington High School Football Backers President for 2 years and Varsity Football coach the last 2 seasons.
<Coached South Farmington Blues baseball for many years.
<Coached Athletics at St Fabian School-Soccer, Baseball and Basketball
<Fall Athletic Director at St Fabian School for a number of years
<Athletic committee member at Sorrows and St Fabian schools

SPECIAL SKILLS AND ABILITIES

Please describe any special skills, abilities, talents, etc., that you are willing to share.

<Specialize in Problem solving and Project based activities in my current professional duties.

(You will sign application on your first visit.)

Applicant signature

Please bring any additional documents when you make your first visit.

Mayor, City of Farmington
c/o City Manager's Office
23600 Liberty Street
Farmington, Michigan 48335
(248) 474-5500

City of Farmington

CITY OF FARMINGTON
BOARDS, COMMISSIONS AND COMMITTEES

Application

Thank you for your interest in service to the City of Farmington as an appointed public representative. Applications will be maintained on file for future consideration.

Date: 4/11/2017

Name:	Lipka	David	D
	<u>Last</u>	<u>First</u>	<u>Middle</u>
Home Address:	33928 Grand River Ave	Farmington	48335
	<u>Number & Street</u>	<u>City</u>	<u>Zip</u>
Home Telephone:	<u>6142569725</u>	Voting Precinct:	<u>1</u>
Employer:	<u>Nissan North America</u>		
Business Address:	39001 Sunrise Drive	Farmington Hills	48331
	<u>Number & Street</u>	<u>City</u>	<u>Zip</u>
Business Phone:	<u>248-488-6243</u>		


Have you been a resident of Farmington for the past 12 months? yes no

Please state your reasons for volunteering to serve our community as an appointed public representative.

I am seeking appointment to the parking committee.

I have observed the local debate regarding parking availability and, like many residents, I have a vested interest in the long-term effects to the community that would be caused by both the current state as well as the proposed solutions. The parking committee is to represent "a cross section of Farmington" stakeholders; I would like to offer my unique voice as a resident.

As a nearby resident, admittedly, I rarely have a personal need for downtown parking. However, the situation affects me because it affects the overall prosperity of the community and opinion of Farmington regionally. My assessment of the situation and potential solutions will be, I believe, highly objective and focus on what solution can offer the most good for the community. I have no personal conflicts to favor one form of solution or another.

Furthermore, my career as a research and development engineer in the automotive industry provides additional insight and perspective into long-term societal mobility trends. It is mandatory, when planning a community's infrastructure needs, to consider such factors that are expected to change rapidly in the next 5-10 years based on not only advancing technology but also changing culture and aging populations. 

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- N. Arts Commission
- O. Historical Commission
- P. Friends of Civic Theatre Committee *

* Farmington city residency not required

EDUCATIONAL ACHIEVEMENT

University of Akron, Akron OH	Bachelors	2004
Name of College/University	Degree	Year Attained
<hr/>		
Name of College/University	Degree	Year Attained
Hoover High School, North Canton OH	Diploma	1998
Name of Institution/High School	Diploma/Certificate	Year Attained

(Degree or advance education is not required for appointment consideration.)

EMPLOYMENT/PROFESSIONAL EXPERIENCE

Please describe your professional qualifications and/or employment experience.

I have worked for 15 years as an engineer in automotive research and development. In this capacity my main responsibilities are product development however to achieve successful product launches I have had to utilize the following skills useful for this community role:

- 1) Accountable to the high quality conformance, on time delivery and competitive cost of production raw materials which account for over \$50M of annual turnover
- 2) Long term capital infrastructure planning (equipment and facilities) up to \$1M/midterm (3yr period). This includes identifying needed specifications to achieve investment objectives and evaluating options for quality, cost competitiveness and delivery schedule achievement
- 3) Direct management of a small team of professional staff and indirect leadership of cross functional teams including procurement, 3rd party suppliers, and operations
- 4) Frequent problem analysis -- requiring deep analysis of processes and systems (both products and business/human systems) to identify all potential causes and propose improvements to directly address root cause. Continually monitoring of improvements after implementation

COMMUNITY/PUBLIC SERVICE EXPERIENCE

Please describe your previous experience with community-based organizations or other volunteer activities.

During college and my early career, I volunteered for community groups such as sporting and recreational programs for differently abled individuals. As a volunteer, I had responsibility for the training and safety of individuals and groups participating in organized events.

These experiences help me to recognize the different needs of all people in our community and our responsibility to find simple solutions and opportunities for all people to enjoy independence. Such perspective could benefit Farmington and the parking committee by offering a more complete view of community members that can sometimes be overlooked.

<https://taasc.org/>

<http://www.3trackers.org/>

SPECIAL SKILLS AND ABILITIES

Please describe any special skills, abilities, talents, etc., that you are willing to share.

I am proficient in using spreadsheets and statistical software to analyze large amounts of data, something that is crucial in forecasting and analyzing situations to support any proposal or decision. I expect clear and fair analysis from my staff and colleagues. I can easily spot an oversight or omission, and when the need arises, I enjoy digging through data to make my own conclusions rather than accept incomplete analysis in summary form. I am also good at written communication -- working in a multicultural environment, I often need to use visual tools to convey complex concepts and conclusions with a high level of detail. This is important to gain consensus among stakeholders in an objective way. I am data driven, and I am constantly expected to show results against predetermined milestones.

(You will sign application on your first visit.)

Applicant signature

Please bring any additional documents when you make your first visit.

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City of Farmington

CITY OF FARMINGTON
BOARDS, COMMISSIONS AND COMMITTEES

Application

Thank you for your interest in service to the City of Farmington as an appointed public representative. Applications will be maintained on file for future consideration.

Date: 04/10/2017

Name: Perrot Geoffrey Allen
Last First Middle
Home Address: 22661 Brookdale St. Farmington 48336
Number & Street City Zip
Home Telephone: 231-250-3774 Voting Precinct: 2

Employer: Federal-Mogul

Business Address: 27300 West 11 Mile Rd. Southfield 48034
Number & Street City Zip
Business Phone: 2483548960

Have you been a resident of Farmington for the past 12 months? yes no

Please state your reasons for volunteering to serve our community as an appointed public representative.

My wife and I fell in love with Farmington while searching for our first home in 2008. Since then, we have been blessed with twin daughters and I strive to do whatever I can to provide the best upbringing for them. Farmington is a wonderful place for young families such as ours and I would like the opportunity to provide insight as to the future planning of our town. Farmington has a unique feel a small town surrounded by such a vast, busy metro area and I would like the opportunity to help preserve that rare characteristic. This is my first time applying for a public appointment, and I think the Downtown Parking Advisory Committee is great way for me to support my community.

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- O. Historical Commission
- P. Friends of Civic Theatre Committee *

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EDUCATIONAL ACHIEVEMENT

Ferris State University	Bach. of Science	2003
Name of College/University	Degree	Year Attained
Ferris State University	Assoc. of Science	2001
Name of College/University	Degree	Year Attained
(Saginaw) Arthur Hill High School	Diploma	1998
Name of Institution/High School	Diploma/Certificate	Year Attained

(Degree or advance education is not required for appointment consideration.)

EMPLOYMENT/PROFESSIONAL EXPERIENCE

Please describe your professional qualifications and/or employment experience.

Global Product Manager / Federal-Mogul / November 2013 - current
Southfield, MI

Product line manager responsible for the commercial direction of FP Diesel branded products. This involves driving strategy development and implementation across different functional organizations within the group including sales, engineering, research and development, manufacturing, and others. Also responsible for ensuring goals are aligned and support the company's overall strategy and goals.

Hino Motors Sales USA Inc. / Warranty Supervisor / May 2010 - November 2013
Novi, MI

Lead member of warranty group responsible for all warranty-related functions within the U.S. Annual claims processing of \$40M, and authorized customer goodwill assistance of \$1M annually. Also oversaw warranty training program and NHTSA federal safety reporting.

Hino Motors Sales USA Inc. / Technical Support Specialist / August 2009 - May 2010
Novi, MI

Corporate-based product and service support for field service staff, dealers, and customers

COMMUNITY/PUBLIC SERVICE EXPERIENCE

Please describe your previous experience with community-based organizations or other volunteer activities.

1. Proud Eagle Scout within the Boy Scouts of America
2. Advisory committee member for Heavy Equipment Technology program at Ferris State University
3. Member of Farmington United Methodist Church

SPECIAL SKILLS AND ABILITIES

Please describe any special skills, abilities, talents, etc., that you are willing to share.

1. Skilled user of technology
2. Customer focused, customer driven
3. Able to prioritize and meet tight deadlines
4. Known for quality, timely completion of projects
5. High energy worker with business and organizational abilities
6. Effective communicator
7. Exceptional telephone, interpersonal, and writing skills
8. Energetic, patient, and diplomatic



(You will sign application on your first visit.)

Applicant signature

Please bring any additional documents when you make your first visit.

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City of Farmington

**Farmington City Council
Staff Report**

Council Meeting Date:
May 1, 2017

**Item Number
5**

Submitted by: David M. Murphy, City Manager

Description Consideration to authorize a 2-year contract extension with Plante Moran to serve as the city auditors for fiscal years 2017-19.

Requested Action Move to authorize a 2-year contract extension with Plante Moran to serve as the city auditors for fiscal years 2017-19.

Background

On May 19, 2014, Farmington City Council appointed Plante & Moran as City Auditors for Fiscal Year 2013-14 through fiscal year 2015-16, with the option to renew for an additional 2 year period.

In 2014, the City of Farmington Hills coordinated a quality based selection (QBS) and request for proposal (RFP) process for audit services that involved the City of Farmington Hills, the City of Farmington, 47th District Court, Farmington Community Library, and – at the time- SWOCC. Given the high level of cooperation with the cities and other agencies, it made sense to collectively solicit proposals for audit services. Based on a review of the proposals received, Plante Moran was selected by the team to continue as auditors for all involved. The cost of the audit by fiscal year is as follows:

Fiscal Year	Cost
2013-14	\$41,545
2014-15	\$41,545
2015-16	\$42,680
2016-17	\$43,815
2017-18	\$44,950

Agenda Review

Department Head

Finance/Treasurer

City Attorney

City Manager

RATES

**SCHEDULE OF PROFESSIONAL FEES/EXPENSES FOR
THE AUDIT OF THE FY 2013/14 FINANCIAL STATEMENTS**

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington Hills								
Total Maximum Audit Fee	\$ 104,985							
Retirement System Audit Fee	\$ 10,690			\$ 3,000	\$ -	\$ -	\$ -	\$ 4,000
Partners		90 \$	185 \$	16,650				
Managers		180 \$	145 \$	26,100				
Supervisors		300 \$	110 \$	33,000				
Staff		425 \$	85 \$	36,125				
Other -Quality Reviews/Administrative Avg. Rate		38 \$	100 \$	3,800				
				\$ 115,675				

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington Hills	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington								
Total Maximum Audit Fee	\$ 43,545			\$ 1,500	\$ -	\$ -	\$ -	\$ 2,000
Partners		32 \$	185 \$	5,920				
Managers		65 \$	145 \$	9,425				
Supervisors		140 \$	110 \$	15,400				
Staff		120 \$	85 \$	10,200				
Other -Quality Reviews/Administrative Avg. Rate		26 \$	100 \$	2,600				
				\$ 43,545				

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	Farmington Community Library	SWOCC	All
47th District Court								
Total Maximum Audit Fee	\$ 16,675			\$ 2,500	\$ -	\$ -	\$ -	\$ 3,000
Partners		15 \$	185 \$	2,775				
Managers		25 \$	145 \$	3,625				
Supervisors		65 \$	110 \$	7,150				
Staff		25 \$	85 \$	2,125				
Other -Quality Reviews/Administrative Avg. Rate		10 \$	100 \$	1,000				
				\$ 16,675				

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	SWOCC	All
Farmington Community Library								
Total Maximum Audit Fee	\$ 16,900			\$ 250	\$ 250	\$ -	\$ -	\$ 1,500
Partners		10 \$	185 \$	1,850				
Managers		25 \$	145 \$	3,625				
Supervisors		60 \$	110 \$	6,600				
Staff		45 \$	85 \$	3,825				
Other -Quality Reviews/Administrative Avg. Rate		10 \$	100 \$	1,000				
				\$ 16,900				

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	Farmington Community Library	All
SWOCC								
Total Maximum Audit Fee	\$ 9,895			\$ 5,500	\$ -	\$ -	\$ -	\$ 6,000
Partners		7 \$	185 \$	1,295				
Managers		15 \$	145 \$	2,175				
Supervisors		30 \$	110 \$	3,300				
Staff		25 \$	85 \$	2,125				
Other -Quality Reviews/Administrative Avg. Rate		10 \$	100 \$	1,000				
				\$ 9,895				

Note: The fee quoted should not be presented as a % of the hourly rate or as a gross deduction from the maximum fee.

**SCHEDULE OF PROFESSIONAL FEES/EXPENSES FOR
THE AUDIT OF THE FY 2014/15 FINANCIAL STATEMENTS**

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington Hills								
Total Maximum Audit Fee	\$ 104,985							
Retirement System Audit Fee	\$ 10,690			\$ 3,000	\$ -	\$ -	\$ -	\$ 4,000
Partners		90 \$	185 \$	16,650				
Managers		180 \$	145 \$	26,100				
Supervisors		300 \$	110 \$	33,000				
Staff		425 \$	85 \$	36,125				
Other -Quality Reviews/Administrative Avg. Rate		38 \$	100 \$	3,800				
				\$ 115,675				

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington Hills	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington								
Total Maximum Audit Fee	\$ 43,545			\$ 1,500	\$ -	\$ -	\$ -	\$ 2,000
Partners		32 \$	185 \$	5,920				
Managers		65 \$	145 \$	9,425				
Supervisors		140 \$	110 \$	15,400				
Staff		120 \$	85 \$	10,200				
Other -Quality Reviews/Administrative Avg. Rate		26 \$	100 \$	2,600				
				\$ 43,545				

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	Farmington Community Library	SWOCC	All
47th District Court								
Total Maximum Audit Fee	\$ 16,675			\$ 2,500	\$ -	\$ -	\$ -	\$ 3,000
Partners		15 \$	185 \$	2,775				
Managers		25 \$	145 \$	3,625				
Supervisors		65 \$	110 \$	7,150				
Staff		25 \$	85 \$	2,125				
Other -Quality Reviews/Administrative Avg. Rate		10 \$	100 \$	1,000				
				\$ 16,675				

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	SWOCC	All
Farmington Community Library								
Total Maximum Audit Fee	\$ 16,900			\$ 250	\$ 250	\$ -	\$ -	\$ 1,500
Partners		10 \$	185 \$	1,850				
Managers		25 \$	145 \$	3,625				
Supervisors		60 \$	110 \$	6,600				
Staff		45 \$	85 \$	3,825				
Other -Quality Reviews/Administrative Avg. Rate		10 \$	100 \$	1,000				
				\$ 16,900				

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	Farmington Community Library	All
SWOCC								
Total Maximum Audit Fee	\$ 9,895			\$ 5,500	\$ -	\$ -	\$ -	\$ 6,000
Partners		7 \$	185 \$	1,295				
Managers		15 \$	145 \$	2,175				
Supervisors		30 \$	110 \$	3,300				
Staff		25 \$	85 \$	2,125				
Other -Quality Reviews/Administrative Avg. Rate		10 \$	100 \$	1,000				
				\$ 9,895				

Note: The fee quoted should not be presented as a % of the hourly rate or as a gross deduction from the maximum fee.

**SCHEDULE OF PROFESSIONAL FEES/EXPENSES FOR
THE AUDIT OF THE FY 2015/16 FINANCIAL STATEMENTS**

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington Hills								
Total Maximum Audit Fee	\$ 107,650							
Retirement System Audit Fee	\$ 10,875			\$ 3,075	\$ -	\$ -	\$ -	\$ 4,100
Partners	90	\$ 190	\$ 17,100					
Managers	180	\$ 150	\$ 27,000					
Supervisors	300	\$ 115	\$ 34,500					
Staff	425	\$ 85	\$ 36,125					
Other -Quality Reviews/Administrative Avg. Rate	38	\$ 100	\$ 3,800					
			\$ 118,525					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington Hills	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington								
Total Maximum Audit Fee	\$ 44,730			\$ 1,550	\$ -	\$ -	\$ -	\$ 2,050
Partners	32	\$ 190	\$ 6,080					
Managers	65	\$ 150	\$ 9,750					
Supervisors	140	\$ 115	\$ 16,100					
Staff	120	\$ 85	\$ 10,200					
Other -Quality Reviews/Administrative Avg. Rate	26	\$ 100	\$ 2,600					
			\$ 44,730					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	Farmington Community Library	SWOCC	All
47th District Court								
Total Maximum Audit Fee	\$ 17,200			\$ 2,575	\$ -	\$ -	\$ -	\$ 3,075
Partners	15	\$ 190	\$ 2,850					
Managers	25	\$ 150	\$ 3,750					
Supervisors	65	\$ 115	\$ 7,475					
Staff	25	\$ 85	\$ 2,125					
Other -Quality Reviews/Administrative Avg. Rate	10	\$ 100	\$ 1,000					
			\$ 17,200					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	SWOCC	All
Farmington Community Library								
Total Maximum Audit Fee	\$ 17,375			\$ 250	\$ 250	\$ -	\$ -	\$ 1,550
Partners	10	\$ 190	\$ 1,900					
Managers	25	\$ 150	\$ 3,750					
Supervisors	60	\$ 115	\$ 6,900					
Staff	45	\$ 85	\$ 3,825					
Other -Quality Reviews/Administrative Avg. Rate	10	\$ 100	\$ 1,000					
			\$ 17,375					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	Farmington Community Library	All
SWOCC								
Total Maximum Audit Fee	\$ 10,155			\$ 5,650	\$ -	\$ -	\$ -	\$ 6,150
Partners	7	\$ 190	\$ 1,330					
Managers	15	\$ 150	\$ 2,250					
Supervisors	30	\$ 115	\$ 3,450					
Staff	25	\$ 85	\$ 2,125					
Other -Quality Reviews/Administrative Avg. Rate	10	\$ 100	\$ 1,000					
			\$ 10,155					

Note: The fee quoted should not be presented as a % of the hourly rate or as a gross deduction from the maximum fee.

**SCHEDULE OF PROFESSIONAL FEES/EXPENSES FOR
THE AUDIT OF THE FY 2016/17 FINANCIAL STATEMENTS**

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington Hills								
Total Maximum Audit Fee	\$ 110,225			\$ 3,150	\$ -	\$ -	\$ -	\$ 4,200
Retirement System Audit Fee	\$ 11,150							
Partners	90	\$ 195	\$ 17,550					
Managers	180	\$ 155	\$ 27,900					
Supervisors	300	\$ 120	\$ 36,000					
Staff	425	\$ 85	\$ 36,125					
Other -Quality Reviews/Administrative Avg. Rate	38	\$ 100	\$ 3,800					
			\$ 121,375					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington Hills	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington								
Total Maximum Audit Fee	\$ 45,915			\$ 1,575	\$ -	\$ -	\$ -	\$ 2,100
Partners	32	\$ 195	\$ 6,240					
Managers	65	\$ 155	\$ 10,075					
Supervisors	140	\$ 120	\$ 16,800					
Staff	120	\$ 85	\$ 10,200					
Other -Quality Reviews/Administrative Avg. Rate	26	\$ 100	\$ 2,600					
			\$ 45,915					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	Farmington Community Library	SWOCC	All
47th District Court								
Total Maximum Audit Fee	\$ 17,725			\$ 2,650	\$ -	\$ -	\$ -	\$ 3,175
Partners	15	\$ 195	\$ 2,925					
Managers	25	\$ 155	\$ 3,875					
Supervisors	65	\$ 120	\$ 7,800					
Staff	25	\$ 85	\$ 2,125					
Other -Quality Reviews/Administrative Avg. Rate	10	\$ 100	\$ 1,000					
			\$ 17,725					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	SWOCC	All
Farmington Community Library								
Total Maximum Audit Fee	\$ 17,850			\$ 300	\$ 300	\$ -	\$ -	\$ 1,575
Partners	10	\$ 195	\$ 1,950					
Managers	25	\$ 155	\$ 3,875					
Supervisors	60	\$ 120	\$ 7,200					
Staff	45	\$ 85	\$ 3,825					
Other -Quality Reviews/Administrative Avg. Rate	10	\$ 100	\$ 1,000					
			\$ 17,850					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	Farmington Community Library	All
SWOCC								
Total Maximum Audit Fee	\$ 10,415			\$ 5,775	\$ -	\$ -	\$ -	\$ 6,300
Partners	7	\$ 195	\$ 1,365					
Managers	15	\$ 155	\$ 2,325					
Supervisors	30	\$ 120	\$ 3,600					
Staff	25	\$ 85	\$ 2,125					
Other -Quality Reviews/Administrative Avg. Rate	10	\$ 100	\$ 1,000					
			\$ 10,415					

Note: The fee quoted should not be presented as a % of the hourly rate or as a gross deduction from the maximum fee.

**SCHEDULE OF PROFESSIONAL FEES/EXPENSES FOR
THE AUDIT OF THE FY 2017/18 FINANCIAL STATEMENTS**

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington Hills								
Total Maximum Audit Fee	\$ 112,775							
Retirement System Audit Fee	\$ 11,450			\$ 3,225	\$ -	\$ -	\$ -	\$ 4,300
Partners	90	\$ 200	\$ 18,000					
Managers	180	\$ 160	\$ 28,800					
Supervisors	300	\$ 125	\$ 37,500					
Staff	425	\$ 85	\$ 36,125					
Other -Quality Reviews/Administrative Avg. Rate	38	\$ 100	\$ 3,800					
			\$ 124,225					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington Hills	47th District Court	Farmington Community Library	SWOCC	All
City of Farmington								
Total Maximum Audit Fee	\$ 47,100			\$ 1,625	\$ -	\$ -	\$ -	\$ 2,150
Partners	32	\$ 200	\$ 6,400					
Managers	65	\$ 160	\$ 10,400					
Supervisors	140	\$ 125	\$ 17,500					
Staff	120	\$ 85	\$ 10,200					
Other -Quality Reviews/Administrative Avg. Rate	26	\$ 100	\$ 2,600					
			\$ 47,100					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	Farmington Community Library	SWOCC	All
47th District Court								
Total Maximum Audit Fee	\$ 18,250			\$ 2,700	\$ -	\$ -	\$ -	\$ 3,225
Partners	15	\$ 200	\$ 3,000					
Managers	25	\$ 160	\$ 4,000					
Supervisors	65	\$ 125	\$ 8,125					
Staff	25	\$ 85	\$ 2,125					
Other -Quality Reviews/Administrative Avg. Rate	10	\$ 100	\$ 1,000					
			\$ 18,250					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	SWOCC	All
Farmington Community Library								
Total Maximum Audit Fee	\$ 18,325			\$ 280	\$ 280	\$ -	\$ -	\$ 1,600
Partners	10	\$ 200	\$ 2,000.00					
Managers	25	\$ 160	\$ 4,000.00					
Supervisors	60	\$ 125	\$ 7,500.00					
Staff	45	\$ 85	\$ 3,825.00					
Other -Quality Reviews/Administrative Avg. Rate	10	\$ 100	\$ 1,000.00					
			\$ 18,325					

	Proposed Hours	Hourly Rate	Total	Discount for Also Including				
				City of Farmington	City of Farmington Hills	47th District Court	Farmington Community Library	All
SWOCC								
Total Maximum Audit Fee	\$ 10,675			\$ 5,925	\$ -	\$ -	\$ -	\$ 6,450
Partners	7	\$ 200	\$ 1,400					
Managers	15	\$ 160	\$ 2,400					
Supervisors	30	\$ 125	\$ 3,750					
Staff	25	\$ 85	\$ 2,125					
Other -Quality Reviews/Administrative Avg. Rate	10	\$ 100	\$ 1,000					
			\$ 10,675					

Note: The fee quoted should not be presented as a % of the hourly rate or as a gross deduction from the maximum fee.

Farmington City Council Staff Report	Council Meeting Date: May 1, 2017	Item Number 6
Submitted by: Sue Halberstadt		
<u>Agenda Topic</u> Election Software License Agreement		
<u>Proposed Motion:</u> Move to approve a Software License Agreement with Hart InterCivic, Inc. related to the acquisition of new voting equipment.		
<u>Background:</u> In January of this year the Secretary of State approved contracts for new election equipment. The State Administrative Board approved 10-year contracts with three vendors for optical scan voting systems. In March the Oakland County Clerk selected Hart InterCivic, Inc. for the County. Funding for the new equipment will include \$30 million in HAVA (Help American Vote Act) grant money and \$10 million set aside by the state legislature. The state has allocated funds to each municipality based on the number of precincts that existed in the November 2016 election. This agreement is required as part of the State contract and has been reviewed and approved by the State Attorney General's office as well as our City Attorney.		
<u>Materials:</u> Software License Agreement		



**SCHEDULE B LICENSE AGREEMENT
Hart InterCivic, Inc.**

VERITY

SOFTWARE LICENSE AGREEMENT

This Software License Agreement (“**Agreement**”), entered into effective as of _____, 201__ (“the **Effective Date**”) by and between Hart InterCivic, Inc., a Texas corporation (“**Hart**”) and the Customer set forth below (“**Customer**”), sets forth the terms and conditions pursuant to which Customer may procure or license from Hart certain software (“**Software**”) for use in connection with certain hardware (“**Hardware**”). Hart will provide Software support services (“**Software Support Services**”), and/or design, engineering, software development, project management, operational training, election event support, and/or other services (“**Professional Services**”), from time to time pursuant to that certain Standard Contract Terms dated as of the Effective date between Hart and Customer (“**Contract**”). Hardware and Software may be referred to as “**Products**” and Software Support Services and/or related services and/or Professional Services may be referred to as “**Services**.” Products may be “**Hart Hardware**,” and “**Hart Proprietary Software**,” (i.e. “**Hart Products**”) or “**Third Party Hardware**” and “**Sublicensed Software**” (i.e. “**Third Party Products**”). The foregoing may be referred to together as the “**Verity system**.” Capitalized terms not otherwise defined herein have the meanings assigned to them in the Contract.

Hart agrees to sell or provide to Customer Software and Services according to this Agreement and the Contract, which includes all Schedules, Attachments and Exhibits hereto and thereto. Customer agrees to all terms and conditions of this Agreement and the Contract, which includes all Schedules, Attachments and Exhibits hereto and thereto.

Agreed and Accepted:

Customer

Hart

Jurisdiction: _____

Executed By: _____

Name: _____

Phillip W. Braithwaite

Title: _____

CEO

This Agreement is not effective until executed by both parties.
Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement.



1. **RESERVED.**

2. **PRICING AND PAYMENT**

- 2.1. **Software Subscription and License Fee:** The “**License Fee**” is the fee for licensing (in the case of Hart Proprietary Software), sublicensing (in the case of Sublicensed Software, if any) and support (a “**License and Support Subscription**”) for the Term (defined below). Pricing for the License Fee is included within the Schedule C Cost Tables. Pricing for subsequently ordered License and Support Subscriptions beyond the Term shall be mutually agreed between the parties.
- 2.2. **Other Services.** Pricing and payment for Professional Services for custom software development shall be set forth in the Contract or if not specified, as agreed between Hart and Customer.
- 2.3. **Payment.** The License Fee is due upon receipt of Deliverables and the EMS Software.

3. **RESERVED.**

4. **SOFTWARE SPECIFIC TERMS**

- 4.1. **License.** Subject to the terms and conditions of this Agreement, during the Term, Hart grants to Customer (i) a personal, nonexclusive, nontransferable and limited license to use the Hart Proprietary Software (which includes firmware, meaning the Hart Proprietary Software embedded in any Verity system device that allows execution of the software functions) and (ii) a personal, nonexclusive, nontransferable and limited sublicense to use the Sublicensed Software, if applicable. With this right to use, Hart will provide Customer, and Customer will be permitted to use, only the run-time executable code and associated support files of the Software for Customer’s internal data processing requirements as part of the Verity system. The Software may be used only at the Licensed Location specified as the jurisdiction on the signature page of this Agreement and only on the hardware or other computer systems authorized by Hart in writing. Customer’s use of the Software will be limited to the number of licenses specified in the applicable quotation or as set forth in a Statement of Work executed as part of the Contract. Only Customer and its authorized employees, agents or contractors may use or access the Software. For applicable components, Voters are also authorized to interact with the Software, in a manner consistent with user instructions, for the sole purpose of producing a Cast Vote Record during the course of an election. To the extent Hart Proprietary Software contains embedded third party software, third party licenses may apply. Such embedded third party software is distinguished from “Sublicensed Software” which is stand-alone software not part of Hart Proprietary Software. See Exhibit B for a listing of Sublicensed Software, if any
- 4.2. **Records and Audit.** Customer shall keep clear, complete and accurate books of account and records with respect to the usage of Software and access to the Software licensed hereunder, including without limitation with respect to access thereto. Customer agrees that during the Term, Hart, the licensors of any Sublicensed Software, and their representatives may periodically inspect, conduct, and/or direct an independent accounting firm to conduct an audit, at mutually agreed-upon times during normal business hours, of the computer site, computer systems, and appropriate records of Customer to verify Customer’s compliance with the terms of the licenses and sublicenses granted to Customer. If any such examination discloses unauthorized usage, then Customer, shall make such payment then due, including appropriate historical payments without limiting Hart’s remedies.
- 4.3. **Restrictions**
- 4.3.1. The Hart Hardware and Hart Proprietary Software are designed to be used only with each other and/or the agreed-upon Sublicensed Software (if any) and Third Party Hardware. To protect the integrity and security of the Verity system, Customer shall comply with the following practices and shall not deviate from them without the express written consent of Hart: (i) Customer shall use the Software and Hardware only in connection with the Verity system, and Customer may only use Hart branded or approved peripherals and consumables with the Verity system.; (ii) Customer shall not install or use other software on or with the Hardware or Software or network the Hardware or Software with any other hardware, software, equipment, or computer systems; (iii) Customer shall not modify the Hardware or Software and (iv) Customer shall not attempt to access or derive any source code. If Customer does not comply with any provisions of this Section 5.3, then (i) the Limited Warranties under Section [31] of the Contract and the licenses and sublicenses granted under Section 3.1 will automatically terminate; (ii) Hart may terminate its obligation to provide Software Support Services under the Contract; (iii) Hart will have no further installation obligations. Furthermore, if



Customer uses the Software and Hardware in combination with other software and equipment (other software or equipment being those not provided by Hart or its designees), and the combination infringes Hart proprietary patent claims outside the scope of the software license granted to Customer under Section 4.1, Hart reserves its rights to enforce its patents with respect to those claims.

- 4.3.2. Customer shall not, under any circumstances, cause or permit the adaptation, conversion, reverse engineering, disassembly, or de-compilation of any Software. Customer shall not use any Software for application development, modification, or customization purposes, except through Hart.
- 4.3.3. Customer shall not assign, transfer, sublicense, time-share, or rent the Software or use it for facility management or as a service bureau serving others outside of the jurisdiction. This restriction does not preclude or restrict Customer from contracting for election services for other local governments located within Customer's jurisdictional boundaries. Customer shall not modify, copy, or duplicate the Software. All use of software and hardware on which the software resides shall take place and be for activities within Customer's jurisdictional boundaries, except for in cases of joint elections conducted cooperatively with neighboring jurisdictions. All copies of the Software, in whole or in part, must contain all of Hart's or the third-party licensor's titles, B, copyright notices, and other restrictive and proprietary notices and legends (including government-restricted rights) as they appear on the copies of the Software provided to Customer. Customer shall notify Hart of the following: (i) the location of all Software and all copies thereof and (ii) any circumstances known to Customer regarding any unauthorized possession or use of the Software.
- 4.3.4. Customer shall not publish any results of benchmark tests run on any Software.
- 4.3.5. The Software is not developed or licensed for use in any nuclear, aviation, mass transit, or medical application or in any other inherently dangerous applications. Customer shall not use the Software in any inherently dangerous application and agrees that Hart and any third-party licensor will not be liable for any claims or damages arising from such use.

5. DOCUMENTATION

Hart will provide Customer with one (1) electronic copy of the standard user-level documentation and operator's manuals and where applicable, environmental specifications for the Product installed at the Customer's location before the first election for which the Product will be used, following installation. Customer may make unlimited hard copies for internal business purposes.

6. PROPRIETARY RIGHTS

- 6.1. **Reservation of Rights.** Customer acknowledges and agrees that the design of the Products, and any and all related patents, copyrights, trademarks, service marks, trade names, documents, logos, software, microcode, firmware, information, ideas, concepts, know-how, data processing techniques, documentation, diagrams, schematics, equipment architecture, improvements, bug fixes, updates, trade secrets and material are the property of Hart and its licensors. Customer agrees that the sale of the Hardware and license of the Software does not, other than as expressly set forth herein, grant to or vest in Customer any right, title, or interest in such proprietary property. All patents, trademarks, copyrights, trade secrets, and other intellectual property rights, whether now owned or acquired by Hart with respect to the Products, are the sole and absolute property of Hart and its licensors. Customer shall not, under any circumstances, cause or permit the adaptation, conversion, reverse engineering, disassembly, or de-compilation of any Product(s), or copy, reproduce, modify, sell, license, or otherwise transfer any rights in any proprietary property of Hart. Further Customer shall not remove any trademark, copyright, or other proprietary or restrictive notices contained on any Hart user documentation, operator's manuals, and environmental specifications, and all copies will contain such notices as are on the original electronic media. All ideas, concepts, know-how, data processing techniques, documentation, diagrams, schematics, firmware, equipment architecture, software, improvements, bug fixes, updates, and trade secrets developed by Hart personnel (alone or jointly with others, including Customer) in connection with Hart Confidential Information, Verity system, and Hart Proprietary Software will be the exclusive property of Hart. For the purposes of this Agreement and the Contract, Hart Confidential Information includes, without limitation, all Software, the Documentation and support materials, and the terms and conditions of this Agreement and the Contract.
- 6.2. **Customer Suggestions and Recommendations.** Customer may propose, suggest, or recommend changes to the Products at any time. For purposes of clarity, Hart agrees to make modifications required pursuant to Section 1.5 (D) in the Statement of Work in accordance with the Contract. Such proposals, modifications, suggestions, or recommendations will become Hart's property and are hereby assigned to Hart. Hart may include any such proposals, modifications, suggestions, or recommendations, solely at Hart's option, in subsequent periodic Product updates, without



restriction or obligation. Subject to Section 1.5(D) in the Statement of Work, Hart is under no obligation to change, alter, or otherwise revise the Products according to Customer's proposals, suggestions, or recommendations.

- 6.3. **License Back** If Customer possesses or comes to possess a licensable or sub-licensable interest in any issued patent with claims that read upon the Verity system, its method of operation, or any component thereof, Customer hereby grants and promises to grant a perpetual, irrevocable, royalty-free, paid-up license, with right to sublicense, of such interest to Hart permitting Hart to make, have made, use, and sell materials or services within the scope of the patent claims, unless prohibited under Michigan law.

7. SOFTWARE SUPPORT SERVICES

- 7.1. **Description of Software Support Services.** Subject to the terms and conditions of this Agreement, Hart will provide Customer the Software Support Services described in Section 1.6 in the Statement of Work. Software Support Services under this Section do not cover any of the exclusions from warranty and support coverage as described under Section 8. If Hart, in its discretion, provides Software Support Services in addition to the services described under this Section, Customer will pay Hart for such services on a time-and-materials basis at Hart's then-prevailing rates, plus expenses, and for replacements at Hart's list prices, unless otherwise agreed in writing by Hart and Customer.

8. WARRANTY

- 8.1. **Limited Warranties.** The Hart Products carry the limited warranties set forth in Section [31] of the Contract, subject to any disclaimers or exclusions set forth therein.
- 8.2. **Exclusions from Warranty and Software Support Services.** The warranties under this Section and Software Support under Section 7 do not cover defects, errors, or malfunctions that are caused by any external causes, including, but not limited to, any of the following: (a) Customer's failure to follow operational, support, or storage instructions as set forth in applicable documentation; (b) the use of incompatible media, supplies, parts, or components; (c) modification or alteration of the Verity system, or its components, by Customer or third parties not authorized by Hart; (d) use of equipment or software not supplied or authorized by Hart; (e) external factors (including, without limitation, power failure, surges or electrical damage, fire or water damage, air conditioning failure, humidity control failure, or corrosive atmosphere harmful to electronic circuitry); (f) failure to maintain proper site specifications and environmental conditions; (g) negligence, accidents, abuse, neglect, misuse, or tampering; (h) improper or abnormal use or use under abnormal conditions; (i) use in a manner not authorized by this Agreement or use inconsistent with Hart's specifications and instructions; (j) use of software on Equipment that is not in good operating condition;; (l) servicing or support not authorized by Hart; or (m) Force Majeure. In any case where Hart Proprietary Software interfaces with third party software, including but not limited to, the Customer's voter registration system, non-Hart election management system, early voting validation system, non-Hart election systems, absentee envelope management systems, or other like systems, Hart will not be responsible for proper operation of any Software that interfaces with the third party software should such third party software be updated, replaced, modified, or altered in any way. Hart will also not be responsible for the proper operation of any Software running on Customer's computer equipment, should Customer install a new computer operating system on said equipment without advising Hart of such changes and receiving Hart's written approval. Hart will not be responsible for the proper operation of any Software should it be configured or operated in any manner contrary than that described herein. Professional Services and associated costs may be required in those situations where the Customer requests Hart's review and approval of any system changes outside the original system specifications within this Contract. Hart reserves the right to charge for repairs on a time-and-materials basis at Hart's then-prevailing rates, plus expenses, and for replacements at Hart's list prices caused by these exclusions from warranty and support coverage.

9. RESERVED.

10. CUSTOMER RESPONSIBILITIES

- 10.1. **Cooperation.** Customer agrees to cooperate with Hart and promptly perform Customer's responsibilities hereunder for the purposes of facilitating customer service. Customer will (a) provide adequate working and storage space for use by Hart personnel near the applicable Hardware; (b) provide Hart full access to the Hardware and Software and sufficient computer time, subject to Customer's security rules; (c) follow Hart's procedures for placing hardware warranty or software support service requests and determining if warranty remedial service is required; (d) follow Hart's instructions for obtaining hardware and software support and warranty services; (e) provide a memory dump and additional data in machine-readable form if requested; (f) reproduce suspected errors or malfunctions in Software; (g) provide timely



access to key Customer personnel and timely respond to Hart's questions; and (h) otherwise cooperate with Hart in its performance under this Agreement.

- 10.2. **Site Preparation.** Customer shall prepare and maintain the installation site in accordance with instructions provided by Hart. Customer is responsible for environmental requirements, electrical interconnections, and modifications to facilities for proper installation, in accordance with Hart's specifications. Any delays in preparation of the installation site will correspondingly extend Hart's delivery and installation deadlines.
- 10.3. **Site Maintenance; Proper Storage.** Customer shall maintain the appropriate operating environment, in accordance with Hart's specifications, for the Products and all communications equipment, telephone lines, electric lines, cabling, modems, air conditioning, and all other equipment and utilities necessary for the Products to operate properly. Customer shall properly store the Products when not in use.
- 10.4. **Use.** Customer is exclusively responsible for supervising, managing, and controlling its use of the Products, including, but not limited to, establishing operating procedures and audit controls, supervising its employees, making timely data backups, inputting data, ensuring the accuracy and security of data input and data output, monitoring the accuracy of information obtained, and managing the use of information and data obtained. Customer will ensure that its personnel are, at all times, educated and trained in the proper use and operation of the Products and that the Hardware and Software are used in accordance with applicable manuals, instructions, and specifications. Customer shall comply with all applicable laws, rules, and regulations with respect to its use of the Products.
- 10.5. **Backups.** Customer is solely responsible for timely data backups, and Customer will maintain backup data necessary to replace critical Customer data in the event of loss or damage to data from any cause. Hart is not liable for data loss.

11. TERM AND TERMINATION

11.1. Term.

The term of this Agreement is 10 years from the date of purchase, and any extension thereof by the State or Authorized User.

- 11.2. **Renewals.** Authorized Users' may renew License and Support Subscriptions for successive periods of one (1) year following the end of the Term upon mutual agreement of the parties. In such event, the parties will mutually agree to an addendum to this Agreement with respect to the terms and conditions applicable to such renewal term(s). Customer must pay the Annual Fee invoiced by Hart for such renewals. Each renewal License and Support Subscription term will be one (1) year, commencing on the expiration of the prior term and expiring on the immediately following anniversary date.
- 11.3. **Effect of Expiration and Termination.** Sections 4.2-4.3, 6, 8.2, 11.3, and 12-13 shall survive any termination or expiration of this Agreement. All other rights and obligations (including licenses) shall be of no further force or effect.

12. DISCLAIMERS AND LIMITATIONS OF LIABILITY

- 12.1. **Disclaimer of Warranty.** EXCEPT FOR THE EXPRESS LIMITED WARRANTIES APPLICABLE TO THE PRODUCT(S) AND/OR SERVICES REFERENCED IN SECTION 8 OF THIS AGREEMENT (WHICH REFERENCES SECTION 31 OF THE CONTRACT), TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, (A) THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE UNDER THIS AGREEMENT. FOR PURPOSES OF CLARITY, THE DISCLAIMERS SET FORTH IN SECTION 31(E) OF THE CONTRACT ALSO APPLY TO THIS AGREEMENT.
- 12.2. **Limitations of Liability.** THE LIMITATIONS OF LIABILITY SET FORTH IN SECTION 25 OF THE CONTRACT APPLY TO THIS AGREEMENT AND ARE HEREBY INCORPORATED BY REFERENCE HEREIN. FOR PURPOSES OF CLARITY, CLAIMS OF ANY KIND (WHETHER BASED IN CONTRACT, INDEMNITY, WARRANTY, TORT, STRICT LIABILITY OR OTHERWISE MADE OR ALLEGED UNDER THIS AGREEMENT WILL BE DEEMED TO BE CLAIMS UNDER THE CONTRACT (AND CLAIMS OF ANY KIND UNDER THE CONTRACT WILL BE DEEMED TO BE CLAIMS UNDER THIS AGREEMENT) AND PAYMENTS WITH RESPECT THERETO WILL COUNT TOWARD A PARTY'S MAXIMUM AGGREGATE LIABILITY UNDER THIS SECTION 12.2 AND SECTION 25 OF THE CONTRACT. THE PARTIES AGREE THAT THE LIABILITY AND WARRANTY LIMITATIONS SET FORTH IN THIS AGREEMENT AND THE CONTRACT ARE A REASONABLE ALLOCATION OF RISK AND LIABILITY CONSIDERING THE RESPECTIVE



BENEFITS OBTAINED HEREUNDER. THE FOREGOING LIMITATIONS SHALL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY HEREIN.

13. GENERAL PROVISIONS

- 13.1. **Entire Agreement.** This Agreement is considered Schedule B of the Contract, and it, along with all other Schedules, Exhibits and Attachments to the Contract are the entire agreement between the parties with respect to the subject matter contemplated herein, and supersede all prior negotiations and oral agreements with respect thereto. Hart makes no representations or warranties with respect to this Agreement or its Products or Services that are not included herein. The use of preprinted Customer forms, such as purchase orders or acknowledgments, in connection with this Agreement is for convenience only and all preprinted terms and conditions stated thereon are void and of no effect. If any conflict exists between this Agreement, the Contract and any terms and conditions on a Customer purchase order, acknowledgment, or other Customer preprinted form, the terms and conditions of the Contract will govern; provided that Sections 4 and 6 of this Agreement will govern in the event of any such conflict. This Agreement may not be amended or waived except in writing signed by an officer of the party to be bound thereby.
- 13.2. **Interpretation.** This Agreement will be construed according to its fair meaning and not for or against either party. Headings are for reference purposes only and are not to be used in construing the Agreement. All words and phrases in this Agreement are to be construed to include the singular or plural number and the masculine, feminine, or neuter gender as the context requires.
- 13.3. **GOVERNING LAW.** THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE OF MICHIGAN, WITHOUT REGARD TO ITS CONFLICT OF LAW PROVISIONS.
- 13.4. **Severability.** Whenever possible, each provision of this Agreement will be interpreted to be effective and valid under applicable law; but if any provision is found to be invalid, illegal, or unenforceable, then such provision or portion thereof will be modified to the extent necessary to render it legal, valid, and enforceable and have the intent and economic effect as close as possible to the invalid, illegal, or unenforceable provision. If it is not possible to modify the provision to render it legal, valid, and enforceable, then the provision will be severed from the rest of the Agreement and ignored. The invalidity, illegality, or unenforceability of any provision will not affect the validity, legality, or enforceability of any other provision of this Agreement, which will remain valid and binding.
- 13.5. **Compliance with Laws.** Customer and Hart shall comply with all federal, state, and local laws in the performance of this Agreement, including those governing use of the Products. Products provided under this Agreement may be subject to U.S. and other government export control regulations. Customer shall not export or re-export any Products.
- 13.6. **Trademarks.** Verity Election Office™, Verity Voting™, Verity Scan™, Verity Touch™, Verity Controller™, Verity Access™, Verity vDrive™, Verity Touch Writer™, Verity Ballot™, Verity Layout™, Verity Build™, Verity Count™, Verity Relay™, Verity Key™, and Verity Central™, and such other Product names indicated as trademarked names of Hart are trademarks of Hart.



Exhibit A

Definitions

"*Hart*" means Hart InterCivic, Inc., a Texas corporation.

"*Verity Access™*" means the audio tactile interface (ATI) CONTROLLER created by Hart as an add-on component to a Verity Touch™ that facilitates the performance of voting activities by disabled voters, for example, by providing an audio ballot presentation and/or accepting inputs from adaptive switch mechanisms that facilitate interaction with disabled voters, as needed.

"*Verity Print™*" means the device created by Hart for purposes of on-demand ballot printing; this device creates a blank paper ballot from the poll worker's selection of the voter's ballot style or precinct on the Verity Print interface.

"*Verity Controller™*" is a polling place management console capable of interacting with one or more Verity Touch™ devices by transmitting and receiving signals that manage an election, e.g., by opening and closing the polls, providing or recording an audit trail of system events during an election, storing cast ballot data, and applying data security and integrity algorithms.

"*Verity Scan™*" means the Verity Scan™ device created by Hart, consisting of an in-person digital ballot imaging device. The single-feed scanner transports and scans both sides of a ballot simultaneously, and it is securely attached to a ballot box that provides for secure ballot storage and transport.

"*Verity Election Office*" means Hart InterCivic's software platform that can accommodate a variety of election administration applications and is designed for interoperability with Verity Voting Hardware and Software.

"*Verity Touch™*" means the Verity Touch™ electronic voting device created by Hart. Verity Touch devices consist of hardware including an electronically configurable voting station that permits a voter to cast votes by direct interaction, which voting station in its present configuration created by Hart comprises an electronically configurable touchscreen liquid crystal display (LCD) panel for use in displaying ballot images, and options for tactile input buttons that facilitate voter options for selecting ballot choices and casting a ballot.

"*Verity Touch Writer™*" means the device created by Hart for ballot-marking functions. Touch Writer creates a paper marked ballot from the voter's selections on the electronic interface or the Verity Access ATI controller.

"*Verity Voting*" means Hart InterCivic's family of voting system components designed to conform to federal voting system standards.

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Exhibit B

HART PROPRIETARY AND SUBLICENSSED SOFTWARE

Hart Proprietary Software Licensed to Customer via annual subscription:

ITEM NUMBER	DESCRIPTION	NUMBER OF LICENSES

Licensed Location is the jurisdiction named on the signature page of this Agreement.

Software Sublicensed to Customer via annual subscription:

None

(The rest of this page has been intentionally left blank.)