

SPECIAL COUNCIL MEETING
ZOOM MEETING
AGENDA

DATE OF MEETING: TUESDAY, FEBRUARY 2, 2021

TYPE OF MEETING: SPECIAL COUNCIL MEETING

TIME OF MEETING: 7:00 P.M.

PLEDGE OF ALLEGIANCE

CALL TO ORDER / SPECIAL COUNCIL MEETING

ROLL CALL BY CLERK

PUBLIC COMMENT

BUSINESS:

ADMINISTRATION

A. UHY LLP APPRAISAL QUOTE

CORRESPONDENCE

PUBLIC COMMENT

COUNCIL PERSON COMMENTS

ADJOURNMENT

October 21, 2020

Ms. Holly Tatman
Village Manager
Village of Lexington
7227 Huron Avenue - Suite 100
Lexington, MI 48450

RE: Proposal For Consulting Services

Dear Ms. Tatman:

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

The objective of our engagement is to assist you, as needed, in your review and development of various financial models and strategies with regards to the Village's investment in Lexington Mobile Home Park. We anticipate that we will direct our efforts towards normal areas of concern to potentially include the following: interactions and coordination of information regarding the fair market value of the real estate and developing financial models reflecting various investment scenarios. Note that UHY will be subcontracting with a third-party real estate appraisal firm for purposes of ascertaining the fair market value of the mobile home park. Their fee is incorporated in the UHY fee presented herein.

The scope of work to be performed by us will be established based on discussions with you and as the process develops. The sufficiency of the procedures is solely your responsibility. Our procedures will be limited to those which you have determined will best meet your informational needs.

We anticipate regular communications with you as the process progresses. Our procedures will not constitute an audit, review, or compilation of the information provided to any party and, accordingly, we will not express a conclusion or provide any other form of assurance on the completeness or accuracy of the information.

Our fees will be billed at our standard hourly rates, plus out of pocket expenses. We estimate our fees in this engagement will be between \$8,000 and \$10,000 through the issuance of our findings report. Involvement after issuance of our findings report will be billed at our standard hourly rates.

Payment of our fees is not in any way contingent on the final outcome of the process.

Invoices for our work during the engagement will be rendered as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 45 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not completed our findings. You will be obligated to compensate us for all time expended and to reimburse us for all out of pocket expenditures through the date of termination.

In today's technological environment, businesses and individuals are continuously interacting through e-mail. This often involves sending data, documents and other information, including sensitive financial information. Although convenient, a business or individual that chooses to exchange such information via e-mail should ensure that their e-mail server and the information stored in their systems are secure. By providing access to your corporate information to us you authorize us to send information to you (or to other authorized recipients) via the e-mail addresses that you provide. The firm is not responsible for any transmission problems or the failure of you or any authorized recipient of the information to receive the file containing the information or maintaining the confidentiality of any information transmitted via e-mail or in the possession of you or any authorized recipient. You are solely responsible for (i) notifying the firm of the failure to receive your file containing the information so that a copy can be provided in an alternate form; (ii) the security of your e-mail server and for restricting access to your e-mail in order to maintain confidentiality of the information transmitted; (iii) storing the electronic file containing the information; and (iv) acquiring and maintaining the software needed to open and access the files containing the information.

Any dispute arising under this engagement including, without limitation, any dispute relating to the scope, nature or quality of services performed by us, but excluding, however, each, if any, dispute relating to fee matters or reimbursable expense matters (the provisions of this paragraph not being applicable to any such dispute relating to fee matters or reimbursable expense matters), shall be submitted to mediation. A third party who, in the good faith judgment of each party to this engagement letter, is competent and impartial and is acceptable to each party to this engagement letter, in the exercise of good faith judgment, shall be appointed to mediate any such dispute subject to mediation under this paragraph. Each party to the dispute shall pay an equal portion of the appointed mediator's reasonable fees and reasonable expenses. No lawsuit shall be commenced by any party with respect to any such dispute until at least sixty (60) days after such appointed mediator's first meeting with parties. If any such dispute results in litigation between the parties, in the event that the non-prevailing party to such litigation is held not to have participated in good faith in the mediation process in accordance with the preceding provisions of this paragraph, the prevailing party shall be authorized to recover from such non-prevailing party, in addition to all other lawfully recoverable amounts, all reasonable costs, inclusive of costs of court and reasonable attorneys' fees, incurred by the prevailing party in such litigation.

If you hire an employee of UHY Advisors MI, Inc. or UHY LLP, at any time during our relationship, or within one year of the end of our relationship, you will be billed a normal contingency placement fee of 30% of that employee's first year salary with your company. This placement fee will be paid to UHY Advisors MI, Inc. or UHY LLP. The fee is necessary to recoup a portion of our training costs in our experienced people. It will also allow us to cover part of the cost of replacing our employee and insure that you will receive continued uninterrupted professional services.



UHY Advisors MI, Inc. (UHY Advisors) has a contractual arrangement with UHY Advisors, Inc. and UHY LLP whereby UHY Advisors provides UHY LLP with services in connection with our engagements for which licensure as a CPA firm is not required. In order to avoid duplication of efforts arising out of this arrangement, we request that you consent to our sharing with UHY LLP the information that we may obtain from you in the course of our engagement. Unless you indicate otherwise, your acceptance of the terms of this engagement shall be understood by us as your consent to make disclosures to UHY LLP and its employees of confidential information that we may obtain in the course of our engagement.

This engagement letter and all services rendered hereunder shall be governed, construed, and enforced by the laws of the State of Michigan, without the need to resort to principles of conflicts of laws. Michigan law shall apply to any legal proceeding that shall be instituted in any way arising out of this engagement letter, any obligations contained or allegedly contained herein, and all services rendered touching or relating in any way to the obligations of this engagement letter. All parties to this engagement consent to the jurisdiction of the federal and state courts located in Michigan.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

UHY Advisors MI, Inc.

UHY Advisors MI, Inc.
Sterling Heights, Michigan

RESPONSE:

This letter correctly sets forth the understanding of Ms. Holly Tatman.

Holly Tatman

Date