ITEM # <u>16</u> DATE: <u>05-14-19</u>

COUNCIL ACTION FORM

SUBJECT: CONSENT TO ASSIGNMENT FROM DESIGN ALLIANCE TO FARNSWORTH GROUP

BACKGROUND:

The City contracted with Design Alliance on June 12, 2018 to design the new Homewood Clubhouse. On April 29, 2019 Design Alliance Inc. (DAI) was acquired by Farnsworth Group (FG). As shown in the request letter (Attachment A), DAI is requesting the City to execute the Consent To Assignment (Attachment B). The City Attorney reviewed and approved this consent form. Approving this consent will not alter the existing contract for the Homewood Clubhouse design services.

ALTERNATIVES:

- 1. Approve the Consent To Assignment from Design Alliance to Farnsworth Group.
- 2. Deny the Consent To Assignment from Design Alliance to Farnsworth Group.
- 3. Refer back to staff.

MANAGER'S RECOMMENDED ACTION:

The City is occasionally under contract with a firm when the firm is acquired by another company. Design Alliance has already been acquired by Farnsworth Group and the Consent To Assignment document has been approved by the City Attorney. Therefore it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the Consent To Assignment from Design Alliance to Farnsworth Group.

April 18, 2019

Keith Abraham Director of Parks and Recreation 515 Clark Avenue Ames, Iowa 50010

Dear Keith,

I am pleased to announce some exciting news that expands the capabilities of Design Alliance and will allow us to deliver even better service to you.

On April 29, Design Alliance will become Farnsworth Group, a national full-service architecture and engineering firm that has a tremendous 125-year history and extraordinary capabilities. Our office and entire team will remain at our current location in Waukee and will now be backed by Farnsworth Group's staff and experience.

We view this new chapter as a win-win for our clients, as well as our employees. The Design Alliance office will be Farnsworth Group's first in Iowa, complemented by its existing locations in Illinois, Missouri, Colorado, Texas, Georgia, Ohio, North Carolina, Tennessee and California. Farnsworth Group's 500-person, multi-disciplinary capabilities in architecture, engineering, surveying and planning will now allow us to offer clients full-service consulting capabilities; we will truly be a single-source consultant for our clients.

While our Company name will soon change, our dedication and commitment to you will not. I will be joining Farnsworth Group, and you can continue to rely on your current Design Alliance employees as your primary point of contact just as you have in the past. This new endeavor also allows our employees to remain a part of our team, and further expand their careers and project opportunities.

In the coming weeks, I look forward to telling you more about the variety of opportunities offered by this new combination of talent and resources. I can assure you that we will continue to provide the same high-level of service and remain focused on client satisfaction just as we have always done. We know that Farnsworth Group's resources, of which we are now an integral part, will continue to offer clients value-added services and quality of work. Together we are even better!

I want to thank you for your business and friendship over the years and look forward to a continued relationship. And, thank you for your support as we move into this new relationship with Farnsworth Group. Again, feel free to contact me with any questions you may have.

Sincerely,

Kristofer J. Orth, AIA

14225 University Suite 110 Waukee, IA 50263 TEL 515.225.3469 FAX 515.225.9649 DesignAllianceing.com

CONSENT TO ASSIGNMENT

This Consent to Assignment ("<u>Consent</u>") has been acknowledged and agreed to this _____ day of May, 2019, by the City of Ames (the "<u>Client</u>").

RECITALS:

A. Client has contracted with Design Alliance, Inc. ("<u>DAI</u>"), under the terms of the following agreement(s):

1. Contract for Design & Engineering Services for the Homewood Golf Course Clubhouse Project dated June 12, 2018.

(each a "<u>Contract</u>" and, collectively, if more than one, the "<u>Contracts</u>").

B. DAI and Farnsworth Group, Inc., an Illinois corporation, ("<u>FGI</u>") are parties to that certain Asset Purchase Agreement providing for the sale and assignment of certain assets of DAI to FGI (the "<u>Purchase Agreement</u>").

C. Pursuant to the Purchase Agreement, DAI has agreed to assign to FGI all right, title and interest of DAI in and to each Contract.

D. Pursuant to the terms of each Contract, Client must consent to such assignment. Client acknowledges that FGI and its successors and assigns will rely upon the Client's consent and statements made herein.

AGREEMENT:

NOW, THEREFORE, the Client hereby agrees as follows:

1. <u>Recitals</u>. The recitals set forth above are incorporated herein by this reference.

2. <u>Consent</u>. The Client hereby consents to the Assignment, transfer and conveyance to FGI of all DAI's right, title and interest in, under and to each Contract.

3. <u>Client's Representations and Warranties</u>. Client does hereby represent and warrant to FGI the following:

- (a) The Client is the Client under each Contract.
- (b) The Client, as the Client under each Contract, is not in default under the terms of any Contract.
- (c) DAI is not in default under the terms of any Contract as of the Effective Date and, to Client's knowledge, no event has occurred and no condition exists which, with the giving of notice or the lapse of time, or both would constitute a default by DAI under any Contract.
- (d) Each Contract is valid, binding and in full force and effect and has not been modified or amended, except as stated in Recital A above.

- 4. <u>Effective Date</u>. The "<u>Effective Date</u>" of this Consent shall be April 26, 2019.
- 5. <u>Miscellaneous</u>.
- (a) This Consent shall inure to the benefit of, and be binding upon, the respective heirs, legal representatives, successors, and assigns of the Client.
- (b) This Consent shall be governed by, and construed under, the laws of the State of lowa.

IN WITNESS WHEREOF, the Client has executed this Consent as of the day and year first above written.

CITY OF AMES

By:		

Name:_____

Title:_____

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