



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

www.cityofsacramento.org

File ID: 2019-01129

September 10, 2019

Consent Item 07

Title: Agreement: Professional Cost Allocation Services

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager, or the City Manager's designee, to: 1) execute a professional services agreement with MGT of America, LLC (MGT) to prepare the City's annual cost allocation plan for the fiscal year ending June 30, 2020 for one-year with four one-year renewal options in a total amount not-to-exceed \$217,200, provided that sufficient funds are available in the adopted budget of the applicable fiscal year.

Contact: Dawn Holm, Finance Director, (916) 808-5574; Daniel Choe, Principal Budget Analyst, (916) 808-5049, Department of Finance

Presenter: None

Attachments:

1-Description/Analysis

2-Professional Services Agreement (PRC000506)

Description/Analysis

Issue Detail: On June 11, 2019, the Department of Finance, in accordance with Sacramento City Code (SCC) Chapter 3.64, issued Request for Proposal (RFP) No. EV00000007 for the preparation of the City annual cost allocation plan (CAP). On July 11, 2019 the City received five responses to the RFP and after evaluating all submitted proposals the Department of Finance recommends awarding the agreement to MGT for a term of one year with the option to renew for up to four additional years, provided that sufficient funds are available in the adopted budget of the applicable fiscal year.

Policy Considerations: The Mayor and City Council have adopted a policy of fiscal sustainability. Development of the annual CAP provides the methodology for the City to recover costs for the provision of reimbursable programs, services, and projects. This funding is a key part of the City's budget balancing. The recommendations in this report are consistent with the provisions of SCC Chapter 3.64 regarding contracts for professional services.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed activity is not a project pursuant to the CEQA. CEQA Guidelines Section 15378(b)(2). The activity is a continuing administrative or maintenance activity, such as the purchases for supplies, personnel-related actions, general policy and procedure making and is not subject to CEQA. CEQA Guidelines Section 15060(c)(3).

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The CAP is critical in ensuring the City's ability to fully recover millions of dollars in indirect costs associated with providing services and administering grants and projects. The City contracts out the preparation of the CAP as it requires a highly specialized set of skills, extensive training, and complex computer software.

The City received five proposals in response to the RFP: Domain Experts Corporation, eCIVIS Inc., Matrix Consulting Group, LTD., MGT of America, LLC, and NBS Government Finance. After reviewing each proposal by five evaluators, including one external evaluator, staff recommends the agreement be awarded to MGT. The firm's experience, location, and methodology make them the best choice to provide the required services.

Financial Considerations: The annual agreement amount is \$38,440 for a total not-to-exceed amount of \$217,200, for the duration of the contract, which includes a \$5,000 contingency in each year to allow for additional related services that may be requested. Sufficient funding is available in the Department of Finance's FY2019/20 operating budget for these services. Services for future years are subject to funding availability in the adopted budget for the applicable fiscal year.

Local Business Enterprise (LBE): MGT is an LBE.

CONTRACT #: PRC000506

CONTRACT NAME: City Annual Cost Allocation Services

CONTRACT PROJECT #: 06001411-1001-433061

DEPARTMENT: Finance

DIVISION: Budget

PROFESSIONAL SERVICES CONTRACT

This Contract is made and entered into at Sacramento, California, between the CITY OF SACRAMENTO, a charter city and municipal corporation ("City"), and

MGT of America, LLC
2251 Harvard Street, Suite 134
Sacramento, CA 95815

("Contractor"), as of date it is fully executed ("Effective Date").
The City and Contractor agree as follows:

1 CONTRACT DOCUMENTS

All exhibits and documents attached or referred to in this Contract are incorporated as if set forth fully herein, including the Scope of Services Exhibit, Payment Exhibit, Insurance Exhibit, General Conditions Exhibit, and Labor Compliance Exhibit. If there is a conflict between the terms and conditions of any document prepared or provided by the Contractor or made a part of this Contract and the terms or conditions of the other Contract Documents, the terms and conditions of the other Contract Documents control.

2 SERVICES

Subject to the terms and conditions set forth in this Contract, Contractor shall provide to City the Services described in the attached Scope of Services Exhibit ("Services"). Contractor shall provide the Services at the time, place, and in the manner specified in the Scope of Services Exhibit.

Contractor will not be compensated for Services outside the Scope of Services Exhibit ("Additional Services") unless before providing Additional Services: (a) Contractor notifies City and City agrees that the Additional Services are outside the scope of the Scope of Services Exhibit; (b) Contractor estimates the additional compensation required for these Additional Services; and (c) City, after notice, approves in writing a Contract Amendment specifying the Additional Services and the amount of compensation for the Additional Services.

City will have no obligations whatsoever under this Contract or any Contract Amendment, unless and until this Contract or any Contract Amendment is approved by the City as required by City Code. As used in this Contract, the term "Services" includes both Services and Additional Services as applicable.

3 PAYMENT

City shall pay Contractor at the times and in the manner set forth in the attached Payment Exhibit. Contractor shall submit all invoices to City in the manner specified in the Payment Exhibit.

4 FACILITIES AND EQUIPMENT

Except as set forth below, Contractor shall, at its sole cost and expense, furnish all facilities and equipment that may be required for Contractor to perform this Contract. City shall furnish to Contractor only the facilities and equipment listed below, if any.

5 INSURANCE

Contractor shall, at its sole cost and expense, maintain the insurance coverage described in the attached Insurance Exhibit.

6 GENERAL CONDITIONS

Contractor shall comply with the terms and conditions set forth in the attached General Conditions Exhibit.

7 NON-DISCRIMINATION IN EMPLOYEE BENEFITS

This Contract may be subject to Sacramento City Code chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. A summary of the requirements, entitled "Requirements of the Non-Discrimination in Employee Benefits Code (Equal Benefits Ordinance)", can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.54. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor's violation of Sacramento City Code chapter 3.54 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

8 CONSIDERING CRIMINAL CONVICTION INFORMATION IN THE EMPLOYMENT APPLICATION PROCESS

This Contract may be subject to Sacramento City Code chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements, entitled "Ban-The-Box Requirements", can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

The Ban-The-Box Requirements are applicable to certain contracts with the City in an amount of \$100,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$100,000 or more over a 12-month period.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.62. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.62 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.62.

Contractor's violation of Sacramento City Code chapter 3.62 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

9 LOCAL BUSINESS ENTERPRISE PROGRAM - LBE PARTICIPATION

The Local Business Enterprise Program Participation Requirements ("LBE Participation Requirements") are applicable to this Contract. A summary of the requirements, entitled "LBE Participation Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.60. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.60 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.60.

Contractor's violation of Sacramento City Code chapter 3.60 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

10 AUTHORITY

The person signing this Contract for Contractor represents and warrants that he or she has read, understands, and agrees to all the Contract terms and is fully authorized to sign this Contract on behalf of the Contractor and to bind Contractor to the performance of the Contract's obligations.

SCOPE OF SERVICES EXHIBIT

1 REPRESENTATIVES

The City Representative for this Contract is:

Daniel Choe, Interim Budget Manager
City of Sacramento
Finance - Budget
915 I Street, 5th Floor
Sacramento, CA 95814
Phone: 916-808-5049
Email: DChoe@cityofsacramento.org

The Contractor Representative for this Contract is:

J. Bradley Burgess, Executive Vice President
MGT of America, LLC
2251 Harvard Street, Suite 134
Sacramento, CA 95815
Phone: 916-443-3411
Email: bburgess@mgtconsulting.com

Unless otherwise provided in this Contract, all Contractor questions and correspondence pertaining to this Contract must be addressed to the City Representative. All City questions and correspondence must be referred to the Contractor Representative.

2 CONFLICT OF INTEREST REQUIREMENTS

The individual(s) who will provide Services or perform Work pursuant to this Contract are not considered "Consultants" within the meaning of the Political Reform Act and the City's Conflict of Interest Code.

3 SCOPE OF CONTRACT

Contractor shall provide Services to City as set forth in Attachment 1 to this Scope of Services Exhibit.

4 TIME OF PERFORMANCE

The Services described in this Contract shall be provided during an initial period beginning on September 10, 2019 and ending on September 09, 2020. The City may extend this Contract for up to four additional one-year terms, for a maximum five year term. Contractor shall provide the Services in accordance with any schedule in Attachment 1 to this Scope of Services Exhibit. Contractor shall immediately notify the City if Contractor is unable to perform Services in compliance with this Contract.

PAYMENT EXHIBIT

1 CONTRACTOR'S COMPENSATION

The total of all fees paid to the Contractor shall not exceed the total sum of \$ 38,440.00. The payments specified in this Payment Exhibit shall be the only payments made to Contractor unless the City approves a Contract Amendment.

2 PRICING

Contractor shall be paid as set forth in the Scope of Services Exhibit or Attachment 1 to this Payment Exhibit and any applicable special provisions included in the request for bids or proposals ("Special Provisions"). If there is a conflict between the Scope of Services Exhibit or Payment Exhibit and the Special Provisions, the Scope of Services Exhibit or Payment Exhibit controls.

3 CONTRACTOR'S REIMBURSEABLE EXPENSES

"Reimbursable Expenses" are limited to actual expenditures of Contractor for expenses that are necessary for the proper satisfaction of the Contract and are only payable if specifically authorized in advance in writing by City.

4 PURCHASE ORDERS

Unless otherwise stated, a Purchase Order will be issued to the Contractor on behalf of the City. Purchase Orders will cite the quantity of Goods or Services requested, the purchase amount, and time of performance. If the time of performance of this Contract extends beyond the close of the City's fiscal year, another Purchase Order may be issued. No Purchase Order supersedes any provision of this Contract. Contractor shall not deliver Goods or provide Services until Contractor receives a Purchase Order or other written notification by the City.

5 PAYMENTS TO CONTRACTOR

Contractor is responsible for supplying all documentation necessary to verify invoices to the City's satisfaction.

A. Payment terms are NET 30 days, unless otherwise stated in this Contract.

B. Invoices must be submitted to either of the addresses specified below.

(1) Email. Submit email invoices and any attachments to:

apinvoices@cityofsacramento.org

(2) Postal Mail. If emailing is not an option, mail to:

A/P Processing Center
City of Sacramento
915 I Street, Floor 4
Sacramento, CA 95814-2608

C. All invoices submitted by Contractor must contain the following information:

- (1) Job/Project Name (if applicable)
- (2) City's current Purchase Order Number
- (3) Contractor's Invoice Number
- (4) Date of Invoice Issuance
- (5) Work Order Number (if applicable)

- (6) City representative identified on the Purchase Order
- (7) Contractor's remit address
- (8) Itemized description of the Services billed under Invoice
- (9) Itemized description of all authorized Reimbursable Expenses
- (10) Itemized description of all applicable taxes (sales, use, excise, etc.)
- (11) Amount of Invoice
- (12) Total Billed to Date under Contract (if applicable)

D. Items must be separated into Services and Reimbursable Expenses. All applicable sales, use, excise, or similar taxes, including federal excise tax, must be itemized separately on the invoice. Invoices that do not conform to the format outlined above will be returned to Contractor for correction. City is not responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described above.

E. Unless otherwise specified in this Contract, partial payments will not be made by the City and payment will not be due until the completion of Services. No payment precludes the City's right to inspect. Requests for payment status should be addressed to the City Representative for this Contract.

6 ADDITIONAL SERVICES

Additional Services shall be provided only when a Contract Amendment authorizing the Additional Services is approved in writing by the City in accordance with the City's contract amendment procedures. The City reserves the right to perform any Additional Services with its own staff or to retain other Contractors to perform the Additional Services.

7 BILLING DISPUTES

The burden of proof shall be on the Contractor to establish the accuracy of its invoices. Upon presentation and verification of the information provided by Contractor, the City will review all records and make a final determination and present its finding to Contractor.

8 ACCOUNTING RECORDS OF CONTRACTOR

During performance of this Contract and for a period of three years after completion of performance, Contractor shall maintain all accounting and financial records related to this Contract, in accordance with generally accepted accounting practices, including records of Contractor's costs for performance under this Contract and records of Contractor's Reimbursable Expenses. Contractor shall keep and make records available for inspection and audit by representatives of the City upon reasonable written notice.

9 SALES TAX REQUIREMENTS

The City is not exempt from paying sales tax. Sales tax must be shown on the invoice as a separate line item.

10 EXCISE TAX REQUIREMENTS

The City of Sacramento is exempt from the payment of Federal Excise Tax. An exemption certificate will be submitted to Contractor upon request. If Federal Excise Tax is applicable to the transaction, it must be so stated and excluded from the price.

11 TAX PAYMENTS

Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide City with proof of the payment upon request. Contractor hereby agrees to indemnify City for any claims, losses, costs, fees, liabilities, damages, or injuries suffered by City arising out of Contractor's breach of this section.

INSURANCE REQUIREMENTS EXHIBIT

1 INSURANCE REQUIREMENTS

During the entire term of this Contract, Contractor shall maintain the insurance coverage described in this Insurance Exhibit.

Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified under this Contract. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

Contractor's liability to the City is not in any way limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Contract.

2 GENERAL LIABILITY MINIMUM SCOPE AND LIMITS OF INSURANCE COVERAGE

Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Contractor and subcontractors, products and completed operations of Contractor and subcontractors, and premises owned, leased, or used by Contractor and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

3 AUTOMOBILE LIABILITY MINIMUM SCOPE AND LIMITS OF INSURANCE COVERAGE

Automobile Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

4 EXCESS INSURANCE

The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage, provided that any umbrella or excess insurance contains, or is endorsed to contain, a provision that it will apply on a primary basis for the benefit of the City, and any insurance or self-insurance maintained by City, its officials, employees, or volunteers will be in excess of Contractor's umbrella or excess coverage and will not contribute to it.

5 WORKERS' COMPENSATION MINIMUM SCOPE AND LIMITS OF INSURANCE COVERAGE

Workers' Compensation Insurance is required with statutory limits and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

6 PROFESSIONAL LIABILITY MINIMUM SCOPE AND LIMITS OF INSURANCE COVERAGE

Professional Liability Insurance providing coverage on a claims-made basis for errors, omissions, or malpractice with limits of not less than one million dollars (\$1,000,000) is required. Such coverage must be continued for at least 3 years following the completion of all Services under this Contract. The retroactive date must be prior to the date this Contract is approved or any Services are performed.

7 OTHER INSURANCE PROVISIONS

The policies must contain, or be endorsed to contain, the following provisions:

- a. Contractor's insurance coverage, including excess insurance, shall be primary insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers will be in excess of Contractor's insurance and will not contribute with it.
- b. Any failure to comply with reporting provisions of the policies will not affect coverage provided to the City, its officials, employees or volunteers.

- c. Coverage shall state that Contractor's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- d. The City will be provided with 30 days written notice of cancellation or material change in the policy language or terms.

8 ACCEPTABILITY OF INSURANCE

Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Insurance Exhibit must be declared to and approved by the City in writing before execution of this Contract.

9 VERIFICATION OF COVERAGE

A. Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized representative of the insurance carrier. Copies of policies shall be delivered to the City Representative on demand.

B. Contractor shall send all insurance certificates and endorsements, including policy renewals, during the term of this Contract directly to:

City of Sacramento
c/o Exigis LLC
PO Box 4668 ECM- #35050
New York, NY 10168-4668

C. Certificate Holder must be listed as:

City of Sacramento
c/o Exigis LLC
PO Box 4668 ECM- #35050
New York, NY 10168-4668

D. The City may withdraw its offer of Contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided before execution of this Contract. The City may withhold payments to Contractor and/or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

10 SUBCONTRACTOR INSURANCE COVERAGE

Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Insurance Exhibit.

GENERAL CONDITIONS EXHIBIT

1 INDEPENDENT CONTRACTOR

A. It is understood and agreed that Contractor (including Contractor's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Contractor nor Contractor's assigned personnel will be entitled to any benefits payable to City employees. City is not required to make any deductions or withholdings from the compensation payable to Contractor under the provisions of this Contract, and Contractor will be issued a Form 1099 for its services hereunder. As an independent contractor, Contractor hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of Contractor's employees or by any third party, including any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Contract or by reason of the nature and/or performance under this Contract.

B. It is further understood and agreed by the parties that Contractor, in the performance of its obligations, is subject to the City's control and direction as to the designation of tasks to be performed and the results to be accomplished under this Contract, but not as to the means, methods, or sequence used by Contractor for accomplishing the required results. To the extent that Contractor obtains permission to, and does, use City facilities, space, equipment or support services in the performance of this Contract, this use will be at the Contractor's sole discretion based on the Contractor's determination that the use will promote Contractor's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Contract, the City does not require that Contractor use City facilities, equipment or support services or work in City locations in the performance of this Contract. As used in this Contract, "sole discretion" or "sole judgment" means that the party authorized to exercise its discretion or judgment may do so based on an unfettered assessment of its own interests, without considering how its decision affects the other party, and unconstrained by the implied covenant of good faith and fair dealing.

C. If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under the direction, supervision, and control of Contractor. Except as otherwise provided in this Contract, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Contractor. It is further understood and agreed that Contractor will issue W-2 or 1099 forms for income and employment tax purposes for all Contractor's assigned personnel and subcontractors.

D. The provisions of this section survive any expiration or termination of this Contract. Nothing in this Contract creates an exclusive relationship between City and Contractor. Contractor may represent, perform services for, or be employed by any additional persons or companies so long as Contractor does not violate the provisions of the Conflicts of Interest section.

2 LICENSES AND PERMITS

Contractor represents and warrants that the Contractor has all licenses, permits, City Business Operations Tax Certificates, qualifications, and approvals of whatsoever nature that are legally required for the Contractor to practice its profession or fulfill the terms of this Contract and that the Contractor must, at its sole cost and expense, maintain licenses, permits, certificates, qualifications, and approvals at all times during the term of this Contract. Without limiting the generality of the foregoing, if the Contractor is an out-of-state corporation, the Contractor represents and warrants that it possesses a valid certificate to transact business in the State of California issued by the California Secretary of State in accordance with Section 2105 of the California Corporations Code.

3 CONTRACTOR NOT AGENT

Except as City may specify in writing, Contractor and Contractor's personnel have no authority, express or implied, to act on the City's behalf in any capacity whatsoever as an agent. Contractor and Contractor's personnel have no authority, express or implied, to bind City to any obligations whatsoever.

4 CONFLICTS OF INTEREST

Contractor covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the City's interests or that would in any way hinder Contractor's performance under this Contract. Contractor further covenants that in the performance of this Contract, no person having any such interest will be employed by it as an officer, employee, agent or subcontractor, without the City's written consent.

Contractor agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the City's interests during the performance of this Contract. If Contractor is or employs a former officer or employee of the City, Contractor and any former City officer or employee shall comply with the provisions of Sacramento City Code section 2.16.090 pertaining to appearances before the City Council or any City department, board, commission, or committee.

5 NOTIFICATION OF MATERIAL CHANGES IN BUSINESS

Contractor agrees that if it experiences any material changes in its business, including a reorganization, refinancing, restructuring, leveraged buyout, bankruptcy, name change, or loss of key personnel, it will immediately notify the City of the changes. Contractor also agrees to immediately notify the City of any condition that may jeopardize the scheduled delivery or fulfillment of Contractor's obligations to the City under this Contract.

6 CONFIDENTIALITY OF CITY INFORMATION

During performance of this Contract, Contractor may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City.

Contractor agrees to protect all City Information and treat it as strictly confidential, and further agrees that Contractor will not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the City's prior written consent.

In addition, Contractor must comply with all City policies governing the use of the City network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions #30. Any violation by Contractor of this section is a material violation of this Contract and justifies legal and equitable relief.

7 CONTRACTOR INFORMATION

A. City will have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Contractor under this Contract. In this Contract, the term "information" means and includes: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. Contractor shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City.

B. Contractor shall fully defend, indemnify and hold harmless City, its officers and employees, and each one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Contractor under this Contract infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify Contractor not later than ten days after City is served with any such claim, action, lawsuit or other proceeding. However, City's failure to provide notice within the ten day period does not relieve Contractor of its obligations hereunder, which survive any termination or expiration of this Contract.

C. All proprietary and other information received from Contractor by City, whether received in connection with Contractor's proposal to City or in connection with performance by Contractor, will be disclosed upon receipt of a request for disclosure, in accordance with the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to Contractor of any request for the disclosure of such information. The Contractor will then have five days from the date it receives notice to enter into an agreement with the City, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by City in any legal action to compel the disclosure of the information under the California Public Records Act. The Contractor shall have sole responsibility for defense of the actual "trade secret" designation of such information. Alternatively, the Contractor may petition the court for a protective order to prevent the disclosure of the information.

D. The parties understand and agree that any failure by Contractor to respond to the notice provided by City and enter into an agreement with City or seek a protective order, in accordance with the provisions of subsection C, above, constitutes a complete waiver by Contractor of any rights regarding the information designated "trade secret" by Contractor, and the information will be disclosed by City in accordance with the Public Records Act.

8 TIME

Time is of the essence in the performance of this Contract. Contractor shall devote the necessary time and effort to its performance under this Contract to satisfactorily and timely perform its obligations under this Contract. Neither party will be considered in default of this Contract, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.

9 STANDARD OF PERFORMANCE

Contractor shall perform in the manner and according to the standards currently observed by a competent practitioner of Contractor's profession in California and in compliance with all standards set forth in this Contract. All products that Contractor delivers to City under this Contract must be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor's profession.

Contractor shall assign only competent personnel to perform on its behalf under this Contract. Contractor must notify the City in writing of any changes in Contractor's staff assigned to perform under this Contract, before any performance by the new staff member. If the City, in its sole discretion, determines that any person assigned by the Contractor to perform under this Contract is not performing in accordance with the standards required herein, City shall provide notice to Contractor. Contractor shall immediately remove the assigned person upon receipt of the notice.

10 EMERGENCY / DECLARED DISASTER REQUIREMENTS

If an emergency is declared by the City Manager, or if any portion of the City is declared a disaster area by the county, state or federal government, this Contract may be subjected to increased usage. The Contractor shall serve the City during a declared emergency or disaster, subject to the same terms and conditions that apply during non-emergency / non-disaster conditions. The pricing set forth in this Contract will apply, without mark-up, regardless of the circumstances. If the Contractor is unable to fulfill the terms of the Contract because of a disruption in its chain of supply or service, then the Contractor shall provide proof of the disruption. Acceptable forms of proof will include a letter or notice from the Contractor's source stating the reason for the disruption.

11 TERM; SUSPENSION; TERMINATION

A. This Contract is effective on the Effective date and continues in effect until both parties have fully performed their respective obligations under this Contract, unless sooner terminated as provided herein.

B. The City shall have the right at any time to suspend Contractor's performance hereunder, in whole or in part, by giving a written notice of suspension to Contractor. Upon receipt of such notice, Contractor shall immediately suspend its activities under this Contract, as specified in the notice.

C. The City shall have the right to terminate this Contract at any time by giving a written notice of termination to Contractor. Upon receipt of such notice, Contractor shall immediately cease performance under this Contract as specified in the notice. If the City terminates this Contract:

- (1) Contractor shall, not later than five days after receipt of the notice, deliver all information prepared under this Contract to the City.
- (2) The City shall pay Contractor the reasonable value of Goods or Services provided by Contractor before termination; provided, however, City shall not in any manner be liable for lost profits that might have been made by Contractor had the Contract not been terminated or had Contractor completed performance required by this Contract. Contractor shall furnish to the City any financial information requested by the City to determine the reasonable value of the Goods or Services provided by Contractor. The foregoing is cumulative and does not affect any right or remedy that City may have in law or equity.

12 DEFAULT BY CONTRACTOR

In case of default by the Contractor, the City reserves the right to procure the Goods or Services from other sources and deduct from any monies due, or that may thereafter become due to the Contractor, the difference between the price named in this Contract and the actual cost to the City to procure from an alternate source. Prices paid by the City will be considered the prevailing market price at the time such purchase is made.

13 INDEMNITY

A. Indemnity: Contractor shall defend, hold harmless, and indemnify City, its officers, and employees, and each and every one of them, from and against all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs, and expenses of every type and description, whether arising on or off the site of the work or services performed under this Contract, including any fees and costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including Liabilities for personal injury or death, damage to personal, real, or intellectual property, damage to the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Contract by Contractor, any subcontractor (including lower-tier subcontractors) or agent of Contractor, their respective officers and employees, and anyone else for whose acts of omissions any of them may be liable, whether or not the Liabilities (i) are caused in part by a party indemnified hereunder, or (ii) are litigated, settled, or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage, or expense, to the extent arising from the active negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or

independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the supervision and control of Contractor or any subcontractor (including lower-tier subcontractors) or agent of Contractor.

B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by City of any of the insurance policies or coverages described in this Contract does not affect or limit any of City's rights under this section, nor do the limits of any insurance limit the liability of Contractor hereunder. This section will not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of the Contractor Information section above. The provisions of this section survive any expiration or termination of this Contract.

14 FUNDING AVAILABILITY

A. This Contract is subject to the budget and fiscal provisions of the Charter and the Sacramento City Code.

B. The City's payment obligation under this Contract will not exceed the amount of funds appropriated and approved for this Contract by the Sacramento City Council or its designee.

C. This section governs over any other contrary provision of the Contract.

15 EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this Contract, Contractor, for itself, its assignees and successors in interest, agrees as follows:

A. Compliance with Law and Regulations: Contractor shall comply with all state, local, and federal anti-discrimination laws and regulations, including the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375, 12086, and 13672, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), referred to collectively as the "Regulations".

B. Nondiscrimination: Contractor, with regards to the work performed by it after award and before completion of the work under this Contract, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap, or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.

C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by Contractor for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligation under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap, or sexual orientation.

D. Information and Reports: Contractor shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City to be pertinent to ascertain compliance with the Regulations, orders and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to the City, and shall set forth what efforts it has made to obtain the information.

E. Sanctions for Noncompliance: In the event of noncompliance by Contractor with the nondiscrimination provisions of this Contract, the City may impose any sanctions it determines to be appropriate including:

(1) Withholding of payments to Contractor under this Contract until Contractor complies;

(2) Cancellation, termination, or suspension of this Contract, in whole or in part.

F. Incorporation of Provisions: Contractor shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. The City may direct Contractor to take specific actions to enforce these provisions, including sanctions for noncompliance; provided, however, if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier because of such direction, Contractor may request that the City join such litigation to protect the City's interests.

16 ENTIRE AGREEMENT

This Contract, including all Exhibits and documents referenced herein, contains the entire Contract between the parties and supersedes whatever oral or written understanding they may have had before the execution of this Contract. No alteration of the terms of this Contract will be valid unless approved in writing by the Contractor and the City in accordance with applicable provisions of the Sacramento City Code.

17 MODIFICATION OF CONTRACT

The City may order changes in the Services required and the Contractor shall comply with such orders, except that if the changes increase or decrease the price or costs fixed in the Contract, the order will not be valid unless the increase or decrease in cost or change in the schedule is agreed upon in writing by the parties, consistent with the Sacramento City Code.

18 SEVERABILITY

If a court with jurisdiction rules that any portion of this Contract or its application to any person or circumstance is invalid or unenforceable, the remainder of this Contract will not be affected thereby and will remain valid and enforceable as written, to the greatest extent permitted by law.

19 WAIVER

Neither the City acceptance of, or payment for, any Service, nor any waiver by either party of any default, breach, or condition precedent, will be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach, or condition precedent or any other right hereunder. No waiver is effective unless it is in writing and signed by the waiving party.

20 GOVERNING LAW

This Contract shall be governed, construed, and enforced in accordance with the laws of the State of California, except that the rule of interpretation in California Civil Code section 1654 will not apply. Venue of any litigation arising out of this Contract will lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any litigation in such courts, and consent to service of process issued by such courts.

21 ASSIGNMENT PROHIBITED

The expertise and experience of Contractor are material considerations for this Contract. City has a strong interest in the qualifications and capability of the persons and entities who will fulfill the obligations imposed on Contractor under this Contract. In recognition of this interest, Contractor shall not assign any right or obligation under this Contract without the written consent of the City. Any attempted or purported assignment without City's written consent is void and of no effect.

22 BINDING EFFECT / ASSIGNMENT

This Contract is binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of the Assignment Prohibited section.

23 COMPLIANCE WITH LAWS

The Contractor shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished under the Contract, including the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health, Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: 
J. Bradley Burges (Aug 12, 2019)

Title: Executive Vice President

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: 
Audreyell Anderson (Aug 12, 2019)

Title: Senior Deputy City Attorney

Reviewed By:

Signature: 
Daniel Choe (Aug 12, 2019)

Title: Interim Budget Manager

Approved By:

Signature:

Title:

SCOPE OF SERVICES – FULL AND 2CFR PART 200 COST ALLOCATION PLANS

This Attachment 1 (“Attachment 1”) of the professional service agreement supplements and incorporates by this reference the agreement between the City of Sacramento (“CITY” or “City”) and MGT of America Consulting, LLC (“CONTRACTOR” or “MGT”) (collectively referred to herein as the “parties) for City’s Annual Cost Allocation Plan and Indirect Cost Rate Proposal Development Project (the “Project” or “project”), (the “Contract”).

This Attachment 1 describes the Scope of Services for the Contract. In the event of a conflict between this Attachment 1 and the Contract, the terms of the Attachment 1 shall prevail. The words or phrases in the Contract shall have the same meaning herein, unless otherwise defined in this Attachment 1.

a. PROJECT PLAN

This section of the Attachment 1 identifies MGT’s plan for preparing the City’s cost allocation plans, using the following tasks. The plan will also be used to identify general fund support provided to the City’s enterprise, other special revenue funds and to recapture federal and state indirect cost. To ensure the successful implementation of the City’s initial federal/state plan (“2CFR plan”) MGT will include its national federal 2CFR consultant to the team as a Technical Advisor. “Technical Advisor” or “technical advisor” shall mean MGT’s personnel as described in section (f) below.

MGT’s cost allocation plans shall include:

- ◆ Compliant documentation for state or federal reimbursement.
- ◆ Defensible interfund transfers.
- ◆ Establishing fees for external agencies or entities that the City can charge for access to and services associated with the Project, including hourly billing rates.
- ◆ Identification of administrative expense.
- ◆ Resource allocation analysis.

b. COST ALLOCATION SOFTWARE

MGT will utilize MGT’s proprietary cost allocation software (“MGTCAP software”) to develop the cost allocation plans. The **MGTCAP** software report outputs shall include detailed schedules that reconcile all costs allocated in the cost allocation plan (“CAP”) to the City’s financial statements. It shall also provide summary and management reports which compare the current year’s allocation results with prior years.

MGTCAP shall write reports directly into Microsoft Excel, which provides us the ability to modify the presentation of the results in a nearly unlimited fashion.

c. COMMUNICATION PLAN

MGT will provide the City with a Communication Plan on the first visit. This plan will provide the City with a full accounting of project milestones and schedules. Based on discussions with the City, MGT's communications will be provided to the e-mail list of the City's choice, and will be sent as frequently as the City prefers. Each report will show progress and highlight any potential issues that need attention from the project group.

Each of MGT's senior level consultant shall be an expert in applying various project management methods and techniques to cost allocation projects. Additionally, all MGT consultants that work on this Contract shall attend regular peer group reviews and training sessions to continuously refine project management, client service and 2 CFR Part 200 skills.

MGT's plan shall jointly establish a framework of firm timelines and milestones with the CITY based on the CITY's circumstances and needs. Aside from fixed deadlines and milestones, however, the framework shall be flexible to accommodate the CITY and even each annual project.

MGT's project management process and client satisfaction components are graphically represented below. MGT shall provide a project management process and client satisfaction components to the CITY for the project as described herein. The primary tool for delivering each of the components is communication. MGT's project teams shall be in regular contact with the Project Executive, providing project status updates and explaining any variances from the planned schedule. "Project Executive" shall mean MGT's personnel as described in section (f) below. Additionally, MGT shall regularly contact the CITY through on-site meetings and formal status updates at regular intervals.



d. COST ALLOCATION PLAN TASK DESCRIPTIONS

This section identifies MGT approach for preparing the City's cost allocation plan using the following tasks. MGT shall:

1. Conduct an initial meeting with designated personnel.

Meet with City personnel who have responsibility or a high interest in the annual cost allocation plan. This meeting will refine the specific objectives, requirements, measurements, and schedule of the project. This meeting will also help the MGT understand any recent organizational or structural changes occurring since the prior year plan.

2. Conduct an introductory training session with all relevant personnel.

Conduct an initial and introductory training session with key City personnel and project stakeholders. MGT Project consultants will work with City personnel to establish the objectives, content, and list of attendees for this meeting or presentation. Agenda items for these meetings or presentations shall include:

- ◆ Cost allocation plan methodology and process.
- ◆ Federal 2CFR requirements vs Full Cost Allocation Plan.
- ◆ Considerations for selecting an allocation basis.
- ◆ ICRP uses.
- ◆ Review process.
- ◆ Timeline.
- ◆ Questions and answers.

3. Review and Preparation.

Based on introductory interview with CITY staff, MGT shall incorporate any changes occurring since the last study was finalized. This may include organizational changes or findings/direction from federal auditors.

4. Collect basic financial and operational data.

Collect and review data such as organization charts, expenditure statements, budgets, personnel counts, salary reports, and transaction statistics.

5. Conduct department interviews.

Meet with and interview each central service department to check for changes in operations and confirm allocation methodologies. Also, MGT will determine if any charge backs or direct bills need to be accounted for. MGT will meet with applicable CITY stakeholders, as determined by the CITY, (e.g. non-General Fund departments) to review prior year allocations and obtain feedback.

Interviews necessary to calculate the departmental indirect cost rate proposals will also take place at this point in the project.

6. Divide central service departments into functions.

Divide the allowable costs in each central service department into functions. Functions represent distinct activities within a department.

Using information gathered in Task 5, MGT project consultants will complete Personnel Staffing Analysis (“PSA”) worksheets to assist in dividing departments into functions. The PSA shall provide a basis for the distribution of department costs into department functions. During interviews with central service departments, MGT consultants will discuss assignments and duties of City personnel.

Determine and distribute departments into functions based on timesheets, assignments, activities, or other allowed methods. Once CITY staff members and their corresponding salaries are distributed into functions, other department costs—such as materials and supplies—will also be distributed into the same functions. This task breaks a department into functional cost pools, which can then be allocated throughout the City using meaningful, measurable, and auditable allocation bases.

7. Distribute central service department costs into functions.

Distribute the allowable costs in each CITY central service department, and the incoming costs into each CITY central service department, into the functions determined in Task 6. Incoming costs are the costs from other CITY central service departments determined by a double step-down calculation. The distribution of allowable department costs and incoming costs will determine the total cost of providing each distinct service within each CITY central service department.

8. Develop allocation bases for central service department functions.

Determine an appropriate allocation base for each CITY function in each central service department. This determination will serve as the basis for allocating the allowable costs in each function to the recipients of the service. MGT will request corresponding transaction data from CITY central service department personnel.

CITY central service departments will allocate costs to all CITY funds. This allocation methodology ensures the most fair and accurate distribution of costs as opposed to a methodology that singles out particular departments or funds for maximum allocation.

9. Process draft cost allocation plan and department ICRPs.

Process the draft cost allocation plans using the MGT proprietary cost allocation software, **MGT CAP**. The cost allocation plan will include summary and detail reports. The summary report will provide information on the dollar amounts allocated from each central service department to every receiving department. The detailed reports in the cost allocation plans provide information on the expenditures, allowable costs, incoming costs, personnel distribution, functions, and allocation bases for every central service department.

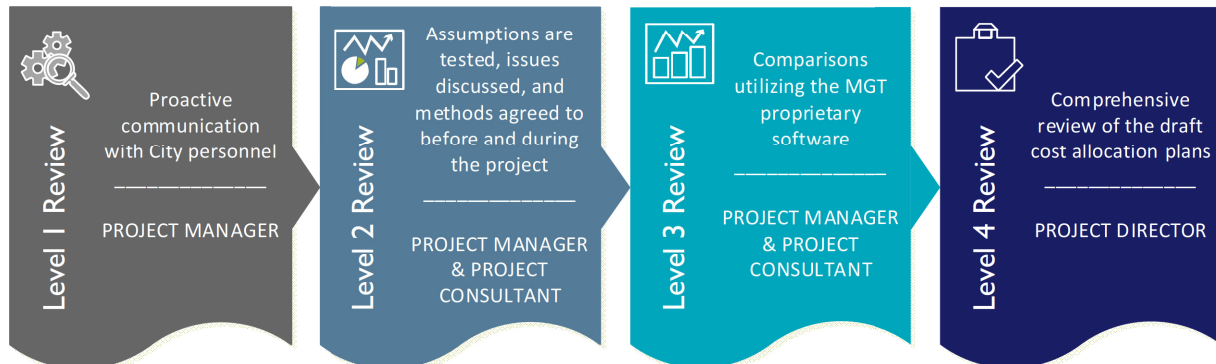
Department Indirect Cost Rate Proposals (“ICRPs”) will be developed and prepared at this stage.

10. Conduct quality control and internal review of the draft cost allocation plan and ICRPs.

MGT’s Technical Consultant will undertake an internal review process to raise the accuracy of the cost allocation plans and ensure City personnel do not waste time reviewing substandard or incomplete

work. MGT's Technical Consultant shall be a nationally recognized expert in federal 2CFR (formerly OMB A-87) guidelines and shall ensure the federal plan adheres to OMB guidelines.

MGT shall follow its four quality assurance measures:



- ♦ MGT's project manager will undertake the **first measure**. MGT's project consultant will maintain a high level of communication with City personnel, including monthly status reports, review of documents, and submittal of preliminary results. This proactive communication shall ensure assumptions are correct, decisions are sound, and results are solid. "Project manager" shall mean MGT's personnel as described in section (f) below. "Project consultant" shall mean MGT's personnel as described in section (f) below.
- ♦ **The second measure** is undertaken between MGT's project consultant and the project manager. Like the first quality assurance measure, the project consultant maintains a high level of communication with the project manager. Assumptions are tested, issues discussed, and methods agreed to before and during the project, not following completion.
- ♦ **The third measure** is a series of comparisons completed by the project consultant and project manager. **This is a new feature in MGT's software.** Utilizing the MGT proprietary software, the project consultant and manager will compare current year results to the previous plan. If significant variances exist, they will be identified, researched, understood, and explained to relevant individuals. This step increases the accuracy of project results.
- ♦ **The fourth and most formal measure** is a comprehensive review of the draft cost allocation plans by the technical advisor.

This perspective and review forces the project manager and project consultant to defend project decisions. As a result, the cost allocation plan is strengthened, and a greater audit strategy is prepared in advance of final submittal to the City.

Additionally, the MGT proprietary cost allocation software shall automatically generate self-auditing schedule that reconciles the sum of all CITY central service department expenditures to the sum of all allocated costs.

11. Provide CITY with draft cost allocation plans and department ICRPs.

Meet with City personnel if requested by CITY or provide electronic printed and electronic copies of the draft results of the cost allocation plan to City personnel. This step is an opportunity to review

preliminary results, address questions or concerns, and make changes as necessary, and subject to the City's discretion.

12. Process final cost allocation plan and department ICRPs.

Process the final cost allocation plans and ICRPs after addressing any issues or concerns raised in Task 11. The final cost allocation plan will be professionally formatted and displayed. The final cost allocation plan will include the following two detailed sections.

- ◆ Each allocating department will include descriptive narratives of the cost allocation methodologies for primary categories of allocated costs (aka functions or service categories).
- ◆ A separate section documenting changes in allocation methodologies from the prior year and reasons for the changes.
- ◆ Additionally, the MGT proprietary cost allocation software now automatically generates management reports. These reports provide:
 - A schedule comparing total allocated costs between fiscal years for every receiving department.
 - A schedule comparing allocated costs between fiscal years, by central service department, to receiving departments meeting defined criteria (for example, a variance greater than 10 percent or a variance greater than \$10,000).
 - A schedule documenting unit costs of identified support activities such as the cost of payroll per employee, or the cost per purchase order.

The department ICRPs will properly distribute all department costs into allowable and unallowable cost pools. The allowable costs will then be split into direct and indirect costs per 2CFR guidelines. The final indirect rates will be based on total direct salaries and benefits.

13. Provide final cost allocation plan and ICRPs in paper and electronic format.

Provide two printed and bound copies and one electronic copy (Excel or Adobe PDF file), and two printed indirect cost rate proposal for each department on CD-ROM or email of the final cost allocation plans to City personnel following confirmation that the work is final by the City's project manager. Additionally, MGT consultants will provide electronic copies (Excel or Adobe PDF file) of summary schedules, variance analyses, and management reports to CITY as requested.

14. Present project results if requested.

Present the final project results to City Finance staff or management as requested. This presentation will include a high-level overview of the project and the applications, implications, and anticipated benefits to City operations. Detailed information will be presented as requested.

15. Identify additional uses for the cost allocation plan.

MGT's project team will clearly define the various applications for both the full cost allocation plan and the federal 2CFR cost allocation plan.

16. Respond to audit inquiries.

Provide answers and supporting documentation as needed in response to State or Federal audit inquiries. This may consist of assisting written responses to federal audit questions, conference calls with federal audit staff and written descriptions of cost allocation plan and ICRP processes/protocol

e. TIME OF PERFORMANCE

In addition to the requirements of section 4 of the Scope of Services Exhibit, the term of the Contract shall have an initial period beginning on September 10, 2019 and ending September 09, 2020.

1. Proposed Cost Allocation Plan Timeline.

MGT shall complete the cost allocation plans and ICRP's from initiation to close-out in six months. MGT will work with the City to develop clear internal deadlines at the beginning of the project. Below is the timeline:

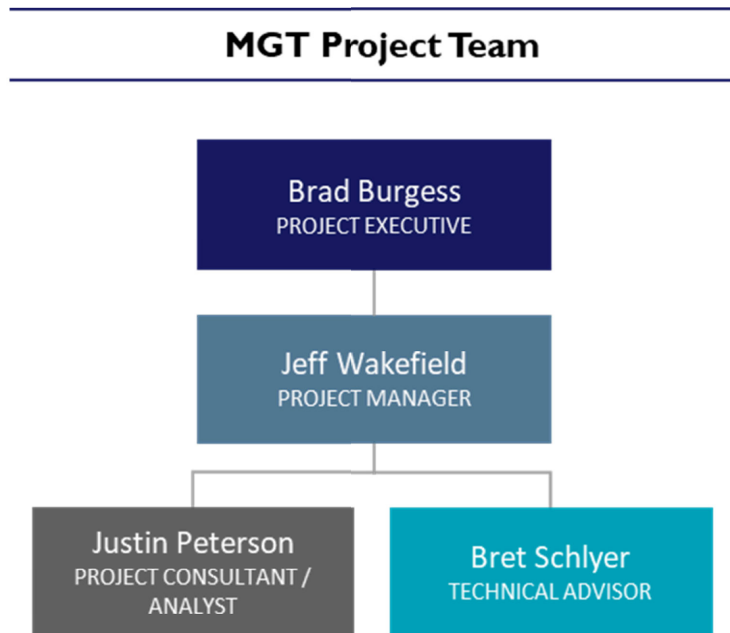
Cost Allocation Plans		Month						On Going
		Oct	Nov	Dec	Jan	Feb	Mar	
1.	Initial Meeting							
2.	Introductory Training							
3.	Review and Preparation							
4.	Collect Core Data							
5.	Cost Plan and ICRP Interviews	Initial meetings in October						
6.	Develop Cost Plan Structure							
7.	Distribute Costs Into Functions							
8.	Develop Allocation Bases							
9.	Process Draft Cost Plans and ICRPs		Data due to MGT by Nov 30					
10.	Quality Control & Internal Review							
11.	Provide Draft Cost Plans and ICRPs							
12.	Finalize Cost Plans and ICRPs				CAPs		ICRPs	
13.	Provide Final Copies							
14.	Present Results							
15.	Identify Additional Uses							
16.	Respond to Audit Inquiries							

f. PROJECT TEAM

Senior level MGT consultants will manage this project for the City. MGT staff shall include:

MR. J. BRADLEY BURGESS, PROJECT EXECUTIVE

Mr. J. Bradley Burgess is an Executive Vice President with MGT and is responsible for the MGT Financial Solutions Division. He is also a member of our firm's Board of Directors. He will serve as the project executive for this engagement. Mr. Burgess will be responsible for ensuring that this project is staffed properly and will ensure that Sacramento is unconditionally satisfied with the services received from MGT consultants.



Mr. Burgess is an expert in project management, having managed or directed over 340 projects over his 28-year local government consulting career. He has taught hundreds of government finance officials indirect cost theory and application through numerous training sessions. He is a frequent presenter at conferences and workshops for clients, state and local governments, and state associations. Mr. Burgess has been a corporate officer at David M. Griffith & Associates, DMG-Maximus, Maximus, Public Resource Management Group and MGT of America Consulting, LLC.

MR. JEFF WAKEFIELD, PROJECT MANAGER

Mr. Jeff Wakefield will serve as the project and relationship manager for this engagement. Mr. Wakefield has been project manager or consultant for Sacramento's cost allocation plans for approximately fifteen years. As project manager, Mr. Wakefield will conduct on-site interviews, training and coordination over the life of this engagement. He will assist with department interviews, scheduling, data collection, follow up phone calls and e-mails.

Mr. Wakefield is a Senior Consultant with MGT and has been exclusively engaged in local government cost analysis for 27+ years. He has served as project director and/or lead consultant for scores of cost allocation and user fee engagements throughout the nation, but with a strong emphasis in California.

Recent cost allocation projects Mr. Wakefield has conducted in the last five years include: City of Sacramento, City of Anaheim, City of Sanger, City of Turlock, City of Suisun City, City of Rohnert Park, and City of Oakland.

MR. BRET SCHLYER, TECHNICAL CONSULTANT

As the Technical Advisor, Mr. Schlyer will be available, as needed, to ensure completion of the scope of services in the required time. His primary responsibilities will be to provide technical guidance, to review documents and work papers, and to assist in the negotiation of the ICRP and billing rates.

Mr. Schlyer is nationally recognized as an authority on federal cost principles and its impact on state and local governments. He has made numerous presentations and published articles for governmental organizations on the development and application of federal cost allocation plans, indirect cost rates,

and charge-back rates. He has provided training at several state Association of Governmental Accountants and Governmental Finance Officer Association professional development conferences. **Mr. Schlyer will be instrumental in submitting Sacramento's federal 2CFR plan to the City's cognizant agency and negotiating the plan with federal and state agencies as needed.**

Mr. Schlyer has extensive experience in assisting state agencies and local governments in the preparation and submission to federal cognizant agencies of indirect cost rates and indirect cost allocation plans. He prepares several ICRP and Cost Allocation Plan projects for state and local agencies.

MR. JUSTIN PETERSON, DATA ANALYST

Mr. Justin Peterson is a Consultant with MGT and will assist the project manager on all aspects of this engagement. He will be responsible for data acquisition and analysis for this project. Additionally, he will in charge of ICRP preparation.

Recent cost allocation projects Mr. Peterson has staffed in the last five years include: City of Fresno, City of Sacramento, City of Roseville, City of Industry, City of Stockton, City of Redlands, and County of Santa Cruz.

Mr. Peterson has a Bachelor of Arts degree in Economics from California State University, Chico.

FEE SCHEDULE

This Attachment 2 ("Attachment 2") of the professional service agreement supplements and incorporates by this reference the agreement between the City of Sacramento ("CITY" or "City") and MGT of America Consulting, LLC ("CONTRACTOR" or "MGT") (collectively referred to herein as the "parties") for City Contract Project # 06001411-1001-433061, (the "Project" or "project"), (the "Contract").

This Attachment 2 describes the Fee Schedule for the Contract. In the event of a conflict between this Attachment 2 and the Contract, the terms of the Attachment 2 shall prevail. The words or phrases in the Contract shall have the same meaning herein, unless otherwise defined in this Attachment 2.

- a. For City's FY 2019 Full Cost Allocation Plan, 2CFR Cost Plan and departmental ICRPs MGT shall provide the Services herein for a not-to-exceed amount of **\$38,440**. That budget will provide the City with 241 hours of consulting assistance, which will provide City with ample time and resources to produce a cost allocation plan and ICRPs as described in the scope of services.

The itemized cost for the project is provided below.

Cost Allocation Plans and ICRPs					
	Hours	Labor	Expenses	Total	
1. Initial Meeting	9	\$ 1,620		\$ 1,620	
2. Introductory Training	8	\$ 1,280		\$ 1,280	
3. Review and Preparation	8	\$ 1,080		\$ 1,080	
4. Collect Core Data	4	\$ 740		\$ 740	
5. Cost Plan and ICRP Interviews	67	\$ 10,695		\$ 10,695	
6. Develop Cost Plan Structure	6	\$ 1,110		\$ 1,110	
7. Distribute Costs Into Functions	12	\$ 1,620		\$ 1,620	
8. Develop Allocation Bases	6	\$ 960		\$ 960	
9. Process Draft Cost Plans and ICRPs	58	\$ 8,930		\$ 8,930	
10. Quality Control & Internal Review	8	\$ 1,360		\$ 1,360	
11. Provide Draft Cost Plans and ICRPs	8	\$ 1,280		\$ 1,280	
12. Finalize Cost Plans and ICRPs	32	\$ 5,120		\$ 5,120	
13. Provide Final Copies	7	\$ 1,165		\$ 1,165	
14. Present Results	4	\$ 740		\$ 740	
15. Identify Additional Uses	4	\$ 740		\$ 740	
16. Respond to Audit Inquiries	0	\$ -		\$ -	
TOTAL	241	\$ 38,440	\$ -	\$ 38,440	

HOURLY BILLING RATES

MGT's rate structure for proposed staffing is as follows:

MGT Professional Staff		Hourly Billing	
		Rates	
Project Director		\$	220
Project Manager		\$	185
Technical Advisor		\$	170
Consultant/ Analyst		\$	135



MGTOFAM-01

CRYSTAL

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/8/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Earl Bacon Agency, Inc. Post Office Box 12039 Tallahassee, FL 32317	CONTACT NAME: PHONE (A/C, No, Ext): (850) 878-2121 FAX (A/C, No): (850) 878-2128 E-MAIL ADDRESS:
INSURER(S) AFFORDING COVERAGE	
INSURER A : American Casualty Company of Reading, PA 20427	
INSURER B : Continental Casualty Company 20443	
INSURER C : Transportation Insurance Company 20494	
INSURER D : Travelers Casualty and Surety Company of America 31194	
INSURER E :	
INSURER F :	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	X	X	5095130327	7/1/2019	7/1/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS X HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	X	X	2093563501	7/1/2019	7/1/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	X UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			2093563496	7/1/2019	7/1/2020	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y / N If yes, describe under DESCRIPTION OF OPERATIONS below		X	3011086788	7/1/2019	7/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Professional Liab.			105638880	7/1/2019	7/1/2020	2,500,000 Occur/AGG>
D	Cyber Liability			105638880	7/1/2019	7/1/2020	5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Blanket Additional Insured per attached forms CG2010; CG2037; CNA750779XX; CA20480299

Blanket Waiver of Subrogation per attached forms CNA75008XX; G19160B; CA04440310

Notice of Cancellation to Certificate Holders per attached forms CC68021A; CNA72315XX

Reference ID (Vendor ID):Z373740

Organization Unit: City of Sacramento, CA - Finance - 06001011 - Budget Office - 0600141

Agreement Name: City's Annual Cost Allocation Plan

SEE ATTACHED ACORD 101

CERTIFICATE HOLDER

CANCELLATION

City of Sacramento C/O EXIGIS Risk Management Services P. O. Box 4668 - ECM#35050 New York, NY 10163-4668	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
--	---

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ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY Earl Bacon Agency, Inc.		NAMED INSURED MGT of America, LLC MGT of America Consulting, LLC 4320 West Kennedy Blvd. Tampa, FL 33609-2118
POLICY NUMBER SEE PAGE 1		
CARRIER SEE PAGE 1	NAIC CODE SEE P 1	EFFECTIVE DATE: SEE PAGE 1

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Description of Operations/Locations/Vehicles:

Agreement Number: 2014-0921

EXIGIS Risk Management Services at support@riskworks.zendesk.com or (646) 762-1576.

**Additional Insured - Owners, Lessees or Contractors -
Scheduled Person or Organization Endorsement**

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to **bodily injury or property damage** occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of **your work** out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**Additional Insured - Owners, Lessees or Contractors -
Completed Operations Endorsement**

It is understood and agreed as follows:

- A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for **bodily injury** or **property damage** caused, in whole or in part, by **your work** at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the **products-completed operations hazard**.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**General Aggregate Limit - Per Project Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is understood and agreed as follows:

- I. For each single construction or service project away from premises the **Named Insured** owns or rents, a separate Project General Aggregate Limit, equal to the amount of the General Aggregate Limit shown in the Declarations, is the most the Insurer will pay for the sum of:
 - A. all damages under Coverage A, except damages because of bodily injury or property damage included in the products-completed operations hazard; and
 - B. all medical expenses under Coverage C;that arise from occurrences or accidents which can be attributed solely to ongoing operations at that project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations, nor the Project General Aggregate Limit applicable to any other project.
- II. All:
 - A. damages under Coverage B, regardless of the number of locations or projects involved;
 - B. damages under Coverage A, caused by occurrences which cannot be attributed solely to ongoing operations at a single project, except damages because of bodily injury or property damage included in the products-completed operations hazard; and
 - C. medical expenses under Coverage C, caused by accidents which cannot be attributed solely to ongoing operations at a single project,will reduce the General Aggregate Limit shown in the Declarations.
- III. The limits shown in the Declarations for Each Occurrence, for Damage To Premises Rented To You and for Medical Expense continue to apply, but will be subject to either the Project General Aggregate Limit or the General Aggregate Limit shown in the Declarations, depending on whether the occurrence can be attributed solely to ongoing operations at a particular project.
- IV. When coverage for liability arising out of the products-completed operations hazard is provided, any payments for damages because of bodily injury or property damage included in the products-completed operations hazard will reduce the Products-Completed Operations Aggregate Limit shown in the Declarations, regardless of the number of projects involved.
- V. If a single construction or service project away from premises owned by or rented to the **Named Insured** has been abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, such project will still be deemed to be the same project.
- VI. The provisions of **LIMITS OF INSURANCE** not otherwise modified by this endorsement shall continue to apply as stipulated.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA75061XX (1-15)

Policy No: 5095130327

Page 1 of 1

AMERICAN CASUALTY CO OF READING, PA

Insured Name: MGT OF AMERICA CONSULTING, LLC.

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2020002750951303273850



CNA PARAMOUNT

**Waiver of Transfer of Rights of Recovery Against
Others to the Insurer Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE
Name Of Person Or Organization:
ANY PERSON OR ORGANIZATION WHOM THE NAMED INSURED HAS AGREED IN WRITING IN A CONTRACT OR AGREEMENT TO WAIVE SUCH RIGHTS OF RECOVERY, BUT ONLY IF SUCH CONTRACT OR AGREEMENT:
1. IS IN EFFECT OR BECOMES EFFECTIVE DURING THE TERM OF THIS COVERAGE PART; AND 2. WAS EXECUTED PRIOR TO THE BODILY INJURY, PROPERTY DAMAGE OR PERSONAL AND ADVERTISING INJURY GIVING RISE TO THE CLAIM.

(Information required to complete this Schedule, if not shown above, will be shown in the Declarations.)

Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, it is understood and agreed that the condition entitled **Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

With respect to the person or organization shown in the Schedule above, the Insurer waives any right of recovery the Insurer may have against such person or organization because of payments the Insurer makes for injury or damage arising out of the **Named Insured's** ongoing operations or **your work** included in the **products-completed operations hazard**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

20020002750951303273861



CNA75008XX (10-16)

Policy No: 5095130327

Page 1 of 1

AMERICAN CASUALTY CO OF READING, PA

Insured Name: MGT OF AMERICA CONSULTING, LLC.

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**Blanket Additional Insured - Owners, Lessees or
Contractors - with Products-Completed
Operations Coverage Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is understood and agreed as follows:

- I. **WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** caused in whole or in part by your acts or omissions, or the acts or omissions of those acting on your behalf:
- A. in the performance of your ongoing operations subject to such **written contract**; or
 - B. in the performance of your **work** subject to such **written contract**, but only with respect to **bodily injury or property damage** included in the **products-completed operations hazard**, and only if:
 - 1. the **written contract** requires you to provide the additional insured such coverage; and
 - 2. this **coverage part** provides such coverage.
- II. But if the **written contract** requires:
- A. additional insured coverage under the 11-85 edition, 10-93 edition, or 10-01 edition of CG2010, or under the 10-01 edition of CG2037; or
 - B. additional insured coverage with "arising out of" language; or
 - C. additional insured coverage to the greatest extent permissible by law;
- then paragraph I. above is deleted in its entirety and replaced by the following:
- WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of your **work** that is subject to such **written contract**.
- III. Subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:
- A. coverage broader than required by the **written contract**; or
 - B. a higher limit of insurance than required by the **written contract**.
- IV. The insurance granted by this endorsement to the additional insured does not apply to **bodily injury, property damage, or personal and advertising injury** arising out of:
- A. the rendering of, or the failure to render, any professional architectural, engineering, or surveying services, including:
 - 1. the preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
 - 2. supervisory, inspection, architectural or engineering activities; or
 - B. any premises or work for which the additional insured is specifically listed as an additional insured on another endorsement attached to this **coverage part**.
- V. Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, the Condition entitled **Other Insurance** is amended to add the following, which supersedes any provision to the contrary in this Condition or elsewhere in this **coverage part**:

CNA75079XX (10-16)

Policy No: 5095130327

Page 1 of 2

AMERICAN CASUALTY CO OF READING, PA

Insured Name: MGT OF AMERICA CONSULTING, LLC.

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**Blanket Additional Insured - Owners, Lessees or
Contractors - with Products-Completed
Operations Coverage Endorsement****Primary and Noncontributory Insurance**

With respect to other insurance available to the additional insured under which the additional insured is a named insured, this insurance is primary to and will not seek contribution from such other insurance, provided that a **written contract** requires the insurance provided by this policy to be:

1. primary and non-contributing with other insurance available to the additional insured; or
2. primary and to not seek contribution from any other insurance available to the additional insured.

But except as specified above, this insurance will be excess of all other insurance available to the additional insured.

VI. Solely with respect to the insurance granted by this endorsement, the section entitled COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

The Condition entitled **Duties In The Event of Occurrence, Offense, Claim or Suit** is amended with the addition of the following:

Any additional insured pursuant to this endorsement will as soon as practicable:

1. give the Insurer written notice of any **claim**, or any **occurrence** or offense which may result in a **claim**;
2. send the Insurer copies of all legal papers received, and otherwise cooperate with the Insurer in the investigation, defense, or settlement of the **claim**; and
3. make available any other insurance, and tender the defense and indemnity of any **claim** to any other insurer or self-insurer, whose policy or program applies to a loss that the Insurer covers under this **coverage part**. However, if the **written contract** requires this insurance to be primary and non-contributory, this paragraph 3. does not apply to insurance on which the additional insured is a named insured.

The Insurer has no duty to defend or indemnify an additional insured under this endorsement until the Insurer receives written notice of a **claim** from the additional insured.

VII. Solely with respect to the insurance granted by this endorsement, the section entitled DEFINITIONS is amended to add the following definition:

Written contract means a written contract or written agreement that requires you to make a person or organization an additional insured on this **coverage part**, provided the contract or agreement:

- A. is currently in effect or becomes effective during the term of this policy; and
- B. was executed prior to:
 1. the **bodily injury** or **property damage**; or
 2. the offense that caused the **personal and advertising injury**;for which the additional insured seeks coverage.

Any coverage granted by this endorsement shall apply solely to the extent permissible by law.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA75079XX (10-16)

Page 2 of 2

AMERICAN CASUALTY CO OF READING, PA

Insured Name: MGT OF AMERICA CONSULTING, LLC.

Policy No: 5095130327



Workers Compensation And Employers Liability Insurance
Policy Endorsement

BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS

This endorsement changes the policy to which it is attached.

It is agreed that **Part One - Workers' Compensation Insurance G. Recovery From Others** and **Part Two - Employers' Liability Insurance H. Recovery From Others** are amended by adding the following:

We will not enforce our right to recover against persons or organizations. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

PREMIUM CHARGE - Refer to the Schedule of Operations

The charge will be an amount to which you and we agree that is a percentage of the total standard premium for California exposure. The amount is 2%.

All other terms and conditions of the policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the policy issued by the designated Insurers, takes effect on the Policy Effective Date of said policy at the hour stated in said policy, unless another effective date (the Endorsement Effective Date) is shown below, and expires concurrently with said policy unless another expiration date is shown below.

Form No: G-19160-B (11-1997)

Policy No: WC 3 11086788

Underwriting Company: Transportation Insurance Company, 151 N Franklin St, Chicago, IL 60606



NOTICE OF CANCELLATION TO CERTIFICATE HOLDERS

It is understood and agreed that:

If you have agreed under written contract to provide notice of cancellation to a party to whom the Agent of Record has issued a Certificate of Insurance, and if we cancel a policy term described on that Certificate of Insurance for any reason other than nonpayment of premium, then notice of cancellation will be provided to such Certificate Holders at least 30 days in advance of the date cancellation is effective.

If notice is mailed, then proof of mailing to the last known mailing address of the Certificate Holder on file with the Agent of Record will be sufficient to prove notice.

Any failure by us to notify such persons or organizations will not extend or invalidate such cancellation, or impose any liability or obligation upon us or the Agent of Record.

All other terms and conditions of the policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the policy issued by the designated Insurers, takes effect on the Policy Effective Date of said policy at the hour stated in said policy, unless another effective date (the Endorsement Effective Date) is shown below, and expires concurrently with said policy unless another expiration date is shown below.



NOTICE OF CANCELLATION OR MATERIAL CHANGE – DESIGNATED PERSON OR ORGANIZATION

It is understood and agreed that this endorsement amends the **BUSINESS AUTO COVERAGE FORM** as follows:

In the event of cancellation or material change that reduces or restricts the insurance provided by this Coverage Form, we agree to send prior notice of cancellation or material change to the person or organization scheduled below at the address scheduled below. This endorsement does not amend our obligation to notify the Named Insured of cancellation as described in the Common Policy Conditions or in another endorsement attached to this policy.

SCHEDULE

1. Number of days advance notice:

10 Days if we cancel for non-payment of premium.

30 Days if the policy is cancelled for any other reason, or if coverage is restricted or reduced by endorsement.

2. Person or Organization's Name and Address

Name:	PER ISSUED CERTIFICATE
Attention:	
Street Address:	
City, State, ZIP:	
e-mail address:	

All other terms and conditions of the Policy remain unchanged.

40020000120935635010522



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

PER ISSUED CERTIFICATE

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

4020000120935635010514



POLICY NUMBER

P 2093563501

INSURED NAME AND ADDRESS

MGT OF AMERICA CONSULTING, LLC.
4320 WEST KENNEDY BLVD.
TAMPA, FL 33609-2118

COMMERCIAL AUTOMOBILE LOSS PAYEE SCHEDULE

"Any Loss Payee that has a financial interest in a covered "auto" for which we are providing physical damage coverage for that covered "auto" under this policy."

POLICY NUMBER
P 2093563501

INSURED NAME AND ADDRESS
MGT OF AMERICA CONSULTING, LLC.
4320 WEST KENNEDY BLVD.
TAMPA, FL 33609-2118

ADDITIONAL INSURED - LESSOR SCHEDULE

"Any Lessor of a covered "auto" for which we are providing any coverage for that covered "auto" under this policy."

000016

002003069770030054847652112



PRC000506_1_0.pdf

Interim Agreement Report











2019-08-12

Created:	2019-08-12
By:	Angie Galieote (AGalieote@cityofsacramento.org)
Status:	Out for Signature
Transaction ID:	CBJCHBCAABAAoVfqBDL3657UkYGC9DYsaVqBcoxmkP8k

Agreement History

Agreement history is the list of the events that have impacted the status of the agreement prior to the final signature. A final audit report will be generated when the agreement is complete.

"PRC000506_1_0.pdf" History

-  Document created by Angie Galieote (AGalieote@cityofsacramento.org)
2019-08-12 - 10:01:33 PM GMT- IP address: 208.87.80.2
-  Document emailed to Angie Galieote (AGalieote@cityofsacramento.org) for approval
2019-08-12 - 10:01:40 PM GMT
-  Document approved by Angie Galieote (AGalieote@cityofsacramento.org)
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-  Document emailed to Daniel Choe (dchoe@cityofsacramento.org) for approval
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-  Email viewed by Daniel Choe (dchoe@cityofsacramento.org)
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-  Document emailed to J. Bradley Burgess (bburgess@mgtconsulting.com) for signature
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-  Email viewed by J. Bradley Burgess (bburgess@mgtconsulting.com)
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-  Document e-signed by J. Bradley Burgess (bburgess@mgtconsulting.com)
Signature Date: 2019-08-12 - 10:20:30 PM GMT - Time Source: server- IP address: 71.6.61.34
-  Document emailed to Audreyell Anderson (aaanderson@cityofsacramento.org) for signature
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Signature Date: 2019-08-12 - 10:51:55 PM GMT - Time Source: server- IP address: 208.87.80.2

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2019-08-12 - 10:51:57 PM GMT