TO: CITY COUNCILMEMBERS
FROM: CITY MANAGER DEPARTMENT: CITY MANAGER'S OFFICE
DATE: JULY 7, 2008

SUBJECT: REVIEW AND DIRECTION ON PROPOSED SCOPE OF SERVICES FOR CITYWIDE CASH HANDLING AND TRAVEL REIMBURSEMENT AUDIT AND DISCUSS POSSIBLE REFERRAL OF THE AUDIT TO THE CITY AUDITOR'S OFFICE OR TO A QUALIFIED OUTSIDE ACCOUNTING OR AUDIT CONSULTANT

On June 23, 2008, the City Council directed staff to return with the scope of services for the review of City cash handling procedures and travel/expense reimbursements for review and discussion. The scope of services is attached to this memorandum. Additionally, the Council requested an opportunity to discuss whether this work should be overseen and/or completed by the City Auditor’s Office or completed by a qualified outside accounting or audit consultant overseen by the City Manager’s Office.

KELLY MORARIU
Interim Deputy City Manager

FRANK BENEST
City Manager

Attachment: Request for Proposals – Review of Cash Handling Procedures (scope of services contained on pages 15-16)
REQUEST FOR PROPOSAL (RFP) NUMBER 127676
FOR PROFESSIONAL SERVICES

REVIEW OF CASH HANDLING PROCEDURES

Pre-proposal Meeting: Not Applicable
RFP submittal deadline: 3:00 P.M.
TUESDAY, July 1, 2008
Purchasing Manager: Greg Pustelnik

CITY OF PALO ALTO
PURCHASING/CONTRACT ADMINISTRATION
250 HAMILTON AVENUE
PALO ALTO, CA 94301
(650) 329-2271
REQUEST FOR PROPOSAL (RFP) NO. 127676
FOR PROFESSIONAL SERVICES

TITLE: REVIEW OF CASH HANDLING PROCEDURES

1. INTRODUCTION

The City of Palo Alto is seeking proposals from qualified firms to provide professional services for review of Cash Handling Procedures. The required services and performance conditions are described in the Scope Services (Attachment C). Report of Recommendations is due to the City in the September/October 2008 period.

2. ATTACHMENTS

The attachments below are included with this Request for Proposals (RFP) for your review and submittal (see asterisk):

Attachment A – Proposer’s Information Form*
Attachment B – Certification of Non-discrimination*
Attachment C – Scope of Work/Services
Attachment D – Sample Agreement for Professional Services
Attachment E – Sample Table, Qualifications of Firm Relative to City’s Needs
Attachment F – Sample Cost Proposal Format
Attachment G – Insurance Requirements*

The items identified with an asterisk (*) shall be filled out, signed by the appropriate representative of the company and returned with submittal.

3. INSTRUCTIONS TO PROPOSERS

3.1 Pre-proposal Telephone Conference-Not Applicable

3.2 Examination of Proposal Documents

The submission of a proposal shall be deemed a representation and certification by the Proposer that they:

3.2.1 Have carefully read and fully understand the information that was provided by the City to serve as the basis for submission of this proposal.
3.2.2 Have the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted.
3.2.3 Represent that all information contained in the proposal is true and correct.
3.2.4 Did not, in any way, collude, conspire to agree, directly or indirectly, with any person, firm, corporation or other Proposer in regard to the amount, terms or conditions of this proposal.

3.2.5 Acknowledge that the City has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by Proposer, and Proposer hereby grants the City permission to make these inquiries, and to provide any and all related documentation in a timely manner.

No request for modification of the proposal shall be considered after its submission on grounds that Proposer was not fully informed to any fact or condition.

3.3 Addenda/Clarifications

Should discrepancies or omissions be found in this RFP or should there be a need to clarify this RFP, questions or comments regarding this RFP must be put in writing and received by the City no later than, Monday June 23, 2008. Correspondence shall be submitted to Greg Pustelnik, City of Palo Alto, 250 Hamilton Avenue, Palo Alto, CA 94301 or e-mailed to greg.pustelnik@cityofpaloalto.org. Responses from the City will be communicated in writing to all recipients of this RFP. Inquiries received after the date and time stated will not be accepted and will be returned to senders without response. All addenda shall become a part of this RFP and shall be acknowledged on the Proposer's Form.

The City shall not be responsible for nor be bound by any oral instructions, interpretations or explanations issued by the City or its representatives.

3.4 Submission of Proposals

All proposals shall be submitted to:

City of Palo Alto
Purchasing and Contracts Administration
250 Hamilton Avenue, Mail Stop MB
Palo Alto, CA 94301

Proposals must be delivered no later than 3:00 p.m. on Tuesday, July 1, 2008.

The Proposer shall submit six copies (one marked original on the cover) of its proposal in a sealed envelope, addressed as noted above, bearing the Proposer's name and address clearly marked, "RFP NO.
3.4 Withdrawal of Proposals

A Proposer may withdraw its proposal at any time before the expiration of the time for submission of proposals as provided in the RFP by delivering a written request for withdrawal signed by, or on behalf of, the Proposer.

3.5 Rights of the City of Palo Alto

This RFP does not commit the City to enter into a contract, nor does it obligate the City to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract. The City reserves the right to:

- Make the selection based on its sole discretion;
- Reject any and all proposals;
- Issue subsequent Requests for Proposals;
- Postpone opening for its own convenience;
- Remedy technical errors in the Request for Proposals process;
- Approve or disapprove the use of particular subconsultants;
- Negotiate with any, all or none of the Proposers;
- Accept other than the lowest offer;
- Waive informalities and irregularities in the Proposals and/or
- Enter into an agreement with another Proposer in the event the originally selected Proposer defaults or fails to execute an agreement with the City.

An agreement shall not be binding or valid with the City unless and until it is executed by authorized representatives of the City and of the Proposer.

4. Proposed RFP Timeline

The RFP Timeline is as follows:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFP Issued</td>
<td>June 9, 2008</td>
</tr>
<tr>
<td>Pre-Proposal Meeting</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Deadline for questions, clarifications</td>
<td>June 26, 2008</td>
</tr>
<tr>
<td>RFP Due</td>
<td>July 1, 2008</td>
</tr>
<tr>
<td>Interviews</td>
<td>Week of July 7</td>
</tr>
<tr>
<td>Recommendation and Contract Awarded</td>
<td>Week of July 14</td>
</tr>
<tr>
<td>Work Commences</td>
<td>Week of July 14</td>
</tr>
<tr>
<td>Report of Recommendations due to City</td>
<td>September/October 2008</td>
</tr>
</tbody>
</table>
5. Information to be Submitted (to be submitted in this order only)

These instructions outline the guidelines governing the format and content of the proposal and the approach to be used in its development and presentation. The intent of the RFP is to encourage responses that clearly communicate the Proposer’s understanding of the City’s requirements and its approach to successfully provide the products and/or services on time and within budget. Only that information which is essential to an understanding and evaluation of the proposal should be submitted. Items not specifically and explicitly related to the RFP and proposal, e.g. brochures, marketing material, etc. will not be considered in the evaluation.

All proposals shall address the following items in the order listed below and shall be numbered 1 through 8 in the proposal document.

5.1 Chapter 1 – Proposal Summary

This Chapter shall discuss the highlights, key features and distinguishing points of the Proposal. A separate sheet shall include a list of individuals and contacts for this Proposal and how to communicate with them. Limit this Chapter to a total of three (3) pages including the separate sheet.

5.2 Chapter 2 – Profile on the Proposing Firm(s)

This Chapter shall include a brief description of the Prime Proposer’s firm size as well as the proposed local organization structure. Include a discussion of the Prime Proposer firm’s financial stability, capacity and resources. Include all other firms (if relevant) participating in the Proposal, including similar information about the firms.

Additionally, this section shall include a listing of any lawsuit or litigation and the result of that action resulting form (a) any public project undertaken by the Proposer or by its subcontractors where litigation is still pending or has occurred within the last five years or (b) any type of project where claims or settlements were paid by the consultant or its insurers within the last five years.

5.3 Chapter 3 – Qualifications of the Firm

This Chapter shall include a brief description of the Proposer’s and sub-Proposer’s qualifications and previous experience on similar or related projects. Provide in a table format (see Sample Table, Exhibit E) descriptions of pertinent project experience with other public municipalities and private sector that includes a summary of the work performed, the total project cost, the percentage of work the firm was
responsible for, the period over which the work was completed, and the name, title, and phone number of client's to be contacted for references. Give a brief statement of the firm's adherence to the schedule and budget for the project.

5.4 Chapter 4 – Work Plan or Proposal

This Chapter shall present a well-conceived service delivery plan. Include a full description of major tasks and subtasks. This section of the proposal shall establish that the Proposer understands the City’s objectives and work requirements and Proposer’s ability to satisfy those objectives and requirements.

5.5 Chapter 5 – Project Staffing

This Chapter shall discuss how the Proposer would propose to staff this project. Key project team members shall be identified by name, title and specific responsibilities on the project. An organizational chart for the project team and resumes for key Proposer personnel shall be included. Key personnel will be an important factor considered by the review committee. Changes in key personnel may be cause for rejection of the proposal.

5.6 Chapter 6 – Proposal Exceptions

This Chapter shall discuss any exceptions or requested changes that Proposer has to the City’s RFP conditions, requirements and sample contract. If there are no exceptions noted, it is assumed the Proposer will accept all conditions and requirements identified in the Attachment D – “Sample Agreement for Services.” Items not excepted will not be open to later negotiation.

5.7 Chapter 8 – Proposal Costs Sheet and Rates

The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. Provision of this information assists the City in determining the firm’s understanding of the scope of work.

Consultant shall provide the following information

- Rates for proposed staff;
- Overhead rate and breakdown of overhead elements;
• Sub-consultant (if applicable) billing rates and mark-up percentage; and identify all reimbursable expenses.
• Proposed budget costs
• Proposed payment schedule

This Chapter shall include the proposed costs to provide the services desired. Include any other cost and price information that would be contained in a potential agreement with the City. The hourly rates may be used for pricing the cost of additional services outlined in the Scope of Work.

PLEASE NOTE: The City of Palo Alto does not pay for services before it receives them. Therefore, do not propose contract terms that call for pre-payments or deposits.

6. Contract Type and Method of Payment

It is anticipated that the agreement resulting from this solicitation, will be a per task form of contract. A Sample Agreement of Services is provided as Attachment D. The method of payment to the successful Proposer shall be on a per task basis with a maximum “not to exceed” fee as set by the Proposer in the proposal or as negotiated between the Proposer and the City as being the maximum cost to perform all work. This figure shall include direct costs and overhead, such as, but limited to, transportation, communications, subsistence and materials and any subcontracted items of work. Progress payments will be based on a percentage of project completed.

Proposers shall be prepared to accept the terms and conditions of the Agreement, including Insurance Requirements in Attachment G. If a Proposer desires to take exception to the Agreement, Proposer shall provide the following information in Chapter 6 of their submittal package. Please include the following:

• Proposer shall clearly identify each proposed change to the Agreement, including all relevant Attachments.
• Proposer shall furnish the reasons for, as well as specific recommendations, for alternative language.

The above factors will be taken into account in evaluating proposals. Proposals that take substantial exceptions to the proposed Agreement may be determined by the City, at its sole discretion, to be unacceptable and no longer considered for award.

Insurance Requirements
The selected Proposer(s), at Proposer's sole cost and expense and for the full term of the Agreement or any extension thereof, shall obtain and maintain, at a minimum, all of the insurance requirements outlined in Attachment G.

All policies, endorsements, certificates and/or binders shall be subject to the approval of the Risk Manager of the City of Palo Alto as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the Risk Manager. The selected Proposer agrees to provide the City with a copy of said policies, certificates and/or endorsement upon award of contract.

7. **Review and Selection Process**

City staff will evaluate the proposals provided in response to this RFP based on the following criteria:

7.1 Quality and completeness of proposal;
7.2 Quality and effectiveness of the solution, or services provided by the Proposer;
7.3 Proposers track record in providing services as described in the Scope of Services, including the experience of staff to be assigned to the project, and the engagements of similar scope and complexity to City of Palo Alto;
7.4 Cost to the city;
7.5 Proposer's financial stability;
7.6 Proposer's ability to perform the work within the time specified;
7.7 Proposer's prior record of performance with City or others;

The selection committee will make a recommendation to the awarding authority. The acceptance of the proposal will be evidenced by written Notice of Award from the City's Purchasing/Contract Administration Division to the successful Proposer.

8. **Oral Interviews**

Proposers may be required to participate in an oral interview. The oral interview will be a panel comprised of members of the selection committee.

Proposers may only ask questions that are intended to clarify the questions that they are being asked to respond.

Each Proposer's time slot for oral interviews will be determined randomly. Proposers who are selected shall make every effort to attend. If representatives of the City experience difficulty on the part of any Proposer in scheduling a time for the oral interview, it may result in disqualification from further consideration.
9. **Public Nature of Proposal Material**

Responses to this RFP become the exclusive property of the City of Palo Alto. At such time as the Administrative Services Department recommends to firm to the City Manager or to the City Council, as applicable, all proposals received in response to this RFP becomes a matter of public record and shall be regarded as public records, with the exception of those elements in each proposal which are defined by the Proposer as business or trade secrets and plainly marked as "Confidential," "Trade Secret," or "Proprietary." The City shall not in any way be liable or responsible for the disclosure of any such proposal or portions thereof, if they are not plainly marked as "Confidential," "Trade Secret," or "Proprietary" or if disclosure is required under the Public Records Act. Any proposal which contains language purporting to render all or significant portions of the proposal "Confidential," "Trade Secret," or "Proprietary" shall be regarded as non-responsive.

Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the City of Palo Alto may not accept or approve that the information that a Proposer submits is a trade secret. If a request is made for information marked "Confidential," "Trade Secret," or "Proprietary," the City shall provide the Proposer who submitted the information with reasonable notice to allow the Proposer to seek protection from disclosure by a court of competent jurisdiction.

10. **Collusion**

By submitting a proposal, each Proposer represents and warrants that its proposal is genuine and not a sham or collusive or made in the interest of or on behalf of any person not named therein; that the Proposer has not directly induced or solicited any other person to submit a sham proposal or any other person to refrain from submitting a proposal; and that the Proposer has not in any manner sought collusion to secure any improper advantage over any other person submitting a proposal.

11. **Disqualification**

Factors such as, but not limited to, any of the following may be considered just cause to disqualify a proposal without further consideration:

12.1 Evidence of collusion, directly or indirectly, among Proposers in regard to the amount, terms or conditions of this proposal;
12.2 Any attempt to improperly influence any member of the evaluation team;
12.3 Existence of any lawsuit, unresolved contractual claim or dispute between Proposer and the City;
12.4 Evidence of incorrect information submitted as part of the proposal;
12.5 Evidence of Proposer's inability to successfully complete the responsibilities and obligation of the proposal; and
12.6 Proposer's default under any previous agreement with the City, which results in termination of the Agreement.

12. Non-Conforming Proposal

A proposal shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from or to a proposal may be sufficient grounds for non-acceptance of the proposal, at the sole discretion of the City.

13. Gratuities

No person shall offer, give or agree to give any City employee any gratuity, discount or offer of employment in connection with the award of contract by the city. No city employee shall solicit, demand, accept or agree to accept from any other person a gratuity, discount or offer of employment in connection with a city contract.

14. Firms or persons not eligible to submit a proposal

In order to avoid any conflict of interest or perception of a conflict or interest, Proposer(s) selected to provide professional services under this RFP will be subject to the following requirements:

14.1 The Proposer(s) who works on the procurement will be precluded from submitting proposals or bids as a prime contractor or subcontractor the ultimate procurement.
14.2 The Proposer(s) may not have interest in any potential Proposer for the ultimate procurement.
ATTACHMENT A
Proposer's Information Form

PROPOSER (please print):

Name: ________________________________________________

Address: ________________________________________________

_____________________________________________________

Telephone: __________________________ Fax: __________________________

Contact person, title, telephone and fax number: __________________________

_____________________________________________________

Taxpayer Identification No. ______________________________________
(or Social Security Number if Sole Proprietorship)

Proposer, if selected, intends to carry on the business as (check one)

☐ Individual  ☐ Joint Venture

☐ Partnership

☐ Corporation

When incorporated? ________________

In what state? ________________

When authorized to do business in California?: ______

☐ Other (explain):________________________________________

_____________________________________________________

ADDENDA

To assure that all Proposers have received each addendum, check the appropriate box(es) below. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Proposal:

Addendum number(s) received: ☐ 1; ☐ 2; ☐ 3; ☐ 4; ☐ 5; ☐ 6;

Or, ☐ _______ No Addendum/Addenda Were Received (check and initial).
PROPOSER'S SIGNATURE

No proposal shall be accepted which has not been signed in ink in the appropriate space below:

By signing below, the submission of a proposal shall be deemed a representation and certification by the Proposer that they have investigated all aspects of the RFP, that they are aware of the applicable facts pertaining to the RFP process, its procedures and requirements, and they have read and understand the RFP. No request for modification of the proposal shall be considered after its submission on the grounds that the Proposer was not fully informed as to any fact or condition.

1. If Proposer is **INDIVIDUAL**, sign here

   Date: __________________________

   Proposer's Signature

   __________________________

   Proposer's typed name and title

2. If Proposer is **PARTNERSHIP** or **JOINT VENTURE**, at least (2) Partners or each of the Joint Venturers shall sign here:

   Partnership or Joint Venture Name (type or print)

   Date: __________________________

   Member of the Partnership or Joint Venture signature

   Date: __________________________

   Member of the Partnership or Joint Venture signature

3. If Proposer is a **CORPORATION**, the duly authorized officer(s) shall sign as follows:

   The undersigned certify that they are respectively:

   __________________________ and __________________________

   Title _______________ and Title __________________________

   Of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

   Corporation Name (type or print)
ATTACHMENT B

Certification of Nondiscrimination

As suppliers of goods or services to the City of Palo Alto, the firm and individuals listed below certify that they do not discriminate in employment of any person because of race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person; that they are in compliance with all Federal, State and local directives and executive orders regarding nondiscrimination in employment.

4. If Proposer is INDIVIDUAL, sign here:

Date:____________________

___________________________
Proposer’s Signature

___________________________
Proposer’s typed name and title

5. If Proposer is PARTNERSHIP or JOINT VENTURE, at least (2) Partners or each of the Joint Venturers shall sign here:

___________________________
Partnership or Joint Venture Name (type or print)

Date:____________________

___________________________
Member of the Partnership or Joint Venture signature

Date:____________________

___________________________
Member of the Partnership or Joint Venture signature

6. If Proposer is a CORPORATION, the duly authorized officer(s) shall sign as follows:

The undersigned certify that they are respectively:

___________________________ and

___________________________
Title
Of the corporation named below, that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

Corporation Name (type or print)

By:....................................................... Date: ..............................
Title:..........................................................

By:....................................................... Date: ..............................
Title:..........................................................

14
ATTACHMENT C

SCOPE OF WORK

Scope of Services – Review of City of Palo Alto Cash Handling Procedures
June 2008

Project Objectives
The primary goal of this project is to review the City’s current cash handling and associated policies and procedures for City operating departments. The end product would be a report of recommendations to the City Manager detailing if and how these policies and procedures should be improved.

Background
Since late 2007, the City’s Police Department has been investigating financial irregularities at the City-funded Children’s Theatre (part of the City’s Community Services Department). The criminal investigation into this matter focused primarily on: irregular and inappropriate travel fund requests; inappropriate agreements between the City and a non-profit support organization and related gifts of City funds to this group; failure of employees to provide appropriate documentation for expenses; and failure to follow procedures for the surplus of City property. In response to these issues, the City Manager has initiated this review of the City’s cash handling procedures (as detailed below) as currently in place.

The City does have a City Auditor position, which is appointed by the City Council. This position is currently vacant. The City Manager has requested this review as a supplemental activity to any future reviews that may be performed by the City Auditor’s Office.

Scope of Services
The following scope is conceptual and outlines the services the City anticipates would be necessary to achieve the project objectives. Consultants should feel free to suggest other methods or approaches that meet the project objectives and produce the project deliverables. The final agreement and scope may include some or all of these services:

1. Review cash handling procedures in City departments (10 in total – see attached City organization chart) through random cash audits or similar review process. This would be split into phases, with phase one covering the two or three departments with the largest cash revenue flows. Depending on the outcome of phase one, additional review may be warranted. Additionally, not all City departments handle cash.
2. Identify the practicality of cashiering stations at satellite City facilities.
3. Review accountability for the various cash drawers at satellite City facilities.
4. Evaluate policies and procedures for deposits made by satellite City facilities. Also, review current safeguards and processes for how materials are kept prior to deposit.
5. Review the City’s travel policies and enforcement of these policies, including an audit of travel reimbursements.
6. Review the City’s expense reimbursement policies and enforcement of these policies.
7. Review agreements with outside non-profit “Friends” groups and evaluate whether appropriate financial controls exist within these agreements. These groups include: Palo Alto Recreation Foundation; Friends of the Children’s Theatre; Friends of the Junior Museum and Zoo; Palo Alto Library Foundation; Friends of the Palo Alto Libraries; and Palo Alto Art Center Foundation. This is the primary listing of these organizations but there may be a few others. Part of this review will include an evaluation of remittances and where these are submitted within the City organization.

**Project Deliverables**

Anticipated project deliverables include:

1. Final report of recommendations to the City Manager related to the scope of services identified above. The report should detail if and how the City’s policies and procedures should be improved and provide a recommended implementation plan.
2. Recommendations for evaluation of other areas as a result of the study of these elements.

**Qualifications of Consultant**

The consultant must have the following qualifications to be considered for this project:

1. Experience in governmental accounting and internal auditing.
2. Experience in evaluating internal financial controls and developing recommendations for improvements.
3. Successful completion of similar projects involving review of cash handling procedures, preferably for a public agency in the Bay Area.
4. Familiarity with local government operations and the Council/Manager form of government.
5. Experience preparing documents for use in public agency formats is desirable but not necessary.
ATTACHMENT D

AGREEMENT FOR PROFESSIONAL SERVICES

CITY OF PALO ALTO CONTRACT NO. ____________

AGREEMENT BETWEEN THE CITY OF PALO ALTO AND

FOR PROFESSIONAL SERVICES
(CASH HANDLING PROCEDURES)

This AGREEMENT is entered into ____________, by and between the CITY OF PALO ALTO, a charter city and a municipal corporation of the State of California ("CITY"), and ________________ ("CONSULTANT").

RECITALS

The following recitals are a substantive portion of this Agreement.

A. CITY intends to hire a consultant for Cash Handling Procedures ("Project") and desires to engage a consultant to assist in connection with the Project ("Services").

B. CONSULTANT has represented that it has the necessary professional expertise, qualifications, and capability, and all required licenses and/or certifications to provide the Services.

C. CITY in reliance on these representations desires to engage CONSULTANT to provide the Services as more fully described in Exhibit "A", attached to and made a part of this Agreement.

NOW, THEREFORE, in consideration of the recitals, covenants, terms, and conditions, this Agreement, the parties agree:

AGREEMENT

SECTION 1. SCOPE OF SERVICES. CONSULTANT shall perform the Services described in Exhibit “A” in accordance with the terms and conditions contained in this Agreement. The performance of all Services shall be to the reasonable satisfaction of CITY.

SECTION 2. TERM. The term of this Agreement shall be from the date of its full execution through [INSERT DATE OR IF NO DATE ADD “completion of the services in accordance with the Schedule of Performance attached as Exhibit “B”] unless terminated earlier pursuant to Section 19 of this Agreement.
SECTION 3. SCHEDULE OF PERFORMANCE. Time is of the essence in the performance of Services under this Agreement. CONSULTANT shall complete the Services within the term of this Agreement and in accordance with the schedule set forth in Exhibit “B”, attached to and made a part of this Agreement. Any Services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the CONSULTANT. CITY’s agreement to extend the term or the schedule for performance shall not preclude recovery of damages for delay if the extension is required due to the fault of CONSULTANT.

SECTION 4. NOT TO EXCEED COMPENSATION. The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit “A”, including both payment for professional services and reimbursable expenses, shall not exceed ___________________ Dollars ($_______). In the event Additional Services are authorized, the total compensation for services and reimbursable expenses shall not exceed ___________________ Dollars ($_______). The applicable rates and schedule of payment are set out in Exhibit “C”, entitled “COMPENSATION,” which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit “C”. CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described in Exhibit “A”.

SECTION 5. INVOICES. In order to request payment, CONSULTANT shall submit monthly invoices to the CITY describing the services performed and the applicable charges (including an identification of personnel who performed the services, hours worked, hourly rates, and reimbursable expenses), based upon the CONSULTANT’s billing rates (set forth in Exhibit “C”). If applicable, the invoice shall also describe the percentage of completion of each task. The information in CONSULTANT’s payment requests shall be subject to verification by CITY. CONSULTANT shall send all invoices to the City’s project manager at the address specified in Section 13 below. The City will generally process and pay invoices within thirty (30) days of receipt.

SECTION 6. QUALIFICATIONS/STANDARD OF CARE. All of the Services shall be performed by CONSULTANT or under CONSULTANT’s supervision. CONSULTANT represents that it possesses the professional and technical personnel necessary to perform the Services required by this Agreement and that the personnel have sufficient skill and experience to perform the Services assigned to them. CONSULTANT represents that it, its employees and subconsultants, if permitted, have and shall maintain during the term of this Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform the Services.
All of the services to be furnished by CONSULTANT under this agreement shall meet the professional standard and quality that prevail among professionals in the same discipline and of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

SECTION 7. COMPLIANCE WITH LAWS. CONSULTANT shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this Agreement. CONSULTANT shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

SECTION 8. ERRORS/OMISSIONS. CONSULTANT shall correct, at no cost to CITY, any and all errors, omissions, or ambiguities in the work product submitted to CITY, provided CITY gives notice to CONSULTANT. If CONSULTANT has prepared plans and specifications or other design documents to construct the Project, CONSULTANT shall be obligated to correct any and all errors, omissions or ambiguities discovered prior to and during the course of construction of the Project. This obligation shall survive termination of the Agreement.

SECTION 9. COST ESTIMATES. If this Agreement pertains to the design of a public works project, CONSULTANT shall submit estimates of probable construction costs at each phase of design submittal. If the total estimated construction cost at any submittal exceeds ten percent (10%) of the CITY’s stated construction budget, CONSULTANT shall make recommendations to the CITY for aligning the PROJECT design with the budget, incorporate CITY approved recommendations, and revise the design to meet the Project budget, at no additional cost to CITY.

SECTION 10. INDEPENDENT CONTRACTOR. It is understood and agreed that in performing the Services under this Agreement CONSULTANT, and any person employed by or contracted with CONSULTANT to furnish labor and/or materials under this Agreement, shall act as and be an independent contractor and not an agent or employee of the CITY.

SECTION 11. ASSIGNMENT. The parties agree that the expertise and experience of CONSULTANT are material considerations for this Agreement. CONSULTANT shall not assign or transfer any interest in this Agreement nor the performance of any of CONSULTANT’s obligations hereunder without the prior written consent of the city manager. Consent to one assignment will not be deemed to be consent to any subsequent assignment. Any assignment made without the approval of the city manager will be void.

SECTION 12. SUBCONTRACTING. CONSULTANT shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the city manager or designee.
SECTION 13. PROJECT MANAGEMENT. CONSULTANT will assign ______________ as the project director to have supervisory responsibility for the performance, progress, and execution of the Services and ______________ as the project coordinator to represent CONSULTANT during the day-to-day work on the Project. If circumstances cause the substitution of the project director, project coordinator, or any other key personnel for any reason, the appointment of a substitute project director and the assignment of any key new or replacement personnel will be subject to the prior written approval of the CITY’s project manager. CONSULTANT, at CITY’s request, shall promptly remove personnel who CITY finds do not perform the Services in an acceptable manner, are uncooperative, or present a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property.

The City’s project manager is ______________, ______ Department, ______ Division, _______ Palo Alto, CA 94303, Telephone: ______________. The project manager will be CONSULTANT’s point of contact with respect to performance, progress and execution of the Services. The CITY may designate an alternate project manager from time to time.

SECTION 14. OWNERSHIP OF MATERIALS. Upon delivery, all work product, including without limitation, all writings, drawings, plans, reports, specifications, calculations, documents, other materials and copyright interests developed under this Agreement shall be and remain the exclusive property of CITY without restriction or limitation upon their use. CONSULTANT agrees that all copyrights which arise from creation of the work pursuant to this Agreement shall be vested in CITY, and CONSULTANT waives and relinquishes all claims to copyright or other intellectual property rights in favor of the CITY. Neither CONSULTANT nor its contractors, if any, shall make any of such materials available to any individual or organization without the prior written approval of the City Manager or designee. CONSULTANT makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

SECTION 15. AUDITS. CONSULTANT will permit CITY to audit, at any reasonable time during the term of this Agreement and for three (3) years thereafter, CONSULTANT’s records pertaining to matters covered by this Agreement. CONSULTANT further agrees to maintain and retain such records for at least three (3) years after the expiration or earlier termination of this Agreement.

SECTION 16. INDEMNITY.

16.1. To the fullest extent permitted by law, CONSULTANT shall protect, indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an “Indemnified Party”) from and against any and all demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorneys fees, experts fees, court costs and disbursements (“Claims”) resulting from, arising out of or in any manner related to performance or nonperformance by CONSULTANT, its officers, employees, agents or
contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party.

16.2. Notwithstanding the above, nothing in this Section 16 shall be construed to require CONSULTANT to indemnify an Indemnified Party from Claims arising from the active negligence, sole negligence or willful misconduct of an Indemnified Party.

16.3. The acceptance of CONSULTANT’s services and duties by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section 16 shall survive the expiration or early termination of this Agreement.

SECTION 17. WAIVERS. The waiver by either party of any breach or violation of any covenant, term, condition or provision of this Agreement, or of the provisions of any ordinance or law, will not be deemed to be a waiver of any other term, covenant, condition, provisions, ordinance or law, or of any subsequent breach or violation of the same or of any other term, covenant, condition, provision, ordinance or law.

SECTION 18. INSURANCE.

18.1. CONSULTANT, at its sole cost and expense, shall obtain and maintain, in full force and effect during the term of this Agreement, the insurance coverage described in Exhibit "D". CONSULTANT and its contractors, if any, shall obtain a policy endorsement naming CITY as an additional insured under any general liability or automobile policy or policies.

18.2. All insurance coverage required hereunder shall be provided through carriers with AM Best’s Key Rating Guide ratings of A:-VII or higher which are licensed or authorized to transact insurance business in the State of California. Any and all contractors of CONSULTANT retained to perform Services under this Agreement will obtain and maintain, in full force and effect during the term of this Agreement, identical insurance coverage, naming CITY as an additional insured under such policies as required above.

18.3. Certificates evidencing such insurance shall be filed with CITY concurrently with the execution of this Agreement. The certificates will be subject to the approval of CITY’s Risk Manager and will contain an endorsement stating that the insurance is primary coverage and will not be canceled, or materially reduced in coverage or limits, by the insurer except after filing with the Purchasing Manager thirty (30) days’ prior written notice of the cancellation or modification, CONSULTANT shall be responsible for ensuring that current certificates evidencing the insurance are provided to CITY’s Purchasing Manager during the entire term of this Agreement.

18.4. The procuring of such required policy or policies of insurance will not be construed to limit CONSULTANT’s liability hereunder nor to fulfill the indemnification provisions of this Agreement. Notwithstanding the policy or policies of insurance, CONSULTANT will be obligated for the full and total amount of any damage, injury, or loss.
caused by or directly arising as a result of the Services performed under this Agreement, including such damage, injury, or loss arising after the Agreement is terminated or the term has expired.

SECTION 19. TERMINATION OR SUSPENSION OF AGREEMENT OR SERVICES.

19.1. The city manager may suspend the performance of the Services, in whole or in part, or terminate this Agreement, with or without cause, by giving ten (10) days prior written notice thereof to CONSULTANT. Upon receipt of such notice, CONSULTANT will immediately discontinue its performance of the Services.

19.2. CONSULTANT may terminate this Agreement or suspend its performance of the Services by giving thirty (30) days prior written notice thereof to CITY, but only in the event of a substantial failure of performance by CITY.

19.3. Upon such suspension or termination, CONSULTANT shall deliver to the City Manager immediately any and all copies of studies, sketches, drawings, computations, and other data, whether or not completed, prepared by CONSULTANT or its contractors, if any, or given to CONSULTANT or its contractors, if any, in connection with this Agreement. Such materials will become the property of CITY.

19.4. Upon such suspension or termination by CITY, CONSULTANT will be paid for the Services rendered or materials delivered to CITY in accordance with the scope of services on or before the effective date (i.e., 10 days after giving notice) of suspension or termination; provided, however, if this Agreement is suspended or terminated on account of a default by CONSULTANT, CITY will be obligated to compensate CONSULTANT only for that portion of CONSULTANT’s services which are of direct and immediate benefit to CITY as such determination may be made by the City Manager acting in the reasonable exercise of his/her discretion.

19.5. No payment, partial payment, acceptance, or partial acceptance by CITY will operate as a waiver on the part of CITY of any of its rights under this Agreement.

SECTION 20. NOTICES.

All notices hereunder will be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

To CITY: Office of the City Clerk
City of Palo Alto
Post Office Box 10250
Palo Alto, CA 94303
With a copy to the Purchasing Manager
To CONSULTANT: Attention of the project director
at the address of CONSULTANT recited above

SECTION 21. CONFLICT OF INTEREST.

21.1. In accepting this Agreement, CONSULTANT covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services.

21.2. CONSULTANT further covenants that, in the performance of this Agreement, it will not employ subconsultants, contractors or persons having such an interest. CONSULTANT certifies that no person who has or will have any financial interest under this Agreement is an officer or employee of CITY; this provision will be interpreted in accordance with the applicable provisions of the Palo Alto Municipal Code and the Government Code of the State of California.

21.3. If the Project Manager determines that CONSULTANT is a “Consultant” as that term is defined by the Regulations of the Fair Political Practices Commission, CONSULTANT shall be required and agrees to file the appropriate financial disclosure documents required by the Palo Alto Municipal Code and the Political Reform Act.

SECTION 22. NONDISCRIMINATION. As set forth in Palo Alto Municipal Code section 2.30.510, CONSULTANT certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person. CONSULTANT acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and agrees to meet all requirements of Section 2.30.510 pertaining to nondiscrimination in employment, including completing the form furnished by CITY and set forth in Exhibit “E.”

SECTION 23. MISCELLANEOUS PROVISIONS.

23.1. This Agreement will be governed by the laws of the State of California.

23.2. In the event that an action is brought, the parties agree that trial of such action will be vested exclusively in the state courts of California in the County of Santa Clara, State of California.

23.3. The prevailing party in any action brought to enforce the provisions of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with that action. The prevailing party shall be entitled to recover
an amount equal to the fair market value of legal services provided by attorneys employed by it as well as any attorneys' fees paid to third parties.

23.4. This document represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, and contracts, either written or oral. This document may be amended only by a written instrument, which is signed by the parties.

23.5. The covenants, terms, conditions and provisions of this Agreement will apply to, and will bind, the heirs, successors, executors, administrators, assignees, and consultants of the parties.

23.6. If a court of competent jurisdiction finds or rules that any provision of this Agreement or any amendment thereto is void or unenforceable, the unaffected provisions of this Agreement and any amendments thereto will remain in full force and effect.

23.7. All exhibits referred to in this Agreement and any addenda, appendices, attachments, and schedules to this Agreement which, from time to time, may be referred to in any duly executed amendment hereto are by such reference incorporated in this Agreement and will be deemed to be a part of this Agreement.

23.8. This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This Section 24.8 shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.

23.9. The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.
IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO

Assistant City Manager

[CONSULTANT]

By: __________________________

Name: _________________________

Title: _________________________

APPROVED AS TO FORM:

Senior Asst. City Attorney

Taxpayer Identification No.

APPROVED:

Director of Administrative Services

Attachments:
EXHIBIT “A”: SCOPE OF WORK
EXHIBIT “B”: SCHEDULE OF PERFORMANCE
EXHIBIT “C”: COMPENSATION
EXHIBIT “D”: INSURANCE REQUIREMENTS
EXHIBIT “E”: CERTIFICATION OF NONDISCRIMINATION
ATTACHMENT E
SAMPLE TABLE FORMAT
QUALIFICATIONS OF FIRM RELATIVE TO CITY'S NEEDS

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Client</th>
<th>Description of work performed</th>
<th>Total Project Cost</th>
<th>Percentage of work firm was responsible for</th>
<th>Period work was completed</th>
<th>Client contact information</th>
</tr>
</thead>
</table>

Did your firm meet the project schedule (Circle one): Yes  No

Give a brief statement of the firm's adherence to the schedule and budget for the project:


Did your firm meet the project schedule (Circle one): Yes  No

Give a brief statement of the firm's adherence to the schedule and budget for the project:


Did your firm meet the project schedule (Circle one): Yes  No

Give a brief statement of the firm's adherence to the schedule and budget for the project:


Did your firm meet the project schedule (Circle one): Yes  No

Give a brief statement of the firm's adherence to the schedule and budget for the project:
**Attachment F**

**Sample Cost Proposal Format**

<table>
<thead>
<tr>
<th>Scope</th>
<th>Labor Categories (e.g., Consultant, Sr. Consultant, etc.)</th>
<th>Est. Hours</th>
<th>Hourly Rate</th>
<th>Extended Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 1</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
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<td>$</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Travel and Living Expenses</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>TOTAL NOT TO EXCEED, TASK 1</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Task 2</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
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<td>$</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Travel and Living Expenses</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>TOTAL NOT TO EXCEED, TASK 2</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Task 3</td>
<td></td>
<td>$</td>
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<td>$</td>
<td></td>
</tr>
<tr>
<td>Travel and Living Expenses</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>TOTAL NOT TO EXCEED, TASK 3</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>TOTAL NOT EXCEED FOR TASKS 1 - 3</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>
ATTACHMENT G

INSURANCE REQUIREMENTS

CONTRACTORS TO THE CITY OF PALO ALTO (CITY), AT THEIR SOLE EXPENSE, SHALL FOR THE TERM OF THE CONTRACT OBTAIN AND MAINTAIN INSURANCE IN THE AMOUNTS FOR THE COVERAGE SPECIFIED BELOW, AFFORDED BY COMPANIES WITH A BEST'S KEY RATING OF A-VII, OR HIGHER, LICENSED OR AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF CALIFORNIA.

AWARD IS CONTINGENT ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS, AS SPECIFIED, BELOW:

<table>
<thead>
<tr>
<th>REQUIRED</th>
<th>TYPE OF COVERAGE</th>
<th>REQUIREMENT</th>
<th>MINIMUM LIMITS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>EACH OCCURRENCE</td>
</tr>
<tr>
<td>YES</td>
<td>WORKER'S COMPENSATION AUTOMOBILE LIABILITY</td>
<td>STATUTORY STATUTORY</td>
<td></td>
</tr>
<tr>
<td>YES</td>
<td>COMPREHENSIVE GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY</td>
<td>BODILY INJURY</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PROPERTY DAMAGE</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>BODILY INJURY &amp; PROPERTY DAMAGE COMBINED</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>YES</td>
<td>COMPREHENSIVE AUTOMOBILE LIABILITY, INCLUDING OWNED, HIRED, NON-OWNED</td>
<td>BODILY INJURY - EACH PERSON</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- EACH OCCURRENCE</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PROPERTY DAMAGE</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>BODILY INJURY AND PROPERTY DAMAGE, COMBINED</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>YES/NO</td>
<td>PROFESSIONAL LIABILITY, INCLUDING ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE</td>
<td>ALL DAMAGES</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED: PROPOSER, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHTOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY PROPOSER AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS' COMPENSATION, EMPLOYER'S LIABILITY AND PROFESSIONAL INSURANCE, NAMING AS ADDITIONAL INSURES CITY, ITS COUNCIL MEMBERS, OFFICERS, AGENTS, AND EMPLOYEES.

I. INSURANCE COVERAGE MUST INCLUDE:

A. A PROVISION FOR A WRITTEN THIRTY DAY ADVANCE NOTICE TO CITY OF CHANGE IN COVERAGE OR OF COVERAGE CANCELLATION; AND

B. A CONTRACTUAL LIABILITY ENDORSEMENT PROVIDING INSURANCE COVERAGE FOR CONTRACTOR'S AGREEMENT TO INDEMNIFY CITY - SEE SECTION TBD, SAMPLE AGREEMENT FOR SERVICES.

II. SUBMIT CERTIFICATE(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE, OR COMPLETE THIS SECTION AND IV THROUGH V, BELOW.

A. NAME AND ADDRESS OF COMPANY AFFORDING COVERAGE (NOT AGENT OR BROKER):
B. NAME, ADDRESS, AND PHONE NUMBER OF YOUR INSURANCE AGENT/BROKER:

C. POLICY NUMBER(S):

D. DEDUCTIBLE AMOUNT(S) (DEDUCTIBLE AMOUNTS IN EXCESS OF $5,000 REQUIRE CITY'S PRIOR APPROVAL):

III. AWARD IS CONTINGENT ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS, AND PROPOSER'S SUBMITTAL OF CERTIFICATES OF INSURANCE EVIDENCING COMPLIANCE WITH THE REQUIREMENTS SPECIFIED HEREIN.

IV. ENDORSEMENT PROVISIONS, WITH RESPECT TO THE INSURANCE AFFORDED TO "ADDITIONAL INSURES"

A. PRIMARY COVERAGE

WITH RESPECT TO CLAIMS ARISING OUT OF THE OPERATIONS OF THE NAMED INSURED, INSURANCE AS AFFORDED BY THIS POLICY IS PRIMARY AND IS NOT ADDITIONAL TO OR CONTRIBUTING WITH ANY OTHER INSURANCE CARRIED BY OR FOR THE BENEFIT OF THE ADDITIONAL INSURES.

B. CROSS LIABILITY

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSURES UNDER THE POLICY SHALL NOT, FOR THAT REASON ALONE, EXTINGUISH ANY RIGHTS OF THE INSURED AGAINST ANOTHER, BUT THIS ENDORSEMENT, AND THE NAMING OF MULTIPLE INSURED, SHALL NOT INCREASE THE TOTAL LIABILITY OF THE COMPANY UNDER THIS POLICY.

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A THIRTY (30) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

2. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A TEN (10) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

V. PROPOSER CERTIFIES THAT PROPOSER'S INSURANCE COVERAGE MEETS THE ABOVE REQUIREMENTS:

THE INFORMATION HEREIN IS CERTIFIED CORRECT BY SIGNATURE(S) BELOW. SIGNATURE(S) MUST BE SAME SIGNATURE(S) AS APPEAR(S) ON SECTION II, ATTACHMENT A, PROPOSER'S INFORMATION FORM.

Firm:

Signature:

Name: ____________________________
(Print or type name)
Signature: 

Name: ____________________________
(Print or type name)

NOTICES SHALL BE MAILED TO:

PURCHASING AND
CONTRACT ADMINISTRATION
CITY OF PALO ALTO
P.O. BOX 10250
PALO ALTO, CA 94303.