



City of Palo Alto

City Council Staff Report

(ID # 5978)

Report Type: Consent Calendar

Meeting Date: 9/15/2015

Summary Title: Avenidas, Inc. 5 year Contract

Title: Approval of a Five-Year Contract No. C16159539 With Avenidas, Inc. for Provision of Comprehensive Services to Older Adults in the Amount of \$453,897 Per Fiscal Year

From: City Manager

Lead Department: Community Services

Recommendation

Staff recommends that Council approve and authorize the City Manager or his designee to execute the attached contract (Attachment A: Avenidas, Inc. ("Avenidas") Contract 2015-2020) in the amount of \$453,897 annually with Avenidas. for a five-year term (July 1, 2015 – June 30, 2020) for the provision of comprehensive services to older adults, their families and caregivers in Palo Alto.

Executive Summary

The scope of services in this contract covers the provision of comprehensive services to older adults in the community including information & referral services, case management, counseling, support groups, classes and workshops for older adults that assist with mental and physical health and well-being, socialization and lifelong learning, transportation, provision of routine health maintenance screening and immunizations, volunteer opportunities, provision of services that assist older adults in being able to live safely and independently as a long as possible in their own homes, and establishing partnerships with other local organizations to provide additional critical services for seniors that contractor does not provide.

Avenidas is the only provider of comprehensive services to older adults in the community with the sufficient agency capacity and experience to perform the services requested, justifying award as a sole source contract and exempt from solicitation. A solicitation would be impractical at this time where any resulting award to other than the incumbent (Avenidas) would cause substantial financial loss and risk substantial delay/disruption and potential inferior results to delivering a public service. Ref. PAMC 2.30.360(b)(2).

Background

To understand the relationship between the City and Avenidas, one must understand the history of the provision of senior services in Palo Alto. Avenidas' (previously the Senior Coordinating Council) relationship with the City covers a forty-plus year period. Several significant events and changes occurred during this time period:

- The City established its own Senior Adult Services in 1971, based on a study of Palo Alto senior residents completed by the Senior Coordinating Council (SCC), and witnessed an expansion of those services over the next few years.
- The City funded the SCC administration, Senior Day Health program and Home Repair Service prior to the establishment of the Senior Center of Palo Alto, while concurrently funding its own Senior Adult Services.
- After lengthy discussions over time, the City agreed to offer the Old Police/Fire Station building to the SCC at a nominal yearly fee, provided the SCC raised the necessary funds (\$1.2 million) to renovate the facility. Implicit in this agreement was a commitment to help the SCC with operating funds for the Senior Center as well as continuing support for its other programs.
- In 1978, the City transferred its Senior Adult Services to the SCC and first provided funds for the operation of the Senior Center.
- The City and the SCC agreed that the SCC would always make substantial efforts to secure community support and other non-city public funds. That objective remained part of the SCC's contract Scope of Services.
- The Senior Coordinating Council changed its name to Avenidas in 1996.
- Avenidas continues to lease the Senior Center facility on Bryant Street in Palo Alto for \$1/year. Current lease expires in 2027. Avenidas is responsible for all of the maintenance and upkeep, the City maintains the roof and exterior.
- On June 23, 2014, Avenidas approached the City requesting a second fifty year (50) lease to replace the current lease based on plans to undertake a major rehabilitation and modernization of the interior of the building in order to meet the growing needs of the City's seniors and to continue its many services. The purpose of the extension was twofold: 1) It allows Avenidas the foundation to begin credible fund raising efforts for an estimated \$12 million to undertake a major and comprehensive rehabilitation and modernization of the building at 450 Bryant Street; 2) the new lease will serve to assure that Avenidas will continue its services at the present location for many years to come. The new lease was approved.

Avenidas' funding has been allocated by means of the Human Services Resource Allocation Process (contract #C12143390A, 2013-2017.) In 2014, Avenidas, along with PACCC, requested that they be removed from the HSRAP process of

contract application review and become direct contractors with the City. Their allocation requests were being reviewed and funding recommendations made to Council based on the recommendations of the Human Relations Commission (HRC.) The agencies felt that the HRC did not factor in their long term and "special relationships" with the City (both agencies were essentially started by the City) when making funding recommendations. As their allocations were substantially higher than that of other HSRAP funded agencies, Avenidas and PACCC reported that on several occasions the HRC had recommended cuts to their allocations to "free" up a portion of the finite HSRAP budget to allocate to new or smaller agencies; with the recommendations only being reversed later when they protested at Council. They reasoned that without Avenidas and PACCC, the HRC would no longer have to factor in "special relationships" when making its HSRAP funding recommendations all that all future increases of the HSRAP budget could be allocated to existing and new agencies.

Council concurred with this request at their meeting on May 12, 2014 (Attachment B – Excerpt from Council Minutes 5-12-14) and directed Staff to separate the funding contracts with Avenidas and PACCC from HSRAP and to contract directly with them.

In regards to the justification for an exemption from solicitation request; the fact is that no other single entity is able to provide as comprehensive an array of older adult services in Palo Alto as Avenidas. The only other providers of "broader" based older adult services available in Palo Alto are those provided to older adults living in retirement facilities such as Lytton Gardens, Channing House, etc., the Oshman Family Jewish Community Center (JCC) and the Family YMCA. The JCC's older adult specific programs consist of excursions, a bi-monthly lunch and a bi-monthly Yiddish club. The JCC operates a gym and fitness center offering a wide array of fitness classes. Approximately 10% of these classes are marked as "all levels" and more geared for seniors, although anyone can participate. The Family YMCA in Palo Alto offers services and classes to older adults, but exclusively health and wellness related. They offer water fitness and group exercise classes specifically geared towards older adults.

For all of our surrounding communities, comprehensive older adult services are provided in city operated senior centers. As detailed at the beginning of the background section, the City of Palo Alto made a conscious decision in 1978 to transfer older adult services to Avenidas and provided initial funding for the operation of the senior center. Since that time, the City has provided significant funding to Avenidas (10% of their total operating budget) for the provision of comprehensive services to older adults in Palo Alto.

Discussion

The following tasks will be performed by Avenidas in the management of comprehensive services to older adults for the contract period of 2015 – 2020. This work plan will include but is not limited to the following tasks:

1. Leverage its staff resources by partnering with community organizations; Utilize the services of volunteers to provide services to participants and clients and to assist with administrative support tasks.
2. Leverage existing resources through fundraising from the community.
3. Provide weekly academic, health and fitness courses to facilitate intellectual and physical stimulation and to provide opportunity for new skill building such as computer use.
4. Provide a wide variety of lectures to broaden perceptions and to cultivate ideas.
5. Provide entertainment, fellowship, and information exchange at special events, bingo and bridge games, dances, concerts and other recreational activities.
6. Provide health maintenance screenings including audiology, dentistry, skin cancer, vision/glaucoma, podiatry, blood pressure and mammography.
7. Provide information about health and wellness.
8. Facilitate one-to-one counseling services through scheduling, coordination, and provide meeting space.
9. Provide information and referral to seniors, family members and service providers.

10.11

In addition to the scope of services discussed above, Avenidas and City staff are in discussions about the possibility of increasing social services to the senior homeless population in Palo Alto. The City has recently experienced an increase in senior homeless persons who often spend time (camp/live) in Cogswell Plaza, next door to Avenidas. The City has requested that Avenidas consider, as part of its partnership with the City, additional provision of services to the homeless. Avenidas has agreed to participate in such conversations in good faith. For the full scope of services see Attachment A: Avenidas Contract.

Resource Impact

The contract amount for FY 2016 is \$453,897 and was budgeted within the Community Services Department as part of the approved Fiscal Year 2016 Operating Budget. For

Fiscal Years 2017 - 2020, the cost for the contract will be subject to the City Council annual appropriation of funds.

Policy Implications

The Comprehensive Plan addresses the needs of seniors and children in Goal C-3: Improved Quality, Quantity, and Affordability of Social Services, Particularly for Children, Youth, Seniors, and People with Disabilities.

Attachments:

- Attachment A - Contract C16159539 Avenidas Inc.1.pdf (PDF)
- Attachment B – Excerpt from Council Minutes 5-12-14 (PDF)

**CONTRACT NO. C16159539
BETWEEN THE CITY OF PALO ALTO AND
AVENIDAS, INC.
FOR SENIOR SERVICES**

This Contract No. C16159539 is entered into _____, 2015, by and between the CITY OF PALO ALTO, a chartered city and a municipal corporation of the State of California (“CITY”), and AVENIDAS, INC., a corporation duly organized and existing under the Nonprofit Corporation Law of the State of California, located at 450 Bryant Street, Palo Alto, CA 94301 (“CONSULTANT”).

RECITALS:

WHEREAS, CITY desires to obtain the provision of senior (“Program”), as more fully described in Exhibit “A”; and

WHEREAS, CITY desires to engage CONSULTANT, including its employees, if any, in providing the Services by reason of its qualifications and experience in performing the Services, and CONSULTANT has offered to complete the Program on the terms and in the manner set forth herein;

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Contract, the parties agree:

SECTION 1. TERM

1.1 This Contract will commence on July 1, 2015 and will terminate on June 30, 2020 unless this Contract is earlier terminated by CITY. Upon the receipt of CITY’s notice to proceed, CONSULTANT will commence work on the initial and subsequent Program tasks in accordance with the time schedule set forth in Exhibit “A”. Time is of the essence of this Contract. In the event that the Program is not completed within the time required through any fault of CONSULTANT, CITY’s city manager will have the option of extending the time schedule for any period of time. This provision will not preclude the recovery of damages for delay caused by CONSULTANT.

SECTION 2. SCOPE OF PROGRAM SERVICES; CHANGES & CORRECTIONS

2.1 The scope of Services constituting the Program will be performed, delivered or executed by CONSULTANT under the phases of the Basic Services as described below.

2.2 CITY may order substantial changes in the scope or character of the Basic Services, or the Program, either decreasing or increasing the amount of work required of CONSULTANT. In the event that such changes are ordered, subject to the approval of CITY’s City Council, as may be required, CONSULTANT will be entitled to full compensation for all work performed prior to CONSULTANT’s receipt of the notice of change and further will be entitled to an extension of the time schedule. Any increase in compensation for substantial changes will be determined in accordance with the provisions of this Contract. CITY will not be liable for the cost or

payment of any change in work, unless the amount of additional compensation attributable to the change in work is agreed to, in writing, by CITY before CONSULTANT commences the performance of any such change in work.

SECTION 3. QUALIFICATIONS, STATUS, AND DUTIES OF CONSULTANT

3.1 CONSULTANT represents and warrants that it has the expertise and professional qualifications to furnish or cause to be furnished the Services. CONSULTANT further represents and warrants that the program director and every individual, including any consultant, charged with the performance of the Services are duly licensed or certified by the State of California, to the extent such licensing or certification is required by law to perform the Services, and that the Program will be executed by them or under their supervision.

3.2 In reliance on the representations and warranties set forth in this Contract, CITY hires CONSULTANT to execute, and CONSULTANT covenants and agrees that it will execute or cause to be executed, the Program.

3.3 CONSULTANT will assign a single program director to have supervisory responsibility for the performance, progress, and execution of the Program. The program director will represent CONSULTANT during the day-to-day work on the Program. If circumstances or conditions subsequent to the execution of this Contract cause the substitution of the program director, the CONSULTANT shall notify the program manager of such a change.

3.4 CONSULTANT represents and warrants that it will:

3.4.1 Procure all permits and licenses, pay all charges and fees, and give all notices which may be necessary and incident to the due and lawful prosecution of the Program;

3.4.2 Keep itself fully informed of all existing and future Federal, State of California, and local laws, ordinances, regulations, orders, and decrees which may affect those engaged or employed under this Contract and any materials used in CONSULTANT's performance of the Services;

3.4.3 At all times observe and comply with, and cause its employees and consultants, if any, who are assigned to the performance of this Contract to observe and comply with, the laws, ordinances, regulations, orders and decrees mentioned above; and

3.4.4 Will report immediately to the program manager, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and decrees mentioned above in relation to the deliverables.

3.5 Any deliverables given to, or prepared or assembled by, CONSULTANT or its consultants, if any, under this Contract will become the property of CITY and will not be made available to any individual or organization by CONSULTANT or its consultants, if any, without the prior written approval of the city manager.

3.6 CONSULTANT will provide CITY with two (2) copies of any documents which are a part of the deliverables upon their completion and acceptance by CITY.

3.7 If CITY requests additional copies of any documents which are a part of the - deliverables, CONSULTANT will provide such additional copies and CITY will compensate CONSULTANT for its duplicating costs.

3.8 CONSULTANT will be responsible for employing or engaging all persons necessary to execute the Program. All consultants of CONSULTANT will be deemed to be directly controlled and supervised by CONSULTANT, which will be responsible for their performance.

3.9 In the execution of the Program, CONSULTANT and its consultants, if any, will at all times be considered independent contractors and not agents or employees of CITY.

3.10 CONSULTANT will perform or obtain or cause to be performed or obtained any and all of the following Additional Services, not included under the Basic Services, if so authorized, in writing, by CITY:

3.10.1 Providing services as an expert witness in connection with any public hearing or meeting, arbitration proceeding, or proceeding of a court of record;

3.10.2 Incurring travel and subsistence expenses for CONSULTANT and its staff beyond those normally required under the Basic Services;

3.10.3 Performing any other Additional Services that may be agreed upon by the parties subsequent to the execution of this Contract; and

3.10.4 Other Additional Services now or hereafter described in Exhibit "A" to this Contract.

3.11 CONSULTANT will be responsible for employing all consultants deemed necessary to assist CONSULTANT in the performance of the Services. CONSULTANT shall be responsible for the performance of its consultants or subcontractors in fulfilling the provisions of this contract.

3.12 CONSULTANT shall coordinate its services with other existing organizations providing similar services in order to foster community cooperation and to avoid unnecessary duplication of services.

3.13 CONSULTANT shall seek out and apply for other sources of revenue in support of its operation or services from county, state, federal and private sources. Unless deemed inappropriate by the program manager, CITY shall support CONSULTANT in its search of grants, funding, or other income by serving as a sponsoring agency, by providing letters of support, or by rendering advice on application for grants.

3.14 CONSULTANT shall include an acknowledgment of CITY funding and support in all appropriate publicity or publications regarding its programs and services using words to the effect that "services are provided in cooperation with the City of Palo Alto" or "through City of Palo Alto funding" as approved by the program manager.

3.15 Throughout the term of this Contract, CONSULTANT shall remain an independent, nonprofit corporation under the laws of California governed solely by a Board of Directors, with up-to-date bylaws. CONSULTANT shall operate by its Bylaws. Any changes in CONSULTANT's Articles of Incorporation, Bylaws, or tax-exempt status shall be reported by CONSULTANT immediately to the Program Manager.

3.16 The Board of Directors of CONSULTANT shall include representation from the broadest possible cross section of the community including: those with expertise and interest in CONSULTANT's services, representatives from community organizations, and users of CONSULTANT's services.

3.17 All meetings of the Board of Directors of CONSULTANT shall be open to the public, except meetings, or portions thereof, dealing with personnel or litigation matters.

3.18 CONSULTANT shall keep minutes of all regular and special meetings of its Board of Directors.

SECTION 4. DUTIES OF CITY

4.1 CITY will furnish or cause to be furnished the services listed in Exhibit "A" and such information regarding its requirements applicable to the Program as may be reasonably requested by CONSULTANT.

4.2 CITY will review and approve, as necessary, in a timely manner the deliverables and each phase of work performed by CONSULTANT. CITY's estimated time of review and approval will be furnished to CONSULTANT at the time of submission of each phase of work. CONSULTANT acknowledges and understands that the interrelated exchange of information among CITY's various departments makes it extremely difficult for CITY to firmly establish the time of each review and approval task. CITY's failure to review and approve within the estimated time schedule will not constitute a default under this Contract.

4.3 The city manager will represent CITY for all purposes under this Contract. The Manager, Office of Human Services is designated as the program manager for the city manager. The program manager will supervise the performance, progress, and execution of the Program, and will be assisted by the Management Assistant for the Office of Human Services.

4.4 In the event CITY should determine from any identifiable source, including but not limited to reports submitted by CONSULTANT under this contract or any evaluation report from any identifiable source, that there is a condition which requires correction, CITY may forward to CONSULTANT requests for corrective action. Such requests shall indicate the nature of the issue or issues which are to be reviewed to determine the need for corrective action and may include a recommendation as to appropriate corrective action. Within thirty (30) days of CITY's request, CONSULTANT shall submit its response, which shall include its views of the problem and proposed action, if any. Upon request of either party, the parties shall meet to discuss any such request and response within the thirty-day period specified.

SECTION 5. COMPENSATION

5.1 CITY will compensate CONSULTANT for the following services and work:

5.1.1 In consideration of the full performance of the Basic Services, including any authorized reimbursable expense, CITY will pay CONSULTANT a fee not to exceed Four Hundred Fifty-three Thousand Eight Hundred Ninety-seven Dollars (\$453,897) for the first contract year (fiscal year 2015-16) subject to approval of Section 17.12.

5.1.2 In consideration of the full performance of the Basic Services for the second through the fifth contract years (fiscal years), including any authorized reimbursable expenses; CITY will pay CONSULTANT a fee not to exceed Four Hundred Fifty-three Thousand Eight Hundred Ninety-seven Dollars (\$453,897). The parties agree that the amount of compensation for the second through the fifth contract years may be adjusted up or down, depending on availability of funds. The actual maximum amount of compensation for the second through the fifth year of this contract shall be determined by the city manager and reflected in a letter agreement setting forth the amount of total compensation and a budget in the form of Exhibit "B" reflecting the revised allocation of funds. The actual amount of compensation shall be subject to the provisions of 17.12 of this contract.

5.1.3 On the billing form provided by CITY, CONSULTANT shall submit a bill by the fifteenth (15th) working day of the following month for services provided under this Contract during the preceding three months. The bill shall specify actual expenditures directly related to this Contract, in accordance with Exhibit "B". The fees of the consultants, who have direct contractual relationships with CONSULTANT, will be approved, in advance, by CITY. CITY reserves the right to refuse payment of such fees, if such prior approval is not obtained by CONSULTANT.

5.1.4 The full payment of charges for extra work or changes, or both, in the execution of the Program will be made, provided such request for payment is initiated by CONSULTANT and authorized, in writing, by the program manager. Payment will be made within thirty (30) days of submission by CONSULTANT of a statement, in triplicate, of itemized costs covering such work or changes, or both. Prior to commencing such extra work or changes, or both, the parties will agree upon an estimated maximum cost for such extra work or changes. CONSULTANT will not be paid for extra work or changes, including, without limitation, any design work or change order preparation, which is made necessary on account of CONSULTANT's errors, omissions, or oversights.

5.1.5 Direct personnel expense of employees assigned to the execution of the Program by CONSULTANT will include only the work and other documents pertaining to the Program, and in services rendered during the program to the extent such services are expressly contemplated under this Contract. Included in the cost of direct personnel expense of these employees are salaries and mandatory and customary benefits such as statutory employee benefits, insurance, sick leave, holidays and vacations, pensions and similar benefits.

5.2 The schedule of payments will be made as follows:

5.2.1 Payment of the Basic Services will be made in quarterly progress payments in proportion to the quantum of services performed, or in accordance with any other schedule of

payment mutually agreed upon by the parties, as set forth in Exhibit “B”, or within thirty (30) days of submission. Final payment will be made by CITY after CONSULTANT has submitted all deliverables, including, without limitation, reports which have been approved by the program manager.

5.2.2 No deductions will be made from CONSULTANT’s compensation on account of penalties, liquidated damages, or other sums withheld by CITY from payments to general contractors.

SECTION 6. PROGRAM RECORDS

Upon reasonable notice, CONSULTANT shall grant the program manager access to all CONSULTANT records, data, statements, and reports, which pertain to this Program. CONSULTANT shall secure all necessary client and/or personnel release of information forms to allow the program manager and others specifically designated, in writing by the program manager to be afforded such access. Access to clinical records will be coordinated with the client, the client’s representative and the CONSULTANT upon reasonable request from the program manager. CONSULTANT is not required to provide information, the disclosure of which is expressly prohibited by California or Federal laws.

SECTION 7. ACCOUNTING, AUDITS, OWNERSHIP OF RECORDS

7.1 CONSULTANT shall appoint a fiscal agent who shall be responsible for the financial and accounting activities of CONSULTANT, including the receipt and disbursement of CONSULTANT funds.

7.2. CONSULTANT shall appoint from its Board a treasurer who shall review Financial Statements of CONSULTANT on a regular basis.

7.3 Records of the direct personnel expenses and expenses incurred in connection with the performance of Basic Services and Additional Services pertaining to the Program will be prepared, maintained, and retained by CONSULTANT in accordance with generally accepted accounting principles and will be made available to CITY for auditing purposes at mutually convenient times during the term of this Contract and for three (3) years following the expiration or earlier termination of this Contract.

7.4 CONSULTANT shall provide for independent audit of its fiscal year transactions, records, and financial reports at least every two (2) years. The certified public accountant shall submit the report to both parties. The cost of this audit shall be borne by CONSULTANT.

7.5 The originals of the deliverables prepared by or under the direction of CONSULTANT in the performance of this Contract will become the property of CITY irrespective of whether the Program is completed upon CITY’s payment of the amounts required to be paid to CONSULTANT. These originals will be delivered to CITY without additional compensation. CITY will have the right to utilize any final and incomplete drawings, estimates, specifications, and any other documents prepared hereunder by CONSULTANT, but CONSULTANT disclaims any responsibility or liability for any alterations or modifications of such documents.

SECTION 8. INDEMNITY

8.1 CONSULTANT agrees to protect, indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents, from any and all demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, caused by or arising out of CONSULTANT's, its officers', agents', consultants' or employees' negligent acts, errors, or omissions, or willful misconduct, or conduct for which applicable law may impose strict liability on CONSULTANT in the performance of or failure to perform its obligations under this Contract.

8.2 CITY shall protect, indemnify, defend and hold harmless CONSULTANT, its directors, officers, employees and agents, from any and all demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, caused by or arising out of CITY's negligence or willful misconduct in the exercise of its rights or performance or failure of performance of its obligations under this Contract.

SECTION 9. WAIVERS

9.1 The waiver by either party of any breach or violation of any covenant, term, condition or provision of this Contract or of the provisions of any ordinance or law will not be deemed to be a waiver of any such covenant, term, condition, provision, ordinance, or law or of any subsequent breach or violation of the same or of any other covenant, term, condition, provision, ordinance or law. The subsequent acceptance by either party of any fee or other money which may become due hereunder will not be deemed to be a waiver of any preceding breach or violation by the other party of any covenant, term, condition or provision of this Contract or of any applicable law or ordinance.

9.2 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 Contract.

SECTION 10. INSURANCE

10.1 CONSULTANT, at its sole cost and expense, will obtain and maintain, in full force and effect during the term of this Contract, the insurance coverage described in Exhibit "C", insuring not only CONSULTANT and its consultants, if any, but also, with the exception of workers' compensation, employer's liability and professional liability insurance, naming CITY as an additional insured concerning CONSULTANT's performance under this Contract.

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

10.3 Certificates of such insurance, preferably on the forms provided by CITY, will be filed with CITY concurrently with the execution of this Contract. 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 altered by the insurer except after filing with the CITY's city clerk thirty (30) days prior written notice of such cancellation or alteration, and that the City of Palo Alto is named as an additional insured except in policies of workers' compensation, employer's liability, and professional liability insurance. Current certificates of such insurance will be kept on file at all times during the term of this Contract with the city clerk.

10.4 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 Contract. 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 Contract, including such damage, injury, or loss arising after the Contract is terminated or the term has expired.

SECTION 11. WORKERS' COMPENSATION

11.1 CONSULTANT, by executing this Contract, certifies that it is aware of the provisions of the Labor Code of the State of California which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and certifies that it will comply with such provisions, as applicable, before commencing the performance of the Program.

SECTION 12. TERMINATION OR SUSPENSION OF CONTRACT OR PROGRAM

12.1 The city manager may suspend the execution of the Program, in whole or in part, or terminate this Contract, with or without cause, by giving thirty (30) days prior written notice thereof to CONSULTANT, or immediately after submission to CITY by CONSULTANT of any completed item of Basic Services. Upon receipt of such notice, CONSULTANT will immediately discontinue its performance under this Contract.

12.2 CONSULTANT may terminate this Contract or suspend its execution of the Program by giving thirty (30) days prior written notice thereof to CITY, but only in the event of a substantial failure of performance by CITY or in the event CITY indefinitely withholds or withdraws its request for the initiation or continuation of Basic Services or the execution of the Program.

12.3 Upon such suspension or termination by CITY, CONSULTANT will be compensated for the Basic Services and Additional Services performed and deliverables received and approved prior to receipt of written notice from CITY of such suspension or abandonment, together with authorized additional and reimbursable expenses then due. If the Program is resumed after it has been suspended for more than 180 days, any change in CONSULTANT's compensation will be subject to renegotiation and, if necessary, approval of CITY's City Council. If this Contract 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 in the reasonable exercise of his discretion.

12.4 In the event of termination of this Contract or suspension of work on the Program by CITY where CONSULTANT is not in default, CONSULTANT will receive compensation as follows:

12.4.1 For approved items of services, CONSULTANT will be compensated for each item of service fully performed in the amounts authorized under this Contract.

12.4.2 For approved items of services on which a notice to proceed is issued by CITY, but which are not fully performed, CONSULTANT will be compensated for each item of service in an amount which bears the same ratio to the total fee otherwise payable for the performance of the service as the quantum of service actually rendered bears to the services necessary for the full performance of that item of service.

12.4.3 The total compensation payable under the preceding paragraphs of this Section will not exceed the payment specified under Section 5 for the respective items of service to be furnished by CONSULTANT.

12.5 Upon such suspension or termination, CONSULTANT will deliver to the city manager immediately any and all copies of the deliverables, whether or not completed, prepared by CONSULTANT or its consultants, if any, or given to CONSULTANT or its consultants, if any, in connection with this Contract. Such materials will become the property of CITY.

12.6 The failure of CITY to agree with CONSULTANT's independent findings, conclusions, or recommendations, if the same are called for under this Contract, on the basis of differences in matters of judgment, will not be construed as a failure on the part of CONSULTANT to fulfill its obligations under this Contract.

SECTION 13. ASSIGNMENT

13.1 This Contract is for the personal services of CONSULTANT, therefore, CONSULTANT will not assign, transfer, convey, or otherwise dispose of this Contract or any right, title or interest in or to the same or any part thereof without the prior written consent of CITY. A consent to one assignment will not be deemed to be a consent to any subsequent assignment. Any assignment made without the approval of CITY will be void and, at the option of the city manager, this Contract may be terminated. This Contract will not be assignable by operation of law.

SECTION 14. NOTICES

14.1 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

Copy to: Office of Human Services Manager
City of Palo Alto
4000 Middlefield Road, T-2
Palo Alto, CA 94303

To CONSULTANT: Attention of the program director
at the address of CONSULTANT recited above

SECTION 15. CONFLICT OF INTEREST

15.1 In accepting this Contract, 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.

15.2 CONSULTANT further covenants that, in the performance of this Contract, it will not employ contractors or persons having such an interest mentioned above. CONSULTANT certifies that no one who has or will have any financial interest under this Contract 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.

SECTION 16. NONDISCRIMINATION

16.1 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.

16.2 CONSULTANT agrees that each contract for services from independent providers will contain a provision substantially as follows:

“Avenidas, Inc. will provide the independent contractor with a certificate stating that Avenidas, Inc. is currently in compliance with all Federal and State of California laws covering nondiscrimination in employment; and that Avenidas, Inc. will not discriminate in the employment of any person under this contract because of the age, race, skin color, national origin, ancestry, religion, disability, sexual orientation, housing status, marital status, familial status, weight, height or gender of such person.”

16.3 If CONSULTANT is found in violation of the nondiscrimination provisions of the State of California Fair Employment Practices Act or similar provisions of Federal law or executive order in the performance of this Contract, it will be in default of this Contract. Thereupon, CITY will have the power to cancel or suspend this Contract, in whole or in part, or to deduct the sum of twenty-five dollars (\$25) for each person for each calendar day during which such person was subjected to discrimination, as damages for breach of contract, or both. Only a finding of the State of

California Fair Employment Practices Commission or the equivalent federal agency or officer will constitute evidence of a breach of this Contract.

SECTION 17. MISCELLANEOUS PROVISIONS

17.1 CONSULTANT represents and warrants that it has knowledge of the requirements of the federal Americans with Disabilities Act of 1990, and the Government Code and the Health and Safety Code of the State of California, relating to access to public buildings and accommodations for disabled persons, and relating to facilities for disabled persons. CONSULTANT will comply with or ensure by its advice that compliance with such provisions will be effected pursuant to the terms of this Contract.

17.2 Upon the agreement of the parties, any controversy or claim arising out of or relating to this Contract may be settled by arbitration in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrators may be entered in any court having jurisdiction thereof.

17.3 This Contract will be governed by the laws of the State of California, excluding its conflicts of law.

17.4 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 or in the United States District Court for the Northern District of California in the County of Santa Clara, State of California.

17.5 The prevailing party in any action brought to enforce the terms of this Contract or arising out of this Contract may recover its reasonable costs and attorneys' fees expended in connection with that action.

17.6 This document represents the entire and integrated Contract 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.

17.7 All provisions of this Contract, whether covenants or conditions, will be deemed to be both covenants and conditions.

17.8 The covenants, terms, conditions and provisions of this Contract will apply to, and will bind, the heirs, successors, executors, administrators, assignees, and consultants, as the case may be, of the parties.

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

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

17.11 This Contract may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one and the same instrument.

17.12 This Contract is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. This Contract 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 Contract are no longer available. This Section 17.12 will take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Contract.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Contract on the date first above written.

APPROVED AS TO FORM:

CITY OF PALO ALTO

Senior Asst. City Attorney

City Manager

APPROVED:

AVENIDAS, INC.

Director of Community Services

DocuSigned by:
Amy Andonian
By: _____
DAC451DFB2CA4B9...

Name: Amy Andonian

APPROVED AS TO CONTENT:

Title: President & CEO

Manager Office of Human Services

Attachments:

- EXHIBIT "A": SCOPE OF PROGRAM SERVICES & TIME SCHEDULE
- EXHIBIT "B": CONTRACT BUDGET
- EXHIBIT "C": INSURANCE

EXHIBIT "A"

AVENIDAS, INC.
Senior Services

2015-2020 SCOPE OF PROGRAM SERVICES

I PROGRAM SERVICES

CONSULTANT shall provide services to the elderly and their families and caregivers through enrichment and individual and family services.

II PROGRAM GOALS

- 1) To provide a comprehensive local resource for seniors and caregivers that identify their needs and designs and delivers programs and activities to meet these needs and interests.
- 2) To support senior adults in their efforts to maintain and improving their functional ability to remain in their own homes.
- 3) To support caregivers, particularly spouses and adult children in their work of providing in-home care to less independent seniors.
- 4) To support older adults in maintaining their homes, keeping them safe and in good operating condition at an affordable cost.
- 5) To support senior adults in maintaining or improving health and level of fitness.
- 6) To support seniors in achieving greater satisfaction in life and improved emotional well being.
- 7) To support the seniors and caregivers in their search for information about, and assistance with, complex and ever-changing issues and problems associated with aging.

III PROGRAM OBJECTIVES

For Goal #1:

- 1) To continue to survey the community and its participants to assess the needs of local seniors and caregivers and the extent to which Avenidas programs and services are meeting these needs, with particular focus on the growing Baby Boomer population.
- 2) To continue to fulfill the requests of City of Palo Alto City Council and staff for information meeting these needs.

- 3) To regularly re-evaluate its programs and services and make changes as necessary.
- 4) To successfully complete a capital campaign to renovate and expand the Avenidas Bryant Street Center in order to provide even more programs and services for the community's increasing number of older adults and family caregivers.
- 5) To launch a new "Generations Lab" program aimed at reducing the technology divide between younger and older people, and creating a new forum where developers of new products for older adults can meet and get feedback from potential users.
- 6) To continue working on community-based long-term care integration at the Avenidas Rose Kleiner Adult Day Health Center, focusing on cultivating stronger relationships with local health plans and hospital systems serving Avenidas' target population.

For Goal #2:

- 1) Provide case management (assessment, care planning and resource linkages) to 40 frail, homebound seniors.
- 2) Provide 1,000 brief sessions of resource, housing and practical support.
- 3) Provide support group assistance to 600 attendees.
- 4) Provide 5,000 one-way trips to the grocery store, to lunch at La Comida, or to personal appointments.
- 5) Provide 8,000 days of adult day health services to less independent seniors, including 25 Palo Alto residents each year and providing counseling, referral or enrollment to 200 individuals and their families.

For Goal #3:

- 1) Provide support group assistance to 150 attendees.
- 2) Provide conferences, workshops and classes on care-giving issues to 150 attendees.
- 3) Provide private counseling and support to 150 participants.

For Goal #4:

- 1) Deliver 300 handyman jobs at below-market cost.

For Goal #5:

- 1) Provide fitness and health information classes to 1,000 attendees.

- 2) Provide 750 health maintenance screenings.
- 3) Provide 1,100 personal services, such as podiatry services and massages.
- 4) Provide 250 influenza immunizations.

For Goal #6:

- 1) Provide enrichment classes to 4,000 attendees.
- 2) Provide conferences, lectures and workshops on issues of interest to seniors to 1,500 attendees.
- 3) Provide volunteer opportunities to 450 volunteers for a total of 18,000 volunteer hours.

For Goal #7:

- 1) Provide 600 one-to-one counseling service sessions on such issues as legal matters, income tax preparation and health insurance.

IV PROGRAM METHODS

- 1) Leverage its staff resources by partnering with community organizations; Utilize the services of volunteers to provide services to participants and clients and to assist with administrative support tasks.
- 2) Leverage existing resources through fundraising from the community.
- 3) Provide weekly academic, health and fitness courses to facilitate intellectual and physical stimulation and to provide opportunity for new skill building such as computer use.
- 4) Provide a wide variety of lectures to broaden perceptions and to cultivate ideas.
- 5) Provide entertainment, fellowship, and information exchange at special events, bingo and bridge games, dances, concerts and other recreational activities.
- 6) Provide health maintenance screenings including audiology, dentistry, skin cancer, vision/glaucoma, podiatry, blood pressure and mammography.
- 7) Provide information about health and wellness.
- 8) Facilitate one-to-one counseling services through scheduling, coordination, and provide meeting space.
- 9) Provide information and referral to seniors, family members and service providers.

- 10) Provide case management that includes assessment, care planning, and service arrangements to seniors and frail homebound seniors.
- 11) Provide emotional support to seniors through support groups facilitated by a master's level social worker.
- 12) Provide consultations to caregivers for practical advice, linkage to community resources and emotional support.
- 13) Provide emotional support to caregivers through monthly support groups facilitate by social work staff.
- 14) Provide emotional and practical support to homebound seniors through trained volunteers.
- 15) Provide brief resource counseling and practical support to clients through person-to- person or telephone sessions.
- 16) Develop and maintain linkages with local senior housing facilities through regular site visits.
- 17) Provide counseling, referral or enrollment into adult day health services for individuals and their families who are in search of assistance for less independent older adults.

V DELIVERABLES

- 1) Consultant shall provide semiannual activity reports relating to this Scope of Services for the periods ending December 31, 2015; June 30, 2016; December 31, 2016; June 30, 2017; December 31, 2017; June 30, 2018; December 31, 2018; June 30, 2019; December 31, 2019; and June 30, 2020 within fifteen days after these dates.
- 2) Each report shall cover the preceding six months and other such information as the Program Manager may request. The final report shall focus on the preceding six months, but shall also provide information on contract services for the entire year. The additional summary report shall cover the period for the entire contract period up to the date prior to submission. Each report shall be prepared in the form agreed upon by the Program Manager and the Consultant.

VI TIME SCHEDULE

- Services shall commence on July 1, 2015 and continue through June 30, 2020.
- Semiannual progress reports shall be completed and submitted to the City on the fifteenth day after each six-month period.

VII REQUIREMENTS

- The City of Palo Alto requires mention of its name in all materials that acknowledge donors in any public announcements or publicity regarding funded programs.
- CONSULTANT shall comply with the Americans with Disabilities Act (ADA) of 1990.

END OF SCOPE

Exhibit "B"**AVENIDAS, INC.
Senior Services****FY 2015-16 CONTRACT BUDGET**

Program (s) Expenses	FY15/16 Contract Budget
Salaries	\$ 336,990.00
Program Operating Expenses	\$ 42,200.00
Insurance	\$ 11,723.00
Audit	\$ 4,179.00
Rent	\$ -
Utilities	\$ 4,936.00
Phone	\$ 1,878.00
Postage	\$ 920.00
Office Supplies	\$ 2,478.00
Travel	\$ 1,463.00
Staff Development/Training	\$ 1,264.00
Computer Hardware/Software	\$ 2,731.00
Equipment	\$ 1,254.00
Maintenance/Repair	\$ 11,349.00
Books/Publications	\$ 1,467.00
Printing/Publishing	\$ 5,980.00
Capital Expenses	\$ 23,085.00
Other (Specify)*	
TOTAL	\$453,897.00

Attachment "C"
INSURANCE REQUIREMENTS – CONTRACT C16159539

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 AM 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:

REQUIRED	TYPE OF COVERAGE	REQUIREMENT	MINIMUM LIMITS	
			EACH OCCURRENCE	AGGREGATE
YES YES	WORKER'S COMPENSATION EMPLOYER'S LIABILITY	STATUTORY STATUTORY		
YES	GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY	BODILY INJURY	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY & PROPERTY DAMAGE COMBINED.	\$1,000,000	\$1,000,000
YES	AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED	BODILY INJURY	\$1,000,000	\$1,000,000
		- EACH PERSON	\$1,000,000	\$1,000,000
		- EACH OCCURRENCE	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY AND PROPERTY DAMAGE, COMBINED	\$1,000,000	\$1,000,000
NO	PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE	ALL DAMAGES	\$1,000,000	
YES	THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED: CONTRACTOR, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY CONTRACTOR AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS' COMPENSATION, EMPLOYER'S LIABILITY AND PROFESSIONAL INSURANCE, NAMING AS ADDITIONAL INSUREDS 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.
 - C. DEDUCTIBLE AMOUNTS IN EXCESS OF \$5,000 REQUIRE CITY'S PRIOR APPROVAL.
- II. CONTACTOR MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE.
- III. ENDORSEMENT PROVISIONS, WITH RESPECT TO THE INSURANCE AFFORDED TO "ADDITIONAL INSUREDS"
- 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 INSUREDS.
 - B. CROSS LIABILITY

Attachment "C"
INSURANCE REQUIREMENTS – CONTRACT C16159539

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSURED 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.

NOTICES SHALL BE MAILED TO:

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

EMAIL: InsuranceCerts@CityofPaloAlto.org



CITY OF PALO ALTO CITY COUNCIL EXCERPT OF FINAL MINUTES

Special Meeting May 12, 2014

10. Policy and Services Committee Recommendation to Council on Moving Agreements with Avenidas and Palo Alto Community Child Care out of the Human Services Resource Allocation Process.

Minka van Der Zwaag, Community Services Senior Programs Manager, reviewed the Finance Committee's actions and the Human Relations Commission's (HRC) recommendations. The Council referred removal of Avenidas and Palo Alto Community Child Care (PACCC) from the Human Services Resource Allocation Process (HSRAP) to the Policy and Services Committee. PACCC and Avenidas had long relationships with the City. Before the HRC, representatives of PACCC and Avenidas articulated their wish to be removed from HSRAP. The HRC was concerned that removal of PACCC and Avenidas along with their funding would jeopardize future funding for smaller agencies. In addition, other long-time funding recipients would request direct contracts with the City. The HRC attempted to draft a compromise that addressed the concerns of the Council, PACCC, and Avenidas while retaining PACCC and Avenidas within HSRAP. The Policy and Services Committee (Committee) recommended the Council direct Staff to separate funding contracts with Avenidas and PACCC from HSRAP and to contract directly with them.

Council Member Price reported the Committee had a split vote on the item with one Member absent. All Members present agreed that senior and youth services were a critical part of services.

MOTION: Council Member Price moved, seconded by Council Member Klein to direct Staff to separate the funding contracts with Avenidas and Palo Alto Community Child Care (PACCC) from the Human Services Resource Allocation Process (HSRAP) and to contract directly with them.

Council Member Klein indicated the Council should recognize that PACCC and Avenidas were different from other agencies. PACCC and Avenidas provided services that in other cities were provided directly by the city.

SUBSTITUTE MOTION: Council Member Holman moved, seconded by Council Member Schmid to keep Avenidas and Palo Alto Community Child Care (PACCC) in the Human Services Resource Allocation Process.

Council Member Holman explained that Avenidas and PACCC were recognized as different from other agencies in that they submitted a Request for Proposal (RFP) every six years. She referenced Human Relations Commissioner Bacchetti's remarks regarding competition for budget increases.

Council Member Schmid remarked that the City had a limited Budget for human services. The Council identified a Commission to review and recommend funding for HSRAP to allow the Council to consider additional funding for human services.

Council Member Scharff requested Ms. O'Nan comment on the HRC's recommendation.

Jill O'Nan, Human Relations Commission Chair, believed all agencies would benefit from Avenidas and PACCC remaining within HSRAP to work through funding issues. The HRC did not intend to foster agency competition for funding. It was difficult for the HRC to address new and emerging needs without reducing agency funding. The HRC recommendation attempted to protect Avenidas and PACCC.

Council Member Scharff felt the HRC recommendation met PACCC's and Avenidas' concerns. The Council should honor the HRC's work.

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add the HRC recommendations identified on Packet Page 274: 1) Avenidas and PACCC will be assured that their HSRAP funding will not be cut in order to fund reallocations to other HSRAP grantees; 2) when the Council determines annual adjustments to reflect the increased costs of doing business in the nonprofit sector, Avenidas and PACCC will be assured their proportional shares; 3) when the Council makes an incremental allocation over and above any annual adjustment, the HRC will recommend redistribution of those funds according to its assessment of human

service needs at that time. Incremental allocations will be recommended according to a review covering all HSRAP recipients (including Avenidas and PACCC) and new applicants; and 4) in the case of budget reductions set by the Council and staff, Avenidas and PACCC will bear their proportional share, but no more, in the HRC'S recommendations.

Mayor Shepherd expressed concern that PACCC and Avenidas had no commonality with smaller agencies. The Council should allow PACCC and Avenidas to withdraw from HSRAP.

SUBSTITUTE MOTION AS AMENDED FAILED: 3-6 Holman, Scharff, Schmid yes

James Keene, City Manager, reported Staff may need to issue a Request for Proposal (RFP) for services provided by PACCC and Avenidas to allow the City to contract directly with PACCC and Avenidas.

MOTION PASSED: 7-2 Holman, Schmid no