



TO: HONORABLE CITY COUNCIL

FROM: JONATHAN REICHENTAL, CHIEF INFORMATION OFFICER

DATE: APRIL 24, 2017

SUBJECT: MAY 1, 2017 AGENDA ITEM NUMBER 4 - Approval of Seven Separate Contract Amendments With; Forsys Inc., Sierra Infosys, Inc., HPC Heck & Partner Consulting, Inc. dba: HPC America, Techlink Systems, Inc., Quintel-MC, Inc., DGN Technologies, Inc., and Khalid Salman Mohammed for SAP Professional Services in a Total Not-to-Exceed Amount of \$350,000 Annually for all Seven Contracts

The amended contract from one of the seven vendors was not yet signed by HPC America, C16161998 at the time this Agenda Item was prepared for the Council Packet. The Agreement was signed by HPC America on April 20, 2017. Find the signed signature page attached.

DocuSigned by:

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 Jonathan Reichental
 Chief Information Officer
 Information Technology Department

DocuSigned by:

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 James Keene
 City Manager

**AMENDMENT NO. 1 TO CITY OF PALO ALTO CONTRACT NO. C16161998
AGREEMENT BETWEEN THE CITY OF PALO ALTO AND
HPC HECK & PARTNER CONSULTING, INC., dba HPC AMERICA FOR PROFESSIONAL SERVICES
“SAP PROFESSIONAL SERVICES APPLICATION MAINTENANCE SUPPORT”**

This Amendment No. 1 to Palo Alto Contract No. C16161998 (“Agreement”) is entered into on _____, 2017, by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and HPC HECK & PARTNER CONSULTING, INC., HPC AMERICA a California corporation authorized to do business in California, with offices located at 111 Deerwood Road, Suite 200, San Ramon, CA. 94583, Telephone 925-831-4765 (“CONSULTANT”).

RECITALS

A. The Agreement was entered into between the parties on January 1, 2016, for the provision of professional SAP application maintenance support services.

B. The parties now desire to extend the length of the Agreement by six months so that its term is consistent with the City’s fiscal year, and to provide for additional compensation.

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

SECTION 1. SECTION 2 of the Agreement, entitled, “TERM,” is hereby amended to extend the term by six months and to clarify the meaning of “contract year,” to read in full as follows:

The term of this Agreement shall be from January 1, 2016 through June 30, 2019, unless terminated earlier pursuant to Section 19 of this Agreement. Each “contract year” of the Agreement shall be defined as follows:

Contract year 1: 01/01/2016 – 12/31/2016

Contract year 2: 01/01/2017 – 06/30/2017

Contract year 3: 07/01/2017 – 06/30/2018

Contract year 4: 07/01/2018 – 06/30/2019

SECTION 2. SECTION 4 of the Agreement, entitled “NOT TO EXCEED COMPENSATION,” is hereby amended increase the overall amount of not-to-exceed compensation by \$100,000, to read in full as follows:

“The compensation to be paid to the CONSULTANT for performances of the Services described in Exhibit “A”, including both payment for professional services and reimbursable expenses shall not exceed Three Hundred Fifty Thousand Dollars (\$350,000.00) per contract year; provided, however, CONSULTANT acknowledges that the compensation paid to it is likely will be less than \$350,000 per contract year, as CITY has appropriated that amount to payments to be made under seven on-call contracts, of which this Agreement is one. The seven on-call contracts shall be administered by the Information Technology Department to ensure the total aggregate of compensation paid contract year for these professional SAP application maintenance support services will not exceed Three Hundred Fifty Thousand Dollars (\$350,000.00) annually. In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expenses shall not exceed Three Hundred Fifty Thousand Dollars (350,000.00) per contract year.” The applicable rates and schedule of payment are set out at Exhibit “C-1”, entitled “HOURLY RATE SCHEDULE,” 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 at Exhibit “A”.

SECTION 3. The following exhibits to the Agreement are hereby amended to read as set forth in the attachments to this Amendment, which are incorporated in full by this reference:

- a. Exhibit “B” entitled “SCHEDULE OF PERFORMANCE”
- b. Exhibit “C” entitled “COMPENSATION”

SECTION 4. Except as herein modified, all other provisions of the Agreement, including any exhibits and subsequent amendments thereto, shall remain in full force and effect.

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

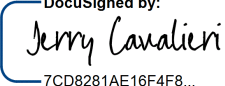
**HPC HECK & PARTNER CONSULTING,
INC., dba: HPC AMERICA**

City Manager

APPROVED AS TO FORM:

Officer 1

DocuSigned by:

By: 

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Name: Jerry Cavalieri

City Attorney or designee

Title: CEO, HPC America

Attachments (If applicable):

EXHIBIT "B": SCHEDULE OF PERFORMANCE

EXHIBIT "C": COMPENSATION

**EXHIBIT B (AMENDED)
SCHEDULE OF PERFORMANCE**

CONSULTANT shall perform services so as to complete each task order within the time specified below. CONSULTANT shall provide a detailed schedule of work consistent with the schedule upon the issuance of a task order within 1 week of receipt of the notice to proceed.

Task	Completion From NTP
Continuous ON-Call Services	June 30, 2019

EXHIBIT "C" (AMENDED)

COMPENSATION

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement based on the hourly rate schedule attached as Exhibit C-1.

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 Three Hundred Fifty Thousand Dollars (\$350,000.00) per contract year; provided, however, CONSULTANT acknowledges that the compensation paid to it likely will be less than \$350,000 per contract year, as CITY has appropriated that amount to payments to be made under seven on-call contracts, of which this Agreement is one. The seven on-call contracts shall be administered by the Information Technology Department to ensure the total aggregate of compensation paid per contract year for these professional SAP application maintenance support services will not exceed Three Hundred Fifty Thousand Dollars (\$350,000.00) annually. In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expenses shall not exceed Three Hundred Fifty Thousand Dollars (\$350,000.00) per contract year. The applicable rates and schedule of payment are set out at Exhibit "C-1", entitled "HOURLY RATE SCHEDULE," which is attached to and made a part of this Agreement.

REIMBURSABLE EXPENSES

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are: None

ADDITIONAL SERVICES

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY's project manager's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT's proposed maximum compensation, including reimbursable expenses, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY's Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement.