

Standard City of San José Consultant Agreement

(Non-Capital Projects)

This Agreement is between the City of San José, a municipal corporation (“City”), and Moeel Lah Fakhoury LLP, a California limited liability partnership (“Consultant”).

This Agreement is made and entered into this 26th day of May, 2022 (“Contract Date”).

THE CITY AND CONSULTANT AGREE AS FOLLOWS:

1. AGREEMENT SCOPE

- 1.1 General:** This Agreement sets forth the terms and conditions under which the Consultant will provide professional consulting services to the City.
- 1.2 Exhibits:** This Agreement consists of this agreement form and the following exhibits, which are incorporated herein by reference:
- Exhibit A:** Scope of Basic Services
 - Exhibit B:** Compensation
 - Exhibit C:** Insurance Requirements
- 1.3 Director:** “Director” means the Independent Police Auditor or the Independent Police Auditor’s designee.
- 1.4 Business Days:** “Business Day” and “Business Days” means the day(s) on which City Hall is open to conduct business.
- 1.5 Entire Agreement:** This Agreement is the final, complete and exclusive understanding of the parties as to the matters contained herein. It supersedes all prior communications and understandings regarding such matters.
- 1.6 Amendments:** This Agreement may be modified only by a written amendment executed by the parties.

2. AGREEMENT TERM

The Agreement term is from the Contract Date to one year from the Contract Date, inclusive, unless terminated earlier pursuant to Section 19 below.

3. SCOPE OF SERVICES

- 3.1 Basic Services:** “Basic Services” means the services set forth in **Exhibit A**. The Consultant must perform the Basic Services to the Director’s satisfaction.

3.2 Additional Services: “Additional Services” means the following: (a) services that are included in the Basic Services but exceed the specified level of the Basic Services, or (b) services that relate but are not included in the Basic Services.

3.2.1 Authorization: The City will not compensate Consultant for any Additional Services without the Director’s prior written authorization.

3.2.2 Director’s Authorization: The Director may authorize the Consultant to perform Additional Services up to the cumulative, maximum amount set forth in **Exhibit B** for such services. The Director must authorize the Consultant to perform Additional Services through a written amendment executed by both parties. The written amendment must set forth the scope of the Additional Services, the schedule for completing such services, and the amount and method of compensating the Consultant for such services. The Director is authorized to execute the amendment for Additional Services for the City.

4. INTENTIONALLY OMITTED

5. CITY’S CONTRACT MANAGER

The City’s contract manager for this Agreement is:

Name: Shivaun Nurre	Phone No.: 408-794-6226
Department: Independent Police Auditor	E-mail: shivaun.nurre@sanjoseca.gov
Address: 96 North Third Street, Suite 150 San José, CA 95112	

The Director can change the above contract manager by giving the Consultant written notice.

6. CONSULTANT’S STAFFING

6.1 Consultant’s Contract Manager and Other Staffing: Identified below are the following: (a) the Consultant’s contract manager, and (b) the Consultant(s) and/or employee(s) of the Consultant who will be principally responsible for providing the Basic Services. If any individual identified below is required to file a Statement of Economic Interests, Form 700 (“Form 700”), and the individual does not have a current Form 700 on file with the City Clerk for a separate agreement with the City, the Consultant must comply with the requirements of Subsection 17.2 below.

		<u>Required to File Form 700?</u>		
<u>Consultant's Contract Manager</u>		Yes Already Filed (Insert Date Filed)	Yes Need to File	No
Name: Andrew Lah	Phone No.: (510) 500-9994		X	
Address: 1300 Clay Street, Suite 600 Oakland, CA 94612	E-mail: andrew@mlf- llp.com			
<u>Other Staffing</u>				
<u>Name:</u>	<u>Assignment:</u>			
1. Russell Bloom	Subject matter expert		X	X
2. Rania Adwan	Project manager			X
3.				

6.2 Contract Manager's Authority: The Consultant's contract manager is authorized to act on behalf of the Consultant.

6.3 Staffing Changes: The Director's prior written approval is required for the Consultant to remove, replace or add to any of its staffing identified in this provision.

7. USE OF SUBCONSULTANTS

7.1 Authority to Use: Whichever of the following is marked applies to this Agreement:

- The Consultant can **not** use any subconsultants without the Director's prior written approval.
- The Consultant will use the following subconsultants for the specified areas of work. The Consultant can not remove, replace or add to any of the subconsultants identified in this provision without the Director's prior written approval.

Subconsultant's Name	Area of Work
1. Russell Bloom	Subject matter expert on civilian and internal affairs oversight models and investigations.
2. Rania Adwan	Project manager; Lead on stakeholder and community outreach.

3.	
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7.2 **Subconsultant Work:** The Consultant warrants all services and deliverables provided by any subconsultants it uses, and represents that each such subconsultant is specially trained, experienced, and competent to perform its portion of the work.

8. INDEPENDENT CONTRACTOR

8.1 **General:** The Consultant has complete control over its operations and employees, and is an independent contractor. The Consultant is not an agent or employee of the City, and shall not represent or act as the City's agent or employee. The Consultant does not have any rights to retirement benefits or other benefits accruing to City employees, and expressly waives any claim it may have to any such rights.

8.2 **Subcontractors:** As an independent contractor, the Consultant has complete control over its subconsultants, subcontractors, suppliers, agents and any other person or entity with whom the Consultant contracts in furtherance of this Agreement (collectively "Subcontractors"). Subject to the requirements of Section 7 of this Agreement, the Consultant is solely responsible for selecting, managing and compensating its Subcontractors, and for ensuring they comply with this Agreement.

8.3 **Indemnity:** The Consultant shall place in each Subcontractor agreement indemnity obligations in favor of the City in the exact form and substance of those contained in Section 11 below.

9. STANDARD OF PERFORMANCE

The Consultant represents that it possesses all necessary training, licenses and permits needed to perform the Basic Services. The Consultant represents that its performance of the Basic Services will conform to the standard of practice of a professional that specializes in performing professional services of a like nature and complexity.

10. COMPENSATION

10.1 **Maximum Total Compensation:** The maximum amount the City will pay the Consultant for all professional fees, costs, charges and expenses related to performing Basic Services and any Additional Services is **\$70,000** ("Maximum Total Compensation").

10.2 **Intentionally Omitted.**

10.3 **Exhibit B - Compensation:** The City will pay the Consultant up to the Maximum Total Compensation in accordance with **Exhibit B**.

10.3.1 **Compensation Table:** **Exhibit B** sets forth a compensation table establishing the manner in which the City will pay the Maximum Compensation to the Consultant ("Compensation Table"). The Compensation Table is subject to the terms and conditions set forth below in Subsections 10.4 through 10.7.

10.3.2 **Schedule of Rates and Charges:** If the City will compensate the Consultant for any Basic Services on a time-and-materials basis, then **Exhibit B** also sets forth a schedule of the Consultant's rates and charges ("Schedule of Rates and Charges"). The Schedule of Rates and Charges is subject to the following requirements:

- 10.3.2.1 Premium Pay:** “Premium Pay” is a special pay rate for working during times that are less desirable, such as weekends, holidays or late shifts. The City will not pay Consultant Premium Pay.
- 10.3.2.2 No Increases:** The City will **not** increase the Schedule of Rates and Charges during the Agreement term.
- 10.3.2.3 Conflict:** In the event of a discrepancy between this Section and the Schedule of Rates and Charges, this Section governs.

10.4 Compensation Table – Part 1: Part 1 of the Compensation Table addresses compensation for the various tasks included in the Basic Services. The following terms and conditions apply to Part 1 of the Compensation Table.

10.4.1 Task Numbers (Column 1): Column 1 sets forth the task number(s) for which the City will compensate the Consultant. Each task number corresponds to the same task number in **Exhibit A**. If a task number included in **Exhibit A** is not included in the Compensation Table, then the City will not compensate the Consultant separately for that task, and payment for such task is deemed included in the other task(s) for which the Consultant is receiving compensation.

10.4.2 Basis of Compensation (Column 2): Column 2 identifies whether the City will pay the Consultant for the task(s) on a time-and-materials basis or on a fixed-fee (lump-sum) basis.

10.4.3 Invoice Period (Column 3): Column 3 identifies when the Consultant must submit its invoice for payment. If invoicing is monthly, the Consultant must submit its invoice to the City by the 10th Business Day of each month for work completed during the previous month. If invoicing is upon the completion of a task or group of tasks, the Consultant must submit its invoice to the Director within 20 Business Days following completion of the task(s) to the Director’s satisfaction. If invoicing is upon the completion of all work, the Consultant must submit its invoice to the Director within 20 Business Days following completion of all work to the Director’s satisfaction.

10.4.3.1 Invoice: Each invoice must include sufficient information and supporting documents to establish to the Director’s satisfaction that the Consultant is entitled to the payment requested. The City will pay the undisputed portion of the invoice amount within 20 Business Days of the Director’s approval of such undisputed amount.

10.4.3.2 Invoices Based on Time and Materials: If time and materials is the basis of compensation, then the Consultant will base its invoice on the hours, professional fees, costs, and charges associated with the work completed during the invoice period. If the Consultant is entitled to reimbursable expenses and/or separate payment for subconsultant costs, the invoice will include such expenses and/or costs associated with the work completed during the invoice period. The City will compensate the Consultant in accordance with the Schedule of Rates and Charges included in **Exhibit B**.

10.4.3.3 Monthly Invoices Based on Fixed Fee: If the Consultant invoices monthly for a “fixed fee,” then the Consultant will base its monthly invoice on the percentage of work completed during the previous month. If the Consultant is entitled to reimbursable expenses and/or separate payment for subconsultant costs, the invoice will include such expenses and/or costs incurred during the previous month.

10.4.4 Compensation (Column 4): Column 4 sets forth the total compensation the City will pay the Consultant for completing the task(s).

10.4.4.1 Time & Materials: If time and materials is the basis of compensation, then the amount in Column 4 is a “not-to-exceed” or maximum amount. Any hours worked for which payment would result in a total exceeding the amount in Column 4 is at no cost to the City. If the Consultant completes the task(s) for less than the amount set forth in Column 4, the Director (in the Director’s sole discretion) *may* use the cost savings to increase the budget of another task. The Director must authorize such reallocation of cost savings in writing.

10.4.4.2 Fixed Fee: If “fixed fee” is the basis of compensation, then the Consultant must complete the task(s) for the amount set forth in Column 4. Any hours worked for which payment would result in a total exceeding the amount in Column 4 are at no cost to the City.

10.5 Compensation Table – Part 2: Part 2 of the Compensation Table indicates whether or not the City will reimburse the Consultant separately for expenses incurred in providing the work. The following terms and conditions apply if the City reimburses the Consultant separately for expenses.

10.5.1 Subconsultants: The cost of subconsultants is not treated as a reimbursable expense. Subsection 10.6 of this Agreement addresses payment for the cost of subconsultants.

10.5.2 Maximum Amount of Reimbursable Expenses: The City will reimburse the Consultant for expenses up to the maximum amount set forth in the last column of Part 2. Any expenses that the Consultant incurs in excess of the stated maximum are at no cost to the City.

10.5.3 Expenses That Are Reimbursable: Any reimbursement to the Consultant is limited to the expenses set forth below in the Reimbursable Expense Schedule. The City will reimburse these expenses at actual cost only unless a markup is specified.

Reimbursable Expense Schedule		Mark Up
1.	The cost of mailing, shipping and/or delivery of any documents or materials.	No Markup
2.	The cost of photographing, printing, reproducing and/or copying any documents or materials.	No Markup
3.	Telephone and facsimile transmission charges.	No Markup
4.	The rental of any specialized equipment to the extent the City’s contract manager has preapproved, in writing, the cost of such rental.	As specified, not to exceed 10%
5.	With the written pre-authorization of the City’s contract manager, mileage and other travel-related expenses to the same extent that the City reimburses its employees pursuant to the Employee Travel Policy (City Policy Manual, Sections 1.8.2 and 1.8.3). The Consultant acknowledges that it has received a copy of Sections 1.8.2 and 1.8.3 and is familiar with these sections of the Employee Travel Policy.	No Markup

6.	Any other expenses expressly identified in Exhibit B as being reimbursable.	As specified, not to exceed 10%
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10.6 Compensation Table – Part 3: Part 3 indicates whether the City will compensate the Consultant separately for subconsultant costs incurred in providing any part of the services. If the City will compensate the Consultant for subconsultant costs, the City will do so in accordance with the following terms and conditions.

10.6.1 Actual Costs: The Consultant can invoice the City for no more than the actual cost of each subconsultant plus a specified markup not to exceed 5 percent.

10.6.2 Schedule of Rates and Charges: Any subconsultant rates and charges set forth in the Schedule of Rates and Charges, if one is included in **Exhibit B**, must be the subconsultant's actual rates and charges exclusive of any markup. The City will compensate the Consultant in accordance with those rates and charges.

10.6.3 Maximum Amount: The City will compensate the Consultant for all subconsultants in a total amount not to exceed the amount set forth in the last column of Part 3. Any additional subconsultant costs that the Consultant incurs in excess of the specified maximum amount are at no cost to the City.

10.7 Compensation Table – Part 4: Part 4 sets forth the maximum compensation that the Director can authorize for Additional Services in accordance with Subsection 3.2 above. Any Additional Services performed by the Consultant that would result in compensation exceeding this maximum amount is at no cost to the City.

10.8 Tax Forms Required: The following are conditions on the City's obligation to process any payment pursuant to this Agreement:

10.8.1 U.S. Based Person or Entity: If the Consultant is a U.S. based person or entity, the Consultant acknowledges and agrees that the Consultant is required to provide the City with a properly completed Internal Revenue Service Form W-9 before the City will process payment. If the Consultant is a U.S. based person or entity, but has neither a permanent place of business in California nor is registered with the California Secretary of State to do business in California, the Consultant acknowledges and agrees that the Consultant is required to provide the City with a properly completed California Franchise Tax Board form related to nonresident withholding of California source income.

10.8.2 Non-U.S. Based Person or Entity: If the Consultant is not a U.S. based person or entity, the Consultant acknowledges and agrees that the Consultant is required to provide the City with the applicable Internal Revenue Service form related to its foreign status and a California Franchise Tax Board form related to nonresident withholding before the City will process payment.

11. INDEMNIFICATION

11.1 Obligation: The Consultant shall defend, indemnify and hold harmless the City and its officers, employees and agents against all claims, losses, damages, injuries, expenses or liabilities that – directly or indirectly, or in whole or in part - arise out of, pertain to, or relate to any of the following:

- The Consultant's negligent performance of all or any part of the Basic Services and any Additional Services; or

- Any negligent act or omission, recklessness or willful misconduct of the Consultant, any of its Subcontractors, anyone directly or indirectly employed by either the Consultant or any of its Subcontractors, or anyone that they control; or
- Any infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark or any other proprietary right of any person(s) caused by the City's use of any services, deliverables or other items provided by the Consultant pursuant to the requirements of this Agreement; or
- Any breach of this Agreement.

11.2 Limitation on Obligation: The obligation in Subsection 11.1 above shall not apply to the extent that any claim, loss, damage, injury, expense or liability results from the sole negligence or willful misconduct of the City or its officers, employees or agents.

11.3 Duty to Defend: The Consultant's obligation in Subsection 11.1 above applies to the maximum extent allowed by law and includes defending the City, its officers, employees and agents as set forth in Sections 2778 and 2782.8 of the California Civil Code. Upon the City's written request, the Consultant, at its own expense, shall defend any suit or action that is subject to the obligation in Subsection 11.1 above.

11.4 Insurance: The City's acceptance of any insurance in accordance with Section 12 does not relieve the Consultant from its obligations under this Section 11. The Consultant's obligations under this Section 11 apply whether or not the insurance required by the Agreement covers any damages or claims for damages.

11.5 Survival: The Consultant's obligations under this Section 11 survive the expiration or earlier termination of the Agreement.

12. INSURANCE REQUIREMENTS

12.1 General: The Consultant shall comply with the insurance requirements set forth in **Exhibit C** for the Agreement term.

12.2 Documentation: Before performing any services, the Consultant must submit to the City's designated risk manager ("Risk Manager"), for the Risk Manager's written approval, all documents demonstrating compliance with the requirements of **Exhibit C**.

12.3 Changes: The Risk Manager may amend or waive, in writing, any of the requirements contained in **Exhibit C**.

13. OWNERSHIP OF WORK PRODUCT

13.1 Ownership: The City owns all rights in and to any of the following work product (including electronic equivalents) without restriction or limitation upon their use, and immediately when and as created by the Consultant or any other person engaged directly or indirectly by the Consultant to perform the Consultant's services pursuant to this Agreement: reports, drawings, plans, data, software, models, documents or other materials developed or discovered (collectively "Work Product").

13.2 Copyright: To the extent permitted by Title 17 of the United States Code, the Work Product is deemed a work for hire and all copyrights in such Work Product are the property of the City. In the event it is ever determined that any Work Product is not a work for hire under United States law, the Consultant hereby assigns to the City all copyrights to such works when and as created.

13.3 Intentionally Omitted.

13.4 Consultant's Reuse: With the Director's prior written consent, the Consultant may retain and use copies of the Work Product for reference and as documentation of experience and capabilities.

14. DISCLOSURE OF WORK PRODUCT

14.1 Prohibition: Except as authorized by the Director or as otherwise required by law, the Consultant shall not disclose any of the following to a third party: (a) Work Product, (b) discussions between the City and Consultant, or (c) information prepared, developed or received by the Consultant or any of its Subcontractors in the course of performing services pursuant to this Agreement.

14.2 Notification: The Consultant will immediately notify the Director if it is requested by a third party to disclose any Work Product, discussions or information that the Consultant is otherwise prohibited from disclosing.

14.3 Limit on Prohibition: The prohibition in Subsection 14.1 above does not apply to disclosures between the Consultant and its Subcontractors that are needed to perform the Basic Services.

14.4 Survival: This Section 14 survives the expiration or earlier termination of this Agreement.

15. AUDIT/INSPECTION OF RECORDS

15.1 Retention Period: The Consultant shall retain the following records (collectively "Records") for a minimum of 3 years from the date of the City's final payment to the Consultant under this Agreement or for any longer period required by law:

- All ledgers, books of accounts, invoices, vouchers, canceled checks, and other records relating to the Consultant's charges for performing services, or to the Consultant's expenditures and disbursements charged to the City; and
- All Work Product and other records evidencing Consultant's performance.

15.2 Producing Records: At any time during the Agreement term or during the period of time that the Consultant is required to retain the Records, the City Manager, the Director, the City Attorney, the City Auditor, or a designated representative of any of these officers may request, in writing, production of all or a portion of the Records. The Consultant shall produce the requested Records at City Hall during normal business hours, or at any other location and time mutually agreed upon by the parties. The Consultant shall produce the requested Records at no cost to the City.

15.3 State Auditor: In accordance with Government Code Section 8546.7, the Consultant may be subject to audit by the California State Auditor with regard to the Consultant's performance of this Agreement if the compensation under this Agreement exceeds \$10,000.

16. NON-DISCRIMINATION/NON-PREFERENCE

16.1 Prohibition: The Consultant shall not discriminate against, or grant preferential treatment to, any person on the basis of race, sex, color, age, religion, sexual orientation, actual or perceived gender identity, disability, ethnicity or national origin. This prohibition applies to recruiting, hiring, demotion, layoff, termination, compensation, fringe benefits, advancement, training,

apprenticeship and other terms, conditions, or privileges of employment, subcontracting and purchasing.

16.2 Intentionally Omitted.

16.3 Subcontracts: The Consultant shall include Subsection 16.1 of this Agreement in each subcontract that it enters into in furtherance of this Agreement.

17. CONFLICT OF INTEREST

17.1 General: The Consultant represents that it is familiar with the local and state conflict of interest laws, and agrees to comply with those laws in performing this Agreement. The Consultant certifies that, as of the Contract Date, it was unaware of any facts constituting a conflict of interest or creating an appearance of a conflict of interest. The Consultant shall avoid all conflicts of interest or appearances of conflicts of interest in performing this Agreement. The Consultant has the obligation of determining if the manner in which it performs any part of this Agreement results in a conflict of interest or an appearance of a conflict of interest, and shall immediately notify the City in writing if it becomes aware of any facts giving rise to a conflict of interest or the appearance of a conflict of interest.

17.2 Filing Form 700: In accordance with the California Political Reform Act (Government Code Section 81000 et seq.), the Consultant shall cause each person performing services under this Agreement, and identified as having to file a Form 700 to do each of the following:

- Disclose the categories of economic interests in Form 700 as required by the Director;
- Complete and file the Form 700 no later than 30 calendar days after the person begins performing services under this Agreement and all subsequent Form 700s in conformance with the requirements specified in the California Political Reform Act; and
- File the original Form 700 with the City's Clerk with a copy submitted to the Director.

17.3 Future Services: The Consultant acknowledges each of the following with regard to performing future services for the City:

- The Consultant's performance of the services required by this Agreement may create an actual or appearance of a conflict of interest with regard to the Consultant performing or participating in the performance of some related **future** services, particularly if the services required by this Agreement comprise one element or aspect of a multi-phase process or project;
- Such an actual or appearance of a conflict of interest would be a ground for the City to disqualify the Consultant from performing or participating in the performance of such future services; and
- The Consultant is solely responsible for considering what potential conflicts of interest, if any, performing the services required by this Agreement might have on its ability to obtain contracts to perform future services.

18. ENVIRONMENTALLY PREFERABLE PROCUREMENT POLICY

18.1 General: The Consultant shall perform its obligations under the Agreement in conformance with City Council Policy 1-19, entitled "Prohibition of City Funding for Purchase of Single Serving

Bottled Water,” and City Council Policy 4-6, entitled “Environmentally Preferable Procurement Policy.”

18.2 Prohibition of City Funding for Purchase of Single Serving Bottled Water: The City’s policy is that City funds should not be used for the purchase of single-serving bottled water except for any of the following:

- Public safety emergencies, investigations and extended deployments or activation of the Office of Emergency Services;
- Situations where there is a high risk of cross-contamination with non-potable water; or
- Situations where there are no reasonable alternatives to bottled water, such as large public events and when large quantities of water need to be distributed for health and safety reasons.

An invoice seeking reimbursement from City for the cost of single-serving bottled water under one of the above exceptions must be accompanied by a waiver form provided by the City and signed by the Director.

18.3 Environmentally Preferable Procurement Policy: The Environmentally Preferable Procurement Policy, along with a brief policy description, is located on the City’s website at the following link: <https://www.sanjoseca.gov/your-government/environment/business-school-resources/for-schools/environmentally-preferable-procurement>. Environmental procurement policies and activities related to the completion of Consultant’s work will include, whenever practicable, but are not limited to:

- The use of recycled and/or recyclable products in daily operations (i.e. 30%, 50%, 100% PCW paper, chlorine process free, triclosan free hand cleaner, etc.);
- The use of Energy-Star Compliant equipment;
- The use of alternative fuel and hybrid vehicles, and implementation of protocols aimed at increasing the efficiency of vehicle operation;
- The implementation of internal waste reduction and reuse protocol(s); and
- Water and resource conservation activities within facilities, including bans on individual serving bottled water and the use of compostable food service products.

19. TERMINATION

19.1 For Convenience: The Director may terminate this Agreement at any time and for any reason by giving the Consultant written notice of the termination. The written notice must set forth the effective date of the termination, which must be at least 7 Business Days’ after the date of the written notice.

19.2 For Cause: The Director may terminate this Agreement immediately upon written notice for any material breach by the Consultant. If the Director terminates the Agreement for cause and obtains the same services from another consultant at a greater cost, the Consultant is responsible for such excess cost in addition to any other remedies available to the City.

19.3 Delivery of Work: If the Director terminates the Agreement – whether for convenience or for cause – the Director has the option of requiring the Consultant to provide to the City any finished

or unfinished Work Product prepared by the Consultant up to the date of Consultant's receipt of the written notice of termination.

- 19.4 Compensation:** The City will pay the Consultant the reasonable value of services satisfactorily rendered by the Consultant to the City up to the date of Consultant's receipt of the written notice of termination. For services to be "satisfactorily rendered," the Director must determine that the Consultant provided them in accordance with the terms and conditions of this Agreement. The Director will determine the reasonable value of satisfactorily rendered services based on the Compensation Table and any Schedule of Rates and Charges attached to this Agreement.
- 19.5 Receipt of Notice:** For purposes of this provision, the Consultant's receipt of the written notice of termination will be determined based on the date of actual receipt or based on Subsection 20.2 below, whichever occurs first.

20. NOTICES

- 20.1 Manner of Giving Notice:** All notices and other communications required by this Agreement must be in writing, and must be made via e-mail, personal service or United States mail, postage prepaid.
- 20.2 When Effective:** A notice or other communication that is e-mailed is effective when sent provided the sender receives an acknowledgement from the intended recipient (e.g. return receipt, return e-mail, or other written acknowledgement). A notice or other communication that is personally served is effective when personally delivered. A notice or other communication that is mailed is effective 3 calendar days after deposit in the United States mail.
- 20.3 To Whom Given:** All notices and other communications between the parties regarding the Agreement must be given to the individuals identified below using the appropriate contact information for giving notice:

To the City: City of San José
Office of the Independent Police Auditor
Attn: Shivaun Nurre
96 N. Third Street, Suite 150
San José, CA 95112
(408) 794-6226
Shivaun.nurre@sanjoseca.gov

To the Consultant: Moeel Lah Fakhoury LLP
Attn: Andrew Lah
1300 Clay Street, Suite 600
Oakland, CA 94612
(510) 500-9994
andrew@mlf-llp.com

- 20.4 Changing Contact Information:** Either party may change its contact information for receiving written notices and communications regarding the Agreement by providing notice of such change to the other party pursuant to this Section 20.

21. MISCELLANEOUS

- 21.1 Gifts Prohibited:** The Consultant represents that it is familiar with Chapter 12.08 of the San José Municipal Code, which generally prohibits a City officer or designated employee from accepting any gift. The Consultant shall not offer any City officer or designated employee any gift

prohibited by Chapter 12.08. The Consultant's violation of this Subsection 21.1 is a material breach.

21.2 Disqualification of Former Employees: The Consultant represents that it is familiar with Chapter 12.10 of the City's Municipal Code, which generally prohibits a former City officer and a former designated employee from providing services to the City connected with his/her former duties or official responsibilities. The Consultant shall not use either directly or indirectly any officer, employee or agent to perform any services if doing so would violate Chapter 12.10. The Consultant's violation of this Subsection 21.2 is a material breach.

21.3 Waiver of a Violation: The City's waiver of any violation of this Agreement by the Consultant is not a waiver of any other violation by the Consultant.

21.4 Acceptance of Services Not a Waiver: The City's acceptance of any service or deliverable is not a waiver or release of any professional duty of care applicable to such service or deliverable, or of any right of indemnification, any insurance requirements, or any other term or condition of this Agreement.

21.5 Compliance with Laws: The Consultant shall perform all services consistent with all applicable federal, state and local laws, ordinances, codes and regulations. This obligation is not limited in any way by the Consultant's obligation to comply with any specific law, ordinance, code or regulation set forth elsewhere in this Agreement.

21.6 Business Tax: The Consultant represents and warrants that it currently has a City business tax certificate or exemption, if qualified, and will maintain such certificate or exemption for the Agreement term.

21.7 Assignability: Except to the extent this Agreement authorizes the Consultant to use subconsultants, the Consultant shall not assign any part of this Agreement without the Director's prior written consent. The Director, at the Director's discretion, may void this Agreement if a violation of this provision occurs.

21.8 Governing Law: California law governs the construction and performance of this Agreement.

21.9 Disputes: Any litigation resulting from this Agreement will be filed and resolved by a federal or state court in California.

21.10 Survival of Provisions: If a court finds any part of this Agreement unenforceable, all other parts shall remain enforceable.

21.11 Headings: The section and exhibit headings are for convenience only and are not to be used in its construction.

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IN WITNESS WHEREOF, the City and Consultant have caused this Agreement to be executed by their respective duly authorized representatives as follows.

NOTE: The Consultant must make one of the following representations by placing its initials in the space provided. **The City will not process this Agreement unless the Consultant has initialed one of the provisions.**

_____ The Consultant certifies that the Consultant has a permanent place of business in California or is registered with the California Secretary of State to do business in California. The Consultant will file a California tax return and withhold on payments of California source income to nonresidents when required. If the Consultant ceases to have a permanent place of business in California or ceases to do any of the above, the Consultant will promptly notify the City at the address specified in Subsection 20.3 of this Agreement.

Or

_____ If the Consultant is unable to make the above certification, the Consultant acknowledges and agrees to provide the City with the applicable tax forms issued by the Internal Revenue Service and California Franchise Tax Board, as applicable, as specified in Section 10.8 of this Agreement.

City of San José



Email: shivaun.nurre@sanjoseca.gov

Date Signed: 05/26/2022 GMT-07:00

Consultant

By _____
Email: andrew@mfl-llp.com

Date Signed: 05/25/2022 GMT-07:00

Name: Andrew Lah Date
Title: Managing Partner, MFL, LLP

Name: Shivaun Nurre Date
Title: Independent Police Auditor

Approval as to Form (City Attorney):

Form Approved by the Office of the City Attorney

(Maximum Total Compensation is \$100,000 or less, and standard provisions of the form are not altered.)

Approved as to Form:

Attorney
Mark Vanni



Email: mark.vanni@sanjoseca.gov

Date Signed: 05/25/2022 GMT-07:00

[Sr.] Deputy City Attorney Date

EXHIBIT A: SCOPE OF BASIC SERVICES

(Non-Capital Projects)

The Consultant shall provide services and deliverables as set forth in this **Exhibit A**. The Consultant shall provide all services and deliverables required by this **Exhibit A** to the satisfaction of the Director.

General Description of Project: The City of San José is exploring the possibility of transferring responsibility for personnel investigations involving sworn police personnel from the Internal Affairs (“IA”) Unit of the San José Police Department (“SJPD”) to the City’s Independent Police Auditor (“IPA”) or alternative entity (or entities). The Consultant will evaluate Internal Affairs models and civilian police oversight models. If the Consultant recommends moving some or all investigations out of IA, the Consultant will provide a written report to that effect including an implementation roadmap that identifies the actions, timelines and resources necessary to accomplish the recommendations. That transition plan must ensure that investigations conducted by an alternative entity will be thorough and conducted in accordance with the Public Safety Officers Procedural Bill of Rights should a decision be made to do so. If the Consultant recommends keeping some or all investigations within the IA Unit, the Consultant will provide a written report outlining options to improve IA Unit’s current policies and procedures that conform with the oversight industry’s best practices. The Consultant will be responsible for all activities required to prepare and finalize a report. This will include community outreach. The Consultant will present the final report at a public City Council meeting(s).

Task No. 1: Background Review

- A. Services:** Consultant shall review how allegations of police misconduct committed by officers employed by SJPD are investigated. This will include information from SJPD’s IA Unit, the Office of the Chief of Police, the Office of the IPA, the Office of Employment Relations (“OER”), and the Santa Clara County Office of the District Attorney.

Consultant will review relevant materials, including but not limited to:

- 1.1. The San José Municipal Code sections regarding the applicable sections of the Civil Service Rules, and the City Charter regarding the City Manager (Sections 701-704), the IPA (Section 809), and the Civil Service System (Sections 1100-1111).
- 1.2. The San José City Policy Manual pertaining to investigations and discipline.
- 1.3. The SJPD Duty Manual Sections C 1700 (Allegations, Complaints, Non-Misconduct Concerns and Supervisory Referral Internal Affairs Unit) and C 1800 (Discipline).
- 1.4. The IA Unit Guidelines.
- 1.5. 2018-2020 IPA Year End Reports, SJPD’s Response to those reports, and SJPD Reports on Department-Initiated investigations.
- 1.6. Union contract and side letter agreements between the City of San José and the San José Police Officers’ Association (“POA”).
- 1.7. The Public Safety Officers’ Procedural Bill of Rights Act (California Government Code Sections 3300-3313) and other California laws, regulations and pending legislation governing peace officer employment and civilian oversight operations.

- 1.8. Materials outlining best practices of other jurisdictions in investigating allegations of police misconduct, including those that use sworn investigators, those that use civilian investigators and those that use a combination of both. The Consultant will identify and obtain these materials.
- 1.9. Reports, if any, prepared by the City's Charter Review Commission (and its subcommittees) and the City's Reimagining Public Safety Community Advisory Committee (and its subcommittees) addressing investigating police misconduct and civilian oversight.

B. Deliverable: Completion of background research.

C. Completion Time: The Consultant must complete the services and deliverable for this task in accordance with whichever one of the following time is marked:

- On or before the following date: June 20, 2022.
- On or before ____ Business Days from _____.

Task No. 2: Interviews and Community Engagement

A. Services:

- 2.1. Consultant shall conduct interviews of relevant persons, including but not limited to:
 - 2.1.1. Current and former IA Unit Commanders employed by SJPD.
 - 2.1.2. SJPD Command Staff.
 - 2.1.3. Current Staff from the IPA Office and at least two (2) former San José Independent Police Auditors.
 - 2.1.4. Staff from the OER Office.
 - 2.1.5. Persons from the POA Board of Directors.
 - 2.1.6. The District Attorney and/or his designee.
 - 2.1.7. Persons from other jurisdictions about the use of sworn investigators and/or civilian investigators.
- 2.2. Consultant shall coordinate with the City Manager's Office and relevant City staff, when necessary, to facilitate the interviews described above. Consultant shall develop an outreach plan to engage stakeholders and promote public participation so that the proposed recommendations are informed by a range of perspectives. Consultant shall implement the outreach plan. Consultant shall watch the video recording of the presentation to City Council on reimagining policing and the Charter Review Commission [May 10, 2022 City Council agenda item 4.2]

B. Deliverable: Completion of interviews; Attendance at City Council Study Session (if applicable).

- C. Completion Time:** The Consultant must complete the services and deliverable for this task in accordance with whichever one of the following time is marked:

- On or before the following date: July 18, 2022.
- On or before ____ Business Days from _____.

Task No. 3: Meetings

A. Services:

- 3.1. Project kick-off meeting. Immediately upon execution of the Agreement, the Consultant shall schedule a meeting with the City to finalize a scope of work and project schedule.
- 3.2. Internal project status meetings between the Consultant and City staff where the Consultant shall present information and discuss project issues with City staff at critical points in the report preparation process. The City anticipates one (1) internal project status meeting, which may be conducted by conference call if most convenient for both parties.
- 3.3. City Council meeting. At least one (1) City Council meeting is expected. The Consultant shall be prepared to present on the recommendations of the final report and answer questions from Councilmembers and City staff. The Consultant shall be responsible for creating and providing presentations and handouts (in PowerPoint, Word, or Excel formats, as needed) and providing copies of necessary documents. Before public distribution, the Consultant will provide draft copies of presentations and handouts to the City for review. Currently, meetings are conducted in a hybrid mode. The Consultant will be expected to present in-person.
- Any formal report to City Council must be prepared and finalized at least two (2) weeks in advance before the City Council meeting. San José City Council meetings are held on Tuesdays, and the current schedule is available at <https://www.sanjoseca.gov/your-government/departments/city-clerk/council-agendas-information>.
- 3.4. Additional meetings may be proposed by the City and/or Consultant as needed to complete the work outlined in this Agreement.

- B. Deliverable:** Project kick-off meeting; Internal project status meeting(s); City Council meeting(s)

- C. Completion Time:** The Consultant must complete the services and deliverable for this task in accordance with whichever one of the following time is marked:

- On or before the following date: Expiration Date of the Agreement.
- On or before ____ Business Days from _____.

Task No. 4: Administrative Draft Report

A. Services:

Consultant shall prepare and provide to the City an administrative draft report, and, after review by City staff, a final report. The Consultant will review and evaluate whether responsibility for criminal and/or administrative investigations involving sworn police personnel should remain with IA, be transferred from IA to the IPA or to an alternative entity (or entities), or a hybrid model.

This should include an implementation roadmap that identifies the actions, timelines and resources necessary to accomplish these recommendations. The structure must maintain the confidence of both the community and SJPD officers that the process is fair, objective and unbiased.

Regardless of the identity of the investigating body, whenever an investigation substantiates a violation of City policy or the Duty Manual or the law, and reveals a need for discipline, the completed investigation will be referred to the Chief of Police to recommend the level of discipline. Formal discipline must be approved by OER on behalf of the City Manager.

The report should include the following:

- 4.1. A high-level overview of advantages and disadvantages of having both criminal and/or administrative investigations of alleged misconduct be conducted solely by sworn law enforcement personnel.
- 4.2. A high-level overview of advantages and disadvantages of having criminal and/or administrative investigations of alleged misconduct be conducted solely by professional civilian investigators who are independent of the police department.
- 4.3. A high-level overview of advantages and disadvantages of having criminal and/or administrative investigations of alleged misconduct be conducted by a hybrid model in which some investigations are completed by law enforcement personnel and other investigations are completed by professional civilian investigators who are independent of the police department.
- 4.4. A detailed description of the model(s) recommended for the City of San José including:
 - 4.4.1. The structure of IA, the IPA and/or the new entity (if any) including organizational roles, lead management and key personnel if the Consultant recommends moving some or all of the investigations out of Internal Affairs. Should a hybrid model be recommended, identify how multiple agencies should liaison.
 - 4.4.2. Investigatory flow charts and models that compare and evaluate the current IA/IPA auditor model against other models employed in other similarly sized cities.
 - 4.4.3. Identify which entity (entities) would identify the proper allegations and classify complaints which may impact which entity (entities) would subsequently investigate. Indicate if this process would include an appeal mechanism by which allegation identification and/or complaint classification may be appealed.
 - 4.4.4. The structure of the investigatory process from intake through discipline, with each step in between conducting the investigation, making a finding, and suggested discipline) to ensure that officers are afforded the protections granted by the Public Safety Officers' Procedural Bill of Rights Act (California Government Code Sections 3300-3313) and other statutes/regulations governing peace officer employment, including the appeal process.

- 4.4.5. The ability of the investigating entity to compel production of police agency records, to compel the production of records from other government agencies, the ability to compel statements from officers, and the ability to subpoena documents, evidence and witnesses.
- 4.4.6. The ability of the investigating entity to make factual determinations and findings on allegations.
- 4.4.7. The continuation of the role of the IPA, if any, to review completed investigations and to appeal determinations to the City Manager.
- 4.4.8. Whether and how the IPA would report to the City Council and the public concerns between the findings on allegations and the City's imposed discipline.
- 4.4.9. Whether complaints involving high ranking members of SJPd should follow a different process. Currently these complaints are handled by OER with review by the IPA.
- 4.4.10. Whether complaints involving non-sworn members of SJPd should follow a different process. Currently these complaints are handled by IA.
- 4.4.11. What entity (entities) would be the custodian of record for personnel complaints involving sworn SJPd members and what entity (entities) would be tasked with providing materials for Pitchess hearings.
- 4.4.12. Currently, the IA Unit has tasks associated with officer-involved shooting incidents and in-custody deaths. Identify whether these tasks should remain in the IA Unit or moved elsewhere.
- 4.4.13. Identify any obstacles that might inhibit or impede the City's ability to implement the Consultant's recommended model.
- 4.5. Identify associated staffing models, including staffing impacts, if any, to Internal Affairs, to the Office of the IPA, or a newly-created entity if the latter is recommended. Identify the qualifications, expertise and past and on-going training associated with professional staff positions.
- 4.6. Provide a recommended chronology or sequence by which investigations, if any, are moved. Budgetary constraints may argue to initially limiting investigatory authority to more serious allegations of misconduct – such as use of force resulting in serious injury or racially discriminatory misconduct – and leave more routine matters to IA until the alternative investigations unit (IPA or another entity) can be fully staffed.
- 4.7. Regardless of the identity of the investigating body, whenever an investigation reveals a need for discipline the completed investigation will be referred to the Chief of Police to recommend the level of discipline. Formal discipline must be approved by OER on behalf of the City Manager. Identify what changes, if any, you recommend to the current Disciplinary Review Panel procedure with the goal of maintaining the confidence of both the community and SJPd officers that the discipline process is fair and objective.

B. Deliverable: Administrative draft report

- C. Completion Time:** The Consultant must complete the services and deliverable for this task in accordance with whichever one of the following time is marked:

- On or before the following date: August 16, 2022.
- On or before ____ Business Days from _____.

Task No. 5: Final Report

A. Services:

Following review of the Administrative Draft Report by City staff, Consultant shall prepare and provide to the City a final report. The Consultant will review and evaluate whether responsibility for criminal and/or administrative investigations involving sworn police personnel should remain with IA, be transferred from IA to the IPA or to an alternative entity (or entities), or a hybrid model. This should include an implementation roadmap that identifies the actions, timelines and resources necessary to accomplish these recommendations. The structure must maintain the confidence of both the community and SJPD officers that the process is fair, objective and unbiased.

Regardless of the identity of the investigating body, whenever an investigation substantiates a violation of City policy or the Duty Manual or the law, and reveals a need for discipline, the completed investigation will be referred to the Chief of Police to recommend the level of discipline. Formal discipline must be approved by OER on behalf of the City Manager.

The report should include the following:

- 5.1. A high-level overview of advantages and disadvantages of having both criminal and/or administrative investigations of alleged misconduct be conducted solely by sworn law enforcement personnel.
- 5.2. A high-level overview of advantages and disadvantages of having criminal and/or administrative investigations of alleged misconduct be conducted solely by professional civilian investigators who are independent of the police department.
- 5.3. A high-level overview of advantages and disadvantages of having criminal and/or administrative investigations of alleged misconduct be conducted by a hybrid model in which some investigations are completed by law enforcement personnel and other investigations are completed by professional civilian investigators who are independent of the police department.
- 5.4. A detailed description of the model(s) recommended for the City of San José including:
 - 5.4.1. The structure of IA, the IPA and/or the new entity (if any) including organizational roles, lead management and key personnel if the Consultant recommends moving some or all of the investigations out of Internal Affairs. Should a hybrid model be recommended, identify how multiple agencies should liaison.
 - 5.4.2. Investigatory flow charts and models that compare and evaluate the current IA/IPA auditor model against other models employed in other similarly sized cities.

- 5.4.3. Identify which entity (entities) would identify the proper allegations and classify complaints which may impact which entity (entities) would subsequently investigate. Indicate if this process would include an appeal mechanism by which allegation identification and/or complaint classification may be appealed.
- 5.4.4. The structure of the investigatory process from intake through discipline, with each step in between conducting the investigation, making a finding, and suggested discipline) to ensure that officers are afforded the protections granted by the Public Safety Officers' Procedural Bill of Rights Act (California Government Code Sections 3300-3313) and other statutes/regulations governing peace officer employment, including the appeal process.
- 5.4.5. The ability of the investigating entity to compel production of police agency records, to compel the production of records from other government agencies, the ability to compel statements from officers, and the ability to subpoena documents, evidence and witnesses.
- 5.4.6. The ability of the investigating entity to make factual determinations and findings on allegations.
- 5.4.7. The continuation of the role of the IPA, if any, to review completed investigations and to appeal determinations to the City Manager.
- 5.4.8. Whether and how the IPA would report to the City Council and the public concerns between the findings on allegations and the City's imposed discipline.
- 5.4.9. Whether complaints involving high ranking members of SJPd should follow a different process. Currently these complaints are handled by OER with review by the IPA.
- 5.4.10. Whether complaints involving non-sworn members of SJPd should follow a different process. Currently these complaints are handled by IA.
- 5.4.11. What entity (entities) would be the custodian of record for personnel complaints involving sworn SJPd members and what entity (entities) would be tasked with providing materials for Pitchess hearings.
- 5.4.12. Currently, the IA Unit has tasks associated with officer-involved shooting incidents and in-custody deaths. Identify whether these tasks should remain in the IA Unit or moved elsewhere.
- 5.4.13. Identify any obstacles that might inhibit or impede the City's ability to implement the Consultant's recommended model.
- 5.5. Identify associated staffing models, including staffing impacts, if any, to Internal Affairs, to the Office of the IPA, or a newly-created entity if the latter is recommended. Identify the qualifications, expertise and past and on-going training associated with professional staff positions.

- 5.6. Provide a recommended chronology or sequence by which investigations, if any, are moved. Budgetary constraints may argue to initially limiting investigatory authority to more serious allegations of misconduct – such as use of force resulting in serious injury or racially discriminatory misconduct – and leave more routine matters to IA until the alternative investigations unit (IPA or another entity) can be fully staffed.
- 5.7. Regardless of the identity of the investigating body, whenever an investigation reveals a need for discipline the completed investigation will be referred to the Chief of Police to recommend the level of discipline. Formal discipline must be approved by OER on behalf of the City Manager. Identify what changes, if any, you recommend to the current Disciplinary Review Panel procedure with the goal of maintaining the confidence of both the community and SJPD officers that the discipline process is fair and objective.

B. Deliverable: Final report

C. Completion Time: The Consultant must complete the services and deliverable for this task in accordance with whichever one of the following time is marked:

- On or before the following date: September 7, 2022.
- On or before ____ Business Days from _____.

EXHIBIT B: COMPENSATION

Section 1 – Compensation Table

Part 1 – Compensation for Basic Services			
Column 1	Column 2	Column 3	Column 4
Task Nos.	Basis of Compensation	Invoice Period	Compensation
1 - Background Research	<input checked="" type="checkbox"/> Time & Materials <input type="checkbox"/> Fixed Fee	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Completion of Task(s) <input type="checkbox"/> Completion of Work	\$11,250
2.1 - Interviews of Relevant Persons	<input checked="" type="checkbox"/> Time & Materials <input type="checkbox"/> Fixed Fee	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Completion of Task(s) <input type="checkbox"/> Completion of Work	\$11,250
2.2 - Development and Implementation of Outreach Plan	<input checked="" type="checkbox"/> Time & Materials <input type="checkbox"/> Fixed Fee	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Completion of Task(s) <input type="checkbox"/> Completion of Work	\$10,000
3.1 - Project Kick-Off Meeting	<input checked="" type="checkbox"/> Time & Materials <input type="checkbox"/> Fixed Fee	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Completion of Task(s) <input type="checkbox"/> Completion of Work	\$2,000
3.2 - Internal Status Project Meeting(s)	<input checked="" type="checkbox"/> Time & Materials <input type="checkbox"/> Fixed Fee	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Completion of Task(s) <input type="checkbox"/> Completion of Work	\$3,000
4 - Administrative Draft Report	<input checked="" type="checkbox"/> Time & Materials <input type="checkbox"/> Fixed Fee	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Completion of Task(s) <input type="checkbox"/> Completion of Work	\$25,000
5 - Final Report; and 3.3 - Presentation to Council	<input checked="" type="checkbox"/> Time & Materials <input type="checkbox"/> Fixed Fee	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Completion of Task(s) <input type="checkbox"/> Completion of Work	\$7,500
Part 2 – Reimbursable Expenses			
<input checked="" type="checkbox"/> No expenses are separately reimbursable. The amount(s) in Column 4 of Part 1 include(s) payment for all expenses.			\$0
<input type="checkbox"/> Expenses are separately reimbursable in accordance with Subsection 10.5 of this Agreement. The maximum amount of reimbursable expenses is:			

Part 3 – Subconsultant Costs		
<input checked="" type="checkbox"/> Subconsultant costs are not separately compensable. The amount(s) in Column 4 of Part 1 include(s) payment for subconsultants.	<input type="checkbox"/> Subconsultant costs are separately compensable in accordance with Subsection 10.6 of this Agreement. The maximum amount of compensation for subconsultant costs is:	\$0
Part 4 – Additional Services		
<input checked="" type="checkbox"/> No money is budgeted for Additional Services, and the Director can not authorize any Additional Services.	<input type="checkbox"/> The Director may authorize the Consultant to perform Additional Services up to the following maximum amount:	\$0
Maximum Total Compensation (sum of Parts 1 through 4):		\$70,000

Section 2 – Schedule of Rates and Charges

- Omitted.** No Schedule of Rates and Charges is included because the City will not be compensating the Consultant for any Basic Services on a “time & materials” basis.
- The following is the Schedule of Rates and Charges applicable to this Agreement:

Name	Hourly Rate
Andrew Lah	\$250.00
Russell Bloom	\$250.00
Rania Adwan	\$200.00

EXHIBIT C: INSURANCE REQUIREMENTS

CONSULTANT, at CONSULTANT's sole cost and expense, shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the services hereunder by CONSULTANT, its agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the CONSULTANT's Proposal.

A. Minimum Scope of Insurance

1. The coverage described in Insurance Services Office Commercial General Liability coverage ("occurrence") Form Number CG 0001 including products and completed operations; and
2. The coverage described in Insurance Services Office form number CA 0001. Coverage shall be included for all owned, non-owned and hired automobiles.
3. Workers' Compensation insurance as required by the California Labor Code and Employers Liability insurance; and
4. Professional Liability Errors & Omissions for all professional services; and
5. Cyber & Technology Errors & Omission. Insurance covering liabilities for financial loss resulting or arising from acts, errors, or omissions, in rendering services provided under this agreement as well as all CONSULTANT costs, including damages, it is obligated to Client or any third party, which are associated with any Security Breach (as hereafter defined) or loss of Personal Data, regardless of cause (including, without limitation, CONSULTANT's negligence, or gross negligence and unlawful third party acts). For the purposes of this Section, "Security Breach" means (1) the failure by the CONSULTANT to properly handle, manage, store, destroy or otherwise control, or the unauthorized disclosure by the CONSULTANT of: (Personal Data in any format or (b) third party corporate information in any format specifically identified as confidential and protected under a confidentiality agreement or similar contract; and (2) an unintentional violation of the CONSULTANT's privacy policy or misappropriation that results in the violation of any applicable data privacy laws or regulations; or (3) any other act, error, or omission by CONSULTANT in its capacity as such which is reasonably likely to result in the unauthorized disclosure of Personal Data.

B. Minimum Limits of Insurance

CONSULTANT shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit; and
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage; and

3. Workers' Compensation and Employers' Liability: Workers' Compensation limits as required by the California Labor and Employers Liability limits of \$1,000,000 per accident; and
4. Professional Liability Errors and Omissions \$1,000,000 per claim/aggregate limit coverage to be maintained following completion of work on project for three (3) years or if policy is canceled, extended reporting period to equal the same.
5. Cyber & Technology Errors & Omissions: \$1,000,000 per occurrence/breach. Costs to be covered by this insurance policy shall include, without limitation: (a) costs to notify individuals whose Personal Data was lost or compromised; (b) costs to provide credit monitoring and credit restoration services to individuals whose Personal Data was lost or compromised; (c) costs associated with third party claims arising from Security Breach or loss of Personal Data, including litigation costs and settlement costs; and (d) any investigation, enforcement or similar miscellaneous costs.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to, and approved by City's Risk Manager. At the option of City, either; the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its officer, employees, agents and contractors; or CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the City's Risk Manager.

D. Other Insurance Provisions

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

1. Commercial General Liability and Automobile Liability Coverages
 - a. The City of San Jose, its officers, employees, agents and contractors are to be covered as additional insureds as respects: Liability arising out of activities performed by or on behalf of, CONSULTANT; products and completed operations of CONSULTANT; premises owned, leased or used by CONSULTANT; and automobiles owned, leased, hired or borrowed by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, employees, agents and contractors.
 - b. CONSULTANT's insurance coverage shall be primary insurance as respects City, its officers, employees, agents and contractors. Any insurance or self-insurance maintained by City, its officers, employees, agents or contractors shall be excess of CONSULTANT's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting provisions of the policies by CONSULTANT shall not affect coverage provided City, its officers, employees, agents, or contractors.
 - d. Coverage shall state that CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 - e. In the event that CONSULTANT uses an umbrella policy or excess policy to meet CONSULTANT's policy limits, coverage must follow form or have greater scope of coverage. City shall receive the same status on the excess/umbrella policy

including additional insured endorsements with coverage being primary and not contributory to any City insurance programs or self-insured programs.

2. Workers' Compensation and Employers' Liability

Coverage shall contain a separate waiver of subrogation in favor of the City, its officials, employees, agents and contractors.

3. All Coverages

Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in limits except after thirty (30) days' prior written notice has been given to City.

F. **Acceptability of Insurers**

Insurance is to be placed with insurers acceptable to City's Risk Manager.

G. **Verification of Coverage**

CONSULTANT shall furnish City with certificates of insurance and with original endorsements affecting coverage required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Proof of insurance shall be mailed to the following address or any subsequent address as may be directed pdf format to Riskmgmt@sanjoseca.gov or in writing by the Risk Manager at:

CITY OF SAN JOSE
Risk Management
200 E. Santa Clara Street, 14th Floor Tower
San Jose, CA 95113

H. **Subcontractors**

CONSULTANT shall include all subcontractors as insured under its policies or shall obtain separate certificates and endorsements for each subcontractor.