



Council Agenda Report

To: Mayor Grisanti and the Honorable Members of the City Council

Prepared by: Elizabeth Shavelson, Deputy City Manager

Reviewed by: Ruthie F. Quinto, CPA, Interim Assistant City Manager/City Treasurer

Approved by: Steve McClary, Interim City Manager

Date prepared: April 20, 2022 Meeting date: May 9, 2022

Subject: Amendment to Professional Services Agreement with SDI Presence

RECOMMENDED ACTION: Authorize the Mayor to execute Amendment No. 2 to the Professional Services Agreement with SDI Presence LLC.

FISCAL IMPACT: No additional appropriation is required. Funding for this amendment in the amount of \$76,875 is included in the Adopted Budget for Fiscal Year 2021-2022 in Account No. 602-7060-5100 (Information Systems – Professional Services).

WORK PLAN: This item was included as item 6.j. in the Adopted Work Plan for Fiscal Year 2021-2022.

DISCUSSION: On August 27, 2018, the City Council authorized the City Manager to execute a Professional Services Agreement with SDI Presence LLC for information technology administrative services to develop the City's IT Assessment and Strategic Plan. The project was launched in October 2018 but was put on hold in the aftermath of the Woolsey Fire. The project was eventually relaunched in October 2019 and the consultant was in the middle of conducting the assessment when the State and County implemented the Safer-at-Home orders in March 2020 at which time the work was put on hold again as the City shifted resources and priorities in response to COVID-19. In November 2020, the City Council amended the PSA to extend the term of the agreement so that the project could be resumed when resources and staff time were available.

Staff has recently reengaged the consultant and the IT Assessment and Strategic Plan are anticipated to be completed in fall 2022. The initial assessment identified needs related to permitting software which were underscored by the operational challenges

brought on by the pandemic. In an effort to move forward and address these critical needs, the City is pursuing the procurement of permitting software in parallel with the completion of the comprehensive IT Assessment and Strategic Plan. SDI has experience assisting other municipalities with software procurement and has submitted a proposal for this work. Staff recommends that the Council approve Amendment No. 2 to the City's contract with SDI Presence LLC to assist the City with the permitting software procurement process. This work includes but is not limited to assessing the City's software requirements, developing the request for proposals, evaluating proposals and developing the final agreement.

ATTACHMENTS: Amendment No. 2 to the Professional Services Agreement with SDI Presence LLC

AMENDMENT NO. 2 TO AGREEMENT

THIS AMENDMENT NO. 2 TO AGREEMENT is made and entered in the City of Malibu on May 9, 2022, by and between the CITY OF MALIBU, hereinafter referred to as City, and SDI Presence LLC, hereinafter referred to as Consultant.

The City and the Consultant agree as follows:

RECITALS

- A. On August 27, 2018, the City entered into an Agreement with Consultant for consulting services for certain projects relating information technology administrative services (the "Agreement").
- B. On November 23, 2020, the City entered into Amendment No. 1 with Consultant to extend the term to December 1, 2022.
- C. The City desires to amend the Agreement to increase the scope, extend the term and increase the budget, and Consultant has submitted a proposal for this purpose that is acceptable to the City.

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

- 1. Section 1.0 – Scope of the Consultant's Services, of the Agreement, is hereby amended as set forth in Exhibit C attached hereto.
- 2. Section 2.0 – Term of Agreement, of the Agreement, is hereby extended to April 1, 2023.
- 3. Section 4.0 – Compensation for Services, of the Agreement, is hereby amended as set forth in Exhibit D attached hereto. The cost of work described in Exhibit A to the Agreement shall not exceed \$76,875 and the cost of work described in Exhibit C to Amendment No. 1 shall not exceed \$76,875 for a total not to exceed amount of \$153,750.
- 4. Section 6.21 is added to read as follows:

6.21 Federal Requirements Coronavirus State and Local Fiscal Recovery Funds ("SLFRF") will be used to fund all or a portion of this Agreement. The Consultant shall comply with all federal requirements including, but not limited to, the following:

(a) Sections 602 and 603 of the Social Security Act as added by Section 9901 of the American Rescue Plan Act of 2021, U.S. Department of the Treasury Coronavirus State and Local Fiscal Recovery Fund Award Terms and Conditions, Treasury's Final Rule, and SLFRF reporting requirements, as applicable (collectively, the "SLFRF Compliance Requirements"). The SLFRF Compliance Requirements are expressly incorporated herein by reference.

(b) 2 C.F.R. Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which is expressly incorporated herein by reference.

(c) Federal Contract Provisions attached hereto as Exhibit E and incorporated herein by reference.

Subcontracts, if any, shall contain a provision making them subject to all of the provisions stipulated in the Agreement, including but not limited to, SLFRF Compliance Requirements, 2 C.F.R. Part 200, and the Federal Contract Provisions. With respect to any conflict between such federal requirements and the terms herein and/or the provisions of state law and except as otherwise required under federal law or regulation, the more stringent requirement shall control.

5. The Parties agree that this Amendment will be considered signed when the signature of a party is delivered physically or by facsimile transmission or scanned and delivered via electronic mail. Such facsimile or electronic mail copies will be treated in all respects as having the same effect as an original signature.
6. All terms and conditions of the Agreement not amended by this Amendment No. 1 remain in full force and effect.

This Agreement is executed on _____, at Malibu, California, and effective as of May 9, 2022.

CITY OF MALIBU:

PAUL GRISANTI, Mayor

ATTEST:

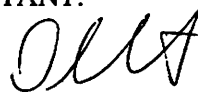
KELSEY PETTIJOHN, City Clerk
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED
BY THE CITY ATTORNEY'S OFFICE

JOHN COTTI, Interim City Attorney

CONSULTANT:



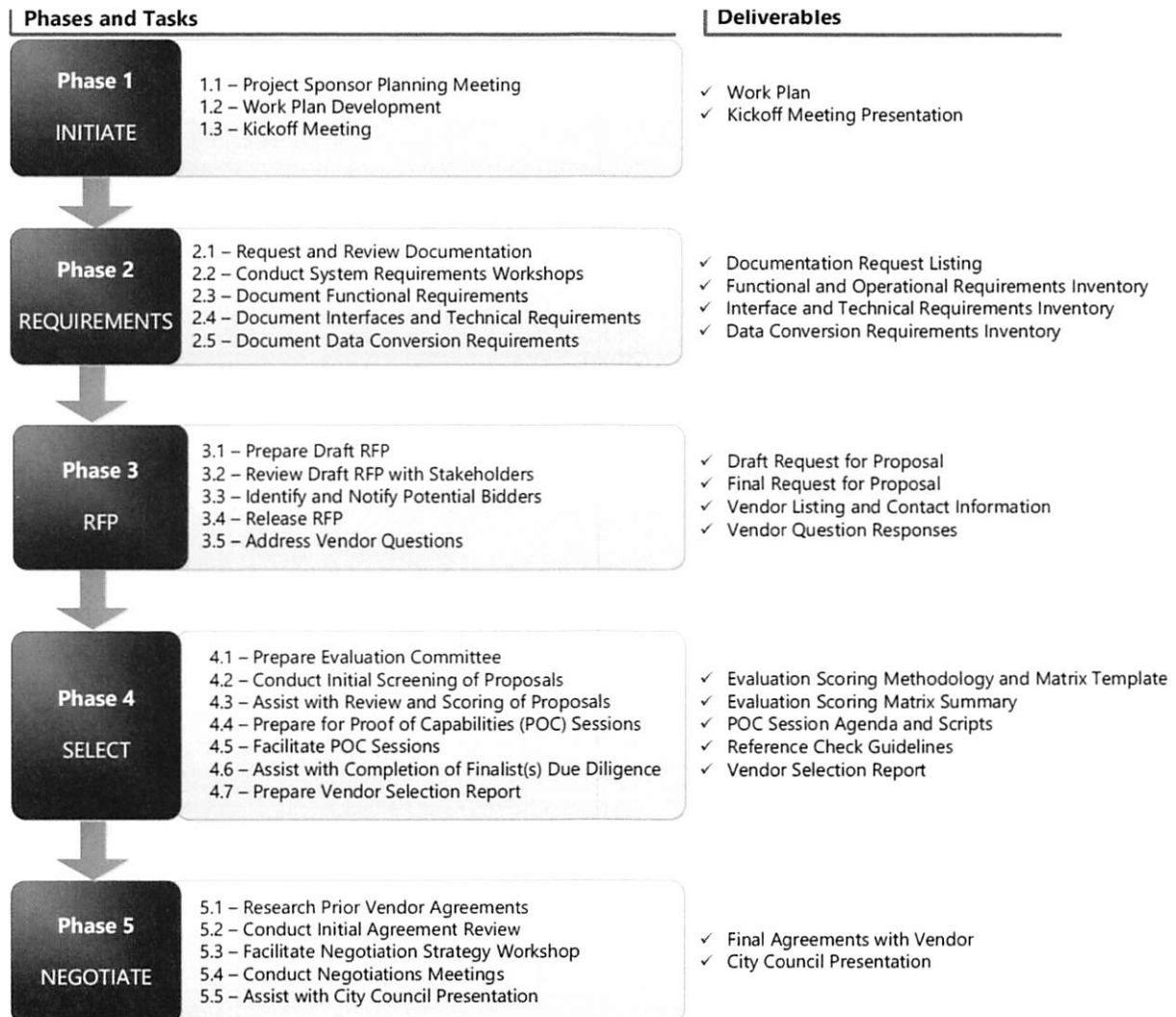
By: David Gupta
Title: Chief Executive Officer

Professional Services Agreement with SDI Presence LLC
Amendment No. 2

Information Technology Administrative Services
EXHIBIT C

Scope of Services

The consultant shall provide the scope of services detailed herein in addition to the scope of services detailed in Exhibit A.



Phase 1 – Project Initiation

The purpose of the Project Initiation Phase is to prepare for, and initiate, the project under a well-defined work plan. This phase includes confirming our understanding, as well as the understanding of the

stakeholders, regarding the scope of work and the process for accomplishing the overall objectives of the project. SDI recognizes the need to apply project management processes and standards to our projects that include the following:

- ◆ Confirm understanding of project goals and objectives at all levels of the City
- ◆ Identify potential risks, and working with the City, develop realistic risk mitigation strategies
- ◆ Communicate expectations to participants and stakeholders to ensure expectations are proactively managed
- ◆ Complete activities in a way that minimizes disruption to daily City operations

The following table identifies each activity and associated deliverables.

Phase 1 – Activities and Deliverables

| Phases and Tasks | | Deliverables |
|---|---|--|
| <div>Phase 1</div> <div>INITIATE</div> | <div>1.1 – Project Sponsor Planning Meeting</div> <div>1.2 – Work Plan Development</div> <div>1.3 – Kickoff Meeting</div> | <div>✓ Work Plan</div> <div>✓ Kickoff Meeting Presentation</div> |
| 1.1 Project Sponsor Planning Meeting | | |
| <p>TASK DESCRIPTION: SDI will meet with the City’s Project Sponsor and other key staff to complete a detailed review of the scope of work, project timeline, deliverables, project status methods, project participants (i.e. sponsor, subject matter experts, technical resources, etc.), and other items to ensure a well-planned project. During this meeting, SDI will discuss the tools and templates that will be leveraged.</p> | | |
| 1.2 Work Plan Development | | |
| <p>TASK DESCRIPTION: SDI will publish a Work Plan that identifies the project approach, methods, tasks, activities, resources, schedule, deliverables, and major milestones.</p> <p>DELIVERABLE: Work Plan</p> | | |
| 1.3 Kickoff Meeting | | |
| <p>TASK DESCRIPTION: Since the project will have a Citywide impact, it is important to proactively communicate with all impacted staff to ensure a clear understanding of project goals and objectives, roles and responsibilities, approach, tasks, and timeline. The Kickoff Meeting also provides the opportunity to introduce the SDI team to City staff and should involve senior level management and project sponsors to provide introduction of this Citywide endeavor. It is important that all City staff that will be involved in the project, regardless of their role, participates in a project kickoff.</p> <p>DELIVERABLE: Kickoff Meeting Presentation</p> | | |

Phase 2 – Assessment and Requirements Development

During this phase, SDI will perform a thorough assessment of the current environment capabilities, functions, and interfaces. All current features and functions will be documented, listed, and evaluated to determine if they are still required.

The current environment assessment will help us determine the system features and functions that must be replaced. The capabilities of the current system that are still required provide a starting point for requirements and specifications of the replacement system. Complete documentation of current environment and systems will also facilitate planning for an automated conversion of data to the replacement system.

Once the current environment is fully understood and documented, it is important to identify opportunities for improving processes, eliminating unnecessary procedures, increasing information sharing, and automating workflow. As part of this phase, SDI will review readily available information and document any features not included in the current system that should be considered for a future system. This is the time for SDI to analyze existing processes to identify opportunities for improving the integration of data, avoiding potential redundancies, minimizing time-consuming steps, minimizing the potential for introduction of errors, and to generally improve the overall effectiveness of operations.

This process should focus on functional visions, objectives, and goals, rather than a specific technology or system. The following list contains considerations that need to be evaluated when procuring an enterprise system to ensure that in the future state, work is performed more efficiently and effectively:

- ◆ Maximizing resources by providing staff timely and easy access to information
- ◆ Doing work once and on time
- ◆ Collecting and recording each piece of information only once
- ◆ Sharing information online to allow for immediate and concurrent delivery of multiple services
- ◆ Eliminating the need for paper and forms-based work queues
- ◆ Integrating policy into the automated processes and procedures
- ◆ Simplifying processes to eliminate the need for task compartmentalization, excessive specialization, and multiple hand-offs
- ◆ Completing services in an integrated manner to the extent possible
- ◆ Taking maximum advantage of enabling technologies including mobility technology
- ◆ Using the system to perform and control routine work actions
- ◆ Applying common sense in matching processes, approaches, and technology

The following table identifies the activities and deliverables to be completed as part of this phase.

Phase 2 – Activities and Deliverables

| Phases and Tasks | Deliverables |
|---|--|
| <div style="background-color: #333; color: white; padding: 5px; display: inline-block; text-align: center;"> Phase 2 REQUIREMENTS </div> <div style="margin-left: 10px;"> 2.1 – Request and Review Documentation 2.2 – Conduct System Requirements Workshops 2.3 – Document Functional Requirements 2.4 – Document Interfaces and Technical Requirements 2.5 – Document Data Conversion Requirements </div> | <ul style="list-style-type: none"> ✓ Documentation Request Listing ✓ Functional and Operational Requirements Inventory ✓ Interface and Technical Requirements Inventory ✓ Data Conversion Requirements Inventory |
| 2.1 Request and Review Documentation | |
| <p>TASK DESCRIPTION: SDI understands that City staff has limited time to dedicate to this project. Consequently, we will make all efforts to be as prepared as possible before asking for staff time. To accomplish this, SDI will request documentation to familiarize ourselves with the current environment, processes, procedures, policies, transaction levels, organizational responsibilities, reports, technical documentation, etc. It is not SDI's intent to create work for the staff with this task - if requested documentation doesn't exist, then it should not be created at this time.</p> <p>DELIVERABLE: Documentation Request Listing</p> | |

2.2 Conduct System Requirements Workshops

TASK DESCRIPTION: SDI will conduct interviews (workshops) with the City's functional subject matter experts in all City departments to gain an understanding of how user departments utilize the current LMS system. For the Community Development Department interviews, the workshops will occur at a functional (divisional) level. For other City departments, a single workshop per department will likely provide the information necessary to complete an analysis of potential LMS functionality applicable to those department functions. Based on existing LMS functionality, SDI will be interested in exploring other potential areas of interest including electronic plan review and the use of mobile applications for inspection field work.

In some cases, SDI may follow up the workshops requesting that staff demonstrate work practices. The interviews will document current processes, practices, policies, and procedures related to the City's use of the LMS system. The workshops will also explore unmet needs and focus on identifying new features and functions that can improve the existing operations.

SDI's approach to conducting the requirements workshops involves more than just gathering information from the City's subject matter experts. It includes educating and/or collaborating with staff on best practices and how evolving technology capabilities (i.e. workflow, reporting, integration, dashboards, document management, etc.) can be applied to the future environment.

2.3 Document Functional Requirements

TASK DESCRIPTION: SDI will utilize the City's existing list of functional requirements, along with information gathered during Task 2.2 above, to document the City's current business processes and existing and desired functional requirements so that potential vendors have a full understanding of the City's requirements.

DELIVERABLES: Functional Requirements Inventory

2.4 Document Interfaces and Technical Requirements

TASK DESCRIPTION: SDI will identify potential required or desired interfaces or integration opportunities between the LMS system and other data repositories. This helps ensure that an integration point or interface is not missed. As part of this task, SDI will work with City staff to identify any interface standards that should be included in the RFP (i.e. City preferred interface methods).

DELIVERABLES: Interface and Technical Requirements Inventory

2.5 Document Data Conversion Requirements

TASK DESCRIPTION: SDI will document the City's desired data conversion and migration requirements so that potential vendors can include the costs and approach for completing the conversion in their proposals. SDI will meet with the City's technical and business subject matter experts to identify and document data migration and conversion requirements. SDI will provide consultation regarding the pros and cons of the possible approaches/strategies and provide recommendations.

DELIVERABLE: Data Conversion Requirements Inventory

Phase 3 – RFP Development, Release and Administration

In this phase, SDI will develop a comprehensive RFP that adequately presents the LMS business and systems requirements, along with documenting the City's procurement requirements. While SDI will bring the City proven RFP templates and methods, we will also develop the RFP in accordance with the City's purchasing guidelines and requirements. The tasks in this phase will consolidate all relevant information gathered in the prior phases to create an RFP that clearly defines the requirements and objectives of the City. The quality and accuracy of vendor responses are significantly improved through the use of a well-

organized, accurate, and clear RFP. A strong RFP is critical, as it provides the foundation for evaluating vendors, and ultimately provides the basis for a solid agreement between the City and the successful vendor. The following table provides a detailed discussion of what each task will entail.

Phase 3 – Activities and Deliverables

| Phases and Tasks | Deliverables |
|---|---|
| <div data-bbox="228 470 415 625"> Phase 3 RFP </div> <div data-bbox="428 485 795 604"> 3.1 – Prepare Draft RFP 3.2 – Review Draft RFP with Stakeholders 3.3 – Identify and Notify Potential Bidders 3.4 – Release RFP 3.5 – Address Vendor Questions </div> | <ul style="list-style-type: none"> ✓ Draft Request for Proposal ✓ Final Request for Proposal ✓ Vendor Listing and Contact Information ✓ Vendor Question Responses |
| 3.1 Prepare Draft RFP | |
| <p>TASK DESCRIPTION: SDI will prepare a draft RFP for review by the project stakeholders and other key staff. In addition, if necessary, SDI will meet with the City’s purchasing and/or legal resources to verify RFP terms and conditions.</p> <p>At a minimum, an RFP should include the following components: purpose and objectives, background, evaluation criteria and selection process, timeline, submission requirements (including forms and templates), RFP terms and conditions, current environment descriptions, business and operations metrics (i.e. number of employees, users, vendors, purchase orders, etc.), functional requirements, technical requirements and standards, and pricing proposal submission requirements.</p> <p>At the conclusion of this task, SDI will provide the City with a draft RFP for review and discussion.</p> <p>DELIVERABLE: Draft Request For Proposal</p> | |
| 3.2 Review Draft RFP with Stakeholders | |
| <p>TASK DESCRIPTION: SDI recommends that the draft RFP be distributed to the project stakeholders and subject matter experts for careful review. After staff has had an opportunity to review the RFP, SDI will meet with the City to address any changes, questions, or concerns. The workshop will provide an interactive forum to discuss the RFP content and to ensure a common understanding of the RFP content and upcoming procurement processes.</p> <p>DELIVERABLE: Final Request For Proposal</p> | |
| 3.3 Identify and Notify Potential Vendors | |
| <p>TASK DESCRIPTION: While online vendor portal sites provide a valuable channel for making an RFP publicly available, SDI believes it is in the City’s best interest to alert qualified vendors of the upcoming RFP release. SDI will compile a comprehensive list of public sector LMS solution vendors. SDI will review the listing with the City and assist the City in creating a notification message that can be distributed via email. Timely notification of the City’s intent to release an RFP will help ensure the City attracts quality solution vendors and allow the vendors to be better prepared to provide a timely response.</p> <p>DELIVERABLE: Vendor Listing and Contact Information</p> | |
| 3.4 Release RFP | |
| <p>TASK DESCRIPTION: SDI will assist the City in preparing for and releasing the RFP. As part of this task, SDI will create a tracking log of who has received the RFP.</p> | |

3.5 Address Vendor Questions

TASK DESCRIPTION: Release of a clear and well-structured RFP will dramatically reduce the number of vendor questions. However, due to the complex nature of enterprise procurements, the City should anticipate that vendors will submit questions that must be addressed to ensure quality proposals are received. In this task, SDI will coordinate and assist the City in responding to vendor questions.

DELIVERABLE: Vendor Question Responses

Phase 4 – Proposal Evaluation and Selection

The primary purpose of this phase is to ensure that the vendor selected is in the best interest of the City. This requires careful and detailed review of information provided in response to the RFP, as well as independent research, validation and verification. In Table 5 – Phase 4 Activities and Deliverables, we identify the activities and deliverables to be completed as part of this phase.

Phase 4 – Activities and Deliverables

| Phases and Tasks | | Deliverables |
|--|--|--|
| Phase 4 SELECT | <ul style="list-style-type: none">4.1 – Prepare Evaluation Committee4.2 – Conduct Initial Screening of Proposals4.3 – Assist with Review and Scoring of Proposals4.4 – Prepare for Proof of Capabilities (POC) Sessions4.5 – Facilitate POC Sessions4.6 – Assist with Completion of Finalist(s) Due Diligence4.7 – Prepare Vendor Selection Report | <ul style="list-style-type: none">✓ Evaluation Scoring Methodology and Matrix Template✓ Evaluation Scoring Matrix Summary✓ POC Session Agenda and Scripts✓ Reference Check Guidelines✓ Vendor Selection Report |
| 4.1 Prepare Evaluation Committee | | |
| TASK DESCRIPTION: SDI will work with the City to identify the evaluation team and prepare an evaluator's packet that includes a clear description of the steps to be taken and direction of the evaluation methodology. The packet will also include a scoring template to assist the evaluators in tabulating their results. | | |
| DELIVERABLE: Evaluation Scoring Methodology and Matrix Template | | |
| 4.2 Conduct Initial Screening of Proposals | | |
| TASK DESCRIPTION: SDI will conduct an initial screening of proposals to determine which vendors and proposals meet the mandatory RFP requirements and minimum qualifications. SDI will present the results of our screening evaluation to the City. The City can use this information as a guide to determine which proposals require a detailed review. | | |
| 4.3 Assist with Review and Scoring of Proposals | | |
| TASK DESCRIPTION: SDI will assist the evaluation team with their review and rating of the proposals according to the evaluation criteria. In addition, SDI will review proposals to identify issues, concerns, questions, or clarifications that should be addressed, will provide this information to the evaluation team, and be available to the evaluators for consultation. SDI will assist the City in arriving at a preliminary evaluation scoring matrix that identifies a short list of preferred vendors. | | |
| DELIVERABLE: Evaluation Scoring Matrix Summary | | |

4.4 Prepare for Proof of Capabilities (POC) Sessions

TASK DESCRIPTION: Conducting proof of capabilities (POC) sessions with short listed vendors is a key component of the selection process. This provides the vendors with the opportunity to fully demonstrate their solutions using City provided demonstration scenarios and scripts. As part of this task, SDI will develop the POC meeting agenda, scenarios, and scripts for the City review. In addition, SDI can facilitate interaction between the City and the vendors to help ensure the vendor is adequately prepared to complete the POC. The POC provides valuable input into contract negotiations and helps clarify risk areas for special consideration.

DELIVERABLE: POC Session Agenda and Scripts

4.5 Facilitate POC Sessions

TASK DESCRIPTION: SDI will facilitate the POC sessions to keep vendors on schedule and ensure all POC scripts are completed. At the conclusion of each vendor POC session, SDI will facilitate a debrief meeting with the evaluators to capture feedback and update the evaluation scoring matrix accordingly. This information will be used in the final selection report.

4.6 Assist with Completion of Finalist(s) Due Diligence

TASK DESCRIPTION: SDI will assist the City in planning for and completing reference checks and site visits. While SDI is available to conduct the reference checks, it has been our experience that these are best performed by City staff because of the information exchange and opportunity to further network.

Deliverable: Reference Check Guidelines

4.7 Prepare Vendor Selection Report

TASK DESCRIPTION: SDI will prepare a Vendor Selection Report that outlines the process followed and the results of the vendor evaluation process.

DELIVERABLE: Vendor Selection Report

Phase 5 – Contract Negotiations

Key terms, conditions, scope, and pricing terms must be fully resolved before concluding a final agreement. The purpose of Phase 5 is to formalize and implement a negotiation strategy to ensure the City obtains a favorable contract and all outstanding issues are resolved.

SDI brings significant experience in contract negotiations that will help ensure an agreement that fully protects the City while supporting a successful implementation. The table beginning on the following page provides a detailed discussion of what each task will entail.

Phase 5 – Activities and Deliverables

| Phases and Tasks | Deliverables |
|--|--|
| <div data-bbox="215 317 414 485"> Phase 5 NEGOTIATE </div> <div data-bbox="430 331 876 468"> 5.1 – Research Prior Vendor Agreements 5.2 – Conduct Initial Agreement Review 5.3 – Facilitate Negotiation Strategy Workshop 5.4 – Conduct Negotiations Meetings 5.5 – Assist with City Council Presentation </div> | <div data-bbox="1011 373 1333 426"> ✓ Final Agreements with Vendor ✓ City Council Presentation </div> |
| 5.1 Research Prior Vendor Agreements | |
| TASK DESCRIPTION: It is highly likely that the City will select a vendor that has recently implemented their solution with other public agencies. This task focuses on identifying ratified agreements with agencies that are of a similar size and complexity, as these can provide a valuable source of information to help a City prepare for negotiations. SDI will seek out and review available agreements. The review will include evaluating terms and conditions, pricing, payment terms, milestones, and more. The information gathered will be compared to that which was submitted with the RFP with the goal of identifying any gaps or more favorable terms and conditions. | |
| 5.2 Conduct Initial Agreement Review | |
| TASK DESCRIPTION: SDI will perform a review and provide feedback of the proposed agreements. Based on our experience, the City should expect multiple agreements (i.e. software licensing, maintenance and support, professional services, 3 rd party software, etc.). SDI will provide the City with guidance and assistance on the review to help prepare for subsequent negotiations. | |
| 5.3 Facilitate Negotiation Strategy Workshop | |
| TASK DESCRIPTION: SDI will facilitate a workshop with key City staff to develop a negotiation strategy. The workshop will focus on outstanding issues and questions, as well as areas of high risk that need to be addressed. A well-planned negotiation strategy reduces the negotiation timeline, reduces frustration among the parties, ensures the City presents a unified front, and reduces the risk that items will be overlooked. | |
| 5.4 Conduct Negotiation Meetings | |
| TASK DESCRIPTION: SDI will assist the City in preparing for negotiation meetings and will attend to support the City staff. If the City desires, SDI is available to facilitate the negotiation meetings. SDI will take the lead in recording the minutes from the meetings to capture outstanding items, next steps, and critical dates. | |
| DELIVERABLE: Final Agreements with Vendor | |
| 5.5 Assist with City Council Presentation | |
| TASK DESCRIPTION: SDI will be available to attend or participate in the City's presentation of the vendor agreements to City Council for approval. | |
| DELIVERABLE: City Council Presentation | |

Schedule

Project Timeline

SDI has developed the following project timeline for the procurement portion of the project based on our experience with similar engagements:

Table 9 – Proposed Project Timeline for New System Procurement

| Phase | Proposed Timeline (in weeks) |
|---|------------------------------|
| Phase 1 – Project Initiation | Week 1 -2 |
| Phase 2 – Assessment and Requirements Development | Weeks 3 – 7 |
| Phase 3 – RFP Development, Release and Administration | Weeks 8 – 11 |
| RFP Issuance (RFP Out for Vendor Responses for 30 – 45 Days) | |
| Phase 4 – Proposal Evaluation and Selection | Weeks 12 – 22 |
| Phase 5 – Contract Negotiations | Weeks 23 – 26 |

**Professional Services Agreement with SDI Presence LLC
Amendment No. 2**

**Information Technology Administrative Services
EXHIBIT D**

Compensation Schedule

SDI anticipates that the procurement activities detailed in Exhibit C will not exceed 421 hours to complete at a billing rate of \$175 per hour. SDI shall only bill for hours spent on activities in Exhibit A and Exhibit C. All invoices shall clearly identify the Exhibit, Project Phase and describe the work performed during the hours billed.

The SDI consultant team will incur travel costs for onsite project activities. The Consultant shall be compensated for travel expenses. Expenses are defined as actual, out of pocket expenses such as lodging and meals. All travel expenses must be pre-approved by the City. The not-to-exceed travel budget is \$3,200.

| Phase | Hours | Cost |
|---|-------|----------|
| Phase 1 - Project Initiation | 15 | \$2,625 |
| Phase 2 – Needs Assessment and Requirements Development | 154 | \$26,950 |
| Phase 3 - RFP Development, Release and Administration | 37 | \$6,475 |
| Phase 4 - Proposal Evaluation and Selection | 177 | \$30,975 |
| Phase 5 - Contract Negotiations | 38 | \$6,650 |
| Sub-Total Consultant Hours | 421 | \$73,675 |
| Not-to-Exceed Travel Estimate | | \$3,200 |
| Total Estimated Project Cost | | \$76,875 |

EXHIBIT E

FEDERAL CONTRACT PROVISIONS

During the performance of this Agreement, the Consultant shall comply with all applicable federal laws and regulations including, but not limited to, the federal contract provisions in this Exhibit.

1. REQUIRED CONTRACT PROVISIONS IN ACCORDANCE WITH APPENDIX II TO PART 200 – CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.327)

(a) Appendix II to Part 200 (A); Appendix II to Part 200 (B): Remedies for Breach; Termination for Cause/Convenience. The Agreement includes remedies for breach and termination for cause and convenience.

(b) Appendix II to Part 200 (C) – Equal Employment Opportunity: Except as otherwise provided under 41 C.F.R. Part 60, if this Agreement meets the definition of a “federally assisted construction contract” in 41 C.F.R. § 60-1.3, then Consultant shall comply with the following equal opportunity clause, in accordance with Executive Order 11246 of September 24, 1965 entitled “Equal Employment Opportunity,” as amended by Executive Order 11375 of October 13, 1967 and implementation regulations at 41 C.F.R. Chapter 60:

(i) The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(ii) The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(iii) The Consultant will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Consultant's legal duty to furnish information.

(iv) The Consultant will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice

to be provided advising the said labor union or workers' representatives of the Consultant's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(v) The Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(vi) The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(vii) In the event of the Consultant's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(viii) The Consultant will include the portion of the sentence immediately preceding paragraph (i) and the provisions of paragraphs (i) through (vii) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subconsultant or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: *Provided*, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the Agreement.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred

from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

(c) Appendix II to Part 200 (D) – Davis-Bacon Act: Not applicable to this Agreement since it is funded by SLFRF.

(d) Appendix II to Part 200 (D) – Copeland “Anti-Kickback” Act: Not applicable to this Agreement since it is funded by SLFRF.

(e) Appendix II to Part 200 (E) – Contract Work Hours and Safety Standards Act:

(i) If this Agreement is in excess of \$100,000 and involves the employment of mechanics or laborers, Consultant shall comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Under 40 U.S.C. 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(ii) Overtime Requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(iii) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (ii) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (ii) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (ii) of this section.

(iv) Withholding for unpaid wages and liquidated damages. The City shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Consultant or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (iii) of this section.

(v) Subcontracts. The Consultant or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (ii) through (v) of this Section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The Consultant shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (ii) through (v) of this Section.

(f) Appendix II to Part 200 (F) – Rights to Inventions Made Under a Contract or Agreement:

(i) If the Federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by the Federal awarding agency.

(ii) The regulation at 37 C.F.R. § 401.2(a) currently defines “funding agreement” as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.

(g) Appendix II to Part 200 (G) – Clean Air Act and Federal Water Pollution Control Act: If this Agreement is in excess of \$150,000, Consultant shall comply with all applicable standards, orders, or requirements issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387).

(i) Pursuant to the Clean Air Act, (1) Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., (2) Consultant agrees to report each violation to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Federal awarding agency and the appropriate Environmental Protection Agency Regional Office, and (3) Consultant agrees to include these requirements in each subcontract exceeding \$150,000.

(ii) Pursuant to the Federal Water Pollution Control Act, (1) Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq., (2) Consultant agrees to report

each violation to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Federal awarding agency and the appropriate Environmental Protection Agency Regional Office, and (3) Consultant agrees to include these requirements in each subcontract exceeding \$150,000.

(h) Appendix II to Part 200 (H) – Debarment and Suspension: A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 C.F.R. part 1986 Comp., p. 189) and 12689 (3 C.F.R. part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(i) This Agreement is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such Consultant is required to verify that none of the Consultant, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(ii) Consultant must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

(iii) This certification is a material representation of fact relied upon by City. If it is later determined that Consultant did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the City, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

(iv) Consultant warrants that it is not debarred, suspended, or otherwise excluded from or ineligible for participation in any federal programs. Consultant also agrees to verify that all subcontractors performing work under this Agreement are not debarred, disqualified, or otherwise prohibited from participation in accordance with the requirements above. Consultant further agrees to notify the City in writing immediately if Consultant or its subcontractors are not in compliance during the term of this Agreement.

(i) Appendix II to Part 200 (I) – Byrd Anti-Lobbying Act: If this Agreement is in excess of \$100,000, Consultant shall have submitted and filed the required certification pursuant to the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1353). If at any time during the Agreement term funding exceeds \$100,000.00, Consultant shall file with the City the Federal Standard Form LLL titled "Disclosure Form to Report Lobbying." Consultants that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

(i) Appendix II to Part 200 (J) – §200.323 Procurement of Recovered Materials:

(i) Consultant shall comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement.

(ii) In the performance of this Agreement, the Consultant shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired: Competitively within a timeframe providing for compliance with the contract performance schedule; Meeting contract performance requirements; or at a reasonable price.

(iii) Information about this requirement, along with the list of EPA-designate items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

(iv) The Consultant also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act."

(k) Appendix II to Part 200 (K) – §200.216 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment:

(i) Consultant shall not contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system funded under this Agreement. As described in Public Law 115–232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(1) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(2) Telecommunications or video surveillance services provided by such entities or using such equipment.

(3) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

(ii) See Public Law 115-232, section 889 for additional information.

(l) Appendix II to Part 200 (L) – §200.322 Domestic Preferences for Procurement:

(i) Consultant shall, to the greatest extent practicable, purchase, acquire, or use goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subcontracts

(ii) For purposes of this section:

(1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) "Manufactured products" means items and construction materials composed in whole or in part of nonferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

2. CONTRACTING WITH SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISE AND LABOR SURPLUS AREA FIRMS (2 C.F.R. § 200.321)

(a) Consultant shall be subject to 2 C.F.R. § 200.321 and will take affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible and will not be discriminated against on the grounds of race, color, religious creed, sex, or national origin in consideration for an award.

(b) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and

(v) Using the services/assistance of the Small Business Administration (SBA), and the Minority Business Development Agency (MBDA) of the Department of Commerce.

Consultant shall submit evidence of compliance with the foregoing affirmative steps when requested by the City.