

**AMENDMENT NO. 1 TO CONTRACT NO. S21180224
BETWEEN THE CITY OF PALO ALTO AND MATRIX CONSULTING GROUP**

This Amendment No. 1 (this “Amendment”) to Contract No. S21180224 (the “Contract” as defined below) is entered into as of December 20, 2023 by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and MATRIX CONSULTING GROUP, a California Corporation located at 1650 S. Amphlett Boulevard, Suite 213, San Mateo, CA 94402 (“CONSULTANT”). CITY and CONSULTANT are referred to collectively as the “Parties” in this Amendment.

RECITALS

A. The Contract (as defined below) was entered into by and between the Parties hereto for the provision of conducting a comprehensive review of the department’s existing fees, as detailed therein.

B. The Parties now wish to amend the Contract S21180224 in order to extend the term by thirty (30) months, changing the expiration from December 31, 2023, to June 30, 2026 and to increase compensation by Fifty Six Thousand Five Hundred Dollars (\$56,500) from Eight One Thousand Five Hundred Dollars (\$81,500) to a new total not to exceed compensation of One Hundred Thirty Eight Thousand Dollars (\$138,000).

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

SECTION 1. Definitions. The following definitions shall apply to this Amendment:

Contract. The term “Contract” shall mean Contract No. S21180224 between CONSULTANT and CITY, dated February 15, 2021.

a. **Other Terms.** Capitalized terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Contract.

SECTION 2. Section 2. TERM of the Contract is hereby amended to read as follows:

The term of this Agreement shall be from the date of its full execution through June 30, 2026, unless terminated earlier pursuant to Section 19 (Termination) of this Agreement.

SECTION 3. Section 3. NOT TO EXCEED COMPENSATION of the Contract is hereby amended to read as follows:

The compensation to be paid to CONSULTANT for performance of the Services shall be based on the compensation structure detailed in Exhibit C, entitled “COMPENSATION,” including any reimbursable expenses specified therein, and the maximum total compensation shall not exceed **One Hundred Twenty-One Thousand Seven Hundred Dollars (\$121,700)**. The hourly schedule of

Vers.: Aug. 5, 2019

rates, if applicable, is set out in Exhibit C-1, entitled "SCHEDULE OF RATES." Any work performed or expenses incurred for which payment would result in a total exceeding the maximum compensation set forth in this Section 4 shall be at no cost to the CITY.

☒ Optional Additional Services Provision (This provision applies only if checked and a not-to-exceed compensation amount for Additional Services is allocated below under this Section 3.)

In addition to the not-to-exceed compensation specified above, CITY has set aside the not-to-exceed compensation amount of **Sixteen Thousand Three Hundred Dollars (\$16,300)** for the performance of Additional Services (as defined below). The total compensation for performance of the Services, Additional Services and any reimbursable expenses specified in Exhibit C, shall not exceed **One Thirty-Eight Thousand Dollars (\$138,000)**, as detailed in Exhibit C.

"Additional Services" means any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described at Exhibit A of the original contract. CITY may elect to, but is not required to, authorize Additional Services up to the maximum amount of compensation set forth for Additional Services in this Section 3. CONSULTANT shall provide Additional Services only by advanced, written authorization from CITY.

SECTION 4. The following exhibit(s) to the Contract is/are hereby amended, as indicated below, to read as set forth in the attachment(s) to this Amendment, which is/are hereby incorporated in full into this Amendment and into the Contract by this reference:

- a. Exhibit "B" entitled "SCHEDULE OF PERFORMANCE", AMENDED, REPLACES PREVIOUS.
- b. Exhibit "C" entitled "COMPENSATION", AMENDED, REPLACES PREVIOUS.
- c. Exhibit "C-1" entitled "SCHEDULE OF RATE", ADDED, AMENDED, REPLACES PREVIOUS.

SECTION 5. Legal Effect. Except as modified by this Amendment, all other provisions of the Contract, including any exhibits thereto, shall remain in full force and effect.

SECTION 6. Incorporation of Recitals. The recitals set forth above are terms of this Amendment and are fully incorporated herein by this reference.

(SIGNATURE BLOCK FOLLOWS ON THE NEXT PAGE.)

SIGNATURES OF THE PARTIES

IN WITNESS WHEREOF, the Parties have by their duly authorized representatives executed this Amendment effective as of the date first above written.

CITY OF PALO ALTO

City Manager

APPROVED AS TO FORM:

City Attorney or designee

MATRIX CONSULTING GROUP

Officer 1

By:

Name: Richard Brady

Title: President

rbrady@matrixcg.net

Officer 2

By:

Name: Courtney Ramos

Title: Vice President

cramos@matrixcg.net

Attachments:

- EXHIBIT B – AMENDMENT NO. 1, (AMENDED, REPLACES PREVIOUS)
- EXHIBIT C – AMENDMENT NO. 1 (AMENDED, REPLACES PREVIOUS)
- EXHIBIT C-1 – AMENDMENT NO. 1 (ADDED, AMENDED, REPLACES PREVIOUS)

EXHIBIT B
SCHEDULE OF PERFORMANCE, AMENDMENT NO. 1
(AMENDED, REPLACES PREVIOUS)

CONSULTANT shall perform the Services so as to complete each milestone by dates specified below. The time to complete each milestone may be increased or decreased by mutual written agreement of the Project Managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement.

Deliverables	Schedule
Task 1: Research & Data Collection	Completed by June 30, 2025
Task 2: Department Collaboration, Presentations, & Training	Completed by June 30, 2025
Task 3: Flat Fees	Completed by June 30, 2025
Task 4: Valuation Based Fees	Completed by June 30, 2025
Task 5: Deposit Based Fees Structure	Completed by June 30, 2025
Task 6: Report and Template Creation	Completed by June 30, 2025
Task 7: Post Implementation Analysis	Completed by June 30, 2026

EXHIBIT C
COMPENSATION, AMENDMENT NO. 1
(AMENDED, REPLACES PREVIOUS)

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation can also be calculated based on the hourly rate schedule attached as exhibit C-1 up to the not to exceed budget amount for each task set forth below.

CONSULTANT shall perform the tasks and categories of work as outlined and budgeted below. The CITY's Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below provided the total compensation for Basic Services, including reimbursable expenses, and the total compensation for Additional Services do not exceed the amounts set forth in Section 4 of this Agreement.

The compensation to be paid to CONSULTANT under this Agreement for all services, additional services, and reimbursable expenses shall not exceed the amount(s) stated in Section 3 of this Agreement. CONSULTANT agrees to complete all Services and Additional Services, including reimbursable expenses, within this/these amount(s). Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth in this Agreement shall be at no cost to the CITY.

BUDGET SCHEDULE:

	Project	Project	Data	Total
	Executive	Manager	Analyst	Cost
USER FEE STUDY				
Task 1: Research & Data Collection				
Research	0	2	2	\$500
Comparative Survey	2	0	20	\$2,350
Use of City Software	2	2	0	\$650
Deferred Revenue Procedures Review	4	8	8	\$2,700
Amendment No. 1				
Comparative Survey		2	16	\$2,800
Deferred Revenue Procedures Review	2	4	10	\$2,800
<i>Subtotal Task 1</i>	<i>10</i>	<i>20</i>	<i>56</i>	<i>\$11,800</i>
<i>Subtotal Task 1 Additional Services (Contingency)</i>				<i>\$1,550</i>
Task 2: Dept Collaboration, Presentation, Training				
Kickoff Meeting	2	2	2	\$850
Staff Interviews (Data Workshops)	0	12	0	\$1,800
Stakeholder Presentations	2	2	0	\$650
Staff Training	0	4	6	\$1,200
Amendment No. 1				

Kickoff Meeting		2	2	\$700
Staff Interviews (Data Workshops)		8		\$1,600
Stakeholder Presentations	8	12		\$4,400
Staff Training		2	6	\$1,300
<i>Subtotal Task 2</i>	<i>12</i>	<i>44</i>	<i>16</i>	<i>\$12,500</i>
<i>Subtotal Task 2 Additional Services (Contingency)</i>				<i>\$1,125</i>
Task 3: Flat Fees				
Current & Potential Fees	2	8	12	\$2,750
Fully Burdened Hourly Rates	0	10	16	\$3,100
Total Cost Analysis	4	14	26	\$5,400
Legal Review Fees	2	8	2	\$1,750
Recommended Fee Workbook(s)	4	14	20	\$4,800
Departmental Surcharges	4	14	4	\$3,200
Amendment No. 1				
Current & Potential Fees		2	4	\$1,000
Fully Burdened Hourly Rates		8	16	\$4,000
Total Cost Analysis	2	12	20	\$5,900
Recommended Fee Workbook(s)		6	8	\$2,400
Departmental Surcharges	4	12	2	\$3,700
<i>Subtotal Task 3</i>	<i>22</i>	<i>108</i>	<i>130</i>	<i>\$38,000</i>
<i>Subtotal Task 3 Additional Services (Contingency)</i>				<i>\$5,250</i>
Task 4: Valuation-Based Fees	12	38	52	\$13,000
Amendment No. 1	4	16	36	\$9,600
<i>Subtotal Task 4</i>	<i>16</i>	<i>54</i>	<i>88</i>	<i>\$22,600</i>
<i>Subtotal Task 4 Additional Services (Contingency)</i>				<i>\$3,250</i>
Task 5: Deposit-Based Fees				
Total Cost Analysis	2	8	10	\$2,550
Policies	2	4	0	\$950
Amendment No. 1				
Total Cost Analysis		2	4	\$1,000
<i>Subtotal Task 5</i>	<i>4</i>	<i>16</i>	<i>14</i>	<i>\$4,500</i>
<i>Subtotal Task 5 Additional Services (Contingency)</i>				<i>\$875</i>
Task 6: Report & Template Creation				
Prepare Final Report	16	20	16	\$7,400
Recommended Fee Workbook(s)	0	8	10	\$2,200
Master Fee Schedule	0	0	8	\$800
User Fee Model(s)	0	4	10	\$1,600
Amendment No. 1				
Prepare Final Report	8	20	16	\$8,400
Recommended Fee Workbook(s)		2	8	\$1,600
Master Fee Schedule			6	\$900
User Fee Model(s)		4	10	\$2,300

<i>Subtotal Task 6</i>	<i>24</i>	<i>58</i>	<i>84</i>	<i>\$25,200</i>
<i>Subtotal Task 6 Additional Services (Contingency)</i>				<i>\$3,000</i>
Task 7: Post Implementation Analysis	4	14	22	\$5,000
Amendment No. 1				\$2,100
<i>Subtotal Task 7 Additional Services (Contingency)</i>				<i>\$1,250</i>
Sub-total for Services – Original Contract				\$65,200
Sub-total for Services – Amendment No. 1				\$56,500
Reimbursable Expenses (if any)				\$0.00
Total for Services and Reimbursable Expenses				\$121,700
Additional Services (if any, per Section 4)				\$16,300
Maximum Total Compensation				\$138,000

REIMBURSABLE EXPENSES

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance, and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are: **\$0.00**

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense anticipated to be more than \$500.00 shall be approved in advance by the CITY's project manager.

ADDITIONAL SERVICES

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

EXHIBIT C-1
SCHEDULE OF RATES, AMENDMENT NO. 1
(ADDED, AMENDED, REPLACES PREVIOUS)

CONSULTANT's schedule of rates is as follows:

Original Contract Rates:

Position	Rate
Project Executive	\$175.00
Project Manager	\$155.00
Data Analyst	\$100.00

Amendment No. 1 Rates

Position	Rate
Project Executive	\$300.00
Project Manager	\$250.00
Data Analyst	\$150.00

CITY and CONSULTANT may at any time, during the duration of contract, mutually agree to add new position titles, rates, and adjust listed rates so long as the changes do not increase the not to exceed amount as noted in Section 3 of this Amendment No. 1.