

**AMENDMENT NO. 7 TO CONTRACT NO. C16163034A  
BETWEEN THE CITY OF PALO ALTO AND  
CUMMING MANAGEMENT GROUP, INC.**

This Amendment No. 7 (this “Amendment”) to Contract No. C16163034A (the “Contract” as defined below) is entered into as of December 2, 2024, by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and CUMMING MANAGEMENT GROUP, , INC., a California corporation, located at 25220 Hancock Avenue, Suite 440, Marietta, CA 92562 (“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 providing Project and Program Management Services to complete the infrastructure plan for nine major projects approved by City Council in 2014 (“Project”), as detailed therein.

B. The CITY and NOVA Partners, Inc. entered into the Contract (defined below). Pursuant to the Consent to Novation (detailed below) executed between NOVA Partners, Inc., Cumming Management Group, Inc., and CITY, wherein Cumming Management Group, Inc. was transferred the obligations of the CONSULTANT under the Contract and Cumming Management Group, Inc. thereby became the CONSULTANT under the Contract.

C. The Parties entered into Amendment No. 1 to add Construction Management (CM) services for the Fire Station 3 Replacement Project to the scope of services and to increase the compensation by Three Hundred Fifty-Nine Thousand Two Hundred Sixty-Four Dollars (\$359,264) from Four Million Two Hundred Thousand Four Hundred Seventy-One Dollars (\$4,200,471) to Four Million Five Hundred Fifty-Nine Thousand Seven Hundred Thirty-Five Dollars (\$4,559,735), as detailed therein.

D. The Parties entered into Amendment No. 2 to include the Hourly Rate Schedule for years 2018 and 2019, as detailed therein.

E. The Parties entered into Amendment No. 3 to add Construction Management (CM) services for the New California Avenue Area Parking Garage Project to the scope of services and to increase the compensation by One Million Two Hundred Forty-Nine Thousand One Hundred Ninety-Three Dollars (\$1,249,193), from Four Million Five Hundred Fifty-Nine Thousand Seven Hundred Thirty-Five Dollars (\$4,559,735) to a new not-to-exceed amount of Five Million Eight Hundred Eight Thousand Nine Hundred Twenty-Eight Dollars (\$5,808,928), as detailed therein.

F. The Parties entered into Amendment No. 4 to add Construction Management (CM) services for the New Public Safety Building Project to the scope of services and to increase the compensation by Three Million Seventy-One Thousand Nine Hundred Seventy-Eight Dollars (\$3,071,978), from Five Million Eight Hundred Eight Thousand Nine Hundred Twenty-Eight Dollars (\$5,808,928) to a new total not-to-exceed amount of Eight Million Eight Hundred Eighty Thousand Nine Hundred Six Dollars (\$8,880,906), as detailed therein.

G. In accordance with Palo Alto Municipal Code section 2.30.290, the Parties entered into Amendment No. 5 to extend the contract term for six months, through January 31, 2024 at no additional cost to the City, as detailed therein.

*Vers.: Aug. 5, 2019*

H. The Parties entered into Amendment No. 6 to extend the contract term for eighteen months through July 31, 2025 and increase compensation by Seven Hundred Sixty-Six Thousand Nine Hundred Nineteen Dollars (\$766,919) from Eight Million Eight Hundred Eighty Thousand Nine Hundred Six Dollars (\$8,880,906) to a new not-to-exceed amount of Nine Million Six Hundred Forty-Seven Thousand Eight Hundred Twenty-Five Dollars (\$9,647,825) in order to provide continued services to manage the Public Safety Building, as detailed therein.

I. The Parties now wish to amend the Contract to increase compensation by Eight Hundred Twenty-Seven Thousand Four Hundred Eighteen Dollars (\$827,418) from Nine Million Six Hundred Forty-Seven Thousand Eight Hundred Twenty-Five Dollars (9,647,825) to a new not-to-exceed amount of Ten Million Four Hundred Seventy-Five Thousand Two Hundred Forty-Three Dollars (\$10,475,243) in order to provide continued services to manage the Public Safety Building, as detailed herein.

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:

- a. **Contract.** The term "Contract" shall mean Contract No. C16163034A between CONSULTANT and CITY, dated June 13, 2016, as assigned to Cumming Management Group, Inc. pursuant to the Consent to Novation to Contract No. C1616034A between NOVA Partners, Inc., Cumming Management Group, Inc., and CITY, wherein Cumming Management Group, Inc. was transferred the obligations of the CONSULTANT under the Contract and Cumming Management Group, Inc thereby became the CONSULTANT under the Contract, as amended by:

Amendment No.1, dated November 27, 2017  
Amendment No.2, dated February 21, 2018  
Amendment No.3, dated December 10, 2018  
Amendment No.4, dated February 1, 2021  
Amendment No.5, dated July 31, 2023  
Amendment No. 6, dated February 26, 2024

- 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 4, "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 **Nine Million Five Hundred Twenty-Two Thousand Nine Hundred Forty-Eight Dollars (\$9,522,948)** . The hourly schedule of rates, if applicable, is set out in Exhibit "C-1," entitled "SCHEDULE OF RATES," Exhibit "C-2," entitled "SCHEDULE OF RATES, AMENDMENT NO.3," or Exhibit "C-3," entitled "SCHEDULE OF RATES, AMENDMENT NO.4," as applicable. 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.

*Vers.: Aug. 5, 2019*

☒ 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 4.)

In addition to the not-to-exceed compensation specified above, CITY has set aside the not-to-exceed compensation amount of **Nine Hundred Fifty-Two Thousand Two Hundred Ninety-Five Dollars (\$952,295)** 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 **Ten Million Four Hundred Seventy-Five Thousand Two Hundred Forty-Three Dollars (\$10,475,243)**, 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," entitled "SCOPE OF SERVICES"; Exhibit "A-1", entitled "SCOPE OF SERVICES, AMENDMENT NO. 1"; Exhibit "A-2", entitled "SCOPE OF SERVICES, AMENDMENT NO. 3, ADDED"; and Exhibit "A-3", entitled "SCOPE OF SERVICES, AMENDMENT NO. 4, ADDED" (collectively, also referred to in this Agreement as the "Basic Services"). 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 4. CONSULTANT shall provide Additional Services only by advanced, written authorization from CITY as detailed in this Section. Additional Services, if any, shall be authorized by CITY with a Task Order assigned and authorized by CITY's Project Manager, as identified in Section 13 (Project Management). Each Task Order shall be in substantially the same form as Exhibit "A-1," entitled "PROFESSIONAL SERVICES TASK ORDER". Each Task Order shall contain a specific scope of services, schedule of performance and maximum compensation amount, in accordance with the provisions of this Agreement. Compensation for Additional Services shall be specified by CITY in the Task Order, based on whichever is lowest: the compensation structure set forth in Exhibit "C," the hourly rates set forth in Exhibit "C-1," entitled "SCHEDULE OF RATES", Exhibit "C-2," entitled "SCHEDULE OF RATES, AMENDMENT NO.3," or Exhibit "C-3," entitled "SCHEDULE OF RATES, AMENDMENT NO.4," as applicable, or a negotiated lump sum provided such a sum is less costly to the CITY.

To accept a Task Order, CONSULTANT shall sign the Task Order and return it to CITY's Project Manager within the time specified by the Project Manager, and upon authorization by CITY (defined as counter-signature by the CITY Project Manager), the fully executed Task Order shall become part of this Agreement. The cumulative total compensation to CONSULTANT for all Task Orders authorized under this Agreement shall not exceed the amount of compensation set forth for Additional Services in this Section 4. CONSULTANT shall only be compensated for Additional Services performed under an authorized Task Order and only up to the maximum amount of compensation set forth for Additional Services in this Section 4. Performance of and payment for any Additional Services are subject to all requirements and restrictions in this Agreement."

**SECTION 3.** The following exhibit(s) to the Contract is/are hereby amended or added, 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 "EXHIBIT B-3 SCHEDULE OF PERFORMANCE, AMENDMENT NO. 7", AMENDED, REPLACES PREVIOUS.
- b. Exhibit "C" entitled "EXHIBIT C COMPENSATION, AMENDMENT NO. 7", AMENDED, REPLACES PREVIOUS.

**SECTION 4. 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 5. 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

**CUMMING MANAGEMENT GROUP,  
INC.**

**Officer 1**

Signed by:  
By: Robert Olson, Senior Vice President  
413F7EE2B931435

Name: Robert Olson, Senior Vice President

Title: Senior Vice President

**Officer 2**

Signed by:  
By: A. Al Jajeh, CFO  
A65E46ACBE4B432

Name: A. Al Jajeh, CFO

Title: CFO

**Attachments:**

Exhibit "B" entitled "EXHIBIT B-3 SCHEDULE OF PERFORMANCE, AMENDMENT No. 7", (AMENDED, REPLACES PREVIOUS)

Exhibit "C" entitled "EXHIBIT C COMPENSATION, AMENDMENT NO. 7" (AMENDED, REPLACES PREVIOUS)

**EXHIBIT "B-3"**  
**SCHEDULE OF PERFORMANCE, AMENDMENT NO. 7**  
**(AMENDED-REPLACES PREVIOUS)**

CONSULTANT shall commence performance of Task 5.3 (Construction Management Services for the New Public Safety Building) of Exhibit "A-3", upon issuance of Notice to Proceed through the duration of the project unless earlier terminated by CITY in its sole discretion. For information purposes, Task 5.3 is expected to be performed from January 1, 2021 through December 31, 2025 and consist of a total duration of 60 months from commencement of construction; however, that timeframe may be modified by CITY as project needs require.

**EXHIBIT "C"**  
**COMPENSATION, AMENDMENT NO. 7**  
**(AMENDED, REPLACES PREVIOUS)**

The CITY agrees to compensate the CONSULTANT for Services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation shall be calculated based on the schedule of rates attached as Exhibit "C-1", Exhibit "C-2", and/or Exhibit "C-3," as applicable, 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 specified reimbursable expenses, and the total compensation for Additional Services, do not exceed the amounts set forth in Section 4 of this Agreement.

**REIMBURSABLE EXPENSES**

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost up to the not-to-exceed amount of: \$36,000. Expenses for which CONSULTANT shall be reimbursed are:

A. Travel outside the San Francisco Bay area, including transportation and meals, will be reimbursed at actual cost subject to the City of Palo Alto's policy for reimbursement of travel and meal expenses for City of Palo Alto employees.

B. Long distance telephone service charges, cellular phone service charges, facsimile transmission and postage charges are reimbursable at actual cost.

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense anticipated to be more than \$1,000 shall be approved in advance by the CITY's project manager.

(CONTINUED ON THE NEXT PAGE)

**BUDGET SCHEDULE: NOT-TO-EXCEED COMPENSATION**

BASIC SERVICES	Year 1	Year 2	Year 3	Amend 4	Amend 6	Amend 7	Total
Task 1.1: Project Management, Planning, and Coordination (Projects 1-9)	\$140,898	\$140,898	\$140,898	\$0	\$0	\$0	\$422,694
Task 1.2: Project Management System (Projects 1-9)	\$175,000	\$100,000	\$100,000	\$0	\$0	\$0	\$375,000
Task 2: Acquisition and management of project consultants (Projects 1-3)	\$144,975	\$144,975	\$144,975	\$0	\$0	\$0	\$434,925
Task 3: Design/Document reviews (Projects 1-3)	\$206,762	\$206,762	\$206,762	\$0	\$0	\$0	\$620,286
Task 4: Pre-Construction services (Projects 1-3)	\$283,650	\$283,650	\$283,650	\$0	\$0	\$0	\$850,950
Task 5.1: Construction Management services for Fire Station 3 Replacement	\$0	\$326,604	\$0	\$0	\$0	\$0	\$326,604
Task 5.2: Construction Management services for New California Avenue Area Parking Garage	\$0	\$0	\$1,135,630	\$0	\$0	\$0	\$1,135,630
Task 5.3: Construction Management services for New Public Safety Building	\$0	\$0	\$0	\$2,792,707	\$697,199	\$752,198	\$4,242,104
Task 6: Budget and schedule management (Projects 1-9)	\$63,985	\$63,985	\$63,985	\$0	\$0	\$0	\$191,955
Task 7.1: On-call services for Transportation Projects	\$333,400	\$253,400	\$0	\$0	\$0	\$0	\$586,800
Task 7.2: On-call services (allowance)	\$100,000	\$100,000	\$100,000	\$0	\$0	\$0	\$300,000
<b>TOTAL BASIC SERVICES</b>	<b>\$1,448,670</b>	<b>\$1,620,274</b>	<b>\$2,175,900</b>	<b>\$2,792,707</b>	<b>\$697,199</b>	<b>\$752,198</b>	<b>\$9,486,948</b>

REIMBURSABLE EXPENSES	\$12,000	\$12,000	\$12,000	\$0	\$0	\$0	\$36,000
<b>TOTAL BASIC SERVICES AND REIMBURSABLES</b>	<b>\$1,460,670</b>	<b>\$1,632,274</b>	<b>\$2,187,900</b>	<b>\$2,792,707</b>	<b>\$697,199</b>	<b>\$752,198</b>	<b>\$9,522,948</b>
ADDITIONAL SERVICES 10% OF ABOVE	\$146,067	\$163,227	\$218,790	\$279,271	\$69,720	\$75,220	\$952,295

<b>TOTAL NOT-TO-EXCEED AMOUNT</b>	<b>\$1,606,737</b>	<b>\$1,795,501</b>	<b>\$2,406,690</b>	<b>\$3,071,978</b>	<b>\$766,919</b>	<b>\$827,418</b>	<b>\$10,475,243</b>
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