

**AMENDMENT NO. 3 TO CONTRACT NO. S20178065  
BETWEEN THE CITY OF PALO ALTO AND  
MICHAEL GENNACO DBA OIR GROUP**

This Amendment No. 3 (this "Amendment") to Contract No. S20178065 (the "Contract" as defined below) is entered into as of December 9, 2024, by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and MICHAEL GENNACO DBA OIR GROUP, a sole proprietor, located at 7142 Trask Avenue, Playa Del Rey, CA, 90293 ("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 independent police auditor services, as detailed therein.

B. The Parties now wish to amend the Contract in order to (1) increase the compensation by Twenty Thousand Dollars (\$20,000) from Two Hundred Twelve Thousand and Five Hundred Dollars (\$212,500) to a new not to exceed amount of Two Hundred Thousand Thirty-Two Thousand Five Hundred Dollars (\$232,500), (2) extend the contract term date from January 1, 2025 by an additional six months to June 30, 2025, 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. S20178065 between CONSULTANT and CITY, dated December 16, 2019, as amended by:

Amendment No.1, dated July 20, 2021

Amendment No.2, dated January 1, 2023

- b. **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:

*Vers.: Aug. 5, 2019*

“The term of this Agreement shall be from the date of its full execution through **June 30, 2025**, unless terminated earlier pursuant to Section 19 of this Agreement.”

**SECTION 3.** 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 described in Exhibit “A” (also referred to herein as the “Basic Services”), and reimbursable expenses (if specified in Exhibit “C”), (“Basic Services”), and reimbursable expenses, shall not exceed Two Hundred Twelve Thousand Five Hundred Dollars (\$212,500). In addition to the not-to-exceed compensation specified above, CITY has set aside the not-to-exceed compensation amount of Twenty Thousand Dollars (\$20,000) for the performance of Additional Services. CONSULTANT agrees to complete all Basic Services, including specified reimbursable expenses, within this amount. In the event Additional Services (defined below) are authorized, the total compensation for Basic Services, Additional Services and specified reimbursable expenses shall not exceed Two Hundred Thirty-Two Thousand Five Hundred Dollars (\$232,500). The applicable rate schedule is set out at Exhibit “C-1”, entitled “SCHEDULE OF RATES.” Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amounts of compensation set forth herein shall be at no cost to the CITY.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit “C”. CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described at Exhibit “A”.

**SECTION 4.** 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 “SCHEDULE OF PERFORMANCE”, AMENDED, REPLACES PREVIOUS.
- b. Exhibit “C” entitled “COMPENSATION”, 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**

**MICHAEL GENNACO DBA OIR GROUP**

City Manager

**Officer 1**

APPROVED AS TO FORM:

By:

Signed by:  
*Michael Gennaco*  
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Name: Michael Gennaco

City Attorney or designee

Title: Principal, OIR Group

**Attachments:**

Exhibit "B" entitled "SCHEDULE OF PERFORMANCE", AMENDED, REPLACES PREVIOUS.

Exhibit "C" entitled "COMPENSATION", AMENDED, REPLACES PREVIOUS.

Exhibit B  
SCHEDULE OF PERFORMANCE, AMENDMENT NO. 3  
(AMENDED, REPLACES PREVIOUS)

Consultant shall complete reports for calendar years 2020, 2021, 2022, 2023, 2024 and 2025.

Beginning in calendar year 2023, the following additional specific schedule shall apply:

In calendar year 2023, CONSULTANT shall complete two reports, for publication in approximately February/March and August 2023, containing all matters completed since the last published report.

In calendar year 2024, CONSULTANT shall complete two reports, for publication in approximately February/March and August 2024, containing all matters completed since the last published report.

In calendar year 2025, CONSULTANT shall complete one report, for publication in approximately February/March 2025, containing all matters completed since the last published report.

Exhibit C  
COMPENSATION, AMENDMENT NO. 3  
(AMENDED, REPLACES PREVIOUS)

CITY agrees to compensate CONSULTANT for the Services performed in accordance with the terms and conditions of this Agreement, including Services, any specified reimbursable expenses, and Additional Services (if any, per Section 4 of the Agreement), based on the hourly rate schedule attached as Exhibit C-1.

The compensation to be paid to CONSULTANT under this Agreement for all Services, any specified reimbursable expenses, and Additional Services (if any, per Section 4), shall not exceed the amount(s) stated in Section 4 of this Agreement. CONSULTANT agrees to complete all Services, any specified reimbursable expenses, and Additional Services (if any, per Section 4), 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.

REIMBURSABLE EXPENSES

CONSULTANT'S ordinary business expenses, such as administrative, overhead, administrative support time/overtime, information systems, software and hardware, photocopying, telecommunications (telephone, internet), in-house printing, insurance and other ordinary business expenses, are included within the scope of payment for Services and are not reimbursable expenses hereunder.

Reimbursable expenses, if any are specified as reimbursable under this section, will be reimbursed at actual cost. The expenses (by type, e.g. travel) for which CONSULTANT will be reimbursed up to the not-to-exceed amount of: **Fifteen Thousand Dollars (\$15,000)**.

A. Travel from CONSULTANT'S office to Palo Alto City Hall, including transportation and meals, if specified as reimbursable, will be reimbursed at actual cost subject to the City of Palo Alto's policy for reimbursement of travel and meal expenses.

All requests for reimbursement of expenses, if any are specified as reimbursable under this section, shall be accompanied by appropriate backup documentation and information.

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.

## SCHEDULE OF EXPENDITURES

For the convenience of the Parties, the following identifies the historic and expected annual expenditures by type and amount under the Agreement, including Amendments One and Two. All dates refer to calendar years:

### 2020

- Basic services compensated at rate of \$25,000, resulting in \$25,000 in compensation paid.

### 2021 (Amendment One effective approximately July 1, 2021)

- January 1, 2021 through June 30, 2021, basic services compensated at rate of \$25,000 annually, resulting in \$12,500 in compensation paid for six months of services.
- July 1, 2021 through December 31, 2021, basic services rate increased to \$40,000 annually to reflect additional scope, resulting in \$20,000 in compensation paid for six months of services.

### 2022

- Basic services compensated at rate of \$40,000, resulting in \$40,000 in compensation paid.
- Reimbursable travel – two in-person appearances at Council in spring and fall 2022
- Additional services – Consulting project #1 (Recruitment and Hiring) initiated, with task order budgeted at \$10,000.

### 2023

- Basic services compensated at rate of \$40,000, expected to result in \$40,000 in compensation paid.
- Reimbursable travel – two in-person appearances at Council expected, in spring and fall 2023.
- Additional services – Consulting project #1 (Recruitment and Hiring) completed. \$10,000 remaining for Additional Services if desired by City.

### 2024

- Basic services compensated at rate of \$40,000, expected to result in \$40,000 in compensation paid.
- Reimbursable travel – two in-person appearances at Council expected, in spring and fall 2024

### 2025

- Basic services compensated at rate of \$20,000, expected to result in \$20,000 in compensation paid.
- Reimbursable travel – one in-person appearance at Council expected, in spring 2025