

**AMENDMENT NO. 2 TO AGREEMENT A4071A
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT
AND TAP INTERNATIONAL, INC.**

This Amendment No. 2 (Amendment), effective as of the date it is fully executed by the Parties, amends the terms and conditions of the Standard On-Call Consultant Agreement A4071A (Agreement) dated May 23, 2017 as amended by Amendment No. 1 dated June 7, 2019 between SANTA CLARA VALLEY WATER DISTRICT hereinafter called (District) and TAP INTERNATIONAL, INC. (Consultant), collectively, the Parties.

RECITALS

WHEREAS, Consultant is currently performing Board independent audit and advisory services to the Board Audit Committee (BAC) under direction of the Board; and

WHEREAS, on May 23, 2017, the BAC recommended the Board to approve the implementation of three performance audits to be conducted by an on-call consultant agreement to perform Board Independent Auditing Services; and

WHEREAS, the Consultant was required to develop an annual audit work plan, assess operational risks, advise on potential audits to ensure the District is in full compliance with its policies, procedures, and regulations, and conducts audits as directed by the Board; and

WHEREAS, on September 26, 2018, the Consultant presented the final Risk Assessment Model to the BAC assessing operational risks to the District. The results of the risk assessment included input from the District's Board of Directors, management, and staff and was used to assist in the development of an Annual Audit Work Plan; and

WHEREAS, on December 3, 2018, the Consultant presented a draft Audit Work Plan to the BAC. The BAC reviewed the draft Audit Work Plan and on January 22, 2019, identified and recommended three audits for the full Board's input and approval; and

WHEREAS, on January 14, 2020, the Board approved the revised FY 2019-2021 Annual Audit Work Plan as recommended by the BAC. This Board-approved Annual Audit Work Plan extends the original scope of 16 audits to include: Grant Management Adhoc Desk Review; Hiring Practices Adhoc Desk Review; Board Agenda Preparation Adhoc Desk Review; and the Property Management Audit for implementing encroachment licensing program practices.

WHEREAS, the Parties desire to extend the term of the agreement to allow the Consultant to continue the performance audits as identified in the annual audit workplan by the Board of Directors; and

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BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT
AND TAP INTERNATIONAL, INC.**

NOW, THEREFORE, in consideration of the mutual promises and agreements stated herein and notwithstanding anything to the contrary in the Agreement and Amendment No. 1, District and the Consultant hereby agree to amend the Agreement as follows:

1. STANDARD ON-CALL CONSULTANT AGREEMENT, SECTION TWELVE, MISCELLANEOUS PROVISIONS, subsection 20. Appendices. is amended to state as follows:

“The Revised Standard On-Call Consulting Agreement, and the following listed Appendices are incorporated herein by this reference as though set forth in full:

Revised Appendix One to the Revised Standard On-Call Consultant Agreement - Additional Legal Terms (UNCHANGED)

Revised Appendix Two to the Revised Standard On-Call Consultant Agreement - Dispute Resolution (UNCHANGED)

Revised Appendix Three to the Revised Standard On-Call Consultant Agreement - Task Order Template (UNCHANGED)

Revised Appendix Four to the Revised Standard On-Call Consultant Agreement - Insurance Requirements (UNCHANGED)”

2. STANDARD ON-CALL CONSULTANT AGREEMENT, SECTION TWELVE, MISCELLANEOUS PROVISIONS, subsection 21. Scope of Services and Attachments. is amended to state as follows:

“Revised Schedule OC, Scope of Services, and the following listed Attachments are incorporated herein by this reference as though set forth in full:

Revised Attachment One to the Revised Scope of Services - Fees and Payments (REVISED)

Revised Attachment Two to the Revised Scope of Services - Schedule of Completion (REVISED)

Revised Attachment Three to the Revised Scope of Services - Consultant’s Key Staff and Subconsultants (UNCHANGED)

Attachment Four to the Revised Scope of Services - Reference Materials (UNCHANGED)”

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3. Schedule OC, Scope of Services, Section 8, Attachments, is amended to state as follows:

“The following listed Attachments are incorporated herein by this reference as though set forth in full:

Revised Attachment One - Fees and Payments (REVISED)

Revised Attachment Two - Schedule of Completion (REVISED)

Revised Attachment Three - Consultant’s Key Staff and Subconsultants (UNCHANGED)

Attachment Four - Reference Materials (UNCHANGED)”

4. Attachment One to the Scope of Services, Fees and Payments, is amended as set forth in the attached Revised Attachment One, Fees and Payments, and is incorporated herein by this reference.
5. Attachment Two to the Scope of Services, Schedule of Completion, is amended as set forth in the attached Revised Attachment Two, Schedule of Completion, and is incorporated herein by this reference.
6. All other terms and conditions stated in Agreement A4071A, Amendment No. 1 not otherwise amended as stated herein, remain in full force and effect.

(SIGNATURES FOLLOW ON NEXT PAGE)

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BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT
AND TAP INTERNATIONAL, INC.**

**IN WITNESS WHEREOF, THE PARTIES HAVE SET FORTH BELOW THEIR
CONSENT TO THE TERMS AND CONDITIONS OF THIS AMENDMENT NO. 2 TO
AGREEMENT A4071A THROUGH THE SIGNATURES OF THEIR DULY
AUTHORIZED REPRESENTATIVES.**

SANTA CLARA VALLEY WATER DISTRICT
District

TAP INTERNATIONAL, INC.
Consultant

By:

By:

Norma J. Camacho
Chief Executive Officer

Denise Callahan, MPA
Principal

Date:

Date:

Firm Address:
3436 American River Drive, Suite 9A
Sacramento, CA 95864

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**AMENDMENT NO. 2 TO AGREEMENT A4071A
REVISED SCHEDULE OC
REVISED ATTACHMENT ONE
FEES AND PAYMENTS**

1. Total Authorized Funding (UNCHANGED)

Total payment for Services performed, as described in the Revised Scope of Services and in all executed Task Orders will not exceed a total amount of **\$1,005,000** (Not-to-Exceed Fees or NTE). Under no conditions will the total compensation to the Consultant exceed this payment amount without prior written approval in the form of an amendment to this Agreement executed by the District's Board of Directors (Board), or Chief Executive Officer, or designee, as authorized by the Board. It is understood and agreed that this total is an estimate, and the total amount of Services to be requested by the District may be less. **There is no guarantee, either expressed or implied, as to the actual dollar amount that will be authorized pursuant to this Agreement.**

2. Terms and Conditions (UNCHANGED)

Payments for services performed, as defined in this attached Schedule and in each Task Order, which applies to the specific Services, will be based on the following terms:

- A. The District will pay for Services provided by the Consultant according to the schedule of rates for professional, technical, and administrative personnel as well as materials and supplies listed below in the Hourly Rate Schedule.
- B. The stated hourly and unit rates are effective for the term of this Agreement unless otherwise revised as indicated. After 12 months from the Effective Date of this Agreement, and each 12 months thereafter, these hourly and unit rates may be negotiated by the Consultant and the District, provided Consultant submits written notice to District of Consultant's request to revise the hourly and unit rates ninety (90) calendar days prior to the Effective Date of this Agreement. Both Parties will use as a benchmark for negotiations the percent change for the previous 12 months of the "Employment Cost Index (ECI), for total compensation for private industry workers, for the San Francisco-Oakland-San Jose, CA CSA Census region and metropolitan area (not seasonally adjusted)" as published by the U.S. Department of Labor, Bureau of Labor Statistics, or **2.6%** whichever is less. A negative index will result in rates remaining the same. Such rate revisions are subject to written approval by the District's Project Manager stated herein.

**AMENDMENT NO. 2 TO AGREEMENT A4071A
REVISED SCHEDULE OC
REVISED ATTACHMENT ONE
FEES AND PAYMENTS**

HOURLY RATE SCHEDULE (REVISED)

CLASSIFICATION	ORIGINAL AGREEMENT HOURLY/ UNIT RATE EFFECTIVE MAY 23, 2017	AMENDMENT NO. 1 HOURLY/ UNIT RATE EFFECTIVE MAY 8, 2019	AMENDMENT NO. 2 HOURLY/ UNIT RATE EFFECTIVE MAY 8, 2020
Consultant: TAP International, Inc.			
Lead Auditor	\$190	\$195	\$200
Team Auditor	\$175	\$180	\$185
Staff Auditor	\$148	\$152	\$156
Advisory Services	\$200	\$205	\$210
Quality Assurance Reviewer	\$175	\$180	\$185

C. Reimbursable Expenses (UNCHANGED)

1. All reimbursable expenses not already covered in overhead may include, but are not limited to, mapping, rendering, printouts, leased equipment, mailing and delivery services, printing services, film and processing, plotting, and supplies. These other direct expenses will be billed on a monthly basis at actual cost, as approved by the District Project Manager, provided that the Agreement total NTE amount is not exceeded. Consultant shall provide receipts for each other direct expense item(s) with monthly invoices submitted.
2. Equipment purchased on behalf of the District that costs \$50 or more must receive the prior written approval of the District Project Manager. All equipment purchased on behalf of the District and paid for the District shall become the property of the District and be delivered to District prior to expiration of this Agreement.

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**AMENDMENT NO. 2 TO AGREEMENT A4071A
REVISED SCHEDULE OC
REVISED ATTACHMENT ONE
FEES AND PAYMENTS**

3. Automobile travel mileage expenses will be paid at the current IRS rate. District will not reimburse Consultant and its subconsultants for travel to and from District Headquarters and surrounding campus located at 5700 Almaden Expressway, San Jose, California. District will reimburse Consultant and its subconsultants for mileage incurred from District Headquarters or Consultant's and subconsultants' firm address, whichever is closer to the destination, to project site and to meeting locations with regulatory agencies and community meetings, and partnering meetings, if directed or authorized by the District.
 4. Travel expenses are reimbursed at actual costs. Travel and overnight accommodations, including per diem, required for performance of this Agreement will be paid at reasonable cost not to exceed the U.S. General Services Agency Per Diem Rates for Sunnyvale/Palo Alto/San Jose, California area, provided prior approval has been obtained from the District Project Manager. For air travel, District will pay the cost of a coach class or equivalent ticket. Where air travel is required, District will pay the total cost of taxi, rideshare, public transportation, or a rental car, which may include insurance, gas, car fee, and taxes and will be paid at the actual costs incurred. Vehicle rental is limited to a compact or economy model.
 5. Expenses incurred by the Consultant for Subconsultants, subcontractors and vendors, including lab services, will be reimbursed at actual cost. Consultant shall provide invoices for all such services regardless of cost.
- D. For staff with rates exceeding the rate of \$210/hr., the Consultant shall obtain written approval from the District Project Manager as to the numbers of hours per task prior to that individual working on the Project.
- E. **Prevailing Wage Requirements – NOT USED**

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**AMENDMENT NO. 2 TO AGREEMENT A4071A
REVISED SCHEDULE OC
REVISED ATTACHMENT TWO
SCHEDULE OF COMPLETION**

1. This Agreement commences on the Effective Date, subject to accomplishment of all of the conditions to formation of an agreement listed in the Agreement at Section Twelve, Miscellaneous Provisions, subsection 2. Formation of Agreement.
2. This Agreement expires June 30, 2021, unless, prior to its expiration its term is modified by a written amendment hereto, signed by both Parties.
3. District's Project Manager and Consultant may agree to modify the schedule specified in an executed Task Order for Consultant's performance, as an administrative modification to the Task Order, and will confirm such modification in writing.
4. Each Task Order will state the Schedule relevant to Consultant's performance of that Task Order.

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