ADDENDUM NO. 1

September 12, 2019

Request for Proposal: EMPLOYEE BENEFIT BROKER/CONSULTING SERVICES

RFP NO. P-15-19/20

GLENDALE UNIFIED SCHOOL DISTRICT

This addendum forms part of the Contract documents and may modify the original Bidding Documents. Any revisions, clarifications, deletions and/or additions shall be made to the bid documents for RFP #P-15-19/20. It is mandatory to acknowledge receipt of this addendum with your Proposal.

GENERAL INFORMATION:

1. Add Exhibit E – Professional Services Agreement – See attachment to this addendum.

END OF ADDENDUM

PROFESSIONAL SERVICES AGREEMENT

| THIS PROFESSIONAL SERVICES AC | GREEMENT (the "Agreement") is made and | |
|--|--|--|
| entered into as of, 2019 (the "Ef | fective Date") by and between the Glendale | |
| Unified School District, a public school district of | of the State of California (the "District"), and | |
| , a | _ [legal entity] ("Consultant"). The District | |
| and the Consultant are collectively referred to in | n this Agreement individually as "Party" and | |
| collectively as the "Parties." This Agreement is made with reference to the following facts: | | |

WHEREAS, the District requires services and/or advice of a highly specialized and technical nature in connection with certain financial, economic, accounting, consulting and/or administrative matters and such services and advice are not available within the District and cannot be performed satisfactorily by District employees; and

WHEREAS, Consultant possesses the necessary expert knowledge, experience, and ability to perform services not available through District personnel, and Consultant is specially experienced and competent to provide to the District certain specialized services and/or advice in one or more of the foregoing areas; and

WHEREAS, the District desires to engage Consultant because of Consultant's special expertise and experience, and Consultant desires to be engaged by the District to provide employee benefit broker services; and

WHEREAS, the District and Consultant desire to reduce to writing the terms and conditions of the District's engagement of Consultant; and

NOW, THEREFORE, in consideration of the mutual covenants set forth below, the Parties hereby agree as follows:

ARTICLE 1. SERVICES TO BE PERFORMED BY CONSULTANT

Section 1.1 Performance of Services.

Consultant agrees to perform consulting services for the District as described in Appendix A to this Agreement (the "Services") and shall provide other consulting services as may be requested by the District from time to time. The Services may be performed at the Consultant's offices or at such other location as Consultant chooses, except as may otherwise be provided in Appendix A.

Section 1.2 Method of Performance and General Supervision.

Consultant will determine the methods, details, and means of performing the Services required by this Agreement. Subject to the foregoing, the District retains the right to inspect, to stop work, to prescribe alterations and generally to monitor Consultant's work to ensure its

conformity with the terms of this Agreement. Consultant agrees key personnel as listed in the proposal will be responsible for performance of the Services described herein. Should such personnel become unavailable to perform Services for District, Consultant agrees to replace, as soon as practicable, such personnel with individual(s) of comparable skills and experience as determined by Consultant's evaluation and subject to District's right of reasonable refusal. For purposes of this Agreement, the District Designee shall be the Chief Business & Financial Officer and the Consultant Designee shall be **[name]**.

Section 1.3 Employment of Assistants.

Consultant shall at all times remain solely responsible for the Services to be provided pursuant to this Agreement, regardless of whether Consultant should choose to employ any agent(s), employee(s) or other representative(s) to perform any or all of such Services; provided, however, that because of Consultant's special expertise, Consultant shall not subcontract, assign or otherwise transfer any portion of the Services or this Agreement or any interest therein, without the prior written approval of District's Designee in the District's Designee's sole and absolute discretion. In the event that District's Designee delivers to Consultant prior written approval of the use of subcontractors, Consultant acknowledges that all subcontractors shall comply with the terms of this Agreement.

Section 1.4 Consultant's Certifications, Representations and Warranties

Consultant makes the following certifications, representations and warranties for the benefit of the District. Consultant acknowledges and agrees that the District, in deciding to engage Consultant pursuant to this Agreement, is relying upon the truth and validity of the following certifications, representation and warranties and their effectiveness throughout the term of this Agreement and the course of Consultant's engagement hereunder.

- (a) Consultant is qualified in all respects to provide to the District all of the services contemplated by this Agreement and, to the extent required by any applicable law, Consultant has all such licenses and/or governmental approvals as would be required to carry out and perform for the benefit of the District, such services as are called for hereunder.
- (b) Consultant, in providing the services and in otherwise carrying out its obligations to the District under this Agreement, shall, at all times, comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, including workers' compensation and equal protection and non-discrimination laws.
- (c) Consultant will perform its services hereunder in a professional manner, using the degree of care and skill ordinarily exercised by, and consistent with, the current professional practices and standards of a professional practicing in California. The Consultant will furnish, at its expense, those services that are set forth in this Agreement and represents that these services as set forth herein are within the technical and professional areas of expertise of the Consultant or any sub-consultant the Consultant has engaged or will engage to perform the service(s).

ARTICLE 2. TERM AND TERMINATION

Section 2.1 Term.

(a) This Agreement shall become effective on the Effective Date and shall continue for three (3) years (the "Consulting Term"), unless the Agreement is earlier terminated by either Party in accordance with Section 2.2, below. The District may determine, in its sole discretion, to extend the Consulting Term for two additional one-year periods. In compliance with Education Code section 17596, this Agreement may not exceed five (5) years.

Section 2.2 Termination.

- (a) This Agreement may be terminated by either Party upon ten (10) days written notice to the other Party in the event of a substantial failure of performance by such other Party, including insolvency of Consultant.
- (b) In the event of a termination for a substantial failure of performance, the District shall pay the Consultant for all services performed and all expenses incurred under this Agreement supported by documentary evidence, including payroll records, and expense reports up until the date of termination, plus any sums due the Consultant for Board-approved extra services. In ascertaining the services actually rendered hereunder up to the date of termination of this Agreement, consideration shall be given to both completed work and work in process of completion, whether delivered to the District or in the possession of the Consultant. Notwithstanding the above, in the event of a termination for a substantial failure of performance, all damages and costs associated with the termination, including increased consultant and replacement consultant costs, shall be deducted from any payments to the Consultant.
- (c) In the event a termination for cause is determined to have been made wrongfully, or without cause, then the termination shall be treated as a termination for convenience in accordance with Section 2.2 (b) below, and Consultant shall have no greater rights than it would have had if a termination for convenience had been effected in the first instance. No other loss, cost, damage, expense or liability may be claimed, requested or recovered by Consultant.
- (d) This Agreement may be terminated without cause by District upon thirty (30) days written notice to the Consultant. In the event of a termination without cause, the District shall pay the Consultant for all services performed and all expenses incurred under this Agreement supported by documentary evidence, including payroll records, and expense reports up until the date of notice of termination, plus any sums due the Consultant for Board-approved extra services. In ascertaining the services actually rendered hereunder up to the date of termination of this Agreement, consideration shall be given to both completed work and work in process of completion and to other documents, whether delivered to the District or in the possession of the Consultant.
- (e) In the event of a dispute between the Parties as to performance of the work or the interpretation of this Agreement, or payment or nonpayment for work performed or not performed, the Parties shall attempt to resolve the dispute. Pending resolution of this dispute, Consultant agrees to continue the work diligently to completion. If the dispute is not resolved,

Consultant agrees it will neither rescind the Agreement nor stop the progress of the work, but Consultant's sole remedy shall be to submit such controversy to determination by a court having competent jurisdiction of the dispute, after the Services have been completed, and not before. The Parties may agree in writing to submit any dispute between the Parties to arbitration. The District agrees to pay the Consultant the undisputed amounts due under this Agreement.

(f) The Parties understand and agree that this Termination Article shall govern all termination rights and procedures between the Parties. Any termination provision that is attached to this Agreement as an Exhibit shall be void and unenforceable between the Parties.

ARTICLE 3. COMPENSATION

Section 3.1 Terms of Payment.

[Fee Schedule provided by Consultant]

Section 3.2 No Payroll or Employment Taxes.

No payroll or employment taxes of any kind shall be withheld or paid with respect to payments to Consultant. The payroll or employment taxes that are the subject of this Section include, but are not limited to, FICA, FUTA, federal personal income tax, state personal income tax, state disability insurance tax, and state unemployment insurance tax.

Section 3.3 Expenses.

Consultant shall not be entitled to reimbursement for any expenses incurred in the performance of the Services.

Section 3.4 Accounting Records of the Consultant.

The Consultant's records of accounts between the District and Consultant shall be kept on a generally recognized accounting basis, and shall be available for inspection by the District at mutually convenient times.

ARTICLE 4. OTHER OBLIGATIONS OF CONSULTANT

Section 4.1 Materials and Equipment.

Consultant shall supply all materials and equipment required to perform the Services under this Agreement, except as may be otherwise specified in Appendix A.

Section 4.2 Licenses, Permits, Fees and Assessments.

Consultant shall obtain at Consultant's sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the Services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for Consultant's performance of the Services required by this Agreement.

Section 4.3 Confidentiality.

- (a) <u>Definition</u>. "Confidential Information" means any business and/or personally identifiable information relating to District's students, employees or other parties contained in files or storage systems to which the Consultant will be provided access by District. "Confidential Information" shall include, without limitation, printed or electronically recorded matter, personally identifiable information, customer and employee information, business information, student information, and other information of a non-public nature. "Confidential Information" also includes information generated as a result of the activities of the Parties hereunder, and information, whether disclosed in writing or orally, that is marked "confidential" or should be deemed by its nature to be confidential.
- (b) <u>Use of Confidential Information Limited to Purpose</u>. The Consultant agrees to use the Confidential Information received hereunder solely for the purpose of performing the service or services for which the Consultant and District have made an agreement ("Purpose"), and only to the extent necessary for the stated Purpose.
- (c) <u>Ownership of Confidential Information</u>. All Confidential Information shall remain the property of District. No rights or license therein is granted except a limited right to use the Confidential Information solely for the Purpose. Upon request of District, the Consultant shall promptly return all copies of the Confidential Information, in whatever form or media, to District, or certify the destruction of all such Confidential Information
 - (d) Nondisclosure and Nonuse of Confidential Information.
 - i. The Consultant shall not, without the prior written approval of District in each instance, or unless otherwise expressly permitted in this Agreement, use for its own benefit, publish or otherwise disclose to others, or permit the use by others for their benefit or to the detriment of District, any Confidential Information. The Consultant shall not use any Confidential Information to engage in targeted advertising.

ii. The Consultant agrees that it will not provide Confidential Information to any third parties or business partners without prior written agreement from District. The Consultant warrants that all confidentiality and security measures identified in the Agreement will be extended by contract to any and all subcontractors used by the Consultant, if any, to execute the terms of the Agreement.

The confidentiality and security requirements provided herein shall survive the termination or expiration of the Agreement.

Section 4.4 Insurance.

Consultant shall purchase and maintain policies of insurance with an insurer or insurers, qualified to do business in the State of California and acceptable to District which will protect Consultant and District from claims which may arise out of or result from Consultant's actions or inactions relating to the Agreement, whether such actions or inactions be by themselves or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. The aforementioned insurance shall include coverage for:

- (a) Workers' Compensation and Employers Liability Insurance in accordance with the laws of the State of California.
- (b) Comprehensive general and auto liability insurance with limits of not less than One Million Dollars (\$1,000,000) combined single limit, bodily injury and property damage liability per occurrence, including:
 - (i) owned, non-owned and hired vehicles;
 - (ii) blanket contractual;
 - (iii) broad form property damage;
 - (iv) products/completed operations; and
 - (v) personal injury.
- (c) Professional liability insurance, including contractual liability, with limits of Two Million Dollars (\$2,000,000), per claim. Such insurance shall be maintained during the term of this Agreement and renewed for a period of at least five (5) years thereafter at rates consistent with the time of execution of this Agreement adjusted for inflation. In the event that Consultant subcontracts any portion of Services, Consultant shall require any such subcontractor to purchase and maintain insurance coverage as provided in this subparagraph
- (d) Valuable Document Insurance on all reports as may be required to protect the District in the amount of its full equity in those reports.

Each policy of insurance required herein shall name District and its officers, agents and employees as additional insureds; shall state that, with respect to the operations of Consultant

hereunder, such policy is primary and any insurance carried by District is excess and non-contributory with such primary insurance; shall state that not less than thirty (30) days' written notice shall be given to District prior to cancellation; and shall waive all rights of subrogation. Consultant shall notify District in the event of material change in, or failure to renew, each policy. Prior to commencing work, Consultant shall deliver to District certificates of insurance as evidence of compliance with the requirements herein. In the event Consultant fails to secure or maintain any policy of insurance required hereby, District may, at its sole discretion, secure such policy of insurance in the name of and for the account of Consultant, and in such event Consultant shall reimburse District upon demand for the cost thereof.

Section 4.5 Indemnification.

Consultant shall be responsible for, and District, its board members, officers, agents, employees, students and invitees ("District Parties") shall not be answerable or accountable in any manner for any loss or expense by reason of any damage or injury to person or property, or both, arising out of the acts, omissions, and/or negligence of Consultant, its agents, officers, employees, contractors, volunteers, guests or invitees ("Consultant Parties"), or from any cause whatsoever arising out of or in connection with this Agreement and/or the provision of the Services. Consultant shall indemnify and defend District Parties against and will hold and save them and each of them harmless from any and all actions, claims, liens, damages to persons or property, penalties, obligations or liabilities, including attorneys' fees, that may be asserted or claimed by any person, firm, association, entity, corporation, political subdivision, or other organization arising out of or in connection with Consultant's services performed under this Agreement and/or the provision of the Services, whether or not there is concurrent passive negligence on the part of District Parties, but excluding such actions, claims, damages to persons or property, penalties, obligations or liabilities arising from the sole active negligence or willful misconduct of District Parties. In connection therewith:

- (i) <u>Actions Filed</u>. Consultant shall defend any action or actions filed in connection with any of said claims, liens, damages, penalties, obligations or liabilities, and will pay all costs and expenses, including attorneys' fees incurred in connection therewith.
- (ii) <u>Judgments Rendered</u>. Consultant shall promptly pay any judgment rendered against Consultant Parties or District Parties covering such claims, liens, damages, penalties, obligations and liabilities arising out of or in connection with this Agreement, the provision of the Services or any other use or operations at the District properties referred to herein and agrees to save and hold District Parties harmless therefrom.
- (iii) <u>Costs and Expenses; Attorneys' Fees</u>. In the event any District Parties are made a party to any action or proceeding filed or prosecuted against Consultant Parties for such damages or other claims arising out of this Agreement, the provision of the Services or any other use or operations at the District properties referred to herein, Consultant agrees to pay District Parties any and all costs and expenses incurred by them in such action or proceeding together with reasonable attorneys' and expert witness fees.

The provisions of this Section shall survive the termination or expiration of this Agreement.

Section 4.6 Disaster Recovery; Continuity

Consultant agrees that it has a disaster recovery plan in place that is intended to secure, and if necessary, restore information adversely affected by a security breach, force majeure or natural disaster.

Section 4.7 Ethics and Conflict of Interest Statement.

Consultant shall conduct its business so as to fulfill all legal and ethical requirements, and standards of the industry and California and federal law, and shall place the best interests of District ahead of any other concerns in the placement of insurance services and products. To this end, Consultant:

- (a) Will adhere to its ethical obligations to District to deliver honest, competitive, and meaningful service and advice on the placement of any insurance products, services, or coverages, and to provide access to an open, fair, and competitive insurance market place;
- (b) Will exercise due diligence in making a full and complete disclosure of all quotes and declinations from all markets contacted for each specific line of coverage, including the date and time of contact and the name, address, phone number and, to the extent available, email address of the individual contact for each market;
- (c) Will make every good faith attempt to avoid even the appearance of a conflict of interest between Consultant, District, and any provider of any insurance product or service, and will promptly notify District of any real or potential conflict of interest;
- (d) Agrees to provide to District a copy of Consultant's own Ethics Statement or Code, or Consultant's Compliance Statement, or to make such statements available on Consultant's website.

ARTICLE 5. CONSULTANT'S WORK PRODUCT

Section 5.1 Ownership of Consultant's Work Product.

The reports and/or other documents that are prepared, reproduced, maintained and/or managed by the Consultant or Consultant's consultants in accordance with this Agreement, shall be and remain the property of the District (hereinafter "Property"). The District may provide the Consultant with a written request for the return of its Property at any time. Upon Consultant's receipt of the District's written request, Consultant shall return the requested Property to the District. Consultant may retain a confidential file copy of the Property with all originals being returned to the District. Failure to provide the Property to the District within ten (10) calendar days after the Consultant's receipt of the District's written request shall be deemed a material breach of this Agreement.

Section 5.2 Use of Copyrighted Materials.

Consultant warrants that any materials provided by Consultant for use by District pursuant to this Agreement shall not contain any material that is protected under the Copyright Act or any other similar law, except to the extent of "fair use," as that concept is defined in the Copyright Act, and except to the extent that Consultant has obtained permission to use such work from the copyright holder. Consultant shall be solely responsible for ensuring that any materials provided by Consultant for use by District pursuant to this Agreement satisfy this requirement. Consultant agrees to hold District harmless from all liability or loss, including debt or exercise for attorneys' fees to which District is exposed on account of Consultant's failure to perform this duty.

ARTICLE 6. GENERAL PROVISIONS

Section 6.1 Dispute Resolution.

In the event of any disputes or disagreement between the District and Consultant with respect to the interpretation of any provision of this Agreement, or to the performance of the Parties under this Agreement, each Party shall appoint a designated representative to meet in good faith, to resolve the dispute or to negotiate an adjustment to any provision of this Agreement. Such negotiations shall be conducted in a timely manner to avoid undue delay in resolving the dispute. No formal proceeding for judicial resolution of any dispute or disagreement shall be commenced until a Party concludes in good faith and provides written notice to the other Party that an amicable resolution of the matter at issue through continued negotiation does not appear likely.

Section 6.2 Default.

A Party will be considered in default of its obligations under this Agreement if such Party should fail to observe, to comply with, or to perform any term, condition, or covenant contained in this Agreement and such failure continues for ten (10) days after the non-defaulting Party gives the defaulting Party written notice thereof. In the event of default, the non-defaulting Party, upon written notice to the defaulting Party, may terminate this Agreement as of the date specified in the notice, and may seek such other and further relief as may be provided by law.

Section 6.3 Amendments.

This Agreement may not be altered or modified, except by a writing signed by the Parties.

Section 6.4 Status of Consultant.

Consultant enters into this Agreement, and will remain throughout the term of the Agreement, an independent contractor. Neither Consultant nor its employees, agents or independent contractor shall become an employee, joint venturer, partner, agent or principal of the District while this Agreement is in effect. Consultant's employees, agents and independent Consultants shall not be entitled to the rights or benefits afforded to the District's employees,

including disability or unemployment insurance, workers' compensation, medical insurance, sick leave or any other employment benefit.

Section 6.5 Governing Law.

This Agreement shall be governed by and construed according to the laws of the State of California that would apply if all Parties were residents of California and the Agreement was made and performed in California. Venue shall be in Los Angeles County, California.

Section 6.6 Notices.

All notices and demands between the Parties hereto shall be in writing and shall be served either personally or by registered or certified mail. Such notices or demands shall be deemed given when personally delivered or seventy-two (72) hours after the deposit thereof in the United States mail, postage prepaid, addressed to the Party to whom such notice or demand is to be given or made. Such notices and demands may also be sent by telex, telegraph, telecopier or other similar electronic transmission device providing for a permanent record of the notice or demand, and, if so served, such notice or demand shall be deemed given and made at the time the device confirms to the sender delivery thereof to the addressee.

All notices and demands shall be given as follows:

TO DISTRICT:

Glendale Unified School District Attn: Chief Business and Financial Officer 223 N. Jackson Street Glendale, CA 91206-4380

TO CONSULTANT:

[Contact Information]

Each Party may designate in writing such other place or places that notices and demands may be given.

Section 6.7 Assignment.

This Agreement shall not be assigned by Consultant without the prior written consent of the District.

Section 6.8 Order of Precedence.

In the event of any conflict or inconsistency in the interpretation of this Agreement (including Attachments), such conflict or inconsistency shall be resolved by giving precedence to the body of this Agreement, then to the Attachments.

Section 6.9 Agreement Interpretation.

This Agreement is the result of arm's length negotiations between the Parties, and shall be construed as drafted by all Parties such that any ambiguities shall not be construed against either Party.

Section 6.10 Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and will become effective and binding upon the Parties as of the Effective Date at such time as all signatories hereto have signed a counterpart of this Agreement.

Section 6.11 Entire Agreement.

This Agreement contains the entire agreement between the Parties with respect to the subject matter of this Agreement and it supersedes all other prior and contemporary agreements, understanding, and commitments between the Parties with respect to the subject matter of the Agreement.

Section 6.12 Severability.

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

Section 6.13 Effect of Recitals.

The Recitals and Exhibits herein are deemed true and correct, are hereby incorporated into this Agreement as though fully set forth herein, and the Parties acknowledge and agree that they are bound by the same.

Section 6.14 Nondiscrimination.

In providing Services under this Agreement, Consultant shall comply with all applicable non-discrimination laws and shall not discriminate against any person on account of race, color, religion, age, sex, marital status, mental or physical disability, gender, gender identity, gender expression, sexual orientation, genetic information, ethnicity, ethnic group identification, national origin or nationality, ancestry, or a perception that a person has any of these characteristics or that the person is associated with a person who has, or is perceived to have, any of these characteristics.

Section 6.15 No School District Affiliation/Endorsement.

Consultant shall not imply, indicate or otherwise suggest that Consultant's services are connected or affiliated with, or are endorsed, favored or supported by, or are opposed by the District, without the District's advance written consent.

Section 6.16 Force Majeure.

Notwithstanding any other terms and conditions hereof, in the event that a Party is materially unable to perform any of its obligations hereunder because of severe weather, natural disasters, riots, wars, acts of terrorism, governmental action or other events of force majeure beyond the Party's control, then such Party shall, upon written notice to the other Party hereof, be relieved from its performance of such obligations to the extent, and for the duration, that such performance is prevented by such events; provided that such Party shall at all times use its best efforts to resume such performance.

Section 6.17 Third Parties.

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of any third party against either the District or Consultant.

Section 6.18 Time is of the Essence.

Time is of the essence with respect to all provisions of this Agreement.

Section 6.19 Attorneys' Fees.

If any legal action is necessary to enforce any of the terms or conditions of this Agreement, each party shall bear their own attorneys' fees.

Section 6.20 Waiver.

No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

Section 6.21 District's Right to Employ Other Consultants.

District reserves the right to employ other consultants in connection with the Services.

Section 6.22 Authority.

Each Party warrants that the persons who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective Party

Section 6.23 Conflict of Interest.

The Consultant hereby represents, warrants and covenants that: (i) at the time of execution of this Agreement, the Consultant has no interest and shall not acquire any interest in the future, whether direct or indirect, which would conflict in any manner or degree with the performance of Services under this Agreement; and (ii) the Consultant shall not employ in the performance of Services under this Agreement any person or entity having such an interest.

Section 6.24 Board Approval.

This Agreement is not valid or an enforceable obligation against the District until approved or ratified by motion of the District's Board of Education duly passed and adopted.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement as of the Effective Date of this Agreement.

| DISTRICT: | GLENDALE UNIFIED SCHOOL DISTRICT | |
|-------------|----------------------------------|--|
| | By: Name and Title: | |
| | Name and The. | |
| CONSULTANT: | | |
| CONSULTANT: | | |
| | By: | |
| | Name and Title: | |

APPENDIX A

SCOPE OF SERVICES

[to be attached]