

## AMENDMENT NO. 1

### TO AGREEMENT FOR CONTRACTUAL SERVICES

**THIS AMENDMENT TO THE AGREEMENT FOR CONTRACTUAL SERVICES** (“Amendment No. 1”) by and between the **CITY OF CARSON** (“City”) and MDG Associates, Inc., a California corporation (“Consultant”) is effective as of the \_\_\_\_ day of April, 2019.

### RECITALS

A. City and Consultant entered into that certain Agreement for Contractual Services dated July 1, 2018 (“Agreement”) whereby Consultant agreed to provide CDBG grant-funded program administration services.

B. Since the Agreement was initiated, the City staff member that was previously performing the administrative tracking and reporting components of CDBG grant funding, expenditures and program changes and updates retired from City service.

C. The nature of CDBG grant reporting and updating is arcane and specialized and requires experience in performing these functions accurately and timely in order to meet the demand for the City to meet the federal requirements for reporting on grant funding and expenditures and to ensure continued grant funding of the programs provided for by the grant.

D. Consultant has associates on staff that have a number of years performing the type of services that the CDBG grant requires to ensure continued success in grant funding. In order to continue to meet this demand for CDBG reporting and tracking, the City must expand the scope of services and increase the Contract Sum of the Agreement.

E. City and Consultant now desire to amend the Agreement to increase the Scope of Services and increase the Contract Sum by \$89,600 for the initial 3-year Term and \$64,600 for the optional 2-year extension, for a not-to-exceed amount of \$659,600 for the initial 3-year term and \$444,600 for the optional 2-year extension, for a total not-to-exceed sum of \$1,104,200 to enable the Consultant and City to continue to meet the requirements of the federally-funded CDBG grant program.

### TERMS

1. **Contract Changes.** The Agreement is amended as provided herein (new text is identified in ***bold italics***, deleted text in ~~strike-through~~).

**a. Section 2.1, Contract Sum, is hereby amended as follows:**

“Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed ***Six Hundred Fifty Nine Thousand Six Hundred Dollars (\$659,600.00)*** ~~Five Hundred Seventy Thousand Dollars (\$570,000)~~ for the initial 3-year Term, and ***Four Hundred Forty Four Thousand Six Hundred Dollars (\$444,600.00)*** ~~Three Hundred~~

## EXHIBIT NO. 2

~~Eighty Thousand (\$380,000)~~ for the optional 2-year extension, for a total not-to-exceed sum of ***One Million One Hundred Four Thousand Two Hundred Dollars (\$1,104,200.00)*** ~~Nine Hundred Fifty Thousand Dollars (\$950,000)~~ (the “Contract Sum”), unless additional compensation is approved pursuant to Section 1.8. Compensation shall not exceed ***Two Hundred Twenty Two Thousand Three Hundred Dollars (\$222,300.00)*** ~~One Hundred Ninety Thousand Dollars~~ per fiscal year.

The total compensation, including reimbursement for actual expenses, shall not exceed ***Six Hundred Fifty Nine Thousand Six Hundred Dollars (\$659,600.00)*** ~~Five Hundred Seventy Thousand Dollars (\$570,000.00)~~ (the “Contract Sum”), unless additional compensation is approved pursuant to Section 1.8. If the City exercises its option to renew the Agreement for two additional years, the total compensation for the optional two-year extension shall be ***Four Hundred Forty Four Thousand Six Hundred Dollars (\$444,600.00)*** ~~Three Hundred Eighty Thousand Dollars (\$380,000.00)~~, including reimbursement for actual expenses (the “Renewal Contract Sum).”

**b. The first paragraph of Section 4.1, Representatives and Personnel of Consultant, is hereby amended as follows:**

“The following principals of Consultant (“Principals”) are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connections therewith:

<u>Rudy E. Munoz</u>	<u>President</u>
(Name)	(Title)
<u>Arthur J. Gomez</u>	<u>Senior Associate</u>
(Name)	(Title)
<u>Miguel Ramirez</u>	<u>Senior Associate</u>
(Name)	(Title)
<u><b><i>Esther Luis</i></b></u>	<u><b><i>Senior Associate</i></b></u>
(Name)	(Title)”

**c. Section I.A. of Exhibit “A”, Scope of Services, is hereby amended as follows:**

“I. Consultant will perform the following Services:

- A. As and when requested by the Contract Officer, Consultant shall assist City in the administration of its Commercial Rehabilitation Program and Residential Rehabilitation Program, funded by CDBG and HOME grants, and related matters as described herein. Consultant shall provide administration and inspection services related to reviewing applications, preparing work write-ups, front counter assistance, initial inspections, pre-construction meetings, notary services, progress inspections and complete progress inspections. Consultant shall comply and assist City in complying with all state and federal requirements, including the Davis-Bacon Act, 40 U.S.C. § 3141-3144, 3146, and 3147, monitoring in accordance with regulations of the U. S. Department of Housing and Urban Development (HUD). Applicable CDBG regulations are found at 24 CFR Part 570; applicable HOME regulations are found at 24 CFR Part 92 and are provided by the

California Department of Housing and Community Development. Consultant shall provide written and/or oral reports to the Contract Officer on all assigned projects on a regular basis, as further described in Section II, below;

*Additionally, Consultant shall provide day-to-day services that include, but are not limited to, setting up budgets based on the adopted Annual Action Plans; assist in preparing agreements and purchase orders; reviewing invoices and supporting documentation for compliance with applicable requirements (e.g., procurement, contracts, and Davis-Bacon compliance, etc.); assist in setting up draws in the IDIS system upon reconciliation of grantees general ledger; completing conducting programmatic and financial monitoring of sub-recipients and City departments to assure activities are compliant with the agreement/MOU and all applicable requirements; assist in inputting quarterly accomplishments in IDIS; conducting annual reconciliations of City's accounts as compared to the data in IDIS; tracking accounts/budgets for any carryovers or unexpended funds upon activity close-out; monitor and maintain program income and or loan portfolio. Also assist the City during the single-audit process, providing requested information to the auditor."*

**d. Section IV. of Exhibit "A", Scope of Services, is hereby amended as follows:**

"IV. Consultant will primarily utilize the following personnel to accomplish the Services:

- A. Rudy Munoz, President
- B. Arthur J. Gomez, Senior Associate
- C. Miguel Ramirez, Senior Associate
- D. *Esther Luis, Senior Associate*

**e. Section IV. of Exhibit "C", Schedule of Compensation, is hereby amended as follows:**

"IV. As provided in Section 2.1 of this Agreement, the total compensation for the Services shall not exceed ~~\$659,600.00~~ ~~\$570,000.00~~ for the initial term of the Agreement, and shall not exceed ~~\$444,600.00~~ ~~\$380,000.00~~ for the two-year extension, if the City exercises the option to extend the Agreement. The Contract Sum shall include actual expenses, including but not limited to, project supplies, prints/reproductions, and outside services. Consultant may include a 10% markup on actual expenses, provided that the Contract Sum is not exceeded. All supplies purchased and charged to the City shall belong to the City. The Contract Officer reserves the right not to provide reimbursement that he or she deems unreasonable in his or her sole discretion."

2. **Continuing Effect of Agreement.** Except as amended by this Agreement, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment No. 1, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Amendment No. 1 to the Agreement.

3. **Affirmation of Agreement; Warranty Re Absence of Defaults.** City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations

arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment No. 1, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment No. 1, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. **Adequate Consideration.** The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 1.

5. **Authority.** The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the date and year first-above written.

**CITY:**

CITY OF CARSON, a municipal corporation

\_\_\_\_\_  
Albert Robles, Mayor

ATTEST:

\_\_\_\_\_  
Donesia Gause-Aldana, City Clerk

**APPROVED AS TO FORM:**

ALESHIRE & WYNDER, LLP

\_\_\_\_\_  
Sunny K. Soltani, City Attorney

[ndp]

**CONSULTANT:**

CSG Consultants, Inc.  
a California Corporation

By:\_\_\_\_\_  
Name: Rudy E. Munoz  
Title: President

By:\_\_\_\_\_  
Name: Guadalupe R. Munoz  
Title: Chief Financial Officer

Address: 10722 Arrow Route, Suite #822  
Rancho Cucamonga, CA 91730

**Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.**

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On \_\_\_\_\_, 2019 before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

### OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

<b>CAPACITY CLAIMED BY SIGNER</b>	<b>DESCRIPTION OF ATTACHED DOCUMENT</b>
<input type="checkbox"/> INDIVIDUAL	
<input type="checkbox"/> CORPORATE OFFICER	
<div style="display: flex; align-items: center;"><div style="flex: 1;"><input type="checkbox"/> PARTNER(S)</div><div style="flex: 1; text-align: center;">TITLE(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL</div></div>	<div style="border-bottom: 1px solid black; width: 100%;"></div> TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> ATTORNEY-IN-FACT	
<input type="checkbox"/> TRUSTEE(S)	
<input type="checkbox"/> GUARDIAN/CONSERVATOR	<div style="border-bottom: 1px solid black; width: 100%;"></div> NUMBER OF PAGES
<input type="checkbox"/> OTHER _____	
<b>SIGNER IS REPRESENTING:</b> (NAME OF PERSON(S) OR ENTITY(IES)) _____ _____	<div style="border-bottom: 1px solid black; width: 100%;"></div> DATE OF DOCUMENT
	<div style="border-bottom: 1px solid black; width: 100%;"></div> SIGNER(S) OTHER THAN NAMED ABOVE

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<input type="checkbox"/>	INDIVIDUAL	
<input type="checkbox"/>	CORPORATE OFFICER	
	TITLE(S)	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/>	PARTNER(S) <input type="checkbox"/> LIMITED	
	<input type="checkbox"/> GENERAL	
<input type="checkbox"/>	ATTORNEY-IN-FACT	
<input type="checkbox"/>	TRUSTEE(S)	NUMBER OF PAGES
<input type="checkbox"/>	GUARDIAN/CONSERVATOR	
<input type="checkbox"/>	OTHER _____	
SIGNER IS REPRESENTING:		DATE OF DOCUMENT
(NAME OF PERSON(S) OR ENTITY(IES))		
_____		
_____		SIGNER(S) OTHER THAN NAMED ABOVE