



TO: LATONYA HUBBARD, PURCHASING AGENT, FINANCE DEPARTMENT, PURCHASING DIVISION

FROM: FELICIA HOLLOMAN, ASSISTANT CITY ATTORNEY **FH**

THROUGH: SARA HEDGES, CITY ATTORNEY *SH*

RE: COMMUNITY RATING SYSTEM (CRS) AND CLIMATE RESILIENCE RFQ No. 2025-009 - REQUEST CHANGES TO CONTRACT

CAO RLS FILE: 25-259

DATE: AUGUST 13, 2025

I have reviewed the request for legal services related to requested changes to the contract for the Community Rating System and Climate Resilience services with Tetra Tech. Tetra Tech submitted a copy of the proposed contract with changes and comments, to which I will address below:

1) On page 2, under paragraph 2 (“Compensation”), the contract currently reads that upon completion of services and acceptance by the City, Tetra Tech can submit an invoice setting forth amounts due. Tetra Tech added a note, asking if the company may submit invoices monthly (or if it must be once a specific authorization is complete), and if this can be outlined in the specific authorization.

How the agreement is fashioned, with work to be done up front before an invoice may be provided, was contemplated to protect the City’s interests. However, there are specific authorizations in other projects throughout the City that contemplate payment in steps. For example, if the specific authorization is for work to be done in phases, the specific authorization may allow for billing as specified by the specific authorization.

The decision on when and how to compensate the contractor is a question for the Building Department, Purchasing, and/or the City Manager. However, the most straight forward way to be billed and provide compensation is upon the completion of a specific authorization. If you wish to move in a different direction, then section 2.2 of the agreement may be edited to allow for a different invoicing scheme.

2) On page 9, under paragraph 10 (“Insurance”), the contract originally read:

“As evidence of compliance with insurance required herein...

(b) the original of the policy(ies); or

(c) other evidence satisfactory to the City. Such evidence shall include thirty (30) days written notice of cancellation to the City for all coverage.”

Tetra Tech has edited this section to delete the requirement for original copies of insurance requirements and adds to subparagraph (a) “...in addition City reserves the right to

request copies of the original of the policy(ies) required herein.” The note attached to this edit states that this change is “consistent with our last contract with the City” and that it is standard to allow a client the right to request copies of insurance policies, but it is rarely an “up front” requirement. It is unclear if Tetra Tech takes issue with providing proof of the insurance requirements before the engagement of services or if they take issue with providing original copies.

It is the recommendation of this Office that the section remain as written by the City – subsection (c) of the Insurance section allows “other evidence of insurance satisfactory to the City,” which could be copies of the insurance coverage. However, this Office recommends (b), requiring original copies of the policy, remain as previously written. It is also recommended that proof of insurance, whatever that may be, should be provided ahead of any commencement of work in a specific authorization. The language of the bid also states that these insurance policies must be in place upon entering this agreement (see Section II of the RFQ, “Vendor at its own expense, shall procure and maintain throughout the term of this Contract...”), so proof of these insurance policies should be provided ahead of or at the time the contract is signed.

3) On page 10, under paragraph 10 (“Insurance”), Tetra Tech added a note that they cannot provide renewal information of their insurance until immediately prior to expiration. Again, this is a decision to be made by the Building Department, your Department, and/or the City Manager as to whether this provision should be edited to allow for proof of renewed insurance to be provided as soon as feasible, as long as coverage is continuous during the contract period.

If you have any questions, please do not hesitate to contact this Office via phone or e-mail.

Thank you.