

CONTRACT MODIFICATION No. 2

Accident Investigation Services

THIS MODIFICATION No. 2 is being entered into this _____ day of _____, 2010, by and between the CITY OF LAS VEGAS (hereinafter the "City"), a municipal corporation within the State of Nevada having its principal office at 400 Stewart Avenue, Las Vegas, Nevada 89101, and DAVID MORSE AND ASSOCIATES, INC. (hereinafter the "Company"), having its principal office at P.O. Box 26004, Glendale, California 91222.

The purpose of the Modification is to modify the performance period and scope of service.

The Contract between the City and the Company dated March 7, 2007, and modified on June 9, 2008, is hereby modified as follows:

1. Paragraph. B-3 Prices /Costs. Add (a) 6.

DELETE: B-3 Prices/Costs in its entirety.

REPLACE WITH:

B-3 Prices/Costs

(a) The City will pay the Company for services performed as follows:

1. Initial claims investigation at \$280.00 to include:

- i. Immediate response and investigation of the accident scene, to include, but not limited to, meeting with the police officer on location and obtaining a printout of initial police information;
- ii. Photographs, up to five (5);
- iii. A first written report (the full preliminary report or preliminary closing report);
- iv. All travel time and mileage to and from the scene;
- v. A Preliminary Notice of Loss, if needed; and
- vi. Cell phone use at no additional charge.

2. Casualty Adjusting Services at \$80.00 per hour subsequent to initial claims investigation set forth in Paragraph C-2 (a) and (b).

3. Mileage to and from the scene: \$0.55 per mile.

4. Extra photographs: \$2.00 per photo, above and beyond initial (5) photographs, and only when additional photos are needed.

5. Accident Reconstruction at \$120.00 per hour. This service is subject to prior authorization from the Project Manager.

6. The Company will provide a detailed and coherent itemization of any billed charges exceeding that of the initial claims investigation, 1 through 5 above and C-2 Initial Claim Investigations.

(b) It is agreed that this pricing shall be valid through June 30, 2011, or through June 30, 2012, if renewal option is exercised.

(c) The total amount of this Contract shall not exceed \$110,000.00 annually. In no event shall the total payments to the Company for the services provided under this Contract exceed the aforementioned amount appropriated without prior approval of the City.

2. B-4 Performance Period. Extend performance period.

DELETE B-4 in its entirety.

REPLACE WITH:

B-4 Performance Period

The initial term of the Contract shall be for a period from the Award Date through June 30, 2008, with up to four (4), one (1) year renewal options. The City exercised the two original renewal options. The City will provide written notice to the Company when an option is exercised. Exercise of an option does not imply that future options will be exercised. All terms and conditions of the Contract shall remain in effect as written, during the options period(s).

3. SECTION C- Statement of Work

DELETE: C-1 Scope of Services/General

REPLACE WITH:

C-1 Scope of Services/General

(a) The Company shall provide all personnel and materials required to perform the Accident Investigation Services set forth in this Contract.

(b) The Company shall investigate each motor vehicle, and/or bodily injury or property damage claim assigned by the City. The Company shall provide a twenty-four (24) hour, seven (7) days per week phone number to receive assignments and be on the scene of an assigned accident within one (1) hour after receiving the assignment. The Company shall be required to prepare reports based on the investigation of the assigned accidents.

(c) The Company shall not investigate any accident that does not involve a City vehicle unless specifically directed to do so by one of the City employees identified in D-3 City Responsibilities.

(d) The Company shall not respond to accident call-outs involving only property damage or bodily injury without verification by one of the City employees identified in D-3 City Responsibilities. The City will pay only for those assignments verified.

(e) The Company shall provide Initial Claims Investigation Reports, as set forth in Paragraph C-2.

(f) At the request of the Project Manager, the Company shall perform Additional Services, which may include further investigational activities and claim adjuster activities over and above those activities required for the initial investigation. The City will compensate the Company for Additional Services at the hourly rate set forth in Paragraph B-3, above. The Company shall keep complete and accurate records of the time spent performing such services. Upon the conclusion of the performance of Additional Services, the Company shall provide a Final Report to the City containing the information gathered and any investigative conclusions and recommendations resulting therefrom.

4. D-3 City Responsibilities. Add (c)

DELETE D-3 in its entirety.

REPLACE WITH:

D-3 City Responsibilities

- (a) The City has designated Holly Jensen as the Project Manager. The City will provide written notice to the Company of any subsequent Project Manager reassignment. The Project Manager will be the Company's principal point of contact at the City regarding any matters relating to this Contract. The Project Manager will provide all general direction to the Company regarding Contract performance. The Project Manager will act as the primary interface between the City and the Company, will provide guidance regarding the City's goals and policies, and will authorize any incurrence of cost associated with Additional Services. The Project Manager is not authorized to waive or change any material terms of the Contract.
- (b) Although the Company must provide Las Vegas Metropolitan Police Department, the City's Detention and Enforcement Department, and/or Nevada Highway Patrol reports as part of the initial Report, it will be the responsibility of the City to obtain physical copies of the reports.
- (c) Accident reporting assignments must be verified by contacting one of the following City personnel:

- 1. Holly Jensen 702-229-5048
- 2. Ron Prewitt 702-229-5049
- 3. Vicki Robinson 702-229-5043
- 4. Mande Bowler 702-5076

5. D-4 Company Personnel. Add (g) Adjuster names and (h) an Accounts Receivable contact name.

(g) The Company shall assign Annemarie Gibson as the City's primary adjuster and Shani Williams as the City's secondary adjuster.

(h) The Company shall assign a specific billing/accounts receivable employee as the City's point of contact for all City invoice issues.

6. E-5 Insurance and Bonds. Update insurance requirements.

DELETE E-5 Insurance and Bonds in its entirety.

REPLACE WITH:

E-5 Insurance [CAO-1/12/09] R

- (a) The Company shall procure and maintain, at its own expense, during the entire term of the Contract, the following coverage(s):
 - (i) Industrial/Workers' Compensation Insurance protecting the Company and the City from potential Company employee claims based upon job-related sickness, injury, or accident, during performance of this Contract, and must submit proof of such insurance on a certificate of insurance issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with NRS 616A-616D, inclusive.
 - (ii) Commercial General Liability Insurance (bodily injury, property damage) with respect to the Company's agents assigned to the activities performed under this Contract in a

policy limit of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate, for bodily injury (including death), personal injury and property damages. Such coverage shall be on an "occurrence" basis and not on a "claims made" basis, and be provided on either a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad form CGL endorsement) insurance form. The form must be written on an ISO Form CG 00 01 10 01, or an equivalent form.

- (iii) Commercial Automobile Liability Insurance of limits no less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage to include, but not be limited to, coverage against all insurance claims for injuries to persons or damages to property which may arise from services rendered by Company and any auto used to the performance of services under this Contract. The policy must insure all vehicles **owned** by the Company and include coverage for **hired** and **non-owned** vehicles.

If the services requested do not require the use of vehicle to perform, Commercial Automobile Liability Insurance requirements, as described in (iii) above, do not apply.

- (iv) Professional Liability Insurance (only if the contract is for professional services) of limits no less than \$1,000,000, combined single limit and in the aggregate. If coverage is on a "claims made" basis, then it must continue for a period of two years beyond the completion or termination of this Contract. Any retroactive coverage must coincide with or predate the beginning of this Contract and may not be changed without the consent of the City.
- (b) The Company must provide required insurance documentation to Insurance Tracking Services (ITS) immediately upon notification of selection. Award is conditional upon verification by ITS that all insurance requirements have been met. All policy certificates and endorsements are required to be an agent authorized by that insurer and who is licensed by the State of Nevada. All required aggregate limits must be disclosed and amounts entered on the certificate(s) of insurance. The certificates must identify the Contract number and the Contract description. The Company shall maintain coverage for the duration of this Contract, and any renewal periods, if applicable. The Company shall annually provide the ITS with a certificate of insurance as evidence that all insurance requirements have been met. The Company and/or insurance carrier shall provide the City with a 30 day advance notice of policy modification, cancellation or erosion of insurance limits, sent by certified mail "return receipt requested".

Submit certificates of insurance to:

City of Las Vegas
C/O Insurance Tracking Services, Inc. (ITS)
P.O. Box 21919
Long Beach, CA 90801

Account Manager: Michael Palacios
Phone: (888) 435-2955 ext. 503 • Fax: 562-435-2999
Email: michael.palacios@instracking.com

A certified, true and exact copy of each of the project specific insurance policies (including renewal policies) required under this Section E-5 shall be provided to the City if so requested.

- (c) The City, its officers and employees shall be named as additional insureds and such notation shall appear on the certificate of insurance furnished by the Company's insurance carrier. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer

and licensed by the State of Nevada. Each insurance carrier's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required certificate of insurance. The City requires insurance carriers to maintain a Best's Key rating of A VII, or higher. The adequacy of the insurance supplied by the Company, including the rating and financial health of each insurance carrier providing coverage, is subject to the approval of the City.

- (d) All deductibles and self-insurance retentions shall be fully disclosed in the certificate of insurance. No deductible or self-insured retention may exceed \$10,000.00 without the prior written approval of the City.
- (e) If the Company fails to carry the required insurance, the City may (i) order the Company to stop further performance hereunder, declare the Company in breach, pursuant to Paragraph E-4, terminate the Contract if the breach is not remedied and, if permitted, assess liquidated damages, or (ii) purchase replacement insurance and withhold the costs or premium payments made from the payments due to the Company or charge the replacement insurance costs back to the Company.
- (f) Any subcontractor or subconsultant approved by the City shall be required to procure, maintain and submit proof of insurance to the City of the same insurance requirements as specified above, and as required in this paragraph.
- (g) The Company is encouraged to purchase any additional insurance as it deems necessary.
- (h) The Company is required to remedy all injuries to persons and damage or loss to any property of the City, caused in whole or in part by the Company, its subcontractors or anyone employed, directed or supervised by the Company.
- (i) The policies required in E-5 (a) i-iii shall have a Waiver of Subrogation provision endorsement in favor of the City of Las Vegas.

7. E-23 Counterpart Signatures. Add new electronic signature clause.

E- 23 Counterpart Signatures [CAO-9/24/08]

This Contract may be executed in counterparts, all such counterparts will constitute the same contract and the signature of any party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and upon receipt will be deemed originals and binding upon the parties hereto, regardless of whether originals are delivered thereafter.

8. General. In the event of any conflict between the Contract and this modification, the provisions of Modification No. 2 take precedence. All other contract terms and conditions remain unchanged.

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IN WITNESS WHEREOF, the parties hereto have caused this Modification No 2 to be executed by their duly authorized representatives.

CITY OF LAS VEGAS

KATHLEEN C. RAINEY, Manager
Purchasing and Contracts

"City"

ATTEST:

BEVERLY K. BRIDGES, MMC
City Clerk

APPROVED AS TO FORM:

Robert S. Slovain 7-14-10
Deputy City Attorney Date

DAVID MORSE AND ASSOCIATES, INC.

HENNING HELDT, Senior Vice President

"Company"