

Contract #: 4000015742

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**

CONTRACT FOR PROFESSIONAL SERVICES

This Contract is entered into by and between the Commonwealth of Pennsylvania (the "Commonwealth"), acting through the Department of Community and Economic Development (the "Department"), and THE NOVAK CONSULTING GROUP INC., with an address at 210 Glenmary Avenue, Cincinnati, Ohio 45220-1714 (the "Consultant").

BACKGROUND

Section 221 of the Act of July 10, 1987 (P.L. 246), as amended, known as the Municipalities Financial Recovery Act (53 P.S. 11701.221(b), (the "Act") authorizes the Department to employ a consultant to act as coordinator in preparing and administering a plan to relieve the financial distress of a municipality; and

The Department has requested and the Consultant has agreed to act as coordinator in preparing and administering a recovery plan for the City of Harrisburg for a sum not to exceed Three Hundred Eleven Thousand Ninety Two Dollars (\$311,092.00); and

The Department has received sole source approval from the Department of General Services to enter into a contract with the Consultant, which is attached hereto and incorporated herein as Appendix D; and

The Department now desires to enter into a contract with the Consultant.

NOW, THEREFORE, in consideration of the foregoing, and subject to the conditions contained herein, the parties hereto intending to be legally bound hereby, do covenant and agree for themselves, their respective successors and assignees as follows:

**ARTICLE I
EFFECTIVE DATES**

1. The term of this Contract shall commence on the Effective Date (as defined below) and shall end on October 31, 2011, subject to the other provisions of this Contract.

2. The Effective Date shall be fixed by the Department's Project Coordinator after this Contract has been fully executed by the Consultant and by the Commonwealth, all approvals required by Commonwealth contracting procedures have been obtained, and this Contract has been sent to the Consultant.

3. The Department's Project Coordinator shall issue a written Notice to Proceed to the Consultant directing the Consultant to start performance on a date which is on or after the Effective Date. The Consultant shall not start the performance of any work prior to the date set forth in the Notice to Proceed and the Commonwealth shall not be liable to pay the Consultant for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No agency employee has the authority to verbally direct the commencement of any work under this Contract.

5. It is the intention of the parties to continue their contractual arrangement during the period from November 1, 2011, to October 31, 2012, and, as required, for successive 12 month periods thereafter ("Fiscal Year"), not to extend beyond April 16, 2016, so long as the Department may elect, and subject to the availability of funds. The exact nature of the services to be provided by the Consultant and the consideration to be paid to the Consultant by the Department shall be as agreed upon by the parties prior to the beginning of each Fiscal Year. Therefore, if either party determines prior to the beginning of a Fiscal Year that said party will be unable to agree with the other party as to the terms of their continued contractual relationship, or if either party wishes not to continue the contractual relationship, the parties shall be entitled to at least thirty (30) days written notice of termination.

**ARTICLE II
SCOPE OF WORK**

1. The Consultant, under the direction and in close coordination with the Department, hereby agrees to provide professional services as described in the Consultant's Proposal, a summary of which is attached hereto as Appendix A, and the Budget, which is attached hereto as Appendix B, both of which are incorporated herein and made a part hereof.

2. The Department hereby agrees that members of its staff will cooperate with the Consultant in the performance of its services under this Contract and will be available for consultation with the Consultant at such reasonable periods of time as not to conflict with their other responsibilities.

**ARTICLE III
PROJECT COORDINATORS**

1. The Department's Project Coordinator and proper address is: Fred Reddig, Governor's Center for Local Government Services, Commonwealth Keystone Building, 4th Floor, 400 North Street, Harrisburg, PA 17120.

2. The Consultant's Project Coordinator and proper address is: Julia Novak, President, The Novak Consulting Group Inc., 210 Glenmary Avenue, Cincinnati, Ohio 45220-1714.

**ARTICLE IV
INDEPENDENT CONTRACTOR**

Notwithstanding anything contained herein to the contrary, the rights and duties hereby granted to and assumed by the Consultant are those of an independent contractor only. Nothing contained herein shall be so construed as to create an employment, agency or partnership relationship between the Department and Consultant.

**ARTICLE V
CONSULTANT'S COMPENSATION AND PAYMENT PROCEDURES**

1. Subject to the terms of this Contract, the Department hereby makes available to the Consultant, out of funds appropriated, the sum of Three Hundred Eleven Thousand Ninety Two Dollars (\$311,092.00) or such portion thereof as may be required by the Consultant and authorized by the Department, subject to the condition that it shall be used by the Consultant to carry out the activities described in the Proposal and the Budget.

2. The Department agrees to pay the Consultant for services rendered pursuant to this Contract as follows:

(a) Subject to the availability of state and/or federal funds and other terms and conditions of this Contract, the Department will reimburse the Consultant in accordance with the Budget. No other disbursement shall be made.

(b) The Consultant may be reimbursed for the costs incurred in providing the services described in this Contract up to the total amount available under this Contract. All such costs, including services contributed by the Consultant or others and charged to the project account, shall be supported by properly executed vouchers or other records indicating in proper detail the nature and propriety of the charge.

(c) The services specified herein generally shall be performed in the Consultant's offices or in the field and in such other space as may be furnished without charge by the Department, and the Consultant agrees not to include any charge for such additional space in the schedule of compensation.

(d) Under no circumstances shall the Commonwealth or the Department be liable for any expenditure exceeding the amount stated in this Contract or amendments hereto.

(e) Payments shall be made on invoice forms, in accordance with instructions provided by the Department.

(f) Payments under this Contract shall be conditioned upon the completion of any Special Conditions set forth in Appendix C or otherwise incorporated into this Contract.

(g) The Department shall have the right to disapprove any expenditure made by the Consultant which is not in accordance with the terms of this Contract and the Department may adjust payment to the Consultant accordingly.

(h) The Department shall put forth reasonable efforts to make payment by the required payment date. The required payment date is: (i) the date on which payment is due under the terms of this Contract; (ii) thirty (30) days after a proper invoice actually is received at the Department's Project Coordinator's address (a "proper" invoice is not received until the Commonwealth accepts the service as satisfactorily performed); or (iii) the payment date specified on the invoice if later than the dates established by (i) and (ii) above. Payment may be delayed if the payment amount on an invoice is not based upon the price(s) as stated in this Contract. If any payment is not made within forty five (45) days after the required payment date, the Department may pay interest as determined by the Secretary of Budget in accordance with Act No. 266 of 1982 and regulations promulgated pursuant thereto. Payment should not be construed by the Consultant as acceptance of the service performed by the Consultant. The Commonwealth reserves the right to conduct further testing and inspection after payment, but within a reasonable time after performance, and to reject the service if such post payment testing or inspection discloses a defect or a failure to meet specifications. The Consultant agrees that the Department may set off the amount of any state tax liability or other obligation of the Consultant or its subsidiaries to the Commonwealth against any payments due the Consultant under any contract with the Commonwealth.

(i) The Commonwealth is exempt from all excise taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax free purchases under Registration No. 2374001-K. With the

exception of purchases of the following items, no exemption certificates are required and none will be issued: undyed diesel fuel, tires, trucks, gas guzzler emergency vehicles, and sports fishing equipment. The Commonwealth is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction contractor from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction contract.

(j) Pennsylvania Electronic Payment Program

(A) The Commonwealth will make contract payments through the Automated Clearing House (ACH). Within 10 days of award of the Contract, the Consultant must submit or must have already submitted their ACH information within their user profile in the Commonwealth's procurement system (SRM).

(B) The Consultant must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the Consultant to properly apply the Department's payment to the invoice submitted.

(C) It is the responsibility of the Consultant to ensure that the ACH information contained in SRM is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

(D) The Consultant may access the ACH enrollment form at www.vendorregistration.state.pa.us/cvmu/paper/forms/ACH-EFTenrollmentform.pdf.

ARTICLE VI INTEREST OF PARTIES AND OTHERS

1. No officer, member, employee, independent contractor or elected official of the Commonwealth and no member of its governing body who exercises any functions or responsibilities in the review or approval of services being performed under this Contract shall participate in any decision relating to this Contract which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested. Nor shall any such officer, member, elected official or employee of the Commonwealth or any member of its governing body have any interest direct or indirect in this Contract or the proceeds thereof.

2. The Consultant covenants that the Consultant (including directors, officers, members and employees of the Consultant) presently has no interest and shall not acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. The Consultant further covenants that no person having any such interest shall be employed in the performance of services for this Contract.

ARTICLE VII ASSURANCES AND COMPLIANCE REQUIREMENTS

1. **Covenant Against Contingent Fees.** The Consultant warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Consultant for the purpose of securing business. For breach or violation of this warranty, the Department shall have the right to annul this Contract without liability or in its discretion to deduct from this Contract the price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

2. **Hold Harmless Provisions.** The Consultant shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all claims, demands and actions based upon or arising out of any activities performed by the Consultant and its employees and agents under this Contract and shall, at the request of the Commonwealth, defend any and all actions brought against the Commonwealth based upon any such claims or demands.

3. **Required Insurance and Payroll Deductions.**

(a) The Consultant shall provide workmen's compensation insurance where the same is required and shall accept full responsibility for the payment of premiums for workmen's compensation and social security and any other taxes or payroll deductions required by law for its employees who are performing services specified by this Contract.

(b) The Consultant will provide professional liability insurance, insuring as they may appear, the interest of all parties to this Contract against any and all claims which may arise out of the Consultant's operations under this Contract.

4. **Nondiscrimination/Sexual Harassment Clause.** The Consultant agrees:

(a) In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the Consultant, each subcontractor, or any person acting on behalf of the Consultant or

subcontractor shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.

(b) Neither the Consultant nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract on account of gender, race, creed, or color.

(c) The Consultant and each subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.

(d) The Consultant and each subcontractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contracts relates.

(e) The Consultant and each subcontractor shall, within the time periods requested by the Commonwealth, furnish all necessary employment documents and records and permit access to their books, records, and accounts by the contracting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. Within fifteen (15) days after award of any contract, the Consultant shall be required to complete, sign and submit Form STD-21, the "Initial Contract Compliance Data" form. If the contract is a construction contract, then the Consultant shall be required to complete, sign and submit Form STD-28, the "Monthly Contract Compliance Report for Construction Contractors", each month no later than the 15th of the month following the reporting period beginning with the initial job conference and continuing through the completion of the project. Those contractors who have fewer than five employees or whose employees are all from the same family or who have completed the Form STD-21 within the past 12 months may, within the 15 days, request an exemption from the Form STD-21 submission requirement from the contracting agency.

(f) The Consultant shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.

(g) The Commonwealth may cancel or terminate the contract and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency

may proceed with debarment or suspension and may place the Consultant in the Contractor Responsibility File.

5. Compliance with the State Contractor Responsibility Program. For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee, or subgrantee, who has furnished or seeks to furnish goods, supplies, services, or leased space, or who has performed or seeks to perform construction activity under contract, subcontract, grant, or subgrant with the Commonwealth, or with a person under contract, subcontract, grant, or subgrant with the Commonwealth or its state-affiliated entities, and state-related institutions. The term contractor may include a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other entity of the Commonwealth.

(a) The contractor must certify, in writing, for itself and all its subcontractors, that as of the date of its execution of any Commonwealth contract, that neither the contractor, nor any subcontractors, nor any suppliers are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the contractor cannot so certify, then it agrees to submit, along with the bid/proposal, a written explanation of why such certification cannot be made.

(b) The contractor must also certify, in writing, that as of the date of its execution, of any Commonwealth contract it has no tax liabilities or other Commonwealth obligations.

(c) The contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the Contract through the termination date thereof. Accordingly, the contractor shall have an obligation to inform the contracting agency if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.

(d) The failure of the contractor to notify the contracting agency of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.

(e) The contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the contractor's compliance with the terms of this or any other agreement between the contractor and the Commonwealth, which results in the suspension or debarment of the contractor. Such costs shall include, but shall not be limited to, salaries of investigators,

including overtime; travel and lodging expenses; and expert witness and documentary fees. The contractor shall not be responsible for investigative costs for investigations that do not result in the contractor's suspension or debarment.

(f) The contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the internet at http://www.dgsweb.state.pa.us/DebarmentList_portlet/ or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No: (717) 783-6472
FAX No: (717) 787-9138

6. Compliance with the Offset Provision for Commonwealth Contracts. The Consultant agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Consultant or its subsidiaries to the Commonwealth against any payments due the Consultant under any contract with the Commonwealth.

7. Compliance with The Americans with Disabilities Act:

(a) Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. §35.101 et seq., the Consultant understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of the disability. As a condition of accepting this Contract, the Consultant agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. §35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to the benefits, services, programs, and activities provided by the Commonwealth through contracts with outside contractors.

(b) The Consultant shall be responsible for and agrees to indemnify and hold harmless the Commonwealth from all losses, damages, expenses, claims, demands, suits and actions brought by any party against the Commonwealth as a result of the Consultant's failure to comply with the provisions of the subparagraph (a) above.

8. Reimbursement for Travel and Per Diem. Reimbursement to the Consultant for any travel, lodging or meals under this Contract, if applicable, shall be at or below state rates, unless the Consultant has higher rates which have been approved by its officers/officials, and published prior to entering into contract negotiations with the Commonwealth. Documentation in support of travel and per diem will be the same as required of state employees. Higher rates

must be supported by a copy of the minutes or other official documents, and submitted to the Department.

9. Compliance with Disadvantaged Businesses/Enterprise Zone Small Businesses Reporting Requirements. The Consultant did not commit to any Disadvantaged Businesses/Enterprise Zone Small Businesses in its response to the RFP and therefore will not be required to report to the Department.

10. Donation of Excess Prepared Food for Commonwealth Functions. No food will be provided by the Consultant at any Commonwealth function funded under this Contract.

11. Recycled Content Products Provision. Services to be provided by the Consultant under this Contract do not involve recycled products.

12. Contractor Integrity Provisions.

(a) It is essential that those who seek to contract with the Commonwealth of Pennsylvania ("Commonwealth") observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth procurement process.

(b) In furtherance of this policy, Contractor agrees to the following:

(1) Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting with the Commonwealth.

(2) Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Contractor employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Contractor employees.

(3) Contractor, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the Public Official and Employees Ethics Act, 65 Pa.C.S. §§1101 et seq.; the State Adverse Interest Act, 71 P.S. §776.1 et seq.; and the Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq., or to breach any other state or federal law or regulation.

(4) Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.

(5) Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq. or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.

(6) Contractor, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee.

(7) Contractor, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the contract, except as provided in the contract.

(8) Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest prior to Commonwealth execution of the contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.

(9) Contractor, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Contractor under this contract without the prior written approval of the Commonwealth, except as required by the *Pennsylvania Right-to-Know Law*, 65 P.S. §§ 67.101-3104, or other applicable law or as otherwise provided in this contract. Any information, documents, reports, data, or records secured by Contractor from the Commonwealth or a third party in connection with the performance of this contract shall be kept confidential unless disclosure of such information is:

(A) Approved in writing by the Commonwealth prior to its disclosure; or

(B) Directed by a court or other tribunal of competent jurisdiction unless the contract requires prior Commonwealth approval; or

(C) Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or

(D) Necessary for purposes of Contractor's internal assessment and review; or

(E) Deemed necessary by Contractor in any action to enforce the provisions of this contract or to defend or prosecute claims by or against parties other than the Commonwealth; or

(F) Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain; or

(G) Otherwise required by law.

(10) Contractor certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has not been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency contracting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:

(A) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.

(B) Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Contractor or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:

(I) obtaining;

(II) attempting to obtain; or

(III) performing a public contract or subcontract.

Contractor's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

(C) Violation of federal or state antitrust statutes.

(D) Violation of any federal or state law regulating campaign contributions.

(E) Violation of any federal or state environmental law.

(F) Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.

(G) Violation of the Act of June 2, 1915 (P.L.736, No. 338), known as the Workers' Compensation Act, 77 P.S. 1 et seq.

(H) Violation of any federal or state law prohibiting discrimination in employment.

(I) Debarment by any agency or department of the federal government or by any other state.

(J) Any other crime involving moral turpitude or business honesty or integrity.

Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause upon such notification or when the Commonwealth otherwise learns that Contractor has been officially notified, charged, or convicted.

(11) If this contract was awarded to Contractor on a non-bid basis, Contractor must, (as required by *Section 1641* of the *Pennsylvania Election Code*) file a report of political contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Contractor by virtue of the knowledge possessed by every officer, director, associate, partner, limited partner, or individual owner that has been made by:

(A) Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the preceding year; or

(B) Any employee or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

To obtain a copy of the reporting form, Contractor shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office Building, Harrisburg, PA 17120.

(12) Contractor shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S. § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Contractor employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Contractor employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Contractor's behalf, no matter the procurement stage, are not exempt and must be reported.

(13) When Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or Commonwealth Inspector General in writing.

(14) Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these contractor integrity provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract.

(15) Contractor shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Contractor non-compliance with these provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of the Office of Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to Contractor's integrity and compliance with these provisions.

Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refers to or concern this contract.

(16) For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

(17) For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Paragraph 17.

(A) "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Contractor from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through a act or omission of Contractor; or e) has not been independently developed by Contractor without the use of confidential information of the Commonwealth.

(B) "Consent" means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this contract.

(C) "Contractor" means the individual or entity that has entered into this contract with the Commonwealth, including those directors, officers, partners, managers, and owners having more than a five percent interest in Contractor.

(D) "Financial interest" means:

(I) Ownership of more than a five percent interest in any business; or

(II) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.

(E) "Gratuity" means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. The exceptions set forth in the *Governor's Code of Conduct, Executive Order 1980-18*, the 4 Pa. Code §7.153(b), shall apply.

(F) "Immediate family" means a spouse and any unemancipated child.

(G) "Non-bid basis" means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.

(H) "Political contribution" means any payment, gift, subscription, assessment, contract, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

13. Compliance With Law. The Consultant shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of this Contract.

14. Environmental Provisions. In the performance of this Contract, the Consultant shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations.

15. Hazardous Substances. No hazardous substances will be supplied or used by the Consultant in the performance of this Contract.

16. Right to Know Law Provisions

(a) The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL") applies to this Contract. For the purpose of these provisions, the term "the Commonwealth" shall refer to the Department of Community and Economic Development.

(b) If the Commonwealth needs the Consultant's assistance in any matter arising out of the RTKL related to this Contract, it shall notify the Consultant using the legal contact information provided in this Contract. The Consultant, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.

(c) Upon written notification from the Commonwealth that it requires the Consultant's assistance in responding to a request under the RTKL for information related to this Contract that may be in the Consultant's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Consultant shall:

(i) Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in the Consultant's possession arising out of this Contract that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and

(ii) Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Contract.

(d) If the Consultant considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Consultant considers exempt from production under the RTKL, the Consultant must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Consultant explaining why the requested material is exempt from public disclosure under the RTKL.

(e) The Commonwealth will rely upon the written statement from the Consultant in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, the Consultant shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.

(f) If the Consultant fails to provide the Requested Information within the time period required by these provisions, the Consultant shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the

Commonwealth may incur as a result of the Consultant's failure, including any statutory damages assessed against the Commonwealth.

(g) The Commonwealth will reimburse the Consultant for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

(h) The Consultant may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, the Consultant shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Consultant's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, the Consultant agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.

(i) The Consultant's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Consultant has Requested Information in its possession.

ARTICLE VIII PROJECT INFORMATION AND PROGRESS REPORTS

1. The Consultant agrees that during the period of this Contract all information obtained by the Consultant through work on the project will be made available to the Department immediately upon demand. Furthermore, the Consultant shall deliver, if requested by the Department, any background material prepared or obtained by the Consultant incident to the performance of this Contract. Background material is defined as original papers, notes and drafts prepared by the Consultant to support the data and conclusions in the final reports and includes completed questionnaires, other printed materials, pamphlets, maps, drawings and books as well as material in electronic data processing form and computer programs, acquired by the Consultant during the term of this Contract and directly related to the services being rendered.

2. The Consultant hereby agrees to submit any progress reports as may be requested by the Department.

3. In the event that the Department determines that the Consultant or its subcontractor(s) has not furnished such reports as required by the Department, the Department,

by giving written notice to the Consultant, may suspend payments under this Contract until such time as the required reports are submitted.

ARTICLE IX AUDIT PROVISIONS

1. The Commonwealth shall have the right, at reasonable times and at a site designated by the Commonwealth, to audit the books, documents and records of the Consultant to the extent that the books, documents and records relate to costs or pricing data for this Contract. The Consultant agrees to maintain records which will support the prices charged and costs incurred for this Contract.

2. The Consultant shall preserve books, documents, and records that relate to costs or pricing data for this Contract for a period of three (3) years from date of final payment. The Consultant shall give full and free access to all records to the Commonwealth and/or their authorized representatives.

ARTICLE X ASSIGNABILITY

1. Subject to the terms and conditions of this Article, this Contract shall be binding upon the parties and their respective successors and assigns.

2. The Consultant may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Department's Project Coordinator, which consent may be withheld at the sole and absolute discretion of the Department's Project Coordinator.

3. Notwithstanding the foregoing, the Consultant may, without the consent of the Department's Project Coordinator, assign its rights to payment to be received under this Contract, provided that the Consultant provides written notice of such assignment to the Department's Project Coordinator together with a written acknowledgement from the assignee that any such payments are subject to all of the terms and conditions of this Contract.

4. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Consultant provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.

5. Any assignment consented to by the Department's Project Coordinator shall be evidenced by a written assignment agreement executed by the Consultant and its assignee in

which the assignee agrees to be legally bound by all of the terms and conditions of this Contract and to assume the duties, obligations, and responsibilities being assigned.

6. A change of name by the Consultant, following which the Consultant's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Consultant shall give the Department's Project Coordinator written notice of any such change of name.

ARTICLE XI ASSIGNMENT OF ANTITRUST CLAIMS

The Consultant and the Commonwealth recognize that in actual economic practice, overcharges by the Consultant's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of this Contract, and intending to be legally bound, the Consultant assigns to the Commonwealth all right, title and interest in and to any claims the Consultant now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of this Contract.

ARTICLE XII RIGHTS IN DATA, COPY RIGHTS, PATENT RIGHTS AND DISCLOSURE

(a) Patent Rights.

(i) Whenever any invention, improvement or discovery is made or conceived or for the first time actually or constructively reduced to practice by the Consultant or its employees in the course of, in connection with, or under the terms of this Contract, the Consultant shall immediately give the Department written notice thereof and shall promptly thereafter furnish the Department with complete information thereon. The Department shall have the sole and exclusive power to determine whether or not and where a patent application shall be filed and to determine the disposition, improvement or discovery, including title to and rights under any patent application or patent that may issue thereon. The determination of the Department on all of these matters shall be accepted as final. The Consultant warrants that all of its employees who may be the inventors will execute all documents and do all things necessary or proper to the effectuation of such determination.

(ii) Except as otherwise authorized in writing by the Department, the Consultant shall obtain patent agreements to effectuate the provisions of this article from all persons who perform any part of the work under this Contract, except such clerical and manual labor personnel as will have no access to technical data.

(iii) Except as otherwise authorized in writing by the Department, the Consultant will insert in each subcontract having experimental, developmental or research work as one of its purposes, provisions making this clause applicable to the subcontractor and its employees.

(iv) If the Department obtains patent rights pursuant to this article, the Consultant shall be offered license rights thereto on terms at least as favorable as those offered to any firm.

(b) Data and Copy Rights.

(i) The term "data" as used in this Contract includes written reports, studies, drawings or other graphic, electronic, chemical or mechanical representations, and work of any similar nature which is required to be delivered under this Contract.

(ii) Data submitted to and accepted by the Department under this Contract shall be the property of the Department and it shall have full right to use such data for any official purpose in whatever manner deemed desirable and appropriate including making it available to the general public. Such use shall be without any additional payment to or approval of the Consultant.

(iii) Any data developed as a result of this Contract shall not be used for purposes other than in the performance of this Contract without the advance written approval of the Department. Any such use of data developed as a result of this Contract and approved in writing by the Department must include a statement that the data was developed with funds provided under a contract with the Department.

(iv) The Consultant relinquishes any and all copyright, copyright rights, and/or privileges to data developed under this Contract. The Consultant shall not include in the data submitted any copyrighted matter without the written approval of the Department, unless the Consultant provides the Department with written permission of the copyright owner for the Department to use such copyrighted matter in the manner provided in this Contract.

(c) Disclosure. The Consultant agrees not to divulge or release any information, reports or recommendations developed or obtained in connection with the performance of this Contract, for its direct or indirect, personal or financial, benefit, or the benefit of any person or entity other than the Commonwealth. However, divulgence or release of information, reports or recommendations shall be permitted at such times and in such manner as expressly provided for in such concurrent agreements between the Consultant and other governmental agencies whether federal, state or local, as may directly relate to the performance of this Contract.

ARTICLE XIII SUBCONTRACTS

1. The Consultant shall not execute or concur in any subcontract with any person or entity in any respect concerning the activities herein without prior written approval of the Department. Such prior written approval shall not be required for the purchase by the Consultant of articles, supplies, equipment and services which are both necessary for and merely incidental to the performance of the work required under this Contract.

2. The Consultant shall not execute or concur in any subcontract declared disapproved by the Department. A subcontractor shall be automatically disapproved, without a declaration from the Department, if the subcontractor is currently or becomes suspended or debarred by the Commonwealth or the federal government. The Department approval of any subcontract shall not be deemed in any event or in any manner to provide for the incurring of any obligation by the Department in addition to the total contract price, and the Department shall not be responsible for fulfillment of Consultant's obligations to subcontractors. The Consultant shall be solely responsible for the quantity and quality of the performance of any of its subcontracts.

3. All subcontracts must contain provisions of nondiscrimination/sexual harassment as specified in the Article entitled Assurances and Compliance Requirements, subsection 4.

ARTICLE XIV TEMPORARY SUSPENSION OF THE CONTRACT

1. Upon written notice and at any time during the period covered under this Contract, the Department may suspend payments and/or request suspension of all or any part of the contract activities. The Department may give such notice to suspend for the following reasons:

(a) Violations of laws and regulations, audit exceptions, misuse of funds, failure to submit required reports or when responsible public officials or private citizens make allegations of mismanagement, malfeasance or criminal activity.

(b) When, in the opinion of the Department, the activities cannot be continued in such manner as to adequately fulfill the intent of statute or regulations due to act of God, strike or disaster.

2. The Consultant shall have the right to cure any default or other circumstance that is the basis for suspension of this Contract within a reasonable period of time.

3. This Contract is also conditioned upon complete performance by the Consultant of past agreements or contracts between the Department and the Consultant. Complete

performance includes the Consultant's timely submission of the required final audit of past agreements or contracts to the Department. In the event that the Department determines that there has been incomplete performance of past agreements or contracts by the Consultant, the Department, by giving written notice to the Consultant, will suspend payments under this Contract until such time as the Consultant has fulfilled its obligations under past agreements or contracts to the satisfaction of the Department. When the Consultant has fulfilled its obligation under past agreements or contracts to Department's satisfaction, the Department will resume payments under this Contract.

ARTICLE XV DEFAULT

1. The Commonwealth may, subject to the provisions of Article XVI, Force Majeure, and in addition to its other rights under this Contract, declare the Consultant in default by written notice thereof to the Consultant, and terminate (as provided in Article XVII, Termination) the whole or any part of this Contract for any of the following reasons:

- (a) Failure to begin work within the time specified in this Contract or as otherwise specified;
- (b) Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with this Contract terms;
- (c) Unsatisfactory performance of the work;
- (d) Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
- (e) Discontinuance of work without approval;
- (f) Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
- (g) Insolvency or bankruptcy;
- (h) Assignment made for the benefit of creditors;
- (i) Failure or refusal within 10 days after written notice by the Department's Project Coordinator, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;

(j) Failure to protect, to repair, or to make good any damage or injury to property; or

(k) Breach of any provision of this Contract.

2. In the event that the Commonwealth terminates this Contract in whole or in part as provided in paragraph 1 above, the Commonwealth may procure, upon such terms and in such manner as it determines, services similar or identical to those so terminated, and the Consultant shall be liable to the Commonwealth for any reasonable excess costs for such similar or identical services included within the terminated part of this Contract.

3. If this Contract is terminated as provided in paragraph 1 above, the Commonwealth, in addition to any other rights provided in this article, may require the Consultant to transfer title and deliver immediately to the Commonwealth in the manner and to the extent directed by the Department's Project Coordinator, such partially completed work, including, where applicable, reports, working papers and other documentation, as the Consultant has specifically produced or specifically acquired for the performance of such part of this Contract as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the price specified in the Budget. Except as provided below, payment for partially completed work including, where applicable, reports and working papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by the Consultant and the Department's Project Coordinator. The Commonwealth may withhold from amounts otherwise due the Consultant for such completed or partially completed works, such sum as the Department's Project Coordinator determines to be necessary to protect the Commonwealth against loss.

4. The rights and remedies of the Commonwealth provided in this article shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

5. The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.

6. Following exhaustion of the Consultant's administrative remedies as set forth in Article XVIII, Contract Controversies, the Consultant's exclusive remedy shall be to seek damages in the Board of Claims.

**ARTICLE XVI
FORCE MAJEURE**

1. Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but are not limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes.

2. The Consultant shall notify the Commonwealth orally within five (5) days and in writing within ten (10) days of the date on which the Consultant becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance, (ii) state whether performance under the contract is prevented or delayed and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. The Consultant shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the Commonwealth may reasonably request. After receipt of such notification, the Commonwealth may elect either to cancel this Contract or to extend the time for performance as reasonably necessary to compensate for the Consultant's delay.

3. In the event of a declared emergency by competent governmental authorities, the Commonwealth by notice to the Consultant, may suspend all or a portion of this Contract.

**ARTICLE XVII
TERMINATION**

1. The Commonwealth has the right to terminate this Contract for any of the following reasons. Termination shall be effective upon written notice to the Consultant.

(a) Termination For Convenience. The Commonwealth shall have the right to terminate this Contract for its convenience if the Commonwealth determines termination to be in its best interest. The Consultant shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Consultant be entitled to recover loss of profits.

(b) Non-Appropriation. The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate this

Contract. The Consultant shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under this contract. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid from any appropriations available for that purpose.

(c) Termination For Cause. The Commonwealth shall have the right to terminate this Contract for Consultant default under Article XV, Default, upon written notice to the Consultant. The Commonwealth shall also have the right, upon written notice to the Consultant, to terminate this Contract for other cause as specified in this Contract or by law. If it is later determined that the Commonwealth erred in terminating this Contract for cause, then, at the Commonwealth's discretion, this Contract shall be deemed to have been terminated for convenience under the Subparagraph (a).

ARTICLE XVIII CONTRACT CONTROVERSIES

In the event of a controversy or claim arising from this Contract, the Consultant must, within six months after the cause of action accrues, file a written notice of controversy or claim with the Department's Project Coordinator for a determination. The Department's Project Coordinator shall send his/her written determination to the Consultant. The decision of the Department's Project Coordinator shall be final and conclusive unless, within thirty (30) days after receipt of such written determination, the Consultant files a claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, the Consultant shall proceed diligently with the performance of this Contract in a manner consistent with the interpretation of the Department's Project Coordinator and the Commonwealth shall compensate the Consultant pursuant to the terms of this Contract.

ARTICLE XIX ENTIRE AGREEMENT

1. This Contract, including all referenced documents, constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the Commonwealth or the Consultant has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with this Contract, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of this Contract. No modifications, alterations, changes, or waiver to this Contract or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both parties. All such amendments will be made using the appropriate Commonwealth form.

2. No provision of this Contract shall be construed in any manner so as to create any rights in third parties not party to this Contract. It shall be interpreted solely to define specific duties and responsibilities between the Department and the Consultant and shall not provide any basis for claims of any other individual, partnership, corporation, organization or municipal entity.

ARTICLE XX AMENDMENTS AND MODIFICATIONS

A properly executed contract amendment is required to change the termination date of this Contract, to amend the contract amount or to make major changes in the approved program scope, objectives or methods. Such an amendment must be executed if there is a significant change in the activities or services to be conducted under this Contract. Other revisions to the project or contract budget may be made upon written approval from the Department after prior written request of the Consultant.

ARTICLE XXI SEVERABILITY

Should any section or any part of any section of this Contract be rendered void, invalid or unenforceable by any court of law, for any reason, such a determination shall not render void, invalid, or unenforceable any other section or part of any section of this Contract.

ARTICLE XXII CONSTRUCTION

1. This Contract shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of law provisions) and the decision of the Pennsylvania courts. The Consultant consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Consultant agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

2. All of the terms and conditions of this Contract are expressly intended to be construed as covenants as well as conditions. The titles of the sections and subsections herein have been inserted as a matter of convenience and reference only and shall not control or affect the meaning or construction of any of the terms or provisions herein.

ARTICLE XXIII
NONWAIVER OF REMEDIES

No delay or failure on the part of the Department in exercising any right, power or privilege hereunder shall affect such right, power or privilege; nor shall any single or partial exercise thereof or any abandonment, waiver, or discontinuance of steps to enforce such a right, power or privilege preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. The rights and remedies of the Department hereunder are cumulative and concurrent and not exclusive of any rights or remedies which it might otherwise have. The Department shall have the right at all times to enforce the provisions of this Contract in accordance with the terms hereof notwithstanding any conduct or custom on the part of the Department in refraining from so doing at any time or times. The failure of the Department at any time or times to enforce its rights under such provisions, in accordance with the same, shall not be construed as having created a custom in any way or manner contrary to specific provisions of this Contract or as having in any way or manner modified or waived the same.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the Effective Date.

ATTEST/WITNESS:

(x) *Joseph J. [Signature]* 2/18/11
Secretary (Date)

THE NOVAK CONSULTING GROUP INC.

(x) *Jan P. Novak [Signature]* 2/10/11
President (Date)

26-3977596

FEDERAL TAX IDENTIFICATION NUMBER

VENDOR # 375577

Approved for form and legality:

COMMONWEALTH OF PENNSYLVANIA,
acting through the DEPT. OF COMMUNITY
AND ECONOMIC DEVELOPMENT

Jill B. Bures [Signature] 2/23/11
Counsel for the Department (Date)

[Signature] 2/23/11
Secretary (Date)

[Signature] 3.10.11
Deputy General Counsel (Date)

Approved as to fiscal responsibility, budgetary
appropriateness & availability of funds in the
amount of \$311,092.00 under Appropriation
Symbol

[Signature] 3/23/11
Deputy Attorney General (Date)

2004 810000 2431099000 6341100 \$211,092.00
2004811000 2431099000 6341100 \$100,000.00

Contract #4000015742

Center for Local Government Services
100% Commonwealth funds

Mary Lou Jones [Signature] MAR 31 2011
Comptroller (Date)

Effective Date of this Contract is: 4/4/11

RECEIVED
MAR 31 2011
DEPT. OF COMMUNITY AND ECONOMIC DEVELOPMENT

APPENDIX A

PROPOSAL

**APPENDIX A
SCOPE OF SERVICES
CITY OF HARRISBURG**

**ARTICLE I
SCOPE OF WORK**

The CONSULTANT, under the direction of the DEPARTMENT and in close coordination with the DEPARTMENT, will provide professional services as follows:

A. General. The CONSULTANT shall perform services under this contract as an independent contractor and shall:

1. Work closely and maintain regular contact with municipal officials.
2. Maintain close contact with the Department and provide the Department bi-weekly written reports of activities during plan development and monthly written reports of the progress of the coordinator work and status of recovery plan activities during plan implementation.
3. Consult with employee collective bargaining groups.
4. Work with all relevant public and private entities including financial institutions, community and economic organizations in the greater Harrisburg region.
5. Attend such meetings as directed by the Department and as requested by the City.
6. Review all relevant information provided by the Department and from other Commonwealth agencies.
7. Consult with other relevant state or federal agencies as necessary.

B. Statutory Requirements, per section 241 of the Act. Words set off in [brackets] are specific requirements in addition to the statutory requirements. The plan formulated by the coordinator shall be consistent with applicable law and shall include any of the following factors which are relevant to alleviating the financially distressed status of the City:

1. Projections of revenues and expenditures for the current year (2010) and the next four years, both assuming the continuation of present operations and as impacted by the measures in the plan. Since the City has experienced significant structural deficits, particular attention should focus on current revenues and expenditures.
2. Recommendations which will:
 - i. Eliminate deficits and deficit funds.
 - ii. Balance the budget, avoid future deficits in funds and maintain current payments of payroll, fringe benefits and accounts through possible revenue enhancement recommendations, including tax or fee changes.
 - iii. Avoid a fiscal emergency condition in the future.

- iv. Enhance the ability of the City to negotiate new general obligation bonds, lease rental debt, funded debt and tax and revenue anticipation borrowing.
 - v. Consider changes in accounting and automation procedures for the financial benefit of the City.
 - vi. Propose a reduction of debt due on specific claims by an amortized or lump-sum payment considered to be the most reasonable disposition of each claim possible for the City considering the totality of circumstances.
3. Possible changes in collective bargaining agreements and permanent and temporary staffing level changes in the organization.
4. Recommended changes in municipal ordinances or rules.
5. Recommendations for special audits or further studies.
6. An analysis of whether conditions set forth in section 261 of the Act exist, whether specific exclusive Federal remedies could help relieve the City's financial distress and whether filing a Federal debt adjustment action under Subchapter D of the Act is deemed to be appropriate.
7. An analysis of whether the [current and projected future] economic conditions of the City are so severe that it is reasonable to conclude that the City is no longer viable and should consolidate or merge with an adjacent municipality or municipalities pursuant to Chapter 4 of the Act.
8. An analysis of whether functional consolidation of or privatization of existing municipal services is appropriate and feasible and recommendations for where and how this could be done.
9. A capital [program and] budget which addresses infrastructure deficiencies.
10. Recommendations for greater use of commonwealth economic and community development programs.

C. Special Conditions. In addition to the services described above, the CONSULTANT agrees to provide the following professional services concerning the formulation and implementation of a recovery plan for the City of Harrisburg.

1. Structural Deficit Issues

- i. The City of Harrisburg has maintained a structural deficit in four of the last six years with a shortfall of approximately \$4.4M expected for FY 2010.

Revenue/expenditure trends project significant shortfalls over the next 4 years without corrective action. This issue will have to be very closely examined to ascertain possible short and long-term remedies. This pattern of operating deficits cannot be sustained and it is anticipated that future service levels will be impacted.

- ii. A separate examination of revenues and expenditures should be conducted to illustrate the specific nature of the structural deficits.

2. Indebtedness

- i. Review and analyze all outstanding indebtedness of the City and of the City's obligations to its Authorities. Consider debt consolidation and restructuring as a means of reducing total annual debt service.
- ii. Specifically review and analyze debt obligations as they relate to the City's Resource Recovery Facility (RRF) and the interrelationship these obligations have to the City, the Harrisburg Authority and Dauphin County.
- iii. Propose remedies to deal with debt obligations that may include forbearance agreements, renegotiation of debt terms and other remedies that integrate into the multi-year fiscal plan for the City.
- iv. Assist the City with debt related negotiations, arrange such financing, if feasible, and assist the City in preparing and filing required loan documents, as necessary.
- v. in negotiating terms for interim financing, as necessary. Such financing may include Tax and Revenue Anticipation loans and/or Unfunded Debt loans.

3. Tax Exempt Properties

- i. As the seat of state government, county government and the headquarters for numerous non-profit entities in the health, welfare, and faith areas the City provides services to many entities that do not generate real estate tax revenue. Review the real estate tax duplicate with respect to tax exempt properties, to arrive at the proportion of all real estate which such properties represent.
- ii. Develop a procedure to validate tax exempt property status on an annual basis, including a review of under-valuation and over-valuation of property.
- iii. Analyze current in lieu of tax payments to the City (if any) by owners of tax exempt properties, propose a plan for equitable payments for exempt properties and assist the City in obtaining written agreements for payments in lieu of taxes.

4. Financial Management System

- i. Evaluate the City's existing computerized accounting system and recommend changes and improvements so the City has a system that is integrated for all City functions; is easy to manage and operate; and that complies with Generally Accepted Accounting Principles (GAAP) and contains the following elements:
 - a. Inclusion of all city funds and transactions.
 - b. Detailed cash flow analysis and reporting, year-end and monthly.
 - c. Generation of interim financial statements which present the current balance sheet position as of the end of the month, along with actual financial results compared with adopted budget figures, on a monthly basis.
 - d. A current schedule of all uncollected receivables by category and age.
 - e. A current schedule of all bills payable.
 - f. Improved service charge billing procedures.
 - g. Cost accounting system that allows for full allocation of overhead cost and interdepartment support cost in accordance with principles contained in the Office of Management and Budget Circular A-87 and adequate to determine appropriate fees and charges.
 - h. Identify a list of all contingent liabilities and prepare a plan to address them.
 - i. Review and recommend changes in procedures that will provide an appropriate level of internal control over receipts, disbursements and purchasing, cash and investments, to include written procedures and personnel training as needed.
- ii. Procedures which provide for realistic, multi-year budgeting and budget control.
- iii. Recommend actions to strengthen tax and other revenue collection methods with a goal of improving collection of current and delinquent accounts and assuring accountability.
- iv. Review all major revenue sources, relate service costs to user fees and make appropriate recommendations for changes to the revenue structure.
- v. Review existing financial management operations and develop recommendations that will improve the City's financial management, cash management, service fee billing and record keeping capabilities.
- vi. Review City insurance coverage(s) to insure that coverage is complete and recommend improvements and consolidation especially if cost savings can be achieved. Pay particular attention to the administration of and requirements for the self-insured workers' compensation program. Review risk management

procedures and propose improvements and programs that will reduce exposures.

- vii. Assess the funding status of the City's pension plans; review the most recent actuarial reports and audits and include recommendations for future funding levels to insure actuarial soundness and comply with audit findings, if made.
- viii. Review prior year audit findings and management letters and incorporate key recommendations into the recovery plan.

5. Organization and Administrative Structure

- i. Review the current organizational structure of City government consistent with the Optional Charter Law and the City's Administrative Code. Consider whether a home rule process should be recommended and propose recommendations to the Administrative Code that will result in an increase in management effectiveness and improved delivery of municipal services.
- ii. Review and provide recommendations on the relationship between the Finance Office, Controller and Treasurer with the goal of improving efficiency in the City's overall financial management system.
- iii. Work to strengthen the relationship between all City elected officials, develop recommendations that provide for effective lines of communication between all parties.
- iii. Develop recommendations that will establish a mechanism to involve all stakeholders of the City in the recovery process. Establish a framework that will result in the City, City related entities, the County and key business, non-profit and community organizations interacting with each other to develop stronger lines of communication and cooperation in the recovery process.

6. Service Levels

- i. Conduct an evaluation of municipal services and determine appropriate levels of services. Give particular scrutiny to public safety staffing levels and structure. Include an objective analysis of the police; fire; public works; community and economic development; and building, housing and codes departments.
- ii. Include a cost analysis of primary city services and plans for utilizing alternative means for service delivery as a cost containment measure.
- iii. Develop recommendations for productivity improvements, as deemed necessary.
- iv. If services now provided by City employees are recommended to be provided by some alternative means, consideration should be given to the impact of such changes upon the existing level of service and existing labor contracts.

- v. Maintain close contact with local union representatives during plan development/implementation to obtain necessary input and ensure proposed changes are coordinated with employees.

7. Labor-Management

- i. Evaluate current labor-management relationships within City operations.
- ii. Include a labor-management component in the Recovery Plan to ensure involvement of both labor and management in plan development and implementation, improved communication between the governing body, management and employee groups, and labor-management committees, as appropriate.
- iv. Review and calculate the cost of existing labor contracts to establish a baseline for Recovery Plan recommendations concerning future collective bargaining. Provide specific recommendations and parameters for future collective bargaining contracts and non represented personnel.
- v. Given the status of current bargaining contracts propose an approach to bring the parties to the bargaining table to consider reopening current contracts.

8. Infrastructure

- i. Review and evaluate the condition of the City's fixed assets, equipment and infrastructure.
- ii. Include in the review the condition of departmental equipment and facilities, public works and public utilities infrastructure. This should include information relating to utilities that are operated through an authority.
- vi. Consider the use of and revenue potential for the City's fixed assets with special attention given to parking facilities, City Island and facilities, markets, museums, utility systems and historic artifacts. Develop recommendations for the potential lease or sale of fixed assets, as appropriate.
- vii. Develop recommendations for a capital program and budget that is incorporated as part of the City's operating budget.

9. Economic and Community Development

- i. Evaluate the long-term economic/community development strategy of the City. Incorporate in the evaluation recommendations that will strengthen community and economic development efforts and that are coordinated with the economic and community development strategies of City, County and State agencies.
- ii. Analyze and provide recommendations for the organizational structure best suited to administer and coordinate economic and community development projects in the City with special attention to the roles of the existing agencies, namely, Harrisburg Authority, Harrisburg Redevelopment Authority, Harrisburg Parking Authority, Dauphin County Department of Community and Economic Development, Dauphin County Industrial Development Authority, Dauphin County Economic Development Corporation, and several non-government entities such as the Harrisburg Regional Chamber, Capital Region Economic Development Corporation as well as the coordination with the City's Department of Community Development.

- iii. Develop a plan to revitalize and expand the use of the City's Enterprise Zone and Keystone Innovation Zone programs that can contribute to the growth and expansion of the City. Further, review the City's use of the LERTA program and provide recommendations as to the continued use of LERTA as a tool for business and/or residential development.
 - iv. Provide recommendations to strengthen the City's current economic development strategy that will expand the City's tax base. Place particular emphasis on the evaluation of the best use of vacant properties in the City.
 - v. Review the City's housing strategy and use of public and private funds for the development and preservation of affordable housing and removal or upgrading of dilapidated and substandard housing with special attention to alternate housing for persons being relocated. Consider prior studies completed. Provide recommendations on ways to strengthen the City's residential base.
 - vi. Address the need for changes to existing planning documents, zoning ordinances, subdivision and land development ordinances and/or building codes, where appropriate, to enhance development efforts and protect existing housing stock.
10. Intergovernmental Cooperation
- i. Review current regional intergovernmental cooperation efforts. Review the City/County relationship and provide recommendations for service consolidation with County government with a goal of eliminating duplicative service arrangements and the ability to provide more efficient service delivery in areas where services overlap. Specifically consider purchasing, public safety dispatch, police services, information technology, recreation and fleet maintenance.
 - ii. Examine opportunities for increased inter-governmental cooperation with adjacent municipalities. Specifically explore the City's ability to enter into contractual arrangements for services with adjacent municipalities.
 - iii. Recommend, as appropriate, ways in which the City can improve service delivery through intergovernmental cooperation.
 - iv. Review the relationship between the City and the Harrisburg School District and explore ways that the City and the School District can work together to resolve common problems and meet joint goals. Specifically explore common approaches to taxation policies and purchasing requirements.
 - v. Review the relationship between the City and the higher educational institutions in the City to explore ways these entities can collaborate with the City on areas of common interest.
 - vi. Develop recommendations that will establish a mechanism to involve the entire City in the recovery process. Establish a framework that will result in the City related entities and key community organizations (community faith-based, health-based, business, education and civic-oriented) interacting with the City to develop stronger lines of communication and cooperation in the recovery process. Include a specific approach as to the engagement of these organizations in the recovery process.

ARTICLE II
TIMETABLE

The CONSULTANT, under the direction of the DEPARTMENT and in close coordination with the DEPARTMENT, will provide professional services in accordance with the following timetable:

At a time mutually agreed upon by the DEPARTMENT and the Coordinator:	Develop scope and objectives of plan and preliminary recommendations. Review objectives and recommendations with DEPARTMENT.
Within 75 days of contract execution:	Complete draft plan and review with DEPARTMENT.
Within 90 days of contract execution:	Complete Final Plan. Copies of final plan shall be filed with the city clerk, each member of city council, the mayor, the solicitor and all parties who have petitioned the Secretary under section 203 of the Act. (Date of filing: for purposes of this section, the date of filing the plan shall be the date on which the city clerk places a copy of the plan on file for public inspection in the municipal office.)
On the date of filing:	Advertise the availability of the plan in the county legal reporter and in a newspaper of general circulation in the city, and schedule and advertise a public hearing on the plan.
Within 15 days of filing:	Receive written comments on the plan. Such comments that in the judgment of the coordinator have value may be used in a revised plan as deemed necessary.
Within 20 days of filing:	Conduct a public hearing on the plan.
Within 10 days of the public hearing:	Consider all comments provided at or before the public hearing, make such revisions to the plan as are deemed necessary, and file the revised plan with City officials.
Subsequent to the public hearing and after adoption by the municipality:	At the direction of the DEPARTMENT implement the recovery plan as provided for in section 247 of the Act. Initiate plan implementation by providing written notice to the creditors, collective bargaining units and other parties who will be directly affected by the plan's implementation. Monitor plan implementation for at least four (4) months and provide the DEPARTMENT with monthly progress reports as specified in the Act. Suggest amendments to the plan which may be needed to implement or complete the plan.

APPENDIX B

BUDGET

**APPENDIX B
PROJECT BUDGET**

City of Harrisburg Plan Development		
Plan Element	Hours/Rate	Total Cost
Professional Hours – The Novak Consulting Group		
President	35.2 hrs @ \$250/hr	\$ 8,800
Associate	177.2 hrs @ 195/hr	\$ 34,554
Analyst	140.8 hrs @125/hr	\$ 17,600
Professional Hours Subtotal		\$ 60,954
Professional Hours – Stevens & Lee		
Lead Counsel	25 hrs @ \$295/hr	\$ 7,375
Senior Counsel and Advisors	143.8 hrs @ \$250/hr	\$ 35,950
Junior Counsel and Economic Development Consultant	17.6 hrs @ \$225/hr	\$ 3,960
Professional Hours Subtotal		\$ 47,285
Professional Hours – Bob O'Donnell		
Bob O'Donnell	60 hrs @ \$250/hr	\$ 15,000
Professional Hours – Pennsylvania Economy League		
Executive Director	23.4 hrs @ \$250/hr	\$ 5,850
Attorney	6.4 hrs @ 225/hr	\$ 1,440
Sr. Research Associate	141.4 hrs @ \$195/hr	\$ 27,573
Research Associate	9 hrs @ \$125/hr	\$ 1,125
Professional Hours Subtotal		\$ 35,988
Total Professional Hours		\$159,227
Expenses – mileage, airline, car rental, lodging, meals, advertising, facility rental		\$ 10,060
Total Plan Development		\$169,287

Plan Implementation		
Plan Element	Hours/Rate	Total Cost
Professional Hours – The Novak Consulting Group		
President	30 hrs @ \$250/hr	\$ 7,500
Associate	120 hrs @ 195/hr	\$ 23,400
Analyst	40 hrs @125/hr	\$ 5,000
Professional Hours Subtotal		\$ 35,900
Professional Hours – Stevens & Lee		
Lead Counsel	30 hrs @ \$295/hr	\$ 8,850
Senior Counsel and Advisors	150 hrs @ \$250/hr	\$ 37,500
Junior Counsel and Economic Development Consultant	16 hrs @ \$225/hr	\$ 3,600
Professional Hours Subtotal		\$ 49,950

Professional Hours – Pennsylvania Economy League		
Executive Director	40 hrs @ \$250/hr	\$ 10,000
Sr. Research Associate	149 hrs @ \$195/hr	\$ 29,055
Professional Hours Subtotal		\$ 39,055
Total Professional Hours		
		\$124,905
Expenses – mileage, airline, car rental, lodging, meals, advertising, facility rental		\$ 16,900
Total Plan Implementation		\$141,805
Total Contract Amount (Development and Implementation)		
		\$311,092

APPENDIX C

SPECIAL CONDITIONS

None.

APPENDIX D

SOLE SOURCE APPROVAL

Busch, Jill

From: RA-pa-emarketplace@state.pa.us
Sent: Wednesday, February 16, 2011 2:59 PM
To: Busch, Jill; Abbott, Lorie
Cc: Bowers, Wanda
Subject: Source Justification Form.

Your source justification has been approved for Act 47 (Municipalities Financial Recovery Act) Coordinator consulting services for the City of Harrisburg. Your ID# is 9586.

This email was sent from an unmonitored account. Please contact gs-procure@state.pa.us for help.

Sole Source Summary

Date: 2/11/11

Commodity Specialist's Name: Wanda Bowers

Commodity Specialist's Recommendation: Approved Disapproved

If disapproved, agency contacted

Agency: Community & Economic Development

Supplier Number: 375577

Supplier: The Novak Consulting Group

Sole Source ID Number: 9586

Estimated Dollar Amount: \$1,555,460.00

Federal Funds: Yes No

Check below if request is over \$250,000

The Department of General Services delegates to the Department of Community & Economic Development the authority to act as purchasing agency for the procurement of the service(s) listed below.

Please keep in mind that this delegation requires that you carry out this procurement according to requirements of Section 518 of the Commonwealth Procurement Code (62 Pa. C. S. 518) and to the policies and procedures outlined by DGS in the Field Procurement Handbook.

Service: The Novak Consulting Group will act as a coordinator preparing and administering a recovery plan for the City of Harrisburg under Act 47 (municipalities Financial Recovery Act).

Agency Summary: The Department of Community & Economic Development has done a sole source for The Novak Consulting Group to act as a coordinator to prepare and administer a recovery plan for the City of Harrisburg. Pursuant to the Municipalities Financial Recovery Act (53 P.S.11701.101 et. seq) (the "Act") the Department has designated the City of Harrisburg as distressed. Section 221(c) of Act 47 exempts Coordinator contracts from the competitive bid process. The Department has already received approval for a 90 day Emergency Purchase Order with the supplier, because the Act requires that an appointment of a coordinator must be done within 30 days of the distressed designation.

Procurement Summary: I am approving this sole source because there is a statute exempting the procurement from the competitive bid process and if sole source approval is not granted within a timely manner it may result in a lapse in service. This may jeopardize the implementation of the recovery plan and the Department would not be in compliance with the requirements of Act 47. The Emergency Purchase Order that is in place is due to expire on April 17, 2011. This sole source would commence after that date and shall end on October 31, 2011, subject to the other provisions of the Contract. It is the intent of both the Department of Community & Economic Development and Novak Consulting Group to continue their contractual arrangement during the period of November 1, 2011 to October 31, 2012. It may be necessary to include in this sole source four (4) one (1) year renewals not to extend beyond April 16, 2016,

Rev. 04/27/09

Sole Source Summary

depending on if the Department would elect to do so, and subject of the availability of funds. The initial cost for the first 6 months will be \$311,092.00 and the balance of \$1,244,368.00 if needed will be used for the four (4) one (1) year renewals.

Update Submitted 2/4/11 9586

Department of General Services

SOURCE JUSTIFICATION FORM

Bureau of Procurement

The objective of this form is to capture all relevant documentation an Agency may have to assist the Department of General Services ("DGS"), Bureau of Procurement, in expediting the source justification review process. This form must be completed electronically, signed, and submitted with all relevant documentation to DGS. If a question is neither mandatory nor applicable, please indicate "N/A". Please use standard terminology and define acronyms.

SECTION A

1. Agency Name:	Community & Economic Development		
2. Procurement Description: This description will appear on the eMarketplace website for public viewing	Act 47 (Municipalities Financial Recovery Act) Coordinator consulting services for the City of Harrisburg		
Materials Description:			
Services Description:	Act 47 (Municipalities Financial Recovery Act) Coordinator consulting services for the City of Harrisburg		
3. Materials/Services Shopping Cart # or SAP Requisition #:	N/A	Estimated Cost:	\$1,000,001 - \$5M
		Initial Contract Term:	Six month
		Renewals:	4 one year renewals
4. Supplier - Name:	The Novak Consulting Group		
Full Address:	210 Glenmary Avenue, Cincinnati, Ohio 45220		
Contact Name:	Julia Novak		
Telephone:	513-221-0500	FAX:	513-221-3100
E-mail:	jnovak@thenovakconsultinggroup.com		
SRM Supplier #:	375577		
5. Delivery or service location:	City of Harrisburg		

SECTION B

<input type="checkbox"/>	1. Sole Source: Only known source - Not available from another supplier.
<input type="checkbox"/>	2. Single Source (Material/Repair/Maintenance): Material or service MUST be compatible with existing equipment. Documentation must be provided from the manufacturer.
<input type="checkbox"/>	3. Single Source (Used Equipment): Value set by 2 independant 3rd party appraisals.
<input type="checkbox"/>	4. Single Source (Professional Expert): Describe in detail in Section C.
<input checked="" type="checkbox"/>	5. Exempt (Law): A federal or state statute or regulation exempts the procurement from the competitive procedure. Any applicable information precluding the procurement from competitive procedures must be attached.
<input type="checkbox"/>	6. Feasibility: Clearly not feasible to award the contract on a competitive basis.

SOURCE JUSTIFICATION FORM

Bureau of Procurement

SECTION C

1. Describe the unique features of this procurement that prohibit a competitive environment. If applicable, attach a Statement of Work ("SOW").

Pursuant to the Municipalities Financial Recovery Act (53 P.S. §11701.101 et. seq.) (the "Act") the Department has designated the City of Harrisburg as distressed. The Act requires the Department to appoint a coordinator within 30 days of the designation. Section 221(c) of the Act exempts Coordinator contracts from the competitive bid process. Statement of Work is attached

N/A

2. Document and attach the research that has been conducted to date to verify the supplier is the only known source.

N/A

3. Does the supplier utilize distributors, dealers, resellers, etc.? If "Yes," please identify.

N/A

4. Are there compatibility requirements or compliance requirements with a warranty or service agreement? If "Yes," please explain.

No.

5. How has the material or service been procured in the past? Please provide previous source justifications, contracts, & PO's for this material or service.

N/A

6. If procured through the IT ITQ process, please provide original \$ amount and contract period of order. Is this the final phase of the project?

N/A

7. If this is an upgrade, addition, alteration, etc., to an earlier procurement, please describe in detail.

The Department will not be in compliance with the requirements of the Act.

8. What are the consequences of not approving this procurement?

The Department requested and received approval for a 90 day emergency procurement with the Supplier, because the Act requires the appointment of a coordinator within 30 days of the distressed designation. Section 242(a) of the Act requires the Supplier, within 90 days of an executed contract between the Department and the Supplier, to formulate a plan for relieving the municipality's financial distress. Failure to approve the sole source within a timely manner may result in a lapse in service and jeopardize the implementation of the recovery plan.

9. If timing is a factor, what is the time factor and why?

Department of General Services

SOURCE JUSTIFICATION FORM

Bureau of Procurement

10. List any other information relevant to the acquisition of this procurement here or as an attachment.

Attached are the contract terms and conditions (replaces the Supplier Price Request Form) that the Supplier, if this sole source is approved, will sign, as well as a Funds Commitment Waiver Review Form, which the Department intends to submit to DGS' Chief Procurement Officer, if the sole source is approved. Copies of the relevant sections of the statute are also attached.

11. For requests > \$100,000, has the supplier signed cost or pricing data certification and is the pricing breakdown attached?

Cost or pricing data certification and budget are attached.

