

**THIRD AMENDMENT TO THE AGREEMENT BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO
AND
P&A ADMINISTRATIVE SERVICES, INC.**

April 5, 2018

[COBRA AND FLEXIBLE SPENDING ACCOUNT SERVICES]

**City and County of San Francisco
1145 Market Street, Suite 300
San Francisco, California 94103**

**THIRD AMENDMENT TO THE AGREEMENT
BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO
AND
P&A ADMINISTRATIVE SERVICES, INC.**

THIS THIRD AMENDMENT (“Amendment”) is made as of April 5, 2018, in San Francisco, California, by and between P&A Administrative Services, Inc., hereinafter referred to as “Contractor,” and the City and County of San Francisco, a municipal corporation, hereinafter referred to as “City” or “CCSF.”

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to provide additional services to the City;

WHEREAS, approval for this Amendment was obtained when the Civil Service Commission approved file No. 0135-16-8 on April 4, 2016, which granted the Health Service System continuing approval for benefit related contracts;

NOW, THEREFORE, Contractor and the City agree as follows:

1. Definitions. The following definitions shall apply to this Amendment:

- a. **Agreement.** The term “Agreement” shall mean the Agreement dated March 1, 2015 between Contractor and City, the First Amendment dated July 5, 2015, and the Second Amendment dated January 1, 2017.
- b. **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.
- c. **Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

2. Modifications to the Agreement. The Agreement is hereby modified as follows:

- a. **Section 5.** Section 5 (Compensation) of the Agreement currently reads as follows:
Compensation shall be made in monthly payments on or before the last day of each month for work, as set forth in Section 4 of this Agreement, that the Health Service System Director, in his or her sole discretion, concludes has been performed as of the last day of the immediately preceding month. In no event shall the amount of this Agreement exceed **\$896,674 (eight hundred ninety-six thousand six hundred seventy-four**

dollars). The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," and Appendix D, "Performance Guarantees and Contingent Discounts", attached hereto and incorporated by reference as though fully set forth herein. No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the Health Service System as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement. In no event shall City be liable for interest or late charges for any late payments.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of CMD Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of CMD and Contractor of the omission. If Contractor's failure to provide CMD Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until CMD Progress Payment Form is provided. Following City's payment of an invoice, Contractor has ten days to file an affidavit using CMD Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

Section 5 is hereby amended in its entirety to read as follows:

Compensation shall be made in monthly payments on or before the last day of each month for work, as set forth in Section 4 of this Agreement, that the Health Service System Director, in his or her sole discretion, concludes has been performed as of the last day of the immediately preceding month. In no event shall the amount of this Agreement exceed **\$1,247,977 (one million two hundred forty-seven thousand nine hundred seventy-seven dollars)**. The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," and Appendix D, "Performance Guarantees and Contingent Discounts", attached hereto and incorporated by reference as though fully set forth herein. No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the Health Service System as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement. In no event shall City be liable for interest or late charges for any late payments.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of CMD Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of CMD and Contractor of the omission. If Contractor's failure to provide CMD Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until CMD Progress Payment Form is provided. Following City's payment of an invoice, Contractor has ten

days to file an affidavit using CMD Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

3. Effective Date. Each of the modifications set forth in Section 2 shall be effective on and after April 5, 2018.

4. Legal Effect. Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective April 5, 2018.

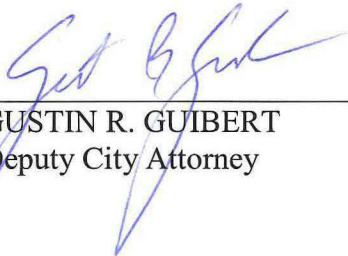
HEALTH SERVICE SYSTEM



ABBIE YANT RN, MA
Executive Director,
Health Service System

APPROVED AS TO FORM:

Dennis J. Herrera
City Attorney



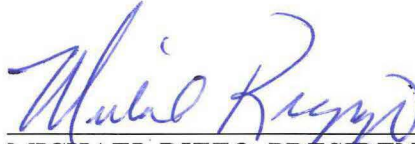
GUSTIN R. GUIBERT
Deputy City Attorney

CONTRACTOR

P&A Administrative Services, Inc.

By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.

I have read and understood paragraph 35, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.



MICHAEL RIZZO, PRESIDENT
P&A Administrative Services, Inc.
17 Court Street, Suite 500
Buffalo, NY 14202

City vendor number: **94982**