

PROFESSIONAL SERVICE AGREEMENT NO. 5854

Professional Auditing Services

THIS **Professional Auditing Services Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City"), and Weaver and Tidwell, LLP ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Contractor has agreed to provide professional auditing services for fiscal years 2024, 2025, and 2026.

NOW, THEREFORE, City and Contractor agree as follows:

1. **Scope.** Contractor shall provide professional auditing services for fiscal years 2024, 2025, and 2026 ("Services") in accordance with the attached Scope of Work, as shown in Attachment A, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.
2. **Term.** The term of this Agreement is three years. The parties may mutually agree to renew this Agreement for up to two additional one-year periods ("Option Period(s)"), provided, the parties negotiate an agreed-upon amount and do so in writing prior to the expiration of the original term or the then-current Option Period.
3. **Compensation and Payment.** This Agreement is for an amount not to exceed \$794,200.00, subject to executed amendments and the exercise of one or more Option Periods. Payment will be made for Services and work completed and accepted by the City within 30 days of acceptance, subject to receipt of an acceptable invoice. All pricing must be in accordance with Attachment B, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety. Invoices must be mailed to the following address, with a copy provided to the Contract Administrator:

City of Corpus Christi
Attn: Accounts Payable
P. O. Box 9277
Corpus Christi, TX 78469-9277
4. **Contract Administrator.** The Contract Administrator designated by the City is responsible for approval of all phases of performance and activities under this Agreement, including deductions for non-performance and authorizations for payment. The City's Contract Administrator for this Agreement is as follows:

Judy Sandroussi, Controller
Finance & Procurement Department
361-826-3669
JudyS@cctexas.com

5. **Insurance; License.**

(A) Before performance can begin under this Agreement, the Contractor must deliver a certificate of insurance ("COI"), as proof of the required insurance coverages, to the City's Risk Manager and the Contract Administrator. Additionally, the COI must state that the City will be given at least 30 days' advance written notice of cancellation, material change in coverage, or intent not to renew any of the policies. The City must be named as an additional insured. The City Attorney must be given copies of all insurance policies within 10 days of the City Manager's written request. Insurance requirements are as stated in Attachment C, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.

(B) Prior to beginning work, Contractor must provide evidence of any valid professional license(s) necessary for the performance of the Services and work under this Agreement.

6. **Standard of Care.** Contractor warrants that all Services shall be performed in accordance with the standard of care used by similarly situated Contractors performing similar services under the same type of professional license.

7. **Non-Appropriation.** The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30 annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in said budget, and it is within the sole discretion of the City's City Council to determine whether or not to fund this Agreement. The City does not represent that this budget item will be adopted, as said determination is within the City Council's sole discretion when adopting each budget.

8. **Independent Contractor.**

(A) In performing this Agreement, both the City and Contractor shall act in an individual capacity and not as agents, representatives, employees, employers, partners, joint venturers, or associates of one another. Contractor shall perform all professional services as an independent contractor and shall furnish such Services in his own manner and method, and under no circumstance or condition shall an employee, agent, or representative of either party be considered or construed to be an employee, agent, or representative of the other party.

(B) As an independent contractor, no workers' compensation insurance shall be obtained by the City covering the Contractor and employees of the Contractor. The Contractor shall comply with any and all workers' compensation laws pertaining to the Contractor and employees of the Contractor.

9. **Subcontractors.** The Contractor may use subcontractors in connection with the Services and work performed under this Agreement. When using subcontractors, however, the Contractor must obtain the prior written approval from the Contract Administrator unless the subcontractors were named in the proposal or in an attachment to this Agreement, as applicable. In using subcontractors, the Contractor is responsible for all of their acts and omissions to the same extent as if the subcontractor and its employees were employees of the Contractor. All requirements set forth as part of this Agreement, including the necessity of providing a COI in advance to the City, are applicable to all

subcontractors and their employees to the same extent as if the Contractor and its employees had performed the Services and work. The City may, at the City's sole discretion, choose not to accept Services performed by a subcontractor that was not approved in accordance with this paragraph.

10. **Amendments.** This Agreement may be amended or modified only in writing executed by an authorized representative of each party.
11. **Waiver.** No waiver by either party of any breach of any term or condition of this Agreement waives any subsequent breach of the same.
12. **Taxes.** The Contractor covenants to pay all income and payroll taxes including, but not limited to, Medicare taxes, FICA taxes, and unemployment taxes, and all other applicable taxes that may be imposed by any governmental authority as a result of the Services provided pursuant to this Agreement. Upon request, the City Manager shall be provided proof of payment of these taxes within 15 days of such request.
13. **Notice.** Any notice required under this Agreement must be given by fax, hand delivery, or certified mail, postage prepaid, and is deemed received on the day faxed or hand-delivered or on the third day after postmark if sent by certified mail. Notice must be sent as follows:

IF TO CITY:

City of Corpus Christi
Attn: Judy Sandroussi, Controller
Finance & Procurement Department
1201 Leopard St.
Corpus Christi, TX 78401

IF TO CONTRACTOR:

Weaver and Tidwell, LLP
Attn: Laura Lambert, Partner
4400 Post Oak Parkway, Suite 1100
Houston, TX 77027

14. ***Contractor shall fully indemnify, hold harmless and defend the City of Corpus Christi and its officers, employees and agents ("Indemnitees") from and against any and all liability, loss, claims, demands, suits, and causes of action of whatever nature, character, or description on account of personal injuries, property loss, or damage, or any other kind of injury, loss, or damage, including all expenses of litigation, court costs, attorneys' fees and expert witness fees, which arise or are claimed to arise out of or in connection with a breach of this Agreement or the performance of this Agreement by the Contractor or results from the negligent act, omission, or misconduct of the Contractor or its employees or agents. Contractor must, at its own expense, investigate all claims and demands, attend to their***

settlement or other disposition, defend all actions based thereon with counsel satisfactory to the City Attorney, and pay all reasonable charges of attorneys and all other costs and expenses of any kind arising or resulting from any said liability, damage, loss, claims, demands, suits, or actions. The indemnification obligations of Contractor under this section shall survive the expiration or earlier termination of this Agreement.

15. Termination.

(A) The City Manager may terminate this Agreement for Contractor's failure to perform the Services and work specified in this Agreement or to keep any required insurance policies in force during any term of this Agreement. The Contract Administrator must give the Contractor written notice of the breach and set out a reasonable opportunity to cure. If the Contractor has not cured within the cure period, the City Manager may terminate this Agreement immediately thereafter.

(B) Alternatively, the City Manager may terminate this Agreement for convenience upon 30 days' advance written notice to the Contractor. The City Manager may also terminate this Agreement upon 24 hours' advance written notice to the Contractor for failure to pay or provide proof of payment of taxes as set out in this Agreement.

16. Assignment. No assignment of this Agreement by the Contractor, or of any right or interest contained herein, is effective unless the City Manager first gives written consent to such assignment. The performance of this Agreement by the Contractor is of the essence of this Agreement, and the City Manager's right to withhold consent to such assignment is within the sole discretion of the City Manager on any ground whatsoever.

17. Severability. Each provision of this Agreement is considered to be severable and, if, for any reason, any provision or part of this Agreement is determined to be invalid and contrary to applicable law, such invalidity shall not impair the operation of nor affect those portions of this Agreement that are valid, but this Agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part had been omitted.

18. Order of Precedence. In the event of any conflicts or inconsistencies between this Agreement, its attachments, and exhibits, such conflicts and inconsistencies will be resolved by reference to the documents in the following order of priority:

- A. this Agreement (excluding all attachments and exhibits);
- B. its attachments; then,
- C. its exhibits, if any.

19. Certificate of Interested Parties. Contractor agrees to comply with Texas Government Code Section 2252.908, as it may be amended, and complete Form 1295 "Certificate of Interested Parties" as part of this Agreement, if required to do so by law.

20. Governing Law. This Agreement is subject to all federal, State, and local laws, rules, and regulations. The applicable law for any legal disputes arising out of this Agreement is the law of the State of Texas, and the forum for such disputes is the appropriate district or county court in Nueces County, Texas.

21. Entire Agreement. This Agreement constitutes the entire agreement between the parties concerning the subject matter of this Agreement and supersedes all prior negotiations, arrangements, agreements and understandings, either oral or written, between the parties

CONTRACTOR

DocuSigned by:

Signature: _____

Laura Lambert

5CF-A9B6050D0425...

Laura M. Lambert

Printed Name: _____

Title: Partner

Date: 8/2/2024

CITY OF CORPUS CHRISTI

Josh Chronley

Assistant Director, Finance - Procurement

Date: _____

Approved as to form:

Assistant City Attorney

Date

Attached and Incorporated by Reference:

Attachment A: Scope of Work

Attachment B: Fee Schedule

Attachment C: Insurance Requirements

Attachment A: Scope of Work

1. Background and Description of the City

A. General

1. The City's fiscal year begins on October 1 and ends on September 30.
2. The City operates under a Council-Manager form of government and provides such services as are authorized by its charter to advance the welfare, health, morale, comfort, safety, and convenience of the City and its inhabitants.
3. The City provides the following services to its citizens:
 - a. Public Safety (police and fire protection, building inspection, street lighting and traffic signals, and civil defense)
 - b. Public Services (water, wastewater collection and disposal, gas, garbage collection and disposal, maintenance of streets, and storm water drainage)
 - c. Community Enrichment (libraries, parks, recreational facilities, marina, municipal beaches, golf courses, swimming pools, tennis courts, baseball and softball diamonds, and senior citizen centers)
 - d. Airport
 - e. Preventative Health Facilities
 - f. Convention Center and Arena
4. The City had a total payroll of \$223,971,685 in Fiscal Year 2023, covering 3,505 employees.
5. The City is organized into 31 departments and agencies. See Attachment A for an organizational chart. The accounting and financial reporting functions of the City are centralized.
6. More detailed information on the government and its finances, including the City's Annual Comprehensive Financial Reports (ACFR), can be found at the City's website located at <http://www.cctexas.com/financial-transparency>, as well as the Official Statements available on Municipal Securities Rulemaking Board (www.msrb.org).

7. Prior years audit reports can be viewed at the following link, under section titled "Annual Comprehensive Financial Reports":

<http://www.cctexas.com/financial-transparency>.

B. Fund Structure

The City uses the following fund types and account groups in its financial reporting:

Fund Type/Account Group	Number of Individual Funds	Number with Legally Adopted Annual Budgets
General Fund	1	1
Special Revenue Funds	27	26
Debt Service Funds	3	3
Capital Projects Funds	14	0
Enterprise Funds	7	7
Internal Service Funds	6	6
Fiduciary Funds	2	0
Blended Component Units	8	4

C. Budgetary Basis of Accounting

Annual budgets are legally adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the Federal/State Grant Fund, capital project funds, infrastructure fund, the Corpus Christi Community Improvement Corporation Fund (CCCIC), the Corpus Christi Housing Finance Corporation Fund (CCIDC), the Corpus Christi Industrial Development Corporation Fund (CCIDC), and the Corpus Christi Health Facilities Development Corporation (CCHFDC). The Federal/State Grant Funds and the capital projects funds adopt project-length budgets. Budgets were not adopted for the CCCIC, CCHFC, CCIDC, and the CCHFDC.

D. Federal and State Awards

During the fiscal year to be audited, the City received or will receive Federal and State awards.

E. Pension Plans

The City participates in funding two retirement plans: (1) all City employees, except firefighters, are provided benefits through a non-institutional, joint contributory, defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system; and (2) all firefighters are covered by the Fire Fighters Retirement System of Corpus Christi, a single-employer defined benefit pension plan.

F. Component Units

Management of the City has addressed all potential component units for which the City may be financially accountable and, as such, have been included within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization, or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the City. In doing so, management has considered other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

G. Blended Component Units

1. The following entities have been identified as blended component units due to the closeness of their relationship with the City: Corpus Christi Community Improvement Corporation, Corpus Christi Housing Finance Corporation, Corpus Christi Industrial Development Corporation, Coastal Bend Health Facilities Development Corporation, Corpus Christi Crime Control and Prevention District, Corpus Christi Business and Job Development Corporation, Corpus Christi B Corporation, and the North Padre Island Development Corporation.
2. The blended component units are included in the government fund statements as non-major government funds.

H. Related Organizations and Jointly Governed Organizations

1. Related organizations and jointly governed organizations provide services within the City that are administered by separate boards or commissions, but the City is not financially accountable, and such organizations are therefore not component units of the City, even though the City Council may appoint a voting majority of an organization's board members. Consequently, financial information for the Coastal Bend Council of Governments, the Regional Transit Authority, the Corpus Christi Housing Authority, and the Corpus Christi Regional Economic Development Corporation are not included in the City's financial statements.
2. The City of Corpus Christi does not participate in joint ventures with other governments.

I. Magnitude of Financial Operations

The Financial Services Department's principal functions performed and the number of employees assigned to each are as follows:

Function	Number of Employees
Finance Administration	6
Accounting	33
Treasury	12
Purchasing/Inventory	30
Total	81

J. Computer Systems

SOFTWARE

Make	Major Applications
INFOR Financials	General Ledger, Accounts Payable, Accounts Receivable, Asset Management, Purchasing, Travel and Expense, Budget Checking and Encumbrances
LeaseQuery	GASB 87 Leases and GASB 94 SBITA
OpenGov	Budget
INFOR HR & Payroll	Human Resources, Benefits Administration, e-Recruit, & Payroll
Sympro	Debt Service & Investments
INFOR IPS	Utility Systems <ul style="list-style-type: none"> • Customer Billing • Work Orders
INFOR CDR	Community Development <ul style="list-style-type: none"> • Building Permits • Business Licenses • Code Enforcement • Health Permits
RCS	Cash Receipts

DATABASES

Type	Uses
Hosted Managed Services	INFOR

K. Working Papers

1. All working papers and reports must be retained, at the Contractor's expense, for a minimum of three years, unless the firm is notified in writing by the City of the need to extend the retention period. The Contractor will be required to make working papers available, upon request, to the following parties or their

designees:

- a. United States Department of Housing and Urban Development,
- b. U.S. General Accounting Office (GAO),
- c. Parties designated by the federal or state governments or by the City as part of an audit quality review process, and
- d. Auditors of entities of which the City is sub-recipient of grant funds.

2. In addition, the Contractor shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

L. The Schedule of Expenditures of Federal Awards and related auditor's report, as well as the reports on compliance and internal controls, are to be issued along with the ACFR. The City issues the Schedule of Expenditures of Federal Awards separately. The year Annual Comprehensive Financial Report (ACFR) is located online at: <http://www.cctexas.com/financial-transparency>.

2. Scope of Work

- A. The Contractor shall audit financial statements for the fiscal years ending September 30, 2024, 2025, and 2026. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards), and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Texas Grant Management Standards (TxGMS), as applicable.
- B. The Contractor shall express an opinion on the fair presentation of its basic financial statements and the fair representation of the financial statements of individual funds and component units in conformity with auditing standards generally accepted in the United States of America as included in Statements on Auditing Standards, published by the American Institute of Certified Public Accountants and Government Auditing Standards issued by the Comptroller General of the United States. The Contractor is required to perform tests of compliance and internal control based on the audit of the basic financial statements and is also required to audit the compliance of the City with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Uniform Guidance for Federal Awards and Circular A-133 Compliance Supplement and/or the State of Texas Single Audit Circular that are

applicable to each of its major federal and/or state programs. The Contractor is not required to audit the statistical section of the report.

- C. The Contractor must issue an independent auditor's report on compliance and internal controls based on an audit of the basic financial statements performed in accordance with Government Auditing Standards, as well as an independent auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133 and State of Texas Single Audit Circular.
- D. The Contractor must complete the audit no later than six months after the City's fiscal year end unless an extension is mutually agreed upon by both parties.
- E. The Contractor will submit a list of findings and other internal control weaknesses from the City of Corpus Christi's financial statement audit.
- F. The Contractor will perform the Passenger Facility Charge (PFC) audit annually as required by the Federal Aviation Administration (FAA) in accordance with the compliance requirements described in the Passenger Facility Charge Audit Guide for Public Agencies (the "Guide"), issued by the Federal Aviation Administration.
- G. The Contractor will perform a separate agreed-upon procedures engagement annually related to the City's financial assurances to the Texas Commission on Environmental Quality (TCEQ) required by the Texas Administrative Code Title 30, Part 1, Chapter 37.
- H. The Contractor will provide eight hours of continuing education for City Staff's Certified Public Accountant continuing education hours annually. Continuing education topics will include but are not limited to: new or changing accounting rules and regulations for the yearly audits, addressing issues that arose during prior audits, training for grant program managers, or any other training that will be beneficial to the financial health of the City of Corpus Christi. Continuing education training will take place face-to-face. Dates, times, and topics will be approved by the Contractor Administrator prior to scheduling.
- I. The Contractor will provide non-attest services and the City agrees to assume all management responsibilities for those services and oversee the services. This service is an optional service that may be requested by the City. This is specifically in reference to the compilation of the ACFR. Such services include preparation of financial statements and related notes and assist with entries to covert accounting records from modified accrual to full accrual (GASB 24

entries). These non-audit/non-attest services do not constitute an audit under GAGAS and such services will not be conducted in accordance with GAGAS.

3. Requirements

Following the completion of the audit of the fiscal year's financial statements, the Contractor shall issue the following:

- A. A report on the fair presentation of the financial statements in conformity with the accounting principles generally accepted in the United States of America, including an opinion of the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements.
- B. A report on compliance and internal control over financial reporting based on an audit of the basic financial statements.
- C. A report on compliance and internal control over compliance applicable to each major federal program and each major state program.
- D. A schedule of findings and questioned costs for each major federal program and each major state program.
- E. A letter to management addressing any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design of operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.
- F. The report on compliance and internal controls shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance and internal controls.
- G. Irregularities and Illegal Acts. The Contractor must make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the City Manager and Audit Committee who will report to the City Council.
- H. During the term of the engagement, Contractor shall assure themselves that the City Council through the Audit Committee is informed of each of the following:
 1. The auditor's responsibility under generally accepted auditing standards
 2. Significant accounting policies

3. Management judgements and accounting estimates
4. Other information in documents containing audited financial statements
5. Disagreements with management
6. Management consultation with other accountants
7. Management consultation with other accountants
8. Major issues discussed with management
9. Difficulties encountered in performing the audit

4. Special Considerations

The City will perform the following tasks:

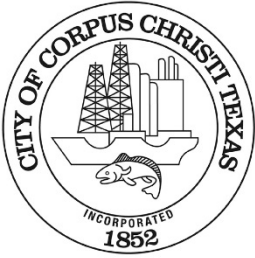
- A. The City will send its ACFR to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Report Program. It is anticipated that the Contractor will be required to provide special assistance to the City to meet the requirements of that program.
- B. The City currently anticipates it will prepare one or more official statements per year in connection with the sale of debt securities which will contain the government-wide financial statements and the auditor's report thereon. The Contractor shall be required, if requested by the financial advisor and/or the underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters". The Contractor performs agreed upon procedures with respect to the City's computation of proforma annual debt service coverage and provides a certificate to that effect, at no additional cost.

5. Compensation and Payment

The Contractor shall provide the following deliverables:

- A. The Contractor shall complete the audit planning and risk assessment.
- B. The Contractor shall complete the audit interim fieldwork.
- C. The Contractor shall complete the audit year-end fieldwork.
- D. The Contractor shall prepare the final ACFR document.
- E. The Contractor shall review the single audit and ACFR and issue all relevant reports and audit opinions.

- F. The Contractor shall provide the Passenger Facility Audit and issue all relevant reports and audit opinions.
- F. The Contractor shall provide the TCEQ Financial Assurances and issue all relevant reports.
- G. The Contractor shall provide Continuing Education Training for City staff Certified Public Accountants.
- H. The Contractor shall provide non-attest services as follows:
 - 1. Prepare financial statements and related notes for the Annual Comprehensive Financial Reports (ACFR).
 - 2. Assist with entries to convert accounting records from modified accrual for the government-wide financial statements.



Attachment B: Fee Schedule

RFP No. 5854

Professional Auditing Services

PAGE 1 OF 2

DATE: 06/27/2024

Weaver and Tidwell, L.L.P.

Laura M Lambert
AUTHORIZED SIGNATURE

PROPOSER

1. Refer to "Instructions to Proposers" and Contract Terms and Conditions before completing proposal.
2. Provide your best price for each item.
3. In submitting this proposal, Proposer certifies that:
 - a. the prices in this proposal have been arrived at independently, without consultation, communication, or agreement with any other Proposer or competitor, for the purpose of restricting competition with regard to prices;
 - b. Proposer is an Equal Opportunity Employer; and the Disclosure of Interest information on file with City's Contracts and Procurement office, pursuant to the Code of Ordinances, is current and true.
 - c. Proposer has incorporated any changes issue through Addenda to the RFP in this pricing.

Item	Description	Qty	Unit of Measure	Price
1	Audit Planning and Risk Assessment – Year One	1	Lump Sum	\$17,430
2	Audit Interim Fieldwork – Year One	1	Lump Sum	\$27,720
3	Audit Year-end Fieldwork – Year One	1	Lump Sum	\$127,575
4	Review of Single Audit and ACFR – Year One	1	Lump Sum	\$49,140
5	Passenger Facility Audit – Year One	1	Lump Sum	\$4,305
6	TCEQ Financial Assurances – Year One	1	Lump Sum	\$2,730
7	Continuing Education Training for City Staff Certified Public Accountants – Year One	1	Lump Sum	\$3,000
8	Non-attest Services – Year One (optional)	1	Lump Sum	\$25,000
9	Audit Planning and Risk Assessment – Year Two	1	Lump Sum	\$18,000
10	Audit Interim Fieldwork – Year Two	1	Lump Sum	\$28,600
11	Audit Year-end Fieldwork – Year Two	1	Lump Sum	\$131,400
12	Review of Single Audit and ACFR – Year Two	1	Lump Sum	\$50,600
13	Passenger Facility Audit – Year Two	1	Lump Sum	\$4,400
14	TCEQ Financial Assurances – Year Two	1	Lump Sum	\$2,800
15	Continuing Education Training for City Staff Certified Public Accountants – Year Two	1	Lump Sum	\$3,100
16	Non-attest Services – Year Two (optional)	1	Lump Sum	\$25,800

17	Audit Planning and Risk Assessment – Year Three	1	Lump Sum	\$18,500
18	Audit Interim Fieldwork – Year Three	1	Lump Sum	\$29,500
19	Audit Year-end Fieldwork – Year Three	1	Lump Sum	\$135,300
20	Review of Single Audit and ACFR – Year Three	1	Lump Sum	\$52,100
21	Passenger Facility Audit – Year Three	1	Lump Sum	\$4,500
22	TCEQ Financial Assurances – Year Three	1	Lump Sum	\$2,900
23	Continuing Education Training for City Staff Certified Public Accountants – Year Three	1	Lump Sum	\$3,200
24	Non-attest Services – Year Three (optional)	1	Lump Sum	\$26,600
Total				\$794,200

Attachment C: Insurance Requirements

I. CONTRACTOR'S LIABILITY INSURANCE

- A. Contractor must not commence work under this contract until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor, to commence work until all similar insurance required of any subcontractor has been obtained.
- B. Contractor must furnish to the City's Risk Manager and Contract Administer a copy of Certificates of Insurance with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. Project name and/or number must be listed in Description Box of Certificate of Insurance.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
PROFESSIONAL LIABILITY (Errors and Omissions)	\$1,000,000 Per Claim \$2,000,000 Aggregate (Defense costs not included in face value of the policy) If claims made policy, retro date must be at or prior to inception of agreement, have extended reporting period provisions and identify any limitations regarding who is insured.

- C. In the event of accidents of any kind related to this contract, Contractor shall furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

II. ADDITIONAL REQUIREMENTS

- A. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of at least A- with a Financial Size Category of Class VII or higher.
- B. Contractor shall be required to submit renewal certificates of insurance throughout the term of this contract and any extensions within 10 days of the policy expiration dates. All notices under this Exhibit shall be given to City at the following address:

City of Corpus Christi
Attn: Risk Manager
P.O. Box 9277
Corpus Christi, TX 78469-9277

- C. Certificate of insurance shall specify that at least 30 calendar days advance written notice will be provided to City of any, cancellation, non-renewal, material change or termination in coverage and not less than 10 calendar days advance written notice for nonpayment of premium.
- D. Within 5 calendar days of a cancellation, non-renewal, material change or termination of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.
- E. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to stop work hereunder, and/or withhold any payment(s) which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- F. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this contract.
- G. Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this contract.
- H. The insurance required is in addition to and separate from any other obligation contained in this contract.

2023 Insurance Requirements

Ins. Req. Exhibit **3-H**

Professional Services - Other Professional Services

01/01/2023 Risk Management – Legal Dept.