

# PROFESSIONAL SERVICES AGREEMENT

UTILITY AUDITING SERVICES

BETWEEN



COOK COUNTY GOVERNMENT

AND

AZAVAR AUDIT SOLUTIONS, INC.

# PROFESSIONAL SERVICES AGREEMENT

## TABLE OF CONTENTS

TERMS AND CONDITIONS.....	1
ARTICLE 1) INCORPORATION OF BACKGROUND .....	1
ARTICLE 2) DEFINITIONS AND EXHIBITS .....	1
a) Definitions .....	1
b) Interpretation .....	2
c) Incorporation of Exhibits.....	2
ARTICLE 3) DUTIES AND RESPONSIBILITIES OF CONTRACTOR.....	3
a) Scope of Services.....	3
b) Deliverables.....	3
c) Standard of Performance .....	3
d) Personnel .....	4
e) Minority and Women's Business Enterprises Commitment.....	5
f) Insurance.....	5
g) Indemnification.....	7
h) Confidentiality and Ownership of Documents .....	8
i) Patents, Copyrights and Licenses .....	8
j) Examination of Records and Audits.....	9
k) Subcontract Subcontracting or Assignment of Contract or Contract Funds .....	10
ARTICLE 4) TERM OF AGREEMENT .....	11
a) Term of Performance.....	11
b) Timeliness of Performance.....	11
c) Agreement Extension Option .....	11
ARTICLE 5) COMPENSATION.....	11
a) Basis of Payment .....	11
b) Method of Payment .....	11
c) Funding.....	12
d) Non-Appropriation .....	12
e) Taxes.....	12
ARTICLE 6) DISPUTES.....	13
ARTICLE 7) COMPLIANCE WITH ALL LAWS.....	13
ARTICLE 8) SPECIAL CONDITIONS.....	14
a) Warranties and Representations .....	14
b) Ethics .....	14
c) Joint and Several Liability .....	15
d) Business Documents.....	15
e) Conflicts of Interest .....	15

f)	Non-Liability of Public Officials.....	16
ARTICLE 9) EVENTS OF DEFAULT, REMEDIES, TERMINATION, SUSPENSION AND RIGHT TO OFFSET.....		
a)	Events of Default Defined .....	16
b)	Remedies .....	17
c)	Early Termination.....	19
d)	Suspension.....	19
e)	Right to Offset .....	18
ARTICLE 10) GENERAL CONDITIONS .....		
a)	Entire Agreement.....	19
b)	Counterparts.....	20
c)	Modifications and Amendments.....	20
d)	Governing Law and Jurisdiction.....	20
e)	Severability .....	21
f)	Assigns.....	23
g)	Cooperation .....	23
h)	Waiver .....	23
i)	Independent Contractor .....	23
j)	Governmental Joint Purchasing Agreement.....	24
ARTICLE 11) NOTICES .....		
ARTICLE 12) AUTHORITY .....		

Economic Disclosure Statement  
Signature Pages

**List of Exhibits**

- Exhibit 1 Scope of Services/ Statement of Work
- Exhibit 2 Evidence of Insurance
- Exhibit 3 Board Authorization

## **PROFESSIONAL SERVICES AGREEMENT**

This Professional Services Agreement is made and entered into by and between the County of Cook, a public body corporate of the State of Illinois, on behalf of Office of the Chief Procurement Officer (hereinafter referred to as "County"), and Azavar Audit Solutions, Inc., doing business as a corporation of the State of Illinois (hereinafter referred to as Consultant or "Contractor"), pursuant to authorization by the Cook County Board of Commissioners as evidenced by Board Authorization letter attached hereto as Exhibit 3.

### **BACKGROUND**

*The County of Cook issued a Request for Proposal ("RFP") for Professional Utility Auditing Services. Proposals were evaluated in accordance with the evaluation criteria published in the RFP. The Contractor was selected based on the proposal submitted and evaluated by the County representatives. Contractor represents that it has the professional experience and expertise to provide the necessary services and further warrants that it is ready, willing and able to perform in accordance with the terms and conditions as set forth in this Agreement.*

**NOW, THEREFORE**, the County and Contractor agree as follows:

### **TERMS AND CONDITIONS**

#### **ARTICLE 1) INCORPORATION OF BACKGROUND**

The Background information set forth above is incorporated by reference as if fully set forth here.

#### **ARTICLE 2) DEFINITIONS AND EXHIBITS**

##### **a) Definitions**

The following words and phrases have the following meanings for purposes of this Agreement:

**"Additional Services"** means those services that are within the general scope of the Services of this Agreement but beyond the description of services required under Article 3 and all services reasonably necessary to complete the Additional Services to the standards of performance required by this Agreement. Any Additional Services requested by the Department require the approval of the Chief Procurement Officer in a written modification to this Agreement before Contractor is obligated to perform those Additional Services and before the County becomes obligated to pay for those Additional Services.

**“Agreement”** means this Professional Services Agreement, including all exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

**“Chief Procurement Officer”** means the Chief Procurement Officer for the County of Cook and any representative duly authorized in writing to act on his behalf.

**“Department”** means the Cook County Using Department.

**“Services”** means, collectively, the services, duties and responsibilities described in Article 3 of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

**“Subcontractor”** means any person or entity with whom Contractor contracts to provide any part of the Services, including subcontractors and subcontractors of any tier, suppliers and materials contractors, whether or not in privity with Contractor.

**b) Interpretation**

i) The term “include” (in all its forms) means “include, without limitation” unless the context clearly states otherwise.

ii) All references in this Agreement to Articles, Sections or Exhibits, unless otherwise expressed or indicated are to the Articles, Sections or Exhibits of this Agreement.

iii) Words importing persons include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

iv) Any headings preceding the text of the Articles and Sections of this Agreement, and any table of contents or marginal notes appended to it, are solely for convenience or reference and do not constitute a part of this Agreement, nor do they affect the meaning, construction or effect of this Agreement.

v) Words importing the singular include the plural and vice versa. Words of the masculine gender include the correlative words of the feminine and neuter genders.

vi) All references to a number of days mean calendar days, unless expressly indicated otherwise.

**c) Incorporation of Exhibits**

The following attached Exhibits are made a part of this Agreement:

Exhibit 1	Scope of Services/Statement of Work
Exhibit 2	Evidence of Insurance
Exhibit 3	Board Authorization

Notwithstanding such incorporation, none of the terms set forth in any Exhibit which conflict with the express terms of this Agreement shall be deemed or construed to supersede the terms of Agreement.

### **ARTICLE 3) DUTIES AND RESPONSIBILITIES OF CONTRACTOR**

#### **a) Scope of Services**

This description of Services is intended to be general in nature and is neither a complete description of Contractor's Services nor a limitation on the Services that Contractor is to provide under this Agreement. Contractor must provide the Services in accordance with the standards of performance set forth in Section 3(c). The Services that Contractor must provide include, but are not limited to, those described in Exhibit 1, Scope of Services.

#### **b) Deliverables**

In carrying out the Services, Contractor must prepare or provide to the County various Deliverables. "Deliverables" include work product, such as written reviews, recommendations, reports and analyses, produced by Contractor for the County.

The County may reject Deliverables that do not include relevant information or data, or do not include all documents or other materials specified in this Agreement or reasonably necessary for the purpose for which the County made this Agreement or for which the County intends to use the Deliverables. If the County determines that Contractor has failed to comply with the foregoing standards, it has 30 days from the discovery to notify Contractor of its failure. If Contractor does not correct the failure, if it is possible to do so, within 30 days after receipt of notice from the County specifying the failure, then the County, by written notice, may treat the failure as a default of this Agreement under Article 9.

Partial or incomplete Deliverables may be accepted for review only when required for a specific and well-defined purpose and when consented to in advance by the County. Such Deliverables will not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables in no way relieve Contractor of its commitments under this Agreement.

#### **c) Standard of Performance**

Contractor must perform all Services required of it under this Agreement with that degree of skill, care and diligence normally shown by a contractor performing services of a scope and purpose and magnitude comparable with the nature of the Services to be provided under this Agreement. Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the County and, with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary.

Contractor must ensure that all Services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline

and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its Subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Department and delivered in a timely manner consistent with the requirements of this Agreement.

**d) Personnel**

**i) Adequate Staffing**

Contractor must, upon receiving a fully executed copy of this Agreement, assign and maintain during the term of this Agreement and any extension of it an adequate staff of competent personnel that is fully equipped, licensed as appropriate, available as needed, qualified and assigned exclusively to perform the Services. Contractor must include among its staff the Key Personnel and positions as identified below. The level of staffing may be revised from time to time by notice in writing from Contractor to the County and with written consent of the County, which consent the County will not withhold unreasonably. If the County does not object to the revision within 14 days after receiving the notice, then the revision will be considered accepted by the County.

**ii) Key Personnel**

Contractor must not reassign or replace Key Personnel without the written consent of the County, which consent the County will not unreasonably withhold. "Key Personnel" means those job titles and the persons assigned to those positions as follows:

Jason Perry	Principal Utility Auditor
<i>Maverick Consulting</i>	<i>Natural Gas Consultant</i>
John Righeimer	Project Manager
Russ Paluch	Lead Consultant
<i>Tristem Ltd.</i>	<i>Electricity Consultant</i>
Joe Seeber	Senior Consultant
Trisha Menchu	Team Lead
<i>MPSK/The Syber Technology Group</i>	<i>Telecommunications</i>
Michael Powell	Senior Consultant
<i>Garth Ashpaugh, CPA</i>	<i>Municipal &amp; Utility Expert Consultant</i>

The Department may at any time in writing notify Contractor that the County will no longer accept performance of Services under this Agreement by one or more Key Personnel. Upon that notice Contractor must immediately suspend the services of the key person or persons and must replace him or them in accordance with the terms of this Agreement.

**e) Minority and Women's Business Enterprises Commitment**

In the performance of this Agreement, including the procurement and lease of materials or equipment, Contractor must abide by the minority and women's business enterprise commitment requirements of the Cook County Ordinance (Article IV, Section 34-267 through 272) except to the extent waived by the Compliance Director. Contractor's completed MBE/WBE Utilization Plan evidencing its compliance with this requirement are a part of this Agreement, in Section 1 of the Economic Disclosure Statement, upon acceptance by the Compliance Director. Contractor must utilize minority and women's business enterprises at the greater of the amounts committed to by the Contractor for this Agreement in accordance with Section 1 of the Economic Disclosure Statement.

**f) Insurance**

Contractor must provide and maintain at Contractor's own expense, during the term of this Agreement and any time period following expiration if Contractor is required to return and perform any of the Services or Additional Services under this Agreement, the insurance coverage and requirements specified below, insuring all operations related to this Agreement.

**Insurance Requirements of the Contractor**

Prior to the effective date of this Contract, the Contractor, at its cost, shall secure and maintain at all times, unless specified otherwise, until completion of the term of this Contract the insurance specified below.

Nothing contained in these insurance requirements is to be construed as limiting the extent of the Contractor's responsibility for payment of damages resulting from its operations under this Contract. The insurance maintained by the Contractor shall be on a primary, non-contributory basis and shall not be excess or pro rata to any other insurance or self-insurance issued to or administered by the County.

The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

The limits of liability shall be as stated below, unless, prior to the effective date of this Contract, written approval is granted by the Cook County Department of Risk Management for variance from those limits.

**1. Coverage**

(a) **Workers Compensation Insurance**

Workers Compensation shall be in accordance with the laws of the State of Illinois or any other applicable jurisdiction.

The Workers Compensation policy shall also include the following provisions:

Employer's Liability coverage with a limit of:

\$500,000 each Accident  
\$500,000 each Employee  
\$500,000 Policy Limit for Disease

Broad form all states coverage

(b) **Commercial General Liability Insurance**

The Commercial General Liability Insurance shall be on an occurrence form basis to cover bodily injury and property damage including loss of use.

General Liability limits shall not be less than \$1,000,000 per occurrence and \$2,000,000 aggregate combined single limit for bodily injury and property damage. The General Liability policy shall include, without limitation, the following coverage:

- (a) All premises and operations;
- (b) Independent Contractor's Protection Liability;
- (c) Broad Form Blanket Contractual Liability;
- (d) Products/Completed Operations;
- (e) Broad Form Property Damage Liability; and
- (f) Cross Liability.

(c) **Comprehensive Automobile Liability Insurance**

Comprehensive Automobile Liability to cover all owned, non-owned and hired automobiles, trucks and trailers. The Comprehensive Automobile Liability limits shall not be less than the following:

- (a) Liability - All Autos: Bodily Injury & Property Damage - \$1,000,000 per Occurrence
- (b) Uninsured/Motorists: Per Illinois Requirements

(d) **Umbrella/Excess Liability Insurance**

In addition to the coverage and limits specified above, Contractor shall secure and maintain a limit of liability no less than:

- (a) \$2,000,000 each occurrence for all liability
- (b) \$2,000,000 in the aggregate per policy year separately with respect to products and completed operations

**2. Additional requirements**

(a) **Additional Insured**

Cook County, its officials, employees and agents shall be named as additional insureds under the Commercial General Liability and Umbrella Excess Liability policy.

(b) **Qualification of Insurers**

All insurance companies providing coverage shall be licensed or approved by the Department of Insurance, State of Illinois, and shall have a financial rating no lower than (A-) VII as listed in A.M. Best's Key Rating Guide, current edition or interim report. Companies with ratings lower than (A-) VII will be acceptable only upon written consent of the Cook County Department of Risk Management.

(c) **Insurance Notices**

All policies of insurance which may be required under terms of this Agreement shall be endorsed to provide that the insurance company shall notify the Office of the Chief Procurement Officer at least 30 days prior to the effective date of any cancellation or modification of such policies. Prior to the date on which Contractor commences performance of its part of the Services, Contractor shall furnish to the County certificates of insurance maintained by Contractor.

In no event shall any failure of the County to receive Certificates of Insurance required hereof or to demand receipt of such Certificates of Insurance be construed as a waiver of Contractor's obligations to obtain insurance pursuant to these insurance requirements.

**g) Indemnification**

The Contractor covenants and agrees to indemnify and save harmless the County and its commissioners, officials, employees, agents and representatives, and their respective heirs, successors and assigns, from and against any and all costs, expenses, attorney's fees, losses, damages and liabilities incurred or suffered directly or indirectly from or attributable to any claims arising out of or incident to the performance or nonperformance of the Contract by the

Contractor, or the acts or omissions of the officers, agents, employees, contractors, subcontractors, licensees or invitees of the Contractor. The Contractor expressly understands and agrees that any insurance protection required of the Contractor, or otherwise provided by the Contractor, shall in no way limit the responsibility to indemnify the County as hereinabove provided. Nothing in this paragraph makes Contractor liable to the County for any increased cost in utilities or telecommunications services resulting from Contractor's non-negligent provision of the Services including any audit, recommendation or negotiation.

**h) Confidentiality and Ownership of Documents**

Contractor acknowledges and agrees that information regarding this Agreement is confidential and shall not be disclosed, directly, indirectly or by implication, or be used by Contractor in any way, whether during the term of this Agreement or at any time thereafter, except solely as required in the course of Contractor's performance hereunder. Contractor shall comply with the applicable privacy laws and regulations affecting County and will not disclose any of County's records, materials, or other data to any third party. Contractor shall not have the right to compile and distribute statistical analyses and reports utilizing data derived from information or data obtained from County without the prior written approval of County. In the event such approval is given, any such reports published and distributed by Contractor shall be furnished to County without charge.

All documents, data, studies, reports, work product or product created as a result of the performance of this Agreement (the "Documents") shall be included in the Deliverables and shall be the property of the County. It shall be a breach of this Agreement for the Contractor to reproduce or use any documents, data, studies, reports, work product or product obtained from the County or any Documents created hereby, whether such reproduction or use is for Contractor's own purposes or for those of any third party. During the performance of this Agreement, Contractor shall be responsible of any loss or damage to the Documents while they are in Contractor's possession, and any such loss or damage shall be restored at the expense of the Contractor. The County and its designees shall be afforded full access to the Documents and the work at all times.

**i) Patents, Copyrights and Licenses**

If applicable, Contractor shall furnish the Chief Procurement Officer with all licenses required for the County to utilize any software, including firmware or middleware, provided by Contractor as part of the Deliverables. Such licenses shall be clearly marked with a reference to the number of this Agreement. Contractor shall also furnish a copy of such licenses to the Chief Procurement Officer. Unless otherwise stated in this Agreement, such licenses shall be perpetual and shall not limit the number of persons who may utilize the software on behalf of the County.

Contractor agrees to hold harmless and indemnify the County, its officers, agents, employees and affiliates from and defend, at its own expense (including reasonable attorneys', accountants' and Contractors' fees), any suit or proceeding brought against County based upon a claim that the ownership and/or use of equipment, hardware and software or any part thereof provided to the County or utilized in performing Contractor's services constitutes an infringement of any patent,

copyright or license or any other property right.

In the event the use of any equipment, hardware or software or any part thereof is enjoined, Contractor with all reasonable speed and due diligence shall provide or otherwise secure for County, at the Contractor's election, one of the following: the right to continue use of the equipment, hardware or software; an equivalent system; or Contractor shall modify the system or its component parts so that they become non-infringing while performing in a substantially similar manner to the original system, meeting the requirements of this Contract.

**j) Examination of Records and Audits**

The Contractor agrees that the Cook County Auditor or any of its duly authorized representatives shall, until expiration of three (3) years after the final payment under this Agreement, have access and the right to examine any books, documents, papers, canceled checks, bank statements, purveyor's and other invoices, and records of the Contractor related to this Agreement, or to Contractor's compliance with any term, condition or provision thereof. The Contractor shall be responsible for establishing and maintaining records sufficient to document the costs associated with performance under the terms of this Agreement.

The Contractor further agrees that it shall include in all of its subcontracts hereunder a provision to the effect that the subcontractor agrees that the Cook County Auditor or any of its duly authorized representatives shall, until expiration of three (3) years after final payment under the subcontract, have access and the right to examine any books, documents, papers, canceled checks, bank statements, purveyor's and other invoices and records of such subcontractor involving transactions relating to the subcontract, or to such subcontractor's compliance with any term, condition or provision thereunder or under this Agreement.

In the event the Contractor receives payment under this Agreement, reimbursement for which is later disallowed by the County, the Contractor shall promptly refund the disallowed amount to the County on request, or at the County's option, the County may credit the amount disallowed from the next payment due or to become due to the Contractor under any contract with the County.

To the extent this Agreement pertains to Deliverables which may be reimbursable under the Medicaid or Medicare Programs, Contractor shall retain and make available upon request, for a period of four (4) years after furnishing services pursuant to this Agreement, the contract, books, documents and records which are necessary to certify the nature and extent of the costs of such services if requested by the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives. If Contractor carries out any of its duties under the Agreement through a subcontract with a related organization involving a value of cost of \$10,000.00 or more over a 12 month period, Contractor will cause such subcontract to contain a clause to the effect that, until the expiration of four years after the furnishing of any service pursuant to said subcontract, the related organization will make available upon request of the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives, copies of said subcontract and any books, documents, records and other data of said related organization that

are necessary to certify the nature and extent of such costs. This paragraph relating to the retention and production of documents is included because of possible application of Section 1861(v)(1)(I) of the Social Security Act to this Agreement; if this Section should be found to be inapplicable, then this paragraph shall be deemed inoperative and without force and effect.

**k) Subcontract Subcontracting or Assignment of Contract or Contract Funds**

Once awarded, this Agreement shall not be subcontracted or assigned, in whole or in part, without the advance written approval of the Chief Procurement Officer, which approval shall be granted or withheld at the sole discretion of the Chief Procurement Officer. In no case, however, shall such approval relieve the Contractor from its obligations or change the terms of this Agreement. The Contractor shall not transfer or assign any Agreement funds or any interest therein due or to become due without the advance written approval of the Chief Procurement Officer. The unauthorized subcontracting or assignment of this Agreement, in whole or in part, or the unauthorized transfer or assignment of any Agreement funds, either in whole or in part, or any interest therein, which shall be due or are to become due the Contractor shall have no effect on the County and are null and void.

Prior to the commencement of the Agreement, the Contractor shall identify in writing to the Chief Procurement Officer the names of any and all subcontractors it intends to use in the performance of this Agreement. The Chief Procurement Officer shall have the right to disapprove any subcontractor. Identification of subcontractors to the Chief Procurement Officer shall be in addition to any communications with County offices other than the Chief Procurement Officer. All subcontractors shall be subject to the terms of this Agreement. Contractor shall incorporate into all subcontracts all of the provisions of this Agreement which affect such subcontract. Copies of subcontracts shall be provided to the Chief Procurement Officer upon request.

The Contractor must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, Contractor and any other person or entity whom the Contractor has retained or expects to retain in connection with the performance of the Services, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Contractor is not required to disclose employees who are paid or estimated to be paid. The Contractor is not required to disclose employees who are paid solely through the Contractor's regular payroll. "Lobbyist" means any person or entity who undertakes to influence any legislation or administrative action on behalf of any person or entity other than (1) a not-for-profit entity, on an unpaid basis, or (2), himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action. If the Contractor is uncertain whether a disclosure is required under this Section, the Contractor must either ask the County whether disclosure is required or make the disclosure.

The County reserves the right to prohibit any person from entering any County facility for any reason. All contractors and subcontractors of the Contractor shall be accountable to the Chief Procurement Officer or his designee while on any County property and shall abide by all rules and regulations imposed by the County.

#### **ARTICLE 4) TERM OF AGREEMENT**

##### **a) Term and Period of Performance**

This Agreement shall commence on the date the Agreement is properly executed by the County (the “**Effective Date**”) and shall terminate not later than four (4) years from the Effective Date. Notwithstanding the foregoing, the Contractor’s period of performance for auditing services shall be three (3) years from the Effective Date.

##### **b) Timeliness of Performance**

i) Contractor must provide the Services and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Section 4(a) and Exhibit 1. Further, Contractor acknowledges that **TIME IS OF THE ESSENCE** and that the failure of Contractor to comply with the time limits described in this Section 4(b)(i) may result in economic or other loss to the County.

##### **c) Agreement Extension Option**

The Chief Procurement Officer may at any time before this Agreement expires elect to extend this Agreement for up to one (1) additional one-year period under the same terms and conditions as this original Agreement, except as provided otherwise in this Agreement, by notice in writing to Contractor. After notification by the Chief Procurement Officer, this Agreement must be modified to reflect the time extension in accordance with the provisions of Section 10(c).

#### **ARTICLE 5) COMPENSATION**

##### **a) Basis of Payment**

The County shall pay Contractor according to the provisions of Exhibit 1 for the successful completion of services.

##### **b) Method of Payment**

All invoices submitted by the Contractor shall be in accordance with the cost provisions according to the Scope of Services in the attached Exhibit 1. The invoices shall contain a detailed description of the Deliverables for which payment is requested. All invoices shall reflect the amounts invoiced by and the amounts paid to the Contractor as of the date of the invoice, and shall be submitted together with a properly completed County Voucher form (form 29A). Invoices for new charges shall not include “past due” amounts, if any; such amounts must be set forth on a separate invoice. No payments will be made with respect to invoices which do not include the County Voucher form or which otherwise fail to comply with the requirements of this paragraph. Contractor shall not be entitled to invoice the County for any late fees or other penalties.

**e) Funding**

Compensation to the Contractor is based solely upon a percentage of realized savings subject to the requirements and limitations set forth in Exhibit 1.

**e) Taxes**

Federal Excise Tax does not apply to materials purchased by the County by virtue of Exemption Certificate No. 36-75-0038K. Illinois Retailers' Occupation Tax, Use Tax and Municipal Retailers' Occupation Tax do not apply to deliverables, materials or services purchased by the County by virtue of statute. The price or prices quoted herein shall include any and all other federal and/or state, direct and/or indirect taxes which apply to this Agreement. The County's State of Illinois Sales Tax Exemption Identification No. is E-9998-2013-05.

**ARTICLE 6) DISPUTES**

Any dispute arising under this Agreement between the County and Contractor shall be submitted to the Chief Procurement Officer. The complaining party shall submit a written statement detailing the dispute and specifying the specific relevant Agreement provision(s) to the Chief Procurement Officer. Upon request of the Chief Procurement Officer, the party complained against shall respond to the complaint in writing within five (5) days of such request. The Chief Procurement Officer will reduce her decision to writing and mail or otherwise furnish a copy thereof to the Contractor. As to the dispute submitted by the Parties, the decision of the Chief Procurement Officer will be final and binding. Dispute resolution as provided herein shall be a condition precedent to any other action at law or in equity. However, unless a notice is issued by the Chief Procurement Officer indicating that additional time is required to review a dispute, the parties may exercise their contractual remedies, , sixty (60) days following notification to the Chief Procurement Officer of a dispute. No inference shall be drawn from the absence of a decision by the Chief Procurement Officer. Notwithstanding a dispute, Contractor shall continue to discharge all its obligations, duties and responsibilities set forth in the Contract during any dispute resolution proceeding unless otherwise agreed to by the County in writing.

**ARTICLE 7) COMPLIANCE WITH ALL LAWS**

The Contractor shall observe and comply with the laws, ordinances, regulations and codes of the federal, state, county and other local government agencies which may in any manner affect the performance of this Agreement including, but not limited to, those County Ordinances set forth in the Certifications attached hereto and incorporated herein. Assurance of compliance with this requirement by the Contractor's employees, agents or subcontractors shall be the responsibility of the Contractor.

The Contractor shall secure and pay for all federal, state and local licenses, permits and fees required hereunder.

## **ARTICLE 8) SPECIAL CONDITIONS**

### **a) Warranties and Representations**

In connection with signing and carrying out this Agreement, Contractor:

- i) warrants that Contractor is appropriately licensed under Illinois law to perform the Services required under this Agreement and will perform no Services for which a professional license is required by law and for which Contractor is not appropriately licensed;
- ii) warrants it is financially solvent; it and each of its employees, agents and Subcontractors of any tier are competent to perform the Services required under this Agreement; and Contractor is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated in this Agreement;
- iii) warrants that it will not knowingly use the services of any ineligible contractor or Subcontractor for any purpose in the performance of its Services under this Agreement;
- iv) warrants that Contractor and its Subcontractors are not in default at the time this Agreement is signed, and have not been considered by the Chief Procurement Officer to have, within 5 years immediately preceding the date of this Agreement, been found to be in default on any contract awarded by the County;
- v) represents that it has carefully examined and analyzed the provisions and requirements of this Agreement; it understands the nature of the Services required; from its own analysis it has satisfied itself as to the nature of all things needed for the performance of this Agreement; this Agreement is feasible of performance in accordance with all of its provisions and requirements, and Contractor warrants it can and will perform, or cause to be performed, the Services in strict accordance with the provisions and requirements of this Agreement;
- vi) represents that Contractor and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of the Illinois Criminal Code, 720 ILCS 5/33E as amended; and
- vii) acknowledges that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination under Section 9(a).

### **b) Ethics**

- i) In addition to the foregoing warranties and representations, Contractor warrants:
  - (1) no officer, agent or employee of the County is employed by Contractor or has a financial interest directly or indirectly in this Agreement or the compensation to be paid under this Agreement except as may be permitted in writing by the Board of Ethics; and

(2) no payment, gratuity or offer of employment will be made in connection with this Agreement by or on behalf of any Subcontractors to the prime Contractor or higher tier Subcontractors or anyone associated with them, as an inducement for the award of a subcontract or order.

**c) Joint and Several Liability**

If Contractor, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination of them), then under this Agreement, each and without limitation every obligation or undertaking in this Agreement to be fulfilled or performed by Contractor is the joint and several obligation or undertaking of each such individual or other legal entity.

**d) Business Documents**

At the request of the County, Contractor shall provide copies of its latest articles of incorporation, by-laws and resolutions, or partnership or joint venture agreement, as applicable.

**e) Conflicts of Interest**

i) No member of the governing body of the County or other unit of government and no other officer, employee or agent of the County or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement pertains is permitted to have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no Commissioner of the Cook County Board or County employee is allowed to be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

ii) Contractor covenants that it, and to the best of its knowledge, its Subcontractors if any (collectively, "**Consulting Parties**"), presently have no direct or indirect interest and will not acquire any interest, direct or indirect, in any project or contract that would conflict in any manner or degree with the performance of its Services under this Agreement.

iii) Upon the request of the County, Contractor must disclose to the County its past client list and the names of any clients with whom it has an ongoing relationship. Contractor is not permitted to perform any Services for the County on applications or other documents submitted to the County by any of Contractor's past or present clients. If Contractor becomes aware of a conflict, it must immediately stop work on the assignment causing the conflict and notify the County.

iv) Without limiting the foregoing, if the Consulting Parties assist the County in determining the advisability or feasibility of a project or in recommending, researching, preparing, drafting or issuing a request for proposals or bid specifications for a project, the Consulting Parties must not participate, directly or indirectly, as a prime, subcontractor or joint venturer in that project or in the preparation of a proposal or bid for that project during the term of this Agreement or afterwards. The Consulting Parties may, however, assist the County in reviewing the proposals

or bids for the project if none of the Consulting Parties have a relationship with the persons or entities that submitted the proposals or bids for that project.

v) The Contractor further covenants that, in the performance of this Agreement, no person having any conflicting interest will be assigned to perform any Services or have access to any confidential information, as defined in Section 3(h) of this Agreement. If the County, by the Chief Procurement Officer in his reasonable judgment, determines that any of Contractor's services for others conflict with the Services Contractor is to render for the County under this Agreement, Contractor must terminate such other services immediately upon request of the County.

vi) Furthermore, if any federal funds are to be used to compensate or reimburse Contractor under this Agreement, Contractor represents that it is and will remain in compliance with federal restrictions on lobbying set forth in Section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal year 1990, 31 U.S.C. § 1352, and related rules and regulations set forth at 54 Fed. Reg. 52,309 ff. (1989), as amended. If federal funds are to be used, Contractor must execute a Certification Regarding Lobbying, which will be attached as an exhibit and incorporated by reference as if fully set forth here.

**f) Non-Liability of Public Officials**

Contractor and any assignee or Subcontractor of Contractor must not charge any official, employee or agent of the County personally with any liability or expenses of defense or hold any official, employee or agent of the County personally liable to them under any term or provision of this Agreement or because of the County's execution, attempted execution or any breach of this Agreement.

**ARTICLE 9) EVENTS OF DEFAULT, REMEDIES, TERMINATION, SUSPENSION AND RIGHT TO OFFSET**

**a) Events of Default Defined**

The following constitute events of default:

i) Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the County.

ii) Contractor's material failure to perform any of its obligations under this Agreement including the following:

(a) Failure due to a reason or circumstances within Contractor's reasonable control to perform the Services with sufficient personnel and equipment or with sufficient material to ensure the performance of the Services;

- (b) Failure to perform the Services in a manner reasonably satisfactory to the Chief Procurement Officer or inability to perform the Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors;
  - (c) Failure to promptly re-perform within a reasonable time Services that were rejected as erroneous or unsatisfactory;
  - (d) Discontinuance of the Services for reasons within Contractor's reasonable control; and
  - (e) Failure to comply with any other material term of this Agreement, including the provisions concerning insurance and nondiscrimination.
- iii) Any change in ownership or control of Contractor without the prior written approval of the Chief Procurement Officer, which approval the Chief Procurement Officer will not unreasonably withhold.
  - iv) Contractor's default under any other agreement it may presently have or may enter into with the County during the life of this Agreement. Contractor acknowledges and agrees that in the event of a default under this Agreement the County may also declare a default under any such other agreements.
  - (v) Failure to comply with Article 7 in the performance of the Agreement.
  - (vi) Contractor's repeated or continued violations of County ordinances unrelated to performance under this Agreement that, in the opinion of the Chief Procurement Officer, indicate a willful or reckless disregard for County laws and regulations.

**b) Remedies**

The occurrence of any event of default permits the County, at the County's sole option, to declare Contractor in default. The Chief Procurement Officer may in his sole discretion give Contractor an opportunity to cure the default within a certain period of time, which period of time must not exceed 30 days, unless extended by the Chief Procurement Officer. Whether to declare Contractor in default is within the sole discretion of the Chief Procurement Officer and neither that decision nor the factual basis for it is subject to review or challenge under the Disputes provision of this Agreement.

The Chief Procurement Officer will give Contractor written notice of an event of default, either in the form of a cure notice ("**Cure Notice**"), or, if no opportunity to cure will be granted, a default notice ("**Default Notice**"). If the Chief Procurement Officer gives a Default Notice, he will also indicate any present intent he may have to terminate this Agreement, and the decision to terminate (but not the decision not to terminate) is final and effective upon giving the notice. The Chief Procurement Officer may give a Default Notice if Contractor fails to effect a cure within the cure period given in a Cure Notice. When a Default Notice with intent to terminate is given as provided in this Section 9(b) and Article 11, Contractor must discontinue any Services, unless otherwise directed in the notice, and deliver all materials accumulated in the performance

of this Agreement, whether completed or in the process, to the County. After giving a Default Notice, the County may invoke any or all of the following remedies:

- i) The right to terminate this Agreement as to any or all of the Services yet to be performed effective at a time specified by the County;
- ii) The right of specific performance, an injunction or any other appropriate equitable remedy;
- iii) The right to consider Contractor non-responsible in future contracts to be awarded by the County.

If the Chief Procurement Officer considers it to be in the County's best interests, he may elect not to declare default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the County and that, if the County permits Contractor to continue to provide the Services despite one or more events of default, Contractor is in no way relieved of any of its responsibilities, duties or obligations under this Agreement, nor does the County waive or relinquish any of its rights.

The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy is cumulative and is in addition to any other remedies, existing now or later, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any event of default impairs any such right or power, nor is it a waiver of any event of default, nor acquiescence in it, and every such right and power may be exercised from time to time and as often as the County considers expedient.

**c) Early Termination**

In addition to termination under Sections 9.1 and 9.2 of this Agreement, the County may terminate this Agreement, or all or any portion of the Services to be performed under it, at any time by a notice in writing from the County to Consultant. The County will give notice to Consultant in accordance with the provisions of Article 11. The effective date of termination will be the date the notice is received by Consultant or the date stated in the notice, whichever is later. If the County elects to terminate this Agreement in full, all Services to be provided under it must cease and all materials that may have been accumulated in performing this Agreement, whether completed or in the process, must be delivered to the County effective 10 days after the date the notice is considered received as provided under Article 11 of this Agreement (if no date is given) or upon the effective date stated in the notice.

After the notice is received, Consultant must restrict its activities, and those of its Subcontractors, to winding down any reports, analyses, or other activities previously begun. No costs incurred after the effective date of the termination are allowed. Payment for any Services actually and satisfactorily performed before the effective date of the termination is on the same basis as set forth in Article 5, but if any compensation is described or provided for on the basis of a period longer than 10 days, then the compensation must be prorated accordingly. No amount of compensation, however, is permitted for anticipated profits on unperformed Services. The

County and Consultant must attempt to agree on the amount of compensation to be paid to Consultant, but if not agreed on, the dispute must be settled in accordance with Article 6 of this Agreement. The payment so made to Consultant is in full settlement for all Services satisfactorily performed under this Agreement.

Consultant must include in its contracts with Subcontractors an early termination provision in form and substance equivalent to this early termination provision to prevent claims against the County arising from termination of subcontracts after the early termination. Consultant will not be entitled to make any early termination claims against the County resulting from any Subcontractor's claims against Consultant or the County to the extent inconsistent with this provision.

If the County's election to terminate this Agreement for default under Sections 9.1 and 9.2 is determined in a court of competent jurisdiction to have been wrongful, then in that case the termination is to be considered to be an early termination under this Section 9.3. Notwithstanding the foregoing, in the event a Finding is made prior to the date of the notice of termination for convenience, Contractor shall be entitled to payment in accordance with Exhibit 1 for a period of time not to exceed the term of the Contract as provided in Article 4(a)

**d) Suspension**

The County may at any time request that Contractor suspend its Services, or any part of them, by giving fifteen (15) days prior written notice to Contractor, or upon informal oral notice in the event of emergency. No costs incurred after the effective date of such suspension are allowed. Contractor must promptly resume its performance of the Services under the same terms and conditions as stated in this Agreement upon written notice by the Chief Procurement Officer and such equitable extension of time as may be mutually agreed upon by the Chief Procurement Officer and Contractor when necessary for continuation or completion of Services. Any additional costs or expenses actually incurred by Contractor as a result of recommencing the Services must be treated in accordance with the compensation provisions under Article 5 of this Agreement.

No suspension of this Agreement is permitted in the aggregate to exceed a period of forty-five (45) days within any one year of this Agreement. If the total number of days of suspension exceeds forty-five (45) days, Contractor by written notice may treat the suspension as an early termination of this Agreement under Section 9.(c).

**e) Right to Offset**

i) In connection with performance under this Agreement, the County may offset any excess costs incurred:

(i) if the County terminates this Agreement for default or any other reason resulting from Contractor's performance or non-performance;

(ii) if the County exercises any of its remedies under Section 9(b) of this Agreement; or

- (iii) if the County has any credits due or has made any overpayments under this Agreement.

The County may offset these excess costs by use of any payment due for Services completed before the County terminated this Agreement or before the County exercised any remedies. If the amount offset is insufficient to cover those excess costs, Contractor is liable for and must promptly remit to the County the balance upon written demand for it. This right to offset is in addition to and not a limitation of any other remedies available to the County.

## **ARTICLE 10) GENERAL CONDITIONS**

### **a) Entire Agreement**

#### **i) General**

This Agreement, and the exhibits attached to it and incorporated in it, constitute the entire agreement between the parties and no other warranties, inducements, considerations, promises or interpretations are implied or impressed upon this Agreement that are not expressly addressed in this Agreement.

#### **ii) No Collateral Agreements**

Contractor acknowledges that, except only for those representations, statements or promises expressly contained in this Agreement and any exhibits attached to it and incorporated by reference in it, no representation, statement or promise, oral or in writing, of any kind whatsoever, by the County, its officials, agents or employees, has induced Contractor to enter into this Agreement or has been relied upon by Contractor, including any with reference to (i) the meaning, correctness, suitability or completeness of any provisions or requirements of this Agreement; (ii) the nature of the Services to be performed; (iii) the nature, quantity, quality or volume of any materials, equipment, labor and other facilities needed for the performance of this Agreement; (iv) the general conditions which may in any way affect this Agreement or its performance; (v) the compensation provisions of this Agreement; or (vi) any other matters, whether similar to or different from those referred to in (i) through (vi) immediately above, affecting or having any connection with this Agreement, its negotiation, any discussions of its performance or those employed or connected or concerned with it.

#### **iii) No Omissions**

Contractor acknowledges that Contractor was given an opportunity to review all documents forming this Agreement before signing this Agreement in order that it might request inclusion in this Agreement of any statement, representation, promise or provision that it desired or on that it wished to place reliance. Contractor did so review those documents, and either every such statement, representation, promise or provision has been included in this Agreement or else, if omitted, Contractor relinquishes the benefit of any such omitted statement, representation,

promise or provision and is willing to perform this Agreement in its entirety without claiming reliance on it or making any other claim on account of its omission.

**b) Counterparts**

This Agreement is comprised of several identical counterparts, each to be fully signed by the parties and each to be considered an original having identical legal effect.

**c) Modifications and Amendments**

The parties may during the term of the Contract make modifications and amendments to this Agreement but only as provided in this section. Such modifications and amendments shall only be made by mutual agreement in writing.

In the case of Contracts or Agreements not approved by the Board, the Chief Procurement Officer may amend a contract provided that any such amendment does not extend the Contract by more than one (1) year, and further provided that the total cost of all such amendments does not increase the total amount of the Contract beyond \$150,000. Such action may only be made with the advance written approval of the Chief Procurement Officer. If the amendment extends the Contract beyond one (1) year or increases the total award amount beyond \$150,000, then Board approval will be required.

No County department or employee thereof has authority to make any modifications or amendments to this Agreement. Any modifications or amendments to this Agreement made without the express written approval of the Chief Procurement Officer is void and unenforceable.

Consultant is hereby notified that, except for modifications and amendments which are made in accordance with this Section 10 (c), Modifications and Amendments, no County department or employee thereof has authority to make any modification or amendment to this Agreement.

**d) Governing Law and Jurisdiction**

This Contract shall be governed by and construed under the laws of the State of Illinois. The Contractor irrevocably agrees that, subject to the County's sole and absolute election to the contrary, any action or proceeding in any way, manner or respect arising out of this Agreement, or arising from any dispute or controversy arising in connection with or related to this Agreement, shall be litigated only in courts within the Circuit Court of Cook County, State of Illinois, and the Contractor consents and submits to the jurisdiction thereof. In accordance with these provisions, Contractor waives any right it may have to transfer or change the venue of any litigation brought against it by the County pursuant to this Agreement.

**e) Severability**

If any provision of this Agreement is held or considered to be or is in fact invalid, illegal, inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions of this Agreement or of any

constitution, statute, ordinance, rule of law or public policy, or for any other reason, those circumstances do not have the effect of rendering the provision in question invalid, illegal, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions in this Agreement invalid, illegal, inoperative or unenforceable to any extent whatsoever. The invalidity, illegality, inoperativeness or unenforceability of any one or more phrases, sentences, clauses or sections in this Agreement does not affect the remaining portions of this Agreement or any part of it.

**f) Assigns**

All of the terms and conditions of this Agreement are binding upon and inure to the benefit of the parties and their respective legal representatives, successors and assigns.

**g) Cooperation**

Contractor must at all times cooperate fully with the County and act in the County's best interests. If this Agreement is terminated for any reason, or if it is to expire on its own terms, Contractor must make every effort to assure an orderly transition to another Contractor of the Services, if any, orderly demobilization of its own operations in connection with the Services, uninterrupted provision of Services during any transition period and must otherwise comply with the reasonable requests and requirements of the Department in connection with the termination or expiration.

**h) Waiver**

Nothing in this Agreement authorizes the waiver of a requirement or condition contrary to law or ordinance or that would result in or promote the violation of any federal, state or local law or ordinance.

Whenever under this Agreement the County by a proper authority waives Contractor's performance in any respect or waives a requirement or condition to either the County's or Contractor's performance, the waiver so granted, whether express or implied, only applies to the particular instance and is not a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver is a modification of this Agreement regardless of the number of times the County may have waived the performance, requirement or condition. Such waivers must be provided to Contractor in writing.

**i) Independent Contractor**

This Agreement is not intended to and will not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, corporation or other formal business association or organization of any kind between Contractor and the County. The rights and the obligations of the parties are only those expressly set forth in this Agreement. Contractor must perform under this Agreement as an independent contractor and not as a representative, employee, agent, or partner of the County.

This Agreement is between the County and an independent contractor and, if Contractor is an individual, nothing provided for under this Agreement constitutes or implies an employer-employee relationship such that:

i) The County will not be liable under or by reason of this Agreement for the payment of any compensation award or damages in connection with the Contractor performing the Services required under this Agreement.

ii) Contractor is not entitled to membership in the County Pension Fund, Group Medical Insurance Program, Group Dental Program, Group Vision Care, Group Life Insurance Program, Deferred Income Program, vacation, sick leave, extended sick leave, or any other benefits ordinarily provided to individuals employed and paid through the regular payrolls of the County.

iii) The County is not required to deduct or withhold any taxes, FICA or other deductions from any compensation provided to the Contractor.

**j) Governmental Joint Purchasing Agreement**

Pursuant to Section 4 of the Illinois Governmental Joint Purchasing Act (30 ILCS 525) and the Joint Purchase Agreement approved by the Cook County Board of Commissioners (April 9, 1965), other units of government may purchase goods or services under this Agreement.

**ARTICLE 11) NOTICES**

All notices required pursuant to this Contract shall be in writing and addressed to the parties at their respective addresses set forth below. All such notices shall be deemed duly given if hand delivered or if deposited in the United States mail, postage prepaid, registered or certified, return receipt requested. Notice as provided herein does not waive service of summons or process.

If to the County: Bureau of Administration  
118 N. Clark Street, Room 801  
Chicago, Illinois 60602  
Attention: Energy Manager

and

COOK COUNTY CHIEF PROCUREMENT OFFICER  
118 North Clark Street, Room 1018  
Chicago, Illinois 60602  
(Include County Contract Number on all notices)

If to Contractor: Azavar Audit Solutions, Inc  
234 S. Wabash Ave, 6<sup>th</sup> Floor  
Chicago, IL 60604  
Attention: Jason Perry, President

Changes in these addresses must be in writing and delivered in accordance with the provisions of this Article 11. Notices delivered by mail are considered received three days after mailing in accordance with this Article 11. Notices delivered personally are considered effective upon receipt. Refusal to accept delivery has the same effect as receipt.

**ARTICLE 12)            AUTHORITY**

Execution of this Agreement by Contractor is authorized by a resolution of its Board of Directors, if a corporation, or similar governing document, and the signature(s) of each person signing on behalf of Contractor have been made with complete and full authority to commit Contractor to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained in it, including the representations, certifications and warranties collectively incorporated by reference in it.

**COOK COUNTY  
OFFICE OF THE CHIEF PROCUREMENT OFFICER  
CERTIFICATION FOR CONSULTING OR AUDITING SERVICES  
OFFICES OF THE PRESIDENT**

This Certification is made and required pursuant to Section 34-193 (a) of the Procurement Code, and must be completed by any Contractor providing Consulting or Auditing Services for Cook County. For purposes of this Certification, "County" shall mean the offices which are administered by the President of the County Board. Please print or type responses clearly and legibly. Add additional pages if needed, being careful to identify each portion of the form to which each additional page refers to.

**SECTION 1: CONTRACTOR'S INFORMATION**

COMPANY NAME: Azavar Audit Solutions, Inc.  
ADDRESS: 234 S. Wabash Ave., 6th FL, Chicago, IL 60604  
TELEPHONE: 312-583-0100  
CONTACT NAME: Jason Perry  
CONTACT EMAIL: jperry@azavar.com

**SECTION 2: AFFILIATE INFORMATION**

If the Contractor has any "Affiliates" please provide the names, addresses and telephone numbers of each Affiliate below. For purposes of this Certification "Affiliates" shall mean a person or "Entity" that directly or indirectly controls the Contractor, is controlled by it, or with the Contractor, is under common control of another person or entity. For purposes of this Certification, "Entity" shall mean a sole proprietorship, corporation, partnership, association, business trust, estate, two or more persons having a joint or common interest, trustee of a land trust, other commercial or legal entity or any beneficiary or beneficiaries thereof.

Azavar Technologies Corporation

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**SECTION 3: CONTRACT INFORMATION**

- a. This Certification relates to the following Contract: 12-88-102
- b. The Contractor is providing the following type of Services:  Auditing or  Consulting
- c. The Contractor is providing the Services under the Contract for the following Cook County Business Unit or Office:  
Cook County Government - Bureau of Administration
- d. Is the Contractor or its Affiliates, if any, providing Consulting or Auditing Services, either directly, or as a subcontractor to the County under any other Contracts?  Yes or  No.

If yes, please state the other Contract Number(s) and the Nature of Services.

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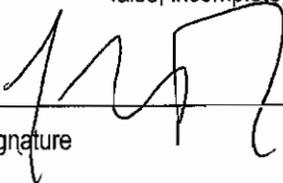
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**THE CONTRACTOR ACKNOWLEDGES, UNDERSTANDS AND AGREES AS FOLLOWS:**

- a. It has read Section 34-193 (a) of the Procurement Code, which provides as follows:

The County will not enter into any Contract for Auditing Services, nor shall it consent to a subcontract for such Auditing Services, with any Person, if such Person, or any Affiliate of such Person, has a Contract or subcontract for consulting services for or with the County. Additionally, the County will not enter into any Contract for Consulting Services, nor shall it consent to a subcontract for such Consulting Services, with any Person, if such Person, or any Affiliate of such Person, has a Contract or subcontract for Auditing Services for or with the County. For purposes of this provision, "County" shall refer only to offices which are administered by the President of the County Board and shall not refer to offices which are administered by Elected Officials.

- b. The Contractor's Services under the Contract shall not violate Section 34-193 (a) of the Procurement Code.
- c. The information provided herein is a material inducement to the CPO's execution of the Contract, and the CPO may rely on the information provided herein. The Contractor warrants that the information contained herein is true and incorrect. If the CPO determines that any information provided herein is false, incomplete, or incorrect, the CPO may terminate the Contract.

  
Signature

Jason Perry

Name (Type or Print)

President

Title

04/08/2013

Date

**CERTIFICATIONS (SECTION 4)**

THE FOLLOWING CERTIFICATIONS ARE MADE PURSUANT TO STATE LAW AND THE CODE. THE UNDERSIGNED IS CAUTIONED TO CAREFULLY READ THESE CERTIFICATIONS PRIOR TO SIGNING THE SIGNATURE PAGE. SIGNING THE SIGNATURE PAGE SHALL CONSTITUTE A WARRANTY BY THE UNDERSIGNED THAT ALL THE STATEMENTS, CERTIFICATIONS AND INFORMATION SET FORTH WITHIN THESE CERTIFICATIONS ARE TRUE, COMPLETE AND CORRECT AS OF THE DATE THE SIGNATURE PAGE IS SIGNED. THE UNDERSIGNED IS NOTIFIED THAT IF THE COUNTY LEARNS THAT ANY OF THE FOLLOWING CERTIFICATIONS WERE FALSELY MADE, THAT ANY CONTRACT ENTERED INTO WITH THE UNDERSIGNED SHALL BE SUBJECT TO TERMINATION.

**A. PERSONS AND ENTITIES SUBJECT TO DISQUALIFICATION**

No person or business entity shall be awarded a contract or sub-contract, for a period of five (5) years from the date of conviction or entry of a plea or admission of guilt, civil or criminal, if that person or business entity:

- 1) Has been convicted of an act committed, within the State of Illinois, of bribery or attempting to bribe an officer or employee of a unit of state, federal or local government or school district in the State of Illinois in that officer's or employee's official capacity;
- 2) Has been convicted by federal, state or local government of an act of bid-rigging or attempting to rig bids as defined in the Sherman Anti-Trust Act and Clayton Act. Act. 15 U.S.C. Section 1 *et seq.*;
- 3) Has been convicted of bid-rigging or attempting to rig bids under the laws of federal, state or local government;
- 4) Has been convicted of an act committed, within the State, of price-fixing or attempting to fix prices as defined by the Sherman Anti-Trust Act and the Clayton Act. 15 U.S.C. Section 1, *et seq.*;
- 5) Has been convicted of price-fixing or attempting to fix prices under the laws the State;
- 6) Has been convicted of defrauding or attempting to defraud any unit of state or local government or school district within the State of Illinois;
- 7) Has made an admission of guilt of such conduct as set forth in subsections (1) through (6) above which admission is a matter of record, whether or not such person or business entity was subject to prosecution for the offense or offenses admitted to; or
- 8) Has entered a plea of *nolo contendere* to charge of bribery, price-fixing, bid-rigging, or fraud, as set forth in sub-paragraphs (1) through (6) above.

In the case of bribery or attempting to bribe, a business entity may not be awarded a contract if an official, agent or employee of such business entity committed the Prohibited Act on behalf of the business entity and pursuant to the direction or authorization of an officer, director or other responsible official of the business entity, and such Prohibited Act occurred within three years prior to the award of the contract. In addition, a business entity shall be disqualified if an owner, partner or shareholder controlling, directly or indirectly, 20 % or more of the business entity, or an officer of the business entity has performed any Prohibited Act within five years prior to the award of the Contract.

**THE UNDERSIGNED HEREBY CERTIFIES THAT:** The Undersigned has read the provisions of Section A, Persons and Entities Subject to Disqualification, that the Undersigned has not committed any Prohibited Act set forth in Section A, and that award of the Contract to the Undersigned would not violate the provisions of such Section or of the Code.

**B. BID-RIGGING OR BID ROTATING**

**THE UNDERSIGNED HEREBY CERTIFIES THAT:** *In accordance with 720 ILCS 5/33 E-11, neither the Undersigned nor any Affiliated Entity is barred from award of this Contract as a result of a conviction for the violation of State laws prohibiting bid-rigging or bid rotating.*

**C. DRUG FREE WORKPLACE ACT**

**THE UNDERSIGNED HEREBY CERTIFIES THAT:** The Undersigned will provide a drug free workplace, as required by Public Act 86-1459 (30 ILCS 580/2-11).

**D. DELINQUENCY IN PAYMENT OF TAXES**

**THE UNDERSIGNED HEREBY CERTIFIES THAT:** *The Undersigned is not an owner or a party responsible for the payment of any tax or fee administered by Cook County, by a local municipality, or by the Illinois Department of Revenue, which such tax or fee is delinquent, such as bar award of a contract or subcontract pursuant to the Code, Chapter 34, Section 34-129.*

**E. HUMAN RIGHTS ORDINANCE**

No person who is a party to a contract with Cook County ("County") shall engage in unlawful discrimination or sexual harassment against any individual in the terms or conditions of employment, credit, public accommodations, housing, or provision of County facilities, services or programs (Code Chapter 42, Section 42-30 et seq).

**F. ILLINOIS HUMAN RIGHTS ACT**

**THE UNDERSIGNED HEREBY CERTIFIES THAT:** *It is in compliance with the the Illinois Human Rights Act (775 ILCS 5/2-105), and agrees to abide by the requirements of the Act as part of its contractual obligations.*

**G. MACBRIDE PRINCIPLES, CODE CHAPTER 34, SECTION 34-132**

If the primary contractor currently conducts business operations in Northern Ireland, or will conduct business during the projected duration of a County contract, the primary contractor shall make all reasonable and good faith efforts to conduct any such business operations in Northern Ireland in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390.

**H. LIVING WAGE ORDINANCE PREFERENCE (COOK COUNTY CODE, CHAPTER 34, SECTION 34-127;**

The Code requires that a living wage must be paid to Individuals employed by a Contractor which has a County Contract and by all subcontractors of such Contractor under a County Contract, throughout the duration of such County Contract. The amount of such living wage is determined from time to time by, and is available from, the Chief Financial Officer of the County.

For purposes of this EDS Section 4, H, "Contract" means any written agreement whereby the County is committed to or does expend funds in connection with the agreement or subcontract thereof. The term "Contract" as used in this EDS, Section 4, I, specifically excludes contracts with the following:

- 1) Not-For Profit Organizations (defined as a corporation having tax exempt status under Section 501(C)(3) of the United State Internal Revenue Code and recognized under the Illinois State not-for -profit law);
- 2) Community Development Block Grants;
- 3) Cook County Works Department;
- 4) Sheriff's Work Alternative Program; end
- 5) Department of Correction inmates.

**REQUIRED DISCLOSURES (SECTION 5)****1. DISCLOSURE OF LOBBYIST CONTACTS**

List all persons or entities that have made lobbying contacts on your behalf with respect to this contract:

Name	Address
N/A	

**2. LOCAL BUSINESS PREFERENCE DISCLOSURE; CODE, CHAPTER 34, SECTION 34-151(p);**

"Local Business" shall mean a person authorized to transact business in this State and having a bona fide establishment for transacting business located within Cook County at which it was actually transacting business on the date when any competitive solicitation for a public contract is first advertised or announced and further which employs the majority of its regular, full time work force within Cook County, including a foreign corporation duly authorized to transact business in this State and which has a bona fide establishment for transacting business located within Cook County at which it was actually transacting business on the date when any competitive solicitation for a public contract is first advertised or announced and further which employs the majority of its regular, full time work force within Cook County.

a) Is Bidder a "Local Business" as defined above?

Yes:  No:

b) If yes, list business addresses within Cook County:

Azavar Audit Solutions, Inc.

234 South Wabash Avenue, Floor 6, Chicago, IL 60604

c) Does Bidder employ the majority of its regular full-time workforce within Cook County?

Yes:  No:

**3. THE CHILD SUPPORT ENFORCEMENT ORDINANCE (PREFERENCE (CODE, CHAPTER 34, SECTION 34-366))**

Every Applicant for a County Privilege shall be in full compliance with any child support order before such Applicant is entitled to receive or renew a County Privilege. When delinquent child support exists, the County shall not issue or renew any County Privilege, and may revoke any County Privilege. All Applicants are required to review the Cook County Affidavit of Child Support Obligations attached to this EDS and complete the following, based upon the definitions and other information included in such Affidavit:

Applicant has no "Substantial Owner."

OR:

The Cook County Affidavit of Child Support Obligations has been completed by all "Substantial Owners" and is attached to this EDS.

**4. REAL ESTATE OWNERSHIP DISCLOSURES.**

The Undersigned must indicate by checking the appropriate provision below and providing all required information that either:

- a) The following is a complete list of all real estate owned by the Undersigned in Cook County:

**PERMANENT INDEX NUMBER(S):** \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
**(ATTACH SHEET IF NECESSARY TO LIST ADDITIONAL INDEX NUMBERS)**

**OR:**

- b)  The Undersigned owns no real estate in Cook County.

**5. EXCEPTIONS TO CERTIFICATIONS OR DISCLOSURES.**

If the Undersigned is unable to certify to any of the Certifications or any other statements contained in this EDS and not explained elsewhere in this EDS, the Undersigned must explain below:

\_\_\_\_\_  
\_\_\_\_\_

If the letters, "NA", the word "None" or "No Response" appears above, or if the space is left blank, it will be conclusively presumed that the Undersigned certified to all Certifications and other statements contained in this EDS.

## COOK COUNTY DISCLOSURE OF OWNERSHIP INTEREST STATEMENT

The Cook County Code of Ordinances (§2-610 *et seq.*) requires that any Applicant for any County Action must disclose information concerning ownership interests in the Applicant. This Disclosure of Ownership Interest Statement must be completed with all information current as of the date this Statement is signed. Furthermore, this Statement must be kept current, by filing an amended Statement, until such time as the County Board or County Agency shall take action on the application. The information contained in this Statement will be maintained in a database and made available for public viewing.

If you are asked to list names, but there are no applicable names to list, you must state NONE. An incomplete Statement will be returned and any action regarding this contract will be delayed. A failure to fully comply with the ordinance may result in the action taken by the County Board or County Agency being voided.

"Applicant" means any Entity or person making an application to the County for any County Action.

"County Action" means any action by a County Agency, a County Department, or the County Board regarding an ordinance or ordinance amendment, a County Board approval, or other County agency approval, with respect to contracts, leases, or sale or purchase of real estate.

"Entity" or "Legal Entity" means a sole proprietorship, corporation, partnership, association, business trust, estate, two or more persons having a joint or common interest, trustee of a land trust, other commercial or legal entity or any beneficiary or beneficiaries thereof.

This Disclosure of Ownership Interest Statement must be submitted by :

1. An Applicant for County Action and
2. An individual or Legal Entity that holds stock or a beneficial interest in the Applicant and is listed on the Applicant's Statement (a "Holder") must file a Statement and complete #1 only under **Ownership Interest Declaration**.

Please print or type responses clearly and legibly. Add additional pages if needed, being careful to identify each portion of the form to which each additional page refers.

This Statement is being made by the  Applicant or  Stock/Beneficial Interest Holder

This Statement is an:  Original Statement or  Amended Statement

**Identifying Information:**

Name Jason Perry D/B/A: \_\_\_\_\_ EIN NO.: 20-5782847

Street Address: 234 South Wabash Avenue, Floor 6

City: Chicago State: Illinois Zip Code: 60604

Phone No.: 312-583-0100

**Form of Legal Entity:**

Sole Proprietor  Partnership  Corporation  Trustee of Lend Trust

Business Trust  Estate  Association  Joint Venture

Other (describe) \_\_\_\_\_

**Ownership Interest Declaration:**

- 1. List the name(s), address, and percent ownership of each individual and each Entity having a legal or beneficial interest (including ownership) of more than five percent (5%) in the Applicant/Holder.

Name	Address	Percentage interest in Applicant/Holder
Jason Perry	3135 Scenicwood Lane, Woodridge, IL 60517	100%

- 2. If the interest of any individual or any Entity listed in (1) above is held as an agent or agents, or a nominee or nominees, list the name and address of the principal on whose behalf the interest is held.

Name of Agent/Nominee	Name of Principal	Principal's Address

- 3. Is the Applicant constructively controlled by another person or Legal Entity? [ ] Yes [ x ] No  
If yes, state the name, address and percentage of beneficial interest of such person or legal entity, and the relationship under which such control is being or may be exercised.

Name	Address	Percentage of Beneficial Interest	Relationship

**Declaration (check the applicable box):**

- I state under oath that the Applicant has withheld no disclosure as to ownership interest in the Applicant nor reserved any information, data or plan as to the intended use or purpose for which the Applicant seeks County Board or other County Agency action.
- I state under oath that the Holder has withheld no disclosure as to ownership interest nor reserved any information required to be disclosed.

Jason Perry  
 Name of Authorized Applicant/Holder Representative (please print or type)  
 Signature [Handwritten Signature]  
 jerry@azavar.com  
 E-mail address

President  
 Title  
 Date 5/4/2012  
 312-583-0100  
 Phone Number

Subscribed to and sworn before me  
 this 4 day of May, 2012

X [Handwritten Signature]  
 Notary Public Signature

My commission expires: Dec 29, 2012  
 "OFFICIAL SEAL"  
 HEINRICH ERNST  
 Notary Public, State of Illinois  
 My Commission Expires Dec. 29, 2012  
 Commission No. 433315



## COOK COUNTY BOARD OF ETHICS

69 W. WASHINGTON STREET, SUITE 3040

CHICAGO, ILLINOIS 60602

312/603-4304

312/603-9988 FAX 312/603-1011 TT/TDD

### **FAMILIAL RELATIONSHIP DISCLOSURE PROVISION:**

Section 2-582 of the Cook County Ethics Ordinance requires any person or persons doing business with Cook County, upon execution of a contract with Cook County, to disclose to the Cook County Board of Ethics the existence of familial relationships they may have with all persons holding elective office in the State of Illinois, the County of Cook, or in any municipality within the County of Cook.

The disclosure required by this section shall be filed by January 1 of each calendar year or within thirty (30) days of the execution of any contract or lease. Any person filing a late disclosure statement after January 31 shall be assessed a late filing fee of \$100.00 per day that the disclosure is late. Any person found guilty of violating any provision of this section or knowingly filing a false, misleading, or incomplete disclosure to the Cook County Board of Ethics shall be prohibited, for a period of three (3) years, from engaging, directly or indirectly, in any business with Cook County. *Note:* Please see Chapter 2 Administration, Article VII Ethics, Section 2-582 of the Cook County Code to view the full provisions of this section.

If you have questions concerning this disclosure requirement, please call the Cook County Board of Ethics at (312) 603-4304.

*Note:* A current list of contractors doing business with Cook County is available via the Cook County Board of Ethics' website at:

[http://www.cookcountygov.com/taxonomy/ethics/Listings/cc\\_ethics\\_VendorList\\_.pdf](http://www.cookcountygov.com/taxonomy/ethics/Listings/cc_ethics_VendorList_.pdf)

### **DEFINITIONS:**

"*Calendar year*" means January 1 to December 31 of each year.

"*Doing business*" for this Ordinance provision means any one or any combination of leases, contracts, or purchases to or with Cook County or any Cook County agency in excess of \$25,000 in any calendar year.

"*Familial relationship*" means a person who is related to an official or employee as spouse or any of the following, whether by blood, marriage or adoption:

- |           |                   |                |
|-----------|-------------------|----------------|
| ▪ Parent  | ▪ Grandparent     | ▪ Stepfather   |
| ▪ Child   | ▪ Grandchild      | ▪ Stepmother   |
| ▪ Brother | ▪ Father-in-law   | ▪ Stepson      |
| ▪ Sister  | ▪ Mother-in-law   | ▪ Stepdaughter |
| ▪ Aunt    | ▪ Son-in-law      | ▪ Stepbrother  |
| ▪ Uncle   | ▪ Daughter-in-law | ▪ Stepsister   |
| ▪ Niece   | ▪ Brother-in-law  | ▪ Half-brother |
| ▪ Nephew  | ▪ Sister-in-law   | ▪ Half-sister  |

"*Person*" means any individual, entity, corporation, partnership, firm, association, union, trust, estate, as well as any parent or subsidiary of any of the foregoing, and whether or not operated for profit.

**SWORN FAMILIAL RELATIONSHIP DISCLOSURE FORM**

Pursuant to Section 2-582 of the Cook County Ethics Ordinance, any person\* doing business\* with Cook County must disclose, to the Cook County Board of Ethics, the existence of familial relationships\* to any person holding elective office in the State of Illinois, Cook County, or in any municipality within Cook County. Please print your responses.

Name of Owner/Employee: Jason Perry Title: President

Business Entity Name: Azavar Audit Solutions Phone: 312-583-0100

Business Entity Address: 234 South Wabash Avenue, Floor 6, Chicago, IL 60604

\_\_\_\_\_ The following familial relationship exists between the owner or any employee of the business entity contracted to do business with Cook County and any person holding elective office in the State of Illinois, Cook County, or in any municipality within Cook County.

Owner/Employee Name:	Related to:	Relationship:
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

If more space is needed, attach an additional sheet following the above format.

There is *no* familial relationship that exists between the owner or any employee of the business entity contracted to do business with Cook County and any person holding elective office in the State of Illinois, Cook County, or in any municipality within Cook County.

To the best of my knowledge and belief, the information provided above is true and complete.

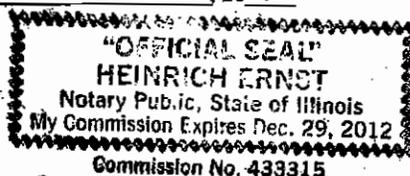
Jason Perry  
Owner/Employee's Signature

May 4, 2012  
Date

Subscribe and sworn before me this 4 Day of May, 2012

a Notary Public in and for Cook County

[Signature]  
(Signature)



NOTARY PUBLIC  
SEAL

My Commission expires Dec 29, 2012

Completed forms must be filed within 30 days of the execution of any contract or lease with Cook County and should be mailed to:

**Cook County Board of Ethics**  
69 West Washington Street,  
Suite 3040  
Chicago, Illinois 60602

**SIGNATURE BY A CORPORATION**  
**(SECTION 9)**

The Undersigned hereby certifies and warrants: that all of the statements, certifications, and representations set forth in this EDS are true, complete and correct; that the Undersigned is in full compliance and will continue to be in compliance throughout the term of the Contract or County Privilege issued to the Undersigned with all the policies and requirements set forth in this EDS; and that all of the facts and information provided by the Undersigned in this EDS are true, complete and correct. The Undersigned agrees to inform the Chief Procurement Officer in writing if any of such statements, certifications, representations, facts or information becomes or is found to be untrue, incomplete or incorrect during the term of the Contract or County Privilege.

BUSINESS NAME: Azavar Audit Solutions, Inc.

BUSINESS ADDRESS: 234 South Wabash Avenue Floor 6  
Chicago IL 60604

BUSINESS TELEPHONE: 312-583-0100 FAX NUMBER: 312-583-0200

CONTACT PERSON: Jason Perry

FEIN: 20-5782847 \*IL CORPORATE FILE NUMBER: 65159333

**LIST THE FOLLOWING CORPORATE OFFICERS:**

PRESIDENT: Jason Perry VICE PRESIDENT: Jason Perry

SECRETARY: Jason Perry TREASURER: Jason Perry

\*\*SIGNATURE OF PRESIDENT: \_\_\_\_\_

ATTEST: \_\_\_\_\_ (CORPORATE SECRETARY)

Subscribed and sworn to before me this

27 day of February, 2013

X Karin Sandman  
Notary Public Signature



My commission expires:

5-4-2014

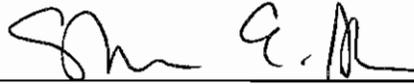
Notary Seal

\* If the corporation is not registered in the State of Illinois, a copy of the Certificate of Good Standing from the state of incorporation must be submitted with this Signature Page.

\*\* In the event that this Signature Page is signed by any persons than the President and Secretary, attach either a certified copy of the corporate by-laws, resolution or other authorization by the corporation, authorizing such persons to sign the Signature Page on behalf of the corporation.

COOK COUNTY SIGNATURE PAGE  
(SECTION 10)

ON BEHALF OF THE COUNTY OF COOK, A BODY POLITIC AND CORPORATE OF THE STATE OF ILLINOIS, THIS CONTRACT IS HEREBY EXECUTED BY:



\_\_\_\_\_  
COOK COUNTY CHIEF PROCUREMENT OFFICER

DATED AT CHICAGO, ILLINOIS THIS 23 DAY OF April, 2013.

**IN THE CASE OF A BID PROPOSAL**, THE COUNTY HEREBY ACCEPTS:

THE FOREGOING BID/PROPOSAL AS IDENTIFIED IN THE CONTRACT DOCUMENTS FOR CONTRACT NUMBER

12-88-102

**OR**

ITEM(S), SECTION(S), PART(S): \_\_\_\_\_

TOTAL AMOUNT OF CONTRACT: \$ (Contingency contract payments based on refunds procured for the County)  
(DOLLARS AND CENTS)

FUND CHARGEABLE: 0111354.520835

APPROVED AS TO FORM:

NOT REQUIRED

ASSISTANT STATE'S ATTORNEY  
(Required on contracts over \$1,000,000.00)

EXHIBIT 1  
Scope of Services

## EXHIBIT 1

### SCOPE OF SERVICES

#### 1. Scope of Services Generally

The County has 20 major facilities which account for the majority of the annual expenses for electricity and natural gas.

The County currently expends approximately \$20 million annually for over 120 electric accounts. Approximately 60 of these accounts are small usage accounts, which include streetlights and traffic signals. These smaller accounts are all supplied power by ComEd. The remaining larger accounts receive electricity supply through our alternate retail electric supplier, Integrys Energy Services. The estimated annual usage for all Cook County electric accounts is 275 million kWh.

The County has 20 major facilities which account for the majority of the annual expenses for electricity and natural gas. The County currently expends approximately \$10 million annually for approximately 50 natural gas accounts. There are three suppliers for natural gas. For the 35 smaller accounts, the utilities, Nicor and Peoples Gas, are the supplier depending on the location of the facility. For the 16 larger accounts, the County has a contract with Integrys Energy Services to supply natural gas. The estimated annual usage for Cook County natural gas accounts is 15 million therms.

Azavar Audit Solutions (hereinafter "Contractor") will audit all contracts with existing providers, utility invoices paid by the County, or free service received by the County for utility services (hereinafter "Audits") including, but not limited to, the following providers:

#### Electricity

- Integrys
- ComEd

#### Natural Gas

- Integrys
- Nicor
- Peoples Gas

In order to realize costs savings in its use of utilities and telecommunications services, the County requires that the Contractor audit its invoices to identify billing errors and review County contracts to ensure the County is receiving the best prices for its utilities. The Contractor shall do the following:

For telecommunications services, the County's audit process includes reviewing its monthly wireless plans. Twice each year, the County receives a download of its AT&T accounts in April and October. The County reviews the services provided and makes adjustments as needed. Contractor shall continue this process in its review of all voice, data, wireless, cable, internet, and maintenance contracted services relating to telecommunications. The Contractor shall audit billing errors on all of the following telecommunications providers:

- AT&T (phone lines and circuits)
- Avaya
- Mobile service (Sprint & Verizon)
- Paging (American Messaging)
- Comcast \*
- Verio\* (Internet Services)

Items with \* are listed on the telecommunication audit; however, the billing for these providers is not managed by Telecommunication Operations. Contractor may be required to gather billing information for these providers from other departments of the County.

During the term of this Agreement, Contractor will provide to the County in writing work product and information including, but not limited to, the Audits, providers, refunds and future cost savings recommendations (hereinafter "Findings").

**2. Minimum Contractor Obligations – Gas, Electric, and Telecommunications Auditing Services**

- Auditing Services. Contractor shall conduct a review and evaluation for errors of all the bills from telecommunication providers, and all utility providers that the County pays for electricity, thermal energy, as well as the metered natural gas service. Contractor shall address provider errors and issues as applicable to each utility, and shall include but are not limited to the following:

Natural Gas	Electricity	Telecommunications
<ul style="list-style-type: none"> <li>• Errors between transaction confirms and contracts</li> <li>• Stated margins</li> <li>• Transportation / Storage Errors</li> <li>• Price slippage</li> <li>• Cash-outs</li> <li>• Meter read errors</li> <li>• Rates not in compliance with contractual terms</li> <li>• Charges for services not being used or otherwise not needed</li> <li>• Meter and equipment malfunctions / Meter consolidation opportunities</li> <li>• Clerical error</li> <li>• Incorrect factors</li> <li>• Tax, tariffs and</li> </ul>	<ul style="list-style-type: none"> <li>• Lighting and signaling inventory and evaluation</li> <li>• Meter read errors</li> <li>• Rates not in compliance with contractual terms</li> <li>• Charges for services not being used or otherwise not needed</li> <li>• Meter and equipment malfunctions / Meter consolidation opportunities</li> <li>• Clerical error</li> <li>• Incorrect factors</li> <li>• Tax, tariffs and surcharges</li> <li>• Error detection (errors in initial account setup, meter multiplier, etc.)</li> <li>• Optimization of rate schedules</li> </ul>	<ul style="list-style-type: none"> <li>• Equipment and maintenance charges</li> <li>• Line inventory and verification of all charges</li> <li>• Data Circuit/Line review</li> <li>• Voice Traffic studies</li> <li>• Toll call analysis and unauthorized calls</li> <li>• Analysis of local service vendor alternatives</li> <li>• Analysis of cellular vendors and services</li> <li>• Internet and data line review</li> <li>• Yellow page billing analysis</li> <li>• Tariffs and surcharges</li> <li>• Contract verification</li> <li>• Franchise agreement</li> </ul>

surcharges • Optimization of rate schedules • Verification of demand charges and contracts • Franchise agreement violations† • Ordinance consideration deficiencies†	• Verification of demand charges and contracts • Franchise agreement violations† • Ordinance consideration deficiencies†	violations† • Ordinance consideration deficiencies †
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† Any benefit the County receives from any Provider for any privilege including use of rights-of-way.

- Contract/Agreement Review. Contractor shall review, as applicable, the County's maintenance agreements and contracts in order to accomplish the following:
  - Ensuring the County is receiving the equipment and services for which it is paying;
  - Ensuring the County is using the equipment and services for which it is paying including various meter consolidation opportunities;
  - Ensuring the County is paying the correct price by contract, tariff, and regulatory charges;
  - Ensuring that the County is provided with more cost effective options and alternatives where appropriate;
  - Verification of demand charges and contracts; and
  - Enhanced utility rate management strategies.
- Stages/Milestones. Contractor shall perform in a timely manner in accordance with the stages outlined in **3. Audit Project Plan** below.
- Historical Data Compilation. Contractor shall compile historical data (at least 24 months) and conduct a comprehensive review of the billing information. Contractor shall compare usage and electric demand amounts to prior periods and other like locations to determine if the quantities billed are reasonable.
- Error Identification. At a minimum, Contractor shall identify errors related to the following:
  - meter reading errors;
  - rates that not in accordance with County's contracts;
  - charges billed for incorrect or nonexistent equipment;
  - meter malfunctions;
  - wrong meter types installed by the utility;
  - clerical errors in bill computations;
  - wrong factors applied; and
  - incorrect tax charges.
- Claim Submission. Upon identifying an error as referenced above, the Contractor shall submit claims to the service providers on behalf of the County. At any point during the course of the Audits audit when an overcharge can be proven, a claim will be filed. Claims may be filed at any stage. For many Audits, claims are filed early in the audit process for errors verified during the Initial Review with additional claims submitted as they are identified. In some cases, the entire refund is secured at the end of the process. The date that a claim for refund is filed is dependent upon what is discovered in the County's bills. In

each case, the County will receive copies of all claims. Contractor shall take the lead role in the recovery stage and will persist until the County has received the proper recovery in accordance with applicable laws and the Agreement

- Handling Credits and Refunds. Where it appears that the County is due a refund, credit and/or change in the current bundled rate or rider schedule, the Contractor shall prepare all necessary documentation to remove prior overcharges and obtain refunds and or credits for such overcharges.
- Cost Savings Recommendations. The Contractor shall audit current utility bundled rates and present savings recommendations with regard to alternate deregulated rates and tariffs to the County. Additionally, Contractor shall propose and describe other strategic opportunities which could recover monies and/or reduce utility/energy and telecommunications costs and reduce on-going and future costs. Cost-saving recommendations may include but are not limited to the following:
  - Alternate rates and riders offered by existing suppliers that may result in lower costs;
  - Combination or splitting of meters for billing purposes;
  - Correction of power factor penalties;
  - Negotiation of special contracts to eliminate punitive clauses; and
  - Negotiation with suppliers for deregulated utilities.
- After approval by the County of particular recommendations, the Contractor shall assume full responsibility for the implementation of such, or shall provide assistance if the County prefers to implement them on its own. Cost-savings recommendations are always subject to the review and approval of County prior to implementation. Notwithstanding the forgoing, the County is under no obligation to implement the recommendations of the Contractor.
- Contract Negotiations. Contractor shall conduct negotiations with the County's utility suppliers as the County's authorized agent. In addition to the negotiation of special contracts and terms as referenced above, Contractor shall undertake refund negotiations when necessary and any follow up work to collect the refunds. Contractor shall arrange for the providers to credit refunds to County's accounts or issue refund checks as determined by the County. Notwithstanding the forgoing, all Contractor negotiations with the County's utility suppliers are subject to the County's approval.
- Additional Auditing Responsibilities. The County reserves the right to add additional categories of billing for review and evaluation by the Contractor during the term of this Agreement. Such additional categories may include but are not limited to water and sewage.

### 3. Audit Project Plan

- The Contractor shall complete its audit within thirty-six (36) months in accordance with the following stages:
  - **Stage 1 – Audit Kickoff & Initial Review**. The Contractor shall:
    - Gather all necessary data, documentation, and information from the County and utilities/suppliers as necessary.
    - Conduct on-site document collection of County billing records as necessary.
    - Conduct on-site kickoff meetings and interviews with appropriate County staff.

- Send audit notices to providers.
- Conduct initial review of billings and contracts for preliminary errors that can be submitted to providers.
- **Stage 2 – Data Entry Review and Analysis.** The Contractor shall:
  - Assemble and aggregate information.
  - Compile databases of natural gas, electric, and telecom billings and services and model rate analysis.
  - Organize documents for easy access and future compilation to quickly produce when errors are identified.
- **Stage 3 – Provider Documentation Due Diligence.** The Contractor shall:
  - Obtain all provider rates and tariff information (if not already on file) and request customer files including historical billing and usage data from providers.
  - Enter data as appropriate into each utility analysis system.
- **Stage 4 – Analysis.** The Contractor shall:
  - Compare to contracts, tariffs, and adjustments.
  - Analyze paid invoices for refunds and cost savings opportunities against specialized and proprietary metrics determined by Azavar Audit Solutions and members of the Azavar Expert Consultants Group™.
  - Identify and investigate potential errors and trouble accounts. Each area will be reviewed with the County by Contractor's staff and an expert from the Azavar Expert Consultants Group™.
- **Stage 5 – Acquisition of Supplemental Information and Client Review.** The Contractor shall:
  - Consult with the County and/or service providers regarding any accounts where verification of service characteristics is needed in order to determine billing accuracy and cost savings possibilities.
  - Prepare and present any preliminary Findings to date as well as questions to the County.
  - Decide in accordance with the County whether to move forward with cost savings opportunities identified to date and review direction of work to be completed.
- **Stage 6 – Implementation and Billing Corrections.** The Contractor shall:
  - Submit refund claims with documentation and communicate with providers to accomplish corrections and refunds of verified errors.
  - Submit requests to utility providers for County approved account changes that will reduce future County expenses.

- Verify that implemented refunds and recommendations are billed correctly to County by provider.
- **Stage 7 – Field Work.** Where applicable, the Contractor shall:
  - For accounts requiring on-site inspection to determine billing, metering, circuit, or equipment accuracy (based on the service provider), Contractor will make arrangements with the County and appropriate departments to perform field work to view meters, transformers, outdoor lighting facilities, circuits, telecommunications and network equipment, and any other equipment or facilities where operational characteristics play a role in the monthly provider invoice or County expense.
  - *As it pertains to street light verification*, this service is performed by a combination of manual and electronic analysis. A randomly generated statistically significant sampling is obtained and on-site work verifies up to 18 different factors that make up the street light bill. This stage is done concurrently with the in-depth analysis and may take several hundred hours of analysis, depending on number of lights, and errors found.
  - *As it pertains to telecommunications line and circuit verification*, this service is performed via telecommunications lines and on-site work as necessary based on a statistically significant sampling of errors found in invoices.
- **Stage 8 – Additional Refund Claims and Rate Savings Recommendations.** The Contractor shall:
  - Submit additional refund claims (if needed) with documentation and communicate with providers to accomplish corrections and refunds of verified errors.
- **Stage 9 – Final Report.** The Contractor shall:
  - Summarize refunds, corrected account errors, and future provider savings approved by the County and funds returned to the County by the Contractor.

#### 4. Invoice Requirements

- The Contractor shall invoice the County monthly for any realized savings subject to the following requirements:
  - Where savings are based upon actual refunds received by the County, the invoice must include the utility account number, service period, a description of refund indicating what specific charges were refunded, the total amount of the realized refund, and the amount due to the Contractor.
  - Where savings are realized based upon a Contractor recommendation which results in ongoing cost savings over a twelve month period (“Forward Savings”), the invoice must include the utility account number, the service period, the actual cost

billed (cost with implemented audit Finding), the estimated cost without enacting the audit Finding, the amount of savings for each account in the billing period (difference between actual bill and estimated cost without enacting audit Finding), the amount due to Contractor, and a description of how the savings were achieved, whether such Findings are implemented by the Contractor or the County.

## 5. Payment Terms

- Subject to the limits set forth in **6. Limits on Payment to the Contractor**, Contractor shall be entitled to a single payment equal to 45% actual monies refunded to the County as a result of a Finding in any one month during the term of the Agreement.
- Subject to the limits set forth in **6. Limits on Payment to the Contractor**, in cases in which there are agreed upon Forward Savings, Contractor will be entitled to monthly payments equal to 45% of monthly savings that have been realized by the County. Notwithstanding the foregoing, payments to the Contractor for Forward Savings shall not exceed a period 12 months starting with the month the savings were first realized by the County.
- The County shall issue payment to the Contractor within sixty (60) days from the County's receipt of a proper invoice from the Contractor, which meets the requirements set forth in **4. Invoice Requirements** herein.

## 6. Limits on Payment to the Contractor

- Contractor shall have no right to reimbursement until the County actually receives the refund(s) or Forward Savings for which payment is sought.
- Contractor shall not be entitled to share in any savings to the County affected by any general utility rate reduction and/or scheduled rate, rider or rental charge that is voluntarily offered or mandated to all utility end users during the term of the Agreement.
- Contractor shall not be entitled to share in any savings to the County that result from: 1) the County's efforts in pursuing co-generation or alternate fuel proposals or 2) any rate reductions that are the result of a contract with other suppliers.
- Savings to the County resulting from standard operational variations or reduced consumption because of weather shall not be considered savings for purposes of the Agreement.
- Savings due to renegotiated commodity prices in which the Contractor did not provide Findings shall not be considered savings for purposes of the Agreement.
- Savings due to the resolution to the following known issues that the County is currently addressing shall not be considered savings for purposes of the Contract:
  - Cook County NORESCO Contract #12-60-349 (generally known as the "ESCO" projects) and Johnson Controls Contract #12-60-350.
  - CCDOT Traffic Signal LED Conversion – The Cook County Department of Transportation and Highways("CCDOT") is currently working with ComEd to resolve billing issue related to the conversion of traffic signals from incandescent to LED bulbs.
- The County shall not reimburse the Contractor for over-time requirements or cost associated in obtaining requested documents.

## **7. Contractor's Reporting Requirements**

- The Contractor shall submit to the County monthly reports detailing Findings including project status and recommendations with timelines for completion of Stages as set forth in **3. Audit Project Plan**. Additionally, Contractor shall submit a final report to the County prior to the end of the Contract term of the Agreement. All reports shall include, where applicable, the following information:
  - The segment of the utility bills that have been reviewed and evaluated;
  - For telecommunications bills only, the segment of bills reviewed and evaluated must be categorized by facility;
  - Identification of issues or problems that require action by County staff;
  - A report of any gaps in data;
  - A list of additional information required from County;
  - Detailed Findings with recommendations including the amount of potential refunds;
  - A list of recommendations which have been implemented, including a description of the recommendation and how the savings were achieved and the amount of savings that have been realized from implemented recommendations;
  - Fees paid to Contractor as of the date of the report, and a schedule of remaining payments based upon Forward Savings; and
  - Copies of correspondence from utility providers agreeing to the amount of the refund due to County, including method to be used to refund the monies owed to the County, shall be attached to the monthly report.

## **8. County's Staffing and Meeting Requirements**

- The Department of Telecommunication Operations will provide at least one (1) member to work with the Contractor on an as needed basis. Telecommunication Operations team and the Contractor shall participate in a weekly meeting or status call to review Findings. In the event of a face to face meeting, Telecommunications staff will meet with Contractor at the 2323 S. Rockwell location.
- The Bureau of Administration will provide at least one (1) member to work with the Contractor on gas and electricity audit issues on an as needed basis. The Bureau's team and the Contractor shall participate in a monthly meeting or status call to review Findings.
- Access to facilities or staff on an as needed basis in accordance with **3. Audit Project Plan**.

## **9. Confidentiality**

- All bills and any other documentation between the Contractor and the County shall be considered confidential and privileged.
- All documents transmitted to the Contractor by the County shall be promptly returned to the County at the County's request.
- The Contractor understands and agrees that the County may at any time and in the County's sole discretion restrict the Contractor's access to information or documentation it deems necessary.

## **10. Warranties and Responsibility for Cost Increases**

- The County shall not bear any of Contractor's expenses associated with its work under the Agreement.

EXHIBIT 2

Evidence of Insurance



**EXHIBIT 3**  
**Board Authorization**