

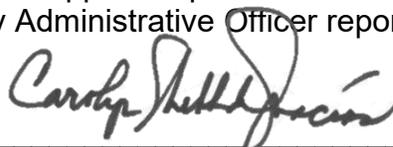
0150-12910-0000

TRANSMITTAL

TO City Council	DATE 03/27/2025	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT All	

Proposed Agreement for Avenu Insights & Analytics, LLC for a Collections Management System and Database Services

Transmitted for your consideration. The Council has 60 days from the date of the receipt to act, otherwise the contract will be deemed approved pursuant to Administrative Code Section 10.5(a). See the City Administrative Officer report attached.



MAYOR

(Carolyn Webb de Macias for)

MWS:MA:09250118

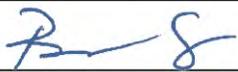
Report
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 03-25-25	C.D. No. All	CAO File No.: 0150-12910-0000
Contracting Department/Bureau: Office of Finance		Contact: Ricardo Estrada (213) 648-8713	
Reference: Transmittal from the Office of Finance dated November 26, 2024			
Purpose of Contract: Provision of a collections management system and database services.			
Type of Contract: (X) New contract () Amendment, Contract No.		Contract Term Dates: July 1, 2024 through June 30, 2033 (inclusive of two optional two-year extensions)	
Contract/Amendment Amount: \$1,850,850 initial five-year term (\$1,031,250) inclusive of two optional two-year extensions (\$819,600)			
Source of funds: Fund 100, Dept 39, Account No. 003040 - Contractual Services			
Name of Contractor: Avenu Insights & Analytics, LLC			
Address: 5860 Trinity Pkwy, Centreville, VA 20120			
	Yes	No	N/A
1. Council has approved the purpose	X		
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed	X		
4. Proposals have been requested	X		
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included			
7. Workforce that resides in the City: 2%			
8. Business Inclusion Program	X		
9. Equal Benefits & First Source Hiring Ordinances	X		
10. Contractor Responsibility Ordinance	X		
11. Disclosure Ordinances	X		
12. Bidder Certification CEC Form 50	X		
13. Prohibited Contributors (Bidders) CEC Form 55	X		
14. California Iran Contracting Act of 2010	X		

RECOMMENDATIONS

That the Council:

- 1) Approve, and authorize the Director of the Office of Finance (Department), or designee, to execute an agreement with Avenu Insights & Analytics, LLC for a collections management system and database services for a term of five years, with two additional optional two-year extensions, for a cumulative term of nine years, up to \$1.03 million in costs for the initial five-year term, effective July 1, 2024 through June 30, 2029, subject to the review of the City Attorney as to form;
- 2) Instruct the Department to append the latest City Standard Provisions, Software License and Services Agreement (SLSA), and the Service Termination Authorization Code as part of the Agreement; and,
- 3) Instruct the Department, prior to executing the contract, to ensure that the Contractor submits current insurance documentation meeting the limits deemed appropriate by the Office of the City Administrative Officer's Risk Manager through KwikComply and the submitted Disclosure Ordinance form and Equal Benefits and First Source Hiring ordinance forms are verified by the Bureau of Contract Administration.

<i>Monica Aquino</i>	
MA Monica Aquino 0150-12910-0000	Assistant City Administrative Officer

SUMMARY

In accordance with Executive Directive No. 3 (Villaraigosa series), the Department requests authority to execute the proposed Agreement with Avenu Insights & Analytics, LLC (Contractor) for a collections management system and database services for a term of five years, with two optional two-year extensions, for a cumulative term of nine years, effective July 1, 2024 through June 30, 2033. The proposed Agreement includes a ratification clause because of the need for continued access to the collections management system and related services. The existing contract expired on June 30, 2023. The Department reports that the awarded vendor has provided continued access to its revenue collection management system and database in good faith since July 1, 2024. However, the implementation of the California Modules, as described in the Scope of Work in Appendix A of the Agreement, will not be initiated until the execution of this Agreement.

The Department, pursuant to the Charter, maintains guidelines for the collection of outstanding receivables and is responsible for the efficient organization of the revenue collection functions performed by City offices and departments. The Department's operations allow for in-house staff to work on both tax and non-tax cases, referring cases to outside collection agencies (OCAs) and facilitating the collection of other departments' debt through either in-house staff or OCAs. As the Department has used a collection system to help manage its own operations, the collections management software is responsible for providing billing, account receivable, and collection service. Previous services were provided by Ontario Systems, LLC dba Finvi (C-140400) from July 1, 2022 through June 30, 2024.

On September 19, 2023, the Department released a Request for Proposals (RFP) to solicit bids from qualified vendors. On November 29, 2023, proposals were due. On January 12, 2024, Avenu Holdings, LLC ("Avenu") acquired all the interest of Ontario Systems, LLC dba Finvi Assets, including the Finvi Assets related to the rendering of the contemplated services described in the submitted response to the RFP. On February 22, 2024, Avenu wrote to inform the Department regarding the acquisition and is now the successor-in-interest. The evaluation panel subsequently recommended award to Avenu.

The proposed Agreement includes a monthly subscription cost for the use of the collection database and management system in the amount of \$17,075. A one-time implementation fee of \$6,750 will also be assessed to integrate an additional California Modules which enables the State's Franchise Tax Board to use tax refunds, lottery winnings, or unclaimed property to address debt owed to the City and collected by the Office of Finance. The annual cost of this contract is \$204,900, and the 2024-25 Adopted Budget included \$211,250 for these services.

Prior to executing the contract, the Department must ensure that the Contractor submits current insurance documentation meeting the limits deemed appropriate by the Office of the City Administrative Officer's Risk Manager through KwikComply. In addition, the Department should ensure that the Disclosure Ordinance form and Equal Benefits and First Source Hiring ordinance forms are verified by the Bureau of Contract Administration. The Department is also recommended to include the latest City Standard Provisions, Software License and Services Agreement (SLSA), and the Service Termination Authorization Code as part of the Agreement.

In accordance with the City's Administrative Code Section 10.5(a), Council approval of the proposed agreement is required because the cumulative term of the agreement exceeds three years.

FISCAL IMPACT STATEMENT

There is no additional impact to the General Fund as funding for this Agreement is available in the Department's Contractual Services Account for Fiscal Year 2024-25. Continuation of the Agreement in subsequent years will be contingent upon the approval of funding through the City's annual budget process.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City's Financial Policies in that on-going revenues will be used to fund these on-going expenses.

MWS:MA:09250118

DIANA MANGIOGLU
CITY TREASURER
DIRECTOR of FINANCE

CITY OF LOS ANGELES
CALIFORNIA



KAREN BASS
MAYOR

OFFICE OF FINANCE
200 N. SPRING ST.
ROOM 220 – CITY HALL
LOS ANGELES, CA 90012

(844) 663-4411

<https://finance.lacity.gov>

November 26, 2024

The Honorable Karen Bass
Mayor, City of Los Angeles
Room 303, City Hall

Attention: Heleen Ramirez, Legislative Coordinator

RE: EXECUTIVE DIRECTIVE NO. 3 TRANSMITTAL: REQUEST TO EXECUTE A CONTRACT WITH AVENU INSIGHTS & ANALYTICS, LLC, FOR A COLLECTIONS MANAGEMENT SYSTEM AND DATABASE SERVICES

Dear Heleen Ramirez:

In accordance with Mayor's Executive Directive No. 3, the Office of Finance (Finance) requests approval to execute an agreement with Avenu Insights & Analytics, LLC ("Avenu") for a collections management system and database services.

The Agreement will provide Finance the use of Avenu's RevQ+ solution, which will provide the City with comprehensive data mapping analysis to ensure consistency with the quality and accuracy of data. RevQ+ also offers Finance the ability to optimize the performance of both in-house collection staff and outside collections agencies, and improve workflow and analytics. This can help Finance manage its operations more efficiently, for either tax and non-tax cases, referring cases to Outside Collection Agencies (OCAs), or facilitating the collection of other City Department debt. Leveraging the capabilities of RevQ+ can help the City make better-informed decisions regarding its revenue policy while expanding the user base to other departments and OCAs.

The initial term of this agreement is for five (5) years, with two (2) optional 2-year extensions. The fees assessed by the contract are based on a one-time implementation fee of \$6,750.00 and monthly recurring subscription costs thereafter of \$17,075.



BACKGROUND

The City charges the Office of Finance with two responsibilities concerning revenue collection:

- Develop and implement the City's revenue policy consistent with the City Charter and ordinance(s), and develop guidelines for the collection of outstanding receivables;
- Make recommendations to the Mayor and City Council concerning the efficient organization of the revenue collection functions performed by City offices and departments.

Historically, Finance has achieved these responsibilities through a multi-pronged approach: in-house staff work on both tax and non-tax cases, referring cases to OCAs, and facilitating the collection of other departments' (non-Finance) debt through either in-house staff or OCAs. Finance has used a collection system to help it manage its own operations. While there have been several different systems in place; the core functionality has remained the same. The software has been responsible for providing billing, account receivable, and collection service.

On September 19, 2023, the Office of Finance released a Request for Proposals to solicit bids from qualified vendors for Collections Management System and Database Services (RAMP ID 209937). Finance received five (5) proposals that all met the minimum City Qualifications:

- CSS Impact
- Finvi
- Jonas Collections and Recovery Inc. (C&R Software)
- New Digital
- Presidio

On November 29, 2023, Finvi submitted a proposal to the RFP. On January 12, 2024, Avenu Holdings, LLC ("Avenu") acquired all the interest of Finvi Assets, including the Finvi Assets related to the rendering of the contemplated services described in the Proposal. On February 22, 2024, Avenu, in a written correspondence to the City, affirmed the terms and conditions of the Proposal and became the successor-in-interest. The Office of Finance affirms that the Proposal, adopted by Avenue, satisfies the required qualifications and experience to perform the above-referenced services in accordance with the RFP.

Evaluation of Proposal

The evaluation Panel consisted of Finance staff from the Investment Division. The panel evaluated the proposal based on the evaluation criteria outlined in the RFP:

Table 1

Rating Criteria	Points
Experience and demonstrable technical expertise	20
Software functions, capabilities, scalability, and flexibility/ability to integrate with other systems	25
System interface, reporting, and user experience flexibility	25
Technical assistance including system transition (both on and off), staff training and troubleshooting, and support availability	10
Data management and security	10
Value offered to the City considering cost in comparison to professional capabilities and experience and past performance in respect to quality, adherence to budget, and schedule.	10

The evaluation panel ranked and scored each proposal based on the quality of the proposal, qualifications, and cost-effectiveness. The evaluation process ranked the firms based on the average scores they received from all panelists, with the highest-ranked firm recommended for contract award.

Table 2

Proposer	Final Score	Rank
Avenu Insights & Analytics	92.7	1
C&R Software	92.3	2
CSS Impact	81	3
Presidio	70.7	4
New Digital	62.3	5

The evaluation panel scored and ranked Avenu’s proposal as the highest-ranked of the five proposals. The evaluation panel considered the experience of Avenu’s team implementing debt collection systems across various markets and with other municipalities, and their systems' scalability and flexibility for data integration and future interface configuration updates. Therefore, Finance recommends award of a contract to Avenu to deliver Collections Management System and Database Management services to the City.

CURRENT REQUEST

Collections Management and Database services are an essential tool to maintain ongoing departmental debt collection operations. As such, Finance requests the authority to enter into this agreement for a term of five (5) years plus two (2) 2-year extension options for a potential total contract term of nine (9) years. The Office of the City Attorney has reviewed the attached draft agreement.

FISCAL IMPACT

Compensation for the proposed contract is \$1,850,850 for the nine-year total term. There is no impact to the General Fund because budgeted funds are available for the current year. Future-year costs are budgeted annually, and the future-year costs for this contract are covered by the base-level funding provided for this continuing budgeted item.

RECOMMENDATION

Finance respectfully requests that the City Council, subject to the approval of the Mayor:

AUTHORIZE the Director of Finance to execute an agreement to contract with Avenu Insights & Analytics for a period of nine (9) years, from July 1, 2024, to June 30, 2033, subject to final review and approval by the Office of the City Attorney as to form and legality.

If you have any questions, please contact Ricardo Estrada, at (213) 648-8713 or by e-mail at ricardo.estrada@lacity.org.

Sincerely,



Diana Mangioglu
City Treasurer / Director of Finance

Attachment: Draft Contract with Avenu Insights & Analytics

cc: Lidia Manzanares, Office of the Mayor
Thomas Arechiga, Office of the Mayor
Ha To, Office of the City Administrative Officer
Monica Aquino, Office of the City Administrative Officer
Mario Interiano, Office of Finance
Angela Berumen, Office of Finance
Matthew Crawford, Office of Finance

AGREEMENT NO. C-_____

BETWEEN

THE CITY OF LOS ANGELES

OFFICE OF FINANCE

AND

AVENU INSIGHTS AND ANALYTICS, LLC

FOR

COLLECTIONS MANAGEMENT SYSTEM AND DATABASE SERVICES

AGREEMENT NO. C-_____
BETWEEN
THE CITY OF LOS ANGELES
OFFICE OF FINANCE
AND
AVENU INSIGHTS AND ANALYTICS, LLC
FOR
COLLECTIONS MANAGEMENT SYSTEM AND DATABASE SERVICES

THIS AGREEMENT, (the “Agreement”) is made and entered into by and between the City of Los Angeles, a municipal corporation (“City”), acting by and through its Office of Finance (“Finance”), and Avenu Insights and Analytics, LLC, (hereinafter referred to as “Contractor” or “Avenu”), referred collectively herein as “Parties” or individually as “Party”, with reference to the following:

WHEREAS, the Office of Finance, pursuant to the Los Angeles City Charter, is the tax collector for the City and is responsible for collecting revenue and enforcing the various tax ordinances of the City and the City, through Finance, administers the tax and permit collections for over 600,000 active accounts; and,

WHEREAS, the City desires to utilize a qualified firm to provide a system for Citywide debt collection and various other debt collection services handled by the Office of Finance; and

WHEREAS, on September 19, 2023, the City issued a Request for Proposals (“RFP”) under Charter Section 372, seeking proposal from qualified businesses to perform the above-referenced services; and

WHEREAS, on October 23, 2023, Finvi submitted a proposal (“Proposal”) to the RFP, and the City found Contractor satisfied the required qualifications and experience; and

WHEREAS, on January 12, 2024, Avenu Holdings, LLC (“Avenu”) acquired all the interest of Finvi Assets, including the Finvi Assets related to the rendering of the contemplated services described in the Proposal, and became the successor-in-interest; and

WHEREAS, on February 22, 2024, Avenu, in a written correspondence, affirmed the terms and conditions of the Proposal; and

WHEREAS, the City affirms that the Proposal, adopted by Avenue, satisfies the required qualifications and experience to perform the above-referenced services in accordance with the RFP; and

NOW, THEREFORE, in consideration of the above premises and of the representations and covenants hereinafter set forth, the Parties hereto represent and covenant as follows:

1. PARTIES TO THE AGREEMENT AND REPRESENTATIVES

1.1. Parties to the Agreement are:

1.1.1. City – The City of Los Angeles, Office of Finance, a municipal corporation, having its principal office at 200 N. Spring St., Room 220, Los Angeles, California 90012.

1.1.2. Contractor – Avenu Insights and Analytics, LLC, having its principal office at 5860 Trinity Pkwy, Centreville, VA 20120

1.2. Representatives of the Parties

The representatives of the Parties who are authorized to administer this Agreement and to whom formal notices, demands and communications will be given are as follows:

1.2.1. The City's representative is, unless otherwise stated in the Agreement:

Diana Mangioglu, City Treasurer/Director of the Office of Finance
Los Angeles Office of Finance
200 N. Spring St., Room 220
Los Angeles, California 90012

With copies to:

Adrine Temuryan, Chief Tax Compliance Officer II
Billing and Collection Division
Los Angeles Office of Finance
200 N. Spring St. Room 1225
Los Angeles, California 90012
Adrine.temuryan@lacity.org

1.2.2. The Contractor's representative is, unless otherwise stated in the Agreement:

Avenu Insights and Analytics, LLC
Attn: Contracts
5860 Trinity Parkway, Suite 120

Centreville, VA 20120
contracts@avenuinsights.com

With copies to:

Justin Norton
Avenu Insights and Analytics, LLC
5860 Trinity Parkway, Suite 120
Centreville, VA 20120
Justin.norton@avenuinsights.com

- 1.3. Formal notices, demands, and communications to be given hereunder by either Party must be made in writing and may be affected by personal delivery or by email, registered or certified mail, postage prepaid, return receipt requested and will be deemed communicated as of the date of mailing or email transmission.
- 1.4. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice must be provided as described in this Agreement, within five (5) business days of such change.

2. TERM OF THE AGREEMENT

2.1. The initial term of this Agreement shall be **five (5) years** from the Effective Date hereof unless terminated earlier as set forth herein or any other termination right available in the Agreement or under applicable law. The City may, at its sole discretion, extend the term of this Agreement for two (2) 2-year periods, under the same terms and conditions for such periods if both Parties agree to the extensions.

2.2. Ratification Clause

To the extent that Contractor's services were performed in accordance with the terms and conditions of this Agreement prior to the Effective Date of this Agreement, those services are hereby ratified.

2.3. Effective Date

The Effective Date of this Agreement shall be the date upon which the last of the following events should occur:

1. This Agreement has been signed on behalf of the Contractor by the person or persons authorized to bind the Contractor hereto;
2. This Agreement has been approved by the Director of the Office of Finance;

3. The Office of the City Attorney has indicated the approval as to form of this Agreement; and
4. This Agreement has been signed on behalf of the City by the person designated to so sign by the City Council or by the board, officer, or employee authorized to enter into this Agreement.

3. SERVICES TO BE PROVIDED BY THE CONTRACTOR

The services to be provided under this Agreement are those described under the terms of Appendix A - Statement of Work (“SOW”), attached hereto as **Appendix A** and incorporated herein by reference.

4. COMPENSATION AND PAYMENT

4.1. Compensation

For the satisfactory performance of the services provided under Appendix A - Statement of Work (“SOW”), the City shall compensate Contractor in the amount set forth under **Appendix B - Fee Schedule**, attached hereto as Appendix B and incorporated herein by reference.

4.2. Method of Payment

The City shall pay the Contractor within thirty (30) calendar days of receipt and approval of the Contractor’s invoices by the City.

All invoices must include the following information for payments to be processed:

- Name and address of company
- Date of Invoice
- Invoice Number
- Agreement Number
- Date(s) and description of services provided
- Amount of Invoice
- Total amount payable
- Remittance address
- Other additional information as requested by the Office of Finance

The Contractor must submit invoices to:

Adrine Temuryan
Chief Tax Compliance Officer II
Billing and Collection Division
Los Angeles Office of Finance
200 N. Spring St. Room 1225
Los Angeles, California 90012

Adrine.temuryan@lacity.org

With carbon copy to:

Finance.sbu@lacity.org

4.3. Review and Acceptance of Deliverables

- 4.3.1. Payment to the Contractor will be authorized after acceptance of the deliverables and receipt of a properly completed invoice (in that order).
- 4.3.2. The Contractor shall deliver products and invoices to the City upon completion of tasks as described in this Agreement. The City shall pay the Contractor for the approved product and in the amount specified herein.
- 4.3.3. At or before the conclusion of the review period, the City will submit a written, dated notification to the Contractor of the City's acceptance or rejection of the work delivered by the Contractor, based on standards stipulated herein, and if the work is rejected, listing the cause of rejection and required corrections. Such notification shall be provided within thirty (30) days of the provision of the work. If no notification is provided within this thirty day (30) period, the work shall be deemed accepted by both Parties.
- 4.3.4. **Failure to adhere to these policies may result in nonpayment or non-approval of demands, pursuant to Charter Section 262(a)**, which requires the Controller to inspect the quality, quantity, and condition of services, labor, materials, supplies, or equipment received by any City office or department, and approve demands before they are drawn on the Treasury.

5. FUNDING CONTINGENCY

Notwithstanding anything to the contrary, City obligations under this Agreement are payable only from funds specifically appropriated by the City Council and City shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of the City's future fiscal years unless and until the City Council appropriates funds for this Agreement in City's budget for each such future fiscal year.

In the event the City is not able to secure funds, or funds are not appropriated by the City Council for this Agreement, the Contractor agrees to release the City from further obligation or liability under this Agreement.

6. GOVERNING LAW AND VENUE

This Agreement and any action related thereto will be governed and interpreted by and under the laws of the State of California, without giving effect to any conflicts of

laws principles that require the application of the law of a different jurisdiction. Each Party hereby expressly consents to the exclusive personal jurisdiction and venue in the state and federal courts of Los Angeles County, California for any lawsuit filed there against it by the other Party arising from or related to this Agreement.

7. NON-EXCLUSIVE

The City and Contractor understand and agree this is a non-exclusive Agreement to provide services to the City and that the City reserves the right to enter into agreement with other contractors/consultants to provide similar services during the term of this Agreement.

8. SEVERABILITY

If any provision of this Agreement is, for any reason, held to be invalid or unenforceable, the other provisions of this Agreement shall remain enforceable and the invalid or unenforceable provision(s) shall be deemed modified so that it is valid and enforceable to the maximum extent permitted by law.

9. NO THIRD-PARTY BENEFICIARIES

Nothing herein is intended to create a third party beneficiary in any subcontractor. The City has no obligation to any subcontractor. No privity is created with any subcontractor by this Agreement. Even if the Contractor uses subcontractors, Contractor remains responsible for complete and satisfactory performance of the terms of this Agreement.

10. STANDARD PROVISIONS FOR CITY CONTRACTS

By entering into this Agreement with the City, the Contractor agrees to abide by the a_Standard Provisions for City Contracts (Rev. 6/24 [v.1]), attached hereto and incorporated herein as Attachment A, subject to the amendments provided herein:

10.1 PSC-1 Construction of Provisions and Titles Herein, is hereby deleted in its entirety and the following is substituted in lieu thereof:

All titles, subtitles, or headings in this Attachment A – Standard Provisions for City Contracts (hereinafter referred to as the “Contract”) have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

10.2 PSC-4 Integrated Contract, is hereby deleted in its entirety and the following is substituted in lieu thereof:

As used in this Attachment A “Contract” means collectively Agreement No. **C-XXXX** dated **XXX** for Collections Management Systems and Database Services and any appendices and attachments incorporated by reference, including this Attachment A. this Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

10.3 PSC-8 Suspension, is hereby deleted in its entirety and the following is substituted in lieu thereof:

At the **CITY’s** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services. Provided however, the **CITY** shall remain liable to **CONTRACTOR** for all fees and payments due to **CONTRACTOR** for all services rendered prior to the effective date of the suspension in accordance with the terms of the Agreement.

10.4 PSC-9 Termination, is hereby deleted in its entirety and the following is substituted in lieu thereof:

A. Termination for Convenience

CITY may terminate this Contract for **CITY’S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR**, in accordance with the terms of the Agreement, for all services rendered through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under the Agreement, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination and remittance of all payable fees. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY’S** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of the Agreement, **CITY** shall give **CONTRACTOR** written notice of the

default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Agreement due to **CONTRACTOR'S** breach of the terms of the Agreement.

2. If the default under the Agreement is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under the Agreement for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate the Agreement.

4. If **CONTRACTOR** engages in any conduct in violation of the terms of the Agreement or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate the Agreement.

5. Acts of Moral Turpitude

a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").

b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate the Agreement.

c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.

d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and

articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

e. For the purposes of this provision, a Key Person is a principal office, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.

6. In the event **CITY** terminates this Agreement as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** may be liable to **CITY** for costs and damages per the terms of the Agreement.
7. If, after notice of termination of the Agreement under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.
8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Agreement.

C. In the event that the Agreement is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Agreement within five working days of the termination.

10.5 PSC-11 Contractor's Personnel, is hereby deleted in its entirety and the following is substituted in lieu thereof:

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in the Agreement. **CONTRACTOR** shall remove personnel from performing work under the Agreement if reasonably requested to do by **CITY**.

CONTRACTOR shall not use Subcontractors to assist in performance of the agreement without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Agreement and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S**

Subcontractors, and **CITY** reserves the right to request replacement of any Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

10.6 PSC-12 Assignment and Delegation, is hereby deleted in its entirety and the following is substituted in lieu thereof:

CONTRACTOR may not, unless it has first obtained the written permission of **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.
- C. Notwithstanding anything to the contrary herein, **CONTRACTOR** may assign or otherwise transfer the Agreement and any rights, duties, or obligations under the Agreement to a corporate parent, subsidiary, or Affiliate of **CONTRACTOR**, without requiring City consent, provided however, prompt notice of such assignment shall be provided to the City. "Affiliate" means with respect to a party hereto, any person or entity that controls, is controlled by, or is under common control with such party, where "control" means ownership of fifty percent (50%) or more of the outstanding voting securities.

10.7 PSC-14 Claims for Labor and Materials, is hereby deleted in its entirety and the following is substituted in lieu thereof:

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Agreement so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

10.8 PSC-16 Retention of Records, Audit and Reports, is hereby deleted in its entirety and the following is substituted in lieu thereof:

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of the Agreement, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Agreement or (3) termination of the Agreement. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives upon reasonable advance written notice. **CONTRACTOR** shall provide any reports requested by **CITY** regarding performance of this Agreement. Any subcontract entered into by **CONTRACTOR** for work to be performed under the Agreement must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of the Agreement.

10.9 PSC-18 Indemnification, is hereby deleted in its entirety and the following is substituted in lieu thereof:

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all third party lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for (i) death or injury to any person, including **CONTRACTOR'S** employees and agents; or (ii) damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR** (or their Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest) in the performance of Services under this Agreement.. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

10.10 PSC-19 Intellectual Property Indemnification, is hereby deleted in its entirety and the following is substituted in lieu thereof:

CONTRACTOR shall defend the CITY from and against any claim by a third party alleging that Contract Property, when used as authorized under this Agreement, infringes a patent or any copyright or trademark and shall indemnify and hold harmless the CITY from and against any damages and costs awarded against CITY or agreed in settlement by CONTRACTOR (including reasonable attorneys' fees) resulting from such claim. If CONTRACTOR'S use of the Contract Property is (or in CONTRACTOR's opinion is likely to be) enjoined, if required by settlement or if CONTRACTOR determines such actions are reasonably necessary to avoid material liability, CONTRACTOR may, in its sole discretion: (a) substitute substantially functionally similar products or services; (b) procure for CITY the right to continue using the Contract Property The foregoing indemnification obligation of CONTRACTOR shall not apply: (1) if Contract Property is modified by any party other than CONTRACTOR or its authorized Subcontractors, but solely to the extent the alleged infringement is caused by such modification; (2) if the Contract Property is combined with products or processes not provided by CONTRACTOR, but solely to the extent the alleged infringement is caused by such combination; (4) to any action arising as a result of any third-party deliverables or components contained within the Contract Property or (5) if CITY settles or makes any admissions with respect to a claim without

CONTRACTOR'S prior written consent. To exercise the CITY's rights under this Section PSC-19, CITY shall (i) provide prompt notice of the claim and request that CONTRACTOR defend the claim; (ii) provide all reasonable requested information and cooperation in defending against the claim; and (iv) give CONTRACTOR the opportunity to have sole control of the defense or settlement of the claim, at CONTRACTOR'S sole expense. If CONTRACTOR fails to timely undertake the defense of a claim under this Section (which CONTRACTOR is obligated to defend), the CITY may undertake the defense or settlement of the claim itself and obtain reimbursement from CONTRACTOR for CITY'S attorneys' fees and reasonable expenses, and any damages the CITY incurs as result of an adverse ruling. THE CITY acknowledges and agrees that this Section PSC-19 sets forth CITY'S sole and exclusive remedies as it relates to any claim that arises from, or relates to, the infringement, misappropriation or violation of proprietary rights by CONTRACTOR or Contract Property.

10.11 PSC-20 Intellectual Property Warranty, is hereby deleted in its entirety and the following is substituted in lieu thereof:

CONTRACTOR represents that the Services to be delivered to City under this Contract shall not infringe upon any valid and enforceable intellectual property rights (including patents, copyrights, trademarks, and trade secrets) owned by a third party and shall, indemnify City against any third party claims brought against the City that arise from or relate to the infringement, misappropriation or violation of proprietary rights by CONTRACTOR or Contract Property.

10.12 PSC-21 Ownership and License, is hereby deleted in its entirety and the following is substituted in lieu thereof:

All material delivered to the City under the Agreement includes technical information, software programs for computers or other apparatus, designs, specifications, drawings, records, documentation, reports, materials, concepts, plans, inventions, data, discoveries or adaptations, creative works, trade names or trademarks, and works of authorship or other creative works (written, oral, or otherwise expressed) that are delivered to the City under this Agreement or developed/conceived by Contractor (including its employees, authorized agents or Subcontractors) in the performance of its obligations under this Agreement, including derivative works, are deemed to be "Contract Property". The parties agree Contract Property (including all upgrades, modifications, and customizations) shall not be considered "works for hire" under United States copyright laws or other intellectual property laws, and all rights, title, and interest in the Contract Property shall vest solely in the Contractor. Client understands and agrees that all Contract Property (including all software upgrades, modifications, and customizations) provided under this Agreement shall at all times remain the property of the Contractor.

10.13 PSC-22 Data Protection, is hereby deleted in its entirety and the following is substituted in lieu thereof:

A. **CONTRACTOR** shall protect, using industry standard means and technology that

is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the “City Data”). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR’S** discovery or reasonable belief of any unauthorized access of City Data (a “Data Breach”), or of any incident affecting, or potentially affecting City Data related to cyber security (a “Security Incident”), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY’S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY’S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.

- B. If **CITY** is subject to liability for any Data Breach or Security Incident arising from Contractor’s negligence or willful misconduct, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

10.14 PSC-23 Insurance, is hereby deleted in its entirety and the following is substituted in lieu thereof:

During the term of this Contract and without limiting **CONTRACTOR’S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

10.15 PSC-24 Best Terms, is hereby deleted in its entirety.

11. PUBLIC INSPECTION AND RECORDS

Notwithstanding any other provisions to the contrary, this Agreement, including any and all exhibits and attachments incorporated herein, shall be made available for public inspection in accordance with the Charter of the City and, to the extent applicable, the California Public Records Act (California Government Code Section 6250 *et. seq.*).

12. MUNICIPAL LOBBYING ORDINANCE

The Contractor is required to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if Contractor qualifies as a lobbying entity under Los Angeles Municipal Code §48.02. Agreements submitted without a completed CEC Form 50 by contractors that qualify as a lobbying entity under Los Angeles Municipal Code §48.02 may be subject to penalties, termination of contract, and debarment.

13. DISCLOSURE OF BORDER WALL CONTRACTING ORDINANCE AND SLAVERY DISCLOSURE ORDINANCE

The Contractor shall comply with Los Angeles Administrative Code Section 10.50 *et seq.*, 'Disclosure of Border Wall Contracting.' The City may terminate this Contract at any time if the City determines that the Contractor failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in Los Angeles Administrative Code Section 10.50.1.

The Contractor shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by Contractor for work to be performed under this Contract must include an identical provision.

The Contractor shall complete and upload a Disclosure Ordinance Affidavit, on www.rampla.org.

14. CONTRACTOR PERFORMANCE EVALUATION ORDINANCE

At the end of this contract, the City will conduct an evaluation of the Contractor's performance. The City may also conduct evaluations of the Contractor's performance during the term of the contract. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on a number of criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the Contractor assigns to the contract. A Contractor who receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final City evaluation and allowed 14 calendar days to respond. The City will use the final City evaluation, and any response from the Contractor, to evaluate proposals and to conduct reference checks when awarding other personal services contracts.

15. LIMITATION OF LIABILITY

THE FOLLOWING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO ANY INDEMNIFICATION OBLIGATIONS SET FORTH IN THIS AGREEMENT.

CONTRACTOR'S AGGREGATE LIABILITY FOR DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO, AND SHALL NOT EXCEED 1.5X FEES PAID TO CONTRACTOR FOR SERVICES RENDERED UNDER THIS AGREEMENT. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY AND TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW, THE EXCLUSION OF CERTAIN DAMAGES, AND EACH SHALL APPLY REGARDLESS OF THE FAILURE OF AN ESSENTIAL PURPOSE OF ANY REMEDY.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. ANY AND ALL CLAIMS RELATED TO THIS AGREEMENT MUST BE MADE WITHIN TWELVE (12) MONTHS AFTER OCCURRENCE OF THE EVENT GIVING RISE TO SUCH CLAIM OR WITHIN (12) MONTHS AFTER THE CLAIMANT FIRST BECOMES AWARE OF THE CONDITION GIVING RISE TO THE CLAIM, WHICHEVER IS LATER.

16. COUNTERPARTS AND ELECTRONIC SIGNATURES

This Agreement may be executed in one (1) or more counterparts, each of which will be deemed an original and all of which will be taken together and deemed to be one (1) instrument. The Parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures.

17. ENTIRE AGREEMENT

This Agreement, and any exhibits, attachments or documents incorporated herein by inclusion or by reference, constitutes the complete, and entire Agreement between the Parties and supersedes all prior discussions between the Parties, oral or written. No modification of or amendment to this Agreement, or any waiver of any rights under this Agreement, will be effective unless in writing and signed by the duly authorized representatives of each Party.

18. ORDER OF PRECEDENCE

Unless otherwise provided for in this Agreement, in the event of any inconsistencies between the bodies of this Agreement, exhibits, attachments, and schedules, the order of precedence will be as follows:

1. This Agreement between the City and Contractor, including **Appendices A and B**; and
2. Attachment A – a_Standard Provisions for City Contracts (Rev. 6/24

[v.1])

[Intentionally left blank. Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

The City of Los Angeles, a Municipal Corporation

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract.

By: _____
Diana Mangioglu
City Treasurer/Director of Finance
Office of Finance

Date: _____

Avenu Insights and Analytics, LLC

By: _____
Paul Colangelo
President & CEO

Date: _____

By**: _____
Mike Melka
CFO

Date: _____

APPROVED AS TO FORM:
HYDEE FELDSTEIN SOTO, City Attorney

By: _____
Charles Hong
Assistant City Attorney

Date: _____

ATTEST:
HOLLY L. WOLCOTT, City Clerk

By: _____

Date: _____

City Agreement Number: _____

Council File Number: _____

NOTE: IF Contractor is a corporation, two signatures are required.

*The signature of President, Chairman of the Board, Or Vice President is required here; and

**an additional signature of Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer is also required for the Corporation.

APPENDIX A – Scope of Work

Exhibit A: Implementation of RevQ+ Products and Services – Statement of Work

Implementation Statement of Work

Avenu and the City of Los Angeles (“Client”) enter in this Statement of Work (the “Statement of Work” or “SOW”) as part of the Software License and Services Agreement (SLSA). This SOW incorporates the provisions set forth in the Service Termination Authorization Code (STAC) and unless explicitly defined in this SOW, all capitalized terms shall have the same meaning set forth in the STAC and SLSA. In the event that any provisions in this SOW conflict with any provisions of the STAC, the SLSA or any other document, the provisions of this SOW shall prevail solely with respect to the Professional Services covered by this Statement of Work.

Avenu will implement RevQ+ as described below:

Limit of Concurrent RevQ+ Software Licenses
50
Monthly Unattended Messaging Limit
10,000
Monthly Outbound Text Messaging Limit
20,000
Monthly Skip Tracing Limit
500 Responses
Limit of Software Installation and Administrative Configuration Hours
600
Workflow Setup & Training Hours
100

A. Solution Features

This table describes the standard RevQ+ solution features and functionality that are in scope for this implementation. Anything that is not included in the “In Scope” column is considered out of scope, even if it is not listed in the “Out of Scope” column.

Area	In Scope	Out of Scope
RevQ+ Application	<ul style="list-style-type: none"> One Production Environment One Test Environment 	<ul style="list-style-type: none"> N/A
Payment Processing	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Integration of current payment processor to RevQ+. Call Center Payments/ Use of Virtual Terminal for Call Center Real-time integration of CitePay portal and terminals with RevQ+ IVR (Interactive Voice Response) Payment Processing

		<ul style="list-style-type: none"> Integration of CitePay to RevQ+ for online, and in person POS payments.
Outbound Communication	<ul style="list-style-type: none"> Unattended phone messages Note: Letter of Authorization may need to be signed prior to configuring Unattended Messages Note: Standard RevQ+ letter layouts are available to create multiple letter templates – letters templates must adhere to the standard RevQ+ letter layouts Letters can be emailed Avenu Correspond for Letters (Letters printed and sent by hard copy via mail) Text Messaging 	<ul style="list-style-type: none"> Letter layout customizations, outside standard product capabilities Live/attended phone calls
Inbound Communication	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Answering inbound calls
Skip Tracing	<ul style="list-style-type: none"> LocateSmarter 	<ul style="list-style-type: none"> Daily batch retrieval of valid phone numbers and addresses via a contracted service other than LocateSmarter Loading of skip tracing results into outside system
Payment Plans	<ul style="list-style-type: none"> Creation of payment plans directly through RevQ+ user interface 	<ul style="list-style-type: none"> Integration with outside systems using standard import and export formats. Specific interface information is noted in section B.
User Interface Configuration	<ul style="list-style-type: none"> RevQ+ includes a robust set of standard user interface configuration options 	<ul style="list-style-type: none"> All customization
Outside Collection Agencies (OCA)	<ul style="list-style-type: none"> Integration with OCA using standard import and export formats. Specific interface information is noted in section B. 	<ul style="list-style-type: none"> N/A
Reports	<ul style="list-style-type: none"> Standard reports available for self-service by users through RevQ+ and Avenu Analytics user interfaces Ability for Client to create their own report definitions using Avenu Analytics 	<ul style="list-style-type: none"> Changes to existing reports, such as changing field names or adding columns Creation of new reports, unless noted otherwise in the custom report development scope in section D
Workflow	<ul style="list-style-type: none"> Automated requesting of daily batch processes for, Emails, Texting, Unattended dialing & letter requesting Any user-driven workflows in RevQ+ user interface Creation of worklists 	<ul style="list-style-type: none"> Including additional data elements that are not available in the workflow interface

Scheduled Jobs and Events	<ul style="list-style-type: none"> Standard RevQ+ scheduling utility can be installed by client to manage imports, exports, and letters in RevQ+ 	<ul style="list-style-type: none"> Connection to third party schedulers
California Modules	<ul style="list-style-type: none"> Standard Tax intercept Standard Franchise Tax Board (FTB)/COD Archiver (CU-Archive) Module Standard Client View/ Ecliptics 	<ul style="list-style-type: none"> Victim Restitution Module: customizations outside of the standard module Standard California EDD Module: customizations outside of the standard module Tax intercept: Custom interfaces and migrations outside of the standard module Franchise Tax Board (FTB)/COD: customizations outside of the standard module Direct integration with any other third-party vendors Victim Restitution Module Standard California EDD Module

B. Outside Systems and Files

System Name	# Instances	Interface Type	Files from Outside System to RevQ+ (total # of each)	Files from RevQ+ to Outside System (total # of each)
Client will be leveraging manual import & Exports into the RevQ Application	N/A	N/A	N/A	N/A

C. File Transfer Methodology (for all flat files transferred with host or third parties)

In Scope	Out of Scope
<p>For files imported to RevQ+, Client will upload batch files through the RevQ+ scheduler</p> <p>For files returned to the Client, files will be posted to an FTP site hosted by the Client</p>	<p>Pre-processing required to transform files into the standard RevQ+ format.</p>

D. Other Services

Service Type	In Scope	Out of Scope
Training	<ul style="list-style-type: none"> Administrator training Super-user training Note: End-user training will be provided by Client super users through train-the-trainer model. 	<ul style="list-style-type: none"> N/A
Project Management	<ul style="list-style-type: none"> Planning, scheduling, resource allocation, execution, and tracking and delivery of RevQ+. 	<ul style="list-style-type: none"> Note: See Exhibit B for client responsibilities.
Custom Report Development	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> All custom report development

E. Implementation Activities by Stage

Stage	Key Activities
Design	<ul style="list-style-type: none"> Client completes pre-work packet and provides needed information, including file layout specifications, data dictionaries, and example files. Avenu facilitates kick-off call. Avenu facilitates and completion of the Configuration Guide. Client Completes the Configuration Guide. Client signs off on completion of Configuration Guide. Following Configuration Guide sign-off, Client and Avenu finalize project plan and timeline, including Go Live Date. Any material changes following Configuration Guide sign-off will be governed through formal change-management process.
Build	<ul style="list-style-type: none"> Client completes file interface mappings (for both daily and one-time inventory migration files). Avenu + Client completes solution configuration according to the Configuration Guide. Avenu + Client unit tests configurations and file interfaces. Avenu provides admin training and super-user training. Client creates end-user training and process documentation, with support from Avenu.
Test	<ul style="list-style-type: none"> Client creates test cases for their specific needs for user acceptance testing. Client's super users provide training to end users or testing team who will perform testing. Client's project manager organizes and ensures execution of user acceptance testing. Client's users perform user acceptance testing steps. Avenu or Client fix any defects discovered through testing. Client's users regression test after fixes made. Avenu and Client agree to Go Live Date/ cut-over plan.

Go Live Date	<ul style="list-style-type: none"> • Avenu and Client execute go-live plan. • Client’s users begin using solution to perform their work. • Client’s super users provide end-user support. • Avenu provides support and expertise to Client’s super users.
Stabilize	<ul style="list-style-type: none"> • Client’s super users provide end-user support. • Avenu facilitates weekly call to review issue log, process metrics, performance metrics, and to agree on action plan for coming week. • Once stable, transition from project team to Avenu’s Customer Success and Support teams.

F. Assumptions and Responsibilities

1. Avenu’s implementation team will perform services between the hours of 8:00 am and 5:00 pm (based on the time zone where the employee performing the services is located).
2. The Client shall have a core team of personnel with at least one executive sponsor and at least one member of the information technology team. The Client shall ensure its personnel (a) has authority to make business decisions on behalf of the Client; (b) will participate in meetings, data gathering, analysis, implementation, and project governance activities related to this SOW; (c) will participate in focused training activities; and (d) will meet deadlines and deliverables as agreed upon in the mutual project plan.
3. Avenu will perform the services defined in this SOW remotely. Avenu resources will work on-site at the Client’s facility only upon authorization being granted by both parties or as specifically set forth in this SOW.
4. Client will provide all requested information and access needed for Avenu to provide these services.

Exhibit B: Administration Roles and Responsibilities – Hybrid

In addition to logging a support ticket, Client can call Avenu support services team at the then current support number (currently support for the RevQ+ Software and the related products and services provided under this Agreement can be reached at 1-888-504-1196). Except for urgent support requests, Client acknowledges that support tickets will be handled during Avenu’s normal support hours. Avenu will handle urgent support requests on a priority basis whether logged during or after Avenu’s normal support hours. These administrative roles and responsibilities may change from time-to-time and will be electronically communicated to administrative users.

UNATTENDED MESSAGING			
Task	Client	Shared	Comments
Remove a debtor from the Unattended Messaging Campaign call list	X		Open Debtor to remove from the call list. Follow the menu path: Operations→Unattended Messaging→Do Not Call . Respond to the confirmation prompt.
Clear do not call flag	X		Open Debtor to remove from the call list. Follow the menu path: Operations→Unattended Messaging→Clear Do Not Call . Respond to the confirmation prompt.
Set consent to call a phone number	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Make sure the phone number with consent is set a Primary. Check the Consent to call box, update the Consent date field, and set the Consent type .
Revoke consent to call a phone number	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Uncheck the Consent to call box.
Change Unattended Messaging Campaign calling times or days		X	Client to open a support ticket with OS. OS will make the requested change. Requires client sign-off.
Unattended Messaging Campaign administration		X	Client to open a support ticket with OS. OS will make the requested change. Requires client sign-off.
Changes to the voice message left as a part of		X	Client creates a support ticket. Clients provides new message to OS. OS gets the new message recorded and gets final

the Unattended Messaging Campaign			approval from the client. Requires client sign-off.
Stop all Unattended Messages for the day		X	Client creates an urgent support ticket. OS takes the necessary actions with Architect and CTS to stop all calls for the day.
Stop all Unattended Messages temporarily due to Declaration of Disaster		X	Client creates an urgent support ticket. The ticket must include details on how to isolate those affected by the disaster, such as a list of zip codes. OS takes the necessary actions with Architect and CTS to stop all calls until notification to reinstate is received.
Reinstate Unattended Messages after Declaration of Disaster ends		X	Client creates a support ticket. The ticket must include details on how to isolate those affected by the disaster, such as a list of zip codes. OS takes necessary actions to reinstate Unattended Messages.
Mark a phone number as "bad"	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Change the Phone Status to "Bad", "Block", "Disconnected", "Wrong Number" or other status created by client to indicate that no calls should be made to this number. The phone can also be deleted from the Edit Debtor screen. A note is created noting the phone number that was deleted for historical purposes.
Mark a phone number as "good"	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Change the Phone Status to "Good" to indicate that calls can be made to this number

TEXTING			
Task	Client	Shared	Comments
Set consent to Text a phone number	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Make sure the phone number with consent is set as Primary. Click the Consent Options button. Set Consent to Text to Yes,

			update Consent date , and set Consent type .
Revoke consent to Text a phone number	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Click the Consent Options button. Set Consent to Text to No.
Change Text calling time range		X	Client to open a support ticket with OS. OS will make the requested change. Requires client sign-off.
Create new Text message	X		Follow the menu path: Administration→Ontario Omni→Texting→Texting Templates . On the Message tab, click the + icon on the lower left. Give the Text message a name. Type message content while keeping it within the 160 character limit. Use the icon in the upper right corner to access merge fields. Click Save Changes and Close when done.
Changes to the Text messages	X		Follow the menu path: Administration→Ontario Omni→Texting→Texting Templates . On the message tab, click in the message area of the screen and make changes. Click Save Changes and Close when done.
Prevent Text message from being sent to Debtors/Accounts with certain status codes	X		Follow the menu path: Administration→Ontario Omni→Texting→Texting Templates . Click on the Restrictions tab. Click the checkbox next to all Debtor and Account statuses that should prevent texts from being sent. Use Payment Plan statuses to stop text messages from being sent based on payment plan statuses.
Set Minimum Balance for Text messages to be sent	X		Follow the menu path: Administration→Ontario Omni→Texting→Texting Templates . Click on the Restrictions tab. Set the Minimum Balance at the bottom of the page.

Stop all Texts temporarily due to Declaration of Disaster		X	Client creates an urgent support ticket. The ticket must include details on how to isolate those affected by the disaster, such as a list of zip codes. OS takes the necessary actions with Ontario Omni to stop all texts until notification to reinstate is received.
Reinstate Texts after Declaration of Disaster ends		X	Client creates a support ticket. The ticket must include details on how to isolate those affected by the disaster, such as a list of zip codes. OS takes necessary actions to reinstate Texting.
Mark a phone number as "bad"	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Change the Phone Status to "Bad", "Block", "Disconnected", "Wrong Number" or other status created by client to indicate that no calls should be made to this number. The phone can also be deleted from the Edit Debtor screen. A note is created noting the phone number that was deleted for historical purposes.
Mark a phone number as "good"	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Change the Phone Status to "Good" to indicate that calls can be made to this number

ONTARIO CORRESPOND – LETTER SERVICES			
Task	Client	Shared	Comments
Stop letters for one debtor	X		Follow the menu path: Operations→Correspondence→Stop All Correspondence . Client has the choice to stop just letters currently in the queue or future correspondence as well. They can clear the stop future correspondence by going back in and unchecking the box when ready.

Stop letters after the file has been sent to the letter vendor			Once the file has been sent to the letter vendor, it cannot be stopped.
Stop letters from being sent when the address is Mail Return, Bad, Wrong Party	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Change the Address Status to "MR", "Bad" or other status created by client to indicate that no letters should be sent to this address. The address can also be deleted from the Edit Debtor screen. A note is created noting the address that was deleted for historical purposes.
Stop letters for all debtors affected by a Declaration of Disaster		X	Client to open a support ticket with OS. The ticket must include details on how to isolate those affected by the disaster, such as a list of zip codes. OS will set the Block All Future Correspondence for those who meet the provided criteria.
Start sending letters after the Declaration of Disaster ends		X	Client to open a support ticket with OS. The ticket must include details on how to isolate those affected by the disaster, such as a list of zip codes. OS will turn off the Block All Future Correspondence for those who meet the provided criteria.
Letter creation	X		Follow the menu path: Administration → Correspondence → Define Letters . Click the + in the lower left to add a new letter. Enter a name and set the <i>Use this printer for this letter</i> to Ontario Correspond on the General tab. Click on the Merge Fields tab and use the arrows in the middle of the screen to add merge fields. Set status restrictions on the Statuses tab. Limit which letters can be accessed by users on the Collectors tab. Click Launch Word to create the new letter. Close and Save the Word doc, then click Save Changes and Close .
Letter alterations	X		Follow the menu path: Administration → Correspondence

			<p>→Define Letters. Click on the letter name to modify on the left. On the Merge Fields tab, add/remove merge fields using the arrows in the middle of the screen. Set status restrictions on the Statuses tab. Limit which letters can be accessed by users on the Collectors tab. Click Launch Word to open the letter and make modifications. Close and Save the Word doc, then click Save Changes and Close.</p>
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EMAIL SERVICES			
Task	Client	Shared	Comments
Stop emails for one debtor	X		Follow the menu path: Operations → Correspondence → Stop All Correspondence . Client has the choice to stop just emails currently in the queue or future correspondence as well. The correspondence block can be cleared by going back into the same path and unchecking the box.
Stop emails from being sent when the email address is incorrect	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Correct or remove the email address. A note is created noting the address that was deleted for historical purposes.
Revoke email consent	X		Search for and bring up the debtor. Click on the Edit Debtor Action from the Debtor screen. Uncheck the Email Consent box.
Stop emails for all debtors affected by a Declaration of Disaster		X	Client to open a support ticket with OS. The ticket must include details on how to isolate those affected by the disaster, such as a list of zip codes. OS will set the Block All Future Correspondence for those who meet the provided criteria. A single support ticket will take care of letters and emails.
Start sending letters after the Declaration of Disaster ends		X	Client to open a support ticket with OS. The ticket must include details on how

			to isolate those affected by the disaster, such as a list of zip codes. OS will turn off the Block All Future Correspondence for those who meet the provided criteria. A single support ticket will take care of letters and emails.
Email creation	X		Follow the menu path: Administration→Correspondence→Define Letters. Click the + in the lower left to add a new letter. Enter a name and set the <i>Use this printer for this letter</i> to Email and enter the <i>default email subject</i> on the General tab. Click on the Merge Fields tab and use the arrows in the middle of the screen to add merge fields. Set status restrictions on the Statuses tab. Limit which letters can be accessed by users on the Collectors tab. Click Launch Word to create the new letter. Close and Save the Word doc, then click Save Changes and Close.
Email alterations	X		Follow the menu path: Administration→Correspondence→Define Letters. Click on the letter name to modify on the left. On the Merge Fields tab, add/remove merge fields using the arrows in the middle of the screen. Set status restrictions on the Statuses tab. Limit which letters can be accessed by users on the Collectors tab. Click Launch Word to open the letter and make modifications. Close and Save the Word doc, then click Save Changes and Close..

WORKFLOW and WORK LISTS			
Task	Client	Shared	Comments
Workflow creation	X		Client will add new workflows as required. Avenu will consultant with client as needed. Administration→Workflow Rules...

Workflow alterations	X		Client will modify workflows as required. Avenu will consultant with client as needed. Administration→Workflow Rules...
Create or modify Work Lists	X		Follow the menu path: Administration→Work List→Define Work List Rules

DEFINE CODE TYPES – Drop-Down List Updates			
Task	Client	Shared	Comments
Add Debtor or Account Status Codes	X		Follow the menu path: Administration→Other→Define Code Types and select Account Status from the list of objects on the left of the screen
Add items to any drop-down list that is modifiable, such as cancellation reasons, predefined notes, and payment types	X		Follow the menu path: Administration→Other→Define Code Types and select the object to update from the list on the left of the screen
Modify settings on any configurable Codes list, such as changing Line Item Priority	X		Follow the menu path: Administration→Other→Define Code Types and select the object to update from the list on the left of the screen

SYSTEM CONFIGURATION/MANAGEMENT			
Task	Client	Shared	Comments
Add Debtor or Account custom fields	X		Follow the menu path: Administration→Debtor/Account→Define Debtor/Account Custom Fields
Modify Debtor or Account templates	X		Follow the menu path: Administration→Debtor/Account→Define Debtor/Account Templates
Add or Modify Account Types	X		Follow the menu path: Administration→Account→Define Account Types
Define Payment Plan Rules	X		Follow the menu path: Administration→Payment→Define Payment Plan Rules

Define Payment Allocation Rules	X		Follow the menu path: Administration→Payment→Define Payment Allocation Rules
Overpayment Processing Settings	X		Follow the menu path: Administration→Payment→Overpayment Processing Settings
Add or modify an Outside Collection Agency setup	X		Follow the menu path: Administration→Forwarding→Define Outside Collection Agencies
Modify auto-forward settings	X		Follow the menu path: Administration→Forwarding→Define Auto Forwarding
Update department contact information	X		Follow the menu path: Administration→Organization Setup and click on Contact or Mailing on the left.
Modify object labels	X		Follow the menu path: Administration→Organization Setup and click on Labels on the left.
Modify reference number labels	X		Follow the menu path: Administration→Organization Setup and click on Reference Numbers.
Modify User Security system settings	X		Follow the menu path: Administration→Organization Setup and click on User Security.
Define or modify Note filters	X		Follow the menu path: Administration→Other→Define Note Views
Define Restricted fields	X		Follow the menu path: Administration→Other→Define Restricted Fields
Define Search fields/results	X		Follow the menu path: Administration→Other→Define Searches
Define Debtor Matching Rules	X		Follow the menu path: Administration→Debtor→Define Matching Rules

Appendix B – Fee Schedule

Appendix B: Fee Schedule

Fee Schedule, Travel, and Invoices

Fee Schedule + Invoicing

These services listed below are provided under a Time and Materials basis, where the total fees payable by the Client shall be determined based on the actual number of hours expended. Invoices for services, travel, and related expenses related to this project will be presented to the Client at the end of each month. The Scope of hours allocated for this project, spanning a three-month implementation period, including stabilization and transition to support, as well as items documented in section E, will be adhered to; however, in the event of any project extension beyond the initial three-month implementation period due to delays not attributable to Avenu, any additional work hours will be subject to Time and Materials billing at the then-current rate, subject to the execution of a Change Order.

Software, Programming, Contact Management, Hosting, & Travel – Monthly Fees		
QTY	Description	
50	RevQ Software Licenses	
50	Data Hosting Per Each Concurrent License	
600	Software Installation and Administrative Configuration	
100	Workflow Setup & Remote Training	
5	Finvi Reports Licenses	
1	Tax Intercept	
1	FTB	
1	Archiver	
1	Client View/Ecliptics	
500	Skip Tracing – Monthly New Placements (Forward Flow): <i>Estimates a 10% hit rate</i>	
20,000	Texting: <i>Assumes 20,000 text messages per month</i>	
10,000	Unattended Messaging <i>Assumes 10,000 calls per month</i>	
Total Products Per Month		\$17,075.00
Programming Services – One-Time Expense		
30	California Modules Implementation	\$6,750.00
Total Professional Services		\$6,750.00
TOTAL ONE-TIME COSTS		\$6,750.00
TOTAL MONTHLY RECURRING SUBSCRIPTION COSTS		\$17,075.00

Time and Materials Services.

All services provided will be as per the Statement of Work sections mentioned above. In case there is a requirement for additional services, the execution of a Change Order will be required, and it will be charged at the prevailing rate and time.

The Client should understand that the above is the final estimate for the specified Services and will not deviate. The Client will be invoiced for the full project cost, and no additional charges will be applicable unless there is a requirement for additional services mentioned in the Change Order.

Revisions

Should any changes to the scope, services, deliverables, estimating assumptions, or schedule established for this project occur, which would impact the time frame or fee estimates, Avenu will initiate its formal change control process and work with Client to agree on an appropriate course of action, which may result in additional fees.

DRAFT

ATTACHMENT A

Standard Provisions for City Contracts

ATTACHMENT A

Standard Provisions for City Contracts (Rev. 1/25 [v.1])

STANDARD PROVISIONS FOR CITY CONTRACTS

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

PSC-3. Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-4. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

PSC-5. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

PSC-6. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-7. Waiver

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-8. Suspension

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

PSC-9. Termination

A. Termination for Convenience

CITY may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of

services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
 - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.
 - c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

- e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.
 6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.
 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.
 8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

PSC-10. Independent Contractor

CONTRACTOR is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

PSC-11. Contractor's Personnel

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

CONTRACTOR shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement of any

Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

PSC-12. Assignment and Delegation

CONTRACTOR may not, unless it has first obtained the written permission of **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-13. Permits

CONTRACTOR and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

PSC-14. Claims for Labor and Materials

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

PSC-15. Current Los Angeles City Business Tax Registration Certificate Required

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

PSC-16. Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding

performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

PSC-17. Bonds

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

PSC-18. Indemnification

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-19. Intellectual Property Indemnification

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive

and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-20. Intellectual Property Warranty

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

PSC-21. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

CONTRACTOR agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.

PSC-22. Data Protection

- A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the “City Data”). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR’S** discovery or reasonable belief of any unauthorized access of City Data (a “Data Breach”), or of any incident affecting, or potentially affecting City Data related to cyber security (a “Security Incident”), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY’S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY’S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.
- B. If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

PSC-23. Insurance

During the term of this Contract and without limiting **CONTRACTOR’S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY’S** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-24. Best Terms

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR’S** customers for similar goods and services provided under this Contract.

PSC-25. Warranty and Responsibility of Contractor

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-27. Child Support Assignment Orders

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure

the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-28. Living Wage Ordinance

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-29. Service Contractor Worker Retention Ordinance

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-31. Contractor Responsibility Ordinance

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

PSC-32. Business Inclusion Program

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Regional Alliance Marketplace for Procurement (“RAMP”) at <https://www.rampla.org/s/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through RAMP. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

PSC-33. Slavery Disclosure Ordinance

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-34. First Source Hiring Ordinance

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-35. Local Business Preference Ordinance

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-36. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with **CITY** for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR’S** principals, and **CONTRACTOR’S** Subcontractors expected to receive at least \$100,000 for performance

under the Contract, and the principals of those Subcontractors (the “Restricted Persons”)

shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract # _____ . Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“**CITY**”) officials and candidates for elected **CITY** office for twelve months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

PSC-38. Contractors’ Use of Criminal History for Consideration of Employment Applications

CONTRACTOR shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-39. Limitation of City’s Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services,

provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act (“FACTA”), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (“PCI DSS”). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

PSC-41. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR’S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

PSC-42. Possessory Interests Tax

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

PSC-43. Confidentiality

All documents, information and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively “Confidential Information”) are confidential. **CONTRACTOR** shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

PSC-44. Contractor Data Reporting

If Contractor is a for-profit, privately owned business, Contractor shall, within 30 days of the effective date of the Contract and on an annual basis thereafter (i.e., within 30 days of the annual anniversary of the effective date of the Contract), report the following information to City via the Regional Alliance Marketplace for Procurement (“RAMP”) or via another method specified by City: Contractor’s and any Subcontractor’s annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner (“Contractor/Subcontractor Information”). Contractor shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by City.

PSC-45. No Sharing of City Data with Immigration Agents

Contractor shall not provide, and shall prohibit its employees and subcontractors from providing, any City Data (as that term is defined in PSC-22) to an Immigration Agent if such data can be used to determine or trace a person’s Citizenship or Immigration Status, to the extent permitted by law. “Immigration Agent,” “Citizenship,” and “Immigration Status” shall have the meanings given to them in Section 19.190 of the Los Angeles Administrative Code.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

- 1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
- 3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
- 4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
- 5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

- 6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or toundertake

STANDARD PROVISIONS

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Required Insurance and Minimum Limits

Name: _____

Date: _____

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

Workers' Compensation (WC) and Employer's Liability (EL)

WC Statutory

EL _____

Waiver of Subrogation in favor of City

Longshore & Harbor Workers

Jones Act

General Liability

Products/Completed Operations

Sexual Misconduct _____

Fire Legal Liability _____

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)

Professional Liability (Errors and Omissions)

Discovery Period _____

Property Insurance (to cover replacement cost of building - as determined by insurance company)

All Risk Coverage

Boiler and Machinery

Flood _____

Builder's Risk

Earthquake _____

Pollution Liability

Surety Bonds - Performance and Payment (Labor and Materials) Bonds

Crime Insurance

Other: _____
