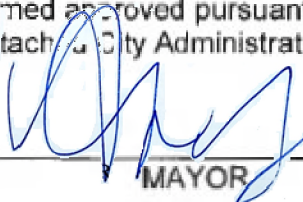


TRANSMITTAL		0150-10841-0001
TO The Council	DATE 8/23/18	COUNCIL FILE NO. 10-1078
FROM The Mayor		COUNCIL DISTRICT ---
<p style="text-align: center;">Proposed Third Amendment between the Los Angeles Fire Department and Physio-Control, Inc. for a Field Data Collection System for the electronic collection of Emergency Medical Services patient data</p> <p>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 attached City Administrative Officer report.</p> <div style="text-align: center;">  _____ MAYOR </div> <p style="text-align: right;">(Ana Guerrero) for</p>		
<p>RHL:MFC:041900191</p>		

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

To: The Mayor	Date: 08-23-18	C.D. No. --	CAO File No.: 0150-10841-0001
Contracting Department/Bureau: The Fire Department		Contact: Muriel Gee (213) 978-3461	
Reference: Board of Fire Commissioners transmittal dated July 16, 2018; referred for report July 17, 2018			
Purpose of Contract: To provide a field data collection system to automate the collection of Emergency Medical Services patient data for the Los Angeles Fire Department			
Type of Contract: () New contract (X) Amendment, Contract No. C-117907		Contract Term Dates: September 24, 2010 through September 23, 2019 (No change in term)	
Contract/Amendment Amount: \$13,726,487			
Proposed amount (\$1,132,357) + Prior award(s) \$ 14,858,844 = Total \$ 13,726,487			
Source of funds: General Fund: Los Angeles Fire Department Fund 100/38, Contractual Services Account No. 003040			
Name of Contractor: Physio-Control, Inc.			
Address: 11811 Willows Road NE, Redmond, Washington 98052			
	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	X		
7. Workforce that resides in the City: 0 %			
Contractor has complied with:		Yes	No
8. Business Inclusion Program		X	
9. Equal Benefits & First Source Hiring Ordinances		X	
10. Contractor Responsibility Ordinance		X	
11. Slavery & Border Wall 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	

RECOMMENDATION

That the Council approve, and authorize the Fire Chief or designee, to execute the Third Amendment to Contract No. 117907 with Physio-Control, Inc. to reflect a revised scope of work that includes a complaint resolution process, refined software and device capabilities, and a reduction to the maximum allowable compensation in the amount of \$1,132,357, subject to the approval of the City Attorney. There is no change to the term of the agreement.

SUMMARY

At its meeting of July 17, 2018, the Board of Fire Commissioners (Board) approved the proposed Third Amendment to Contract No. 117907 with Physio-Control, Inc. (Contractor) to revise the scope of work and reduce the maximum allowable compensation by \$1,132,357 from \$14,858,844 to \$13,726,487.

The Los Angeles Fire Department (LAFD) has utilized the services from the Contractor to provide field data capture devices to automate the collection of emergency medical services patient data. The original term of the agreement was for six years beginning on September 24, 2010 expiring on

	
MFC Analyst	City Administrative Officer
04190019	

September 23, 2016, with six three-year renewal options, between the City and the Contractor, formerly known as ScanHealth, Inc., dba Sansio (C.F. 10-1078).

On January 31, 2014, the Contractor acquired ScanHealth, Inc., dba Sansio, along with its contractual obligations. On January 29, 2016, LAFD executed the First Amendment to Contract No. 117907 between the City and the Contractor to reflect the name change, and contractual obligations as a result of the acquisition. On November 22, 2016, LAFD executed the Second Amendment to Contract No. 117907 to extend the term by three years and increase the maximum allowable compensation from \$9,961,960 to \$14,858,844 (C.F. 10-1078-S1).

The original agreement with the Contractor was the result of an LAFD procurement process initiated in 2007 for a Field Data Collection Software (FDCS) and emergency medical services (EMS) billing and collections system to replace a paper-based records and manual billing system.

In March 2017, the LAFD began an effort with the Contractor to upgrade both the tablet-style mobile computers and new MobileTouch software. Shortly after the Citywide deployment, the LAFD began experiencing a variety of system issues that would render the mobile computer inoperable and require a lengthy reset or replacement of the device. On June 23, 2017, the LAFD began withholding payment for unsatisfactory performance, pursuant to the existing agreement.

The proposed amendment modifies the existing agreement to forgive and forego payments to the Contractor from June 23, 2017 through March 23, 2018 totaling \$1,132,357; provides an additional scope of work to further refine software and device capabilities; and includes a complaint process for the future resolution of disputes.

In accordance with Los Angeles Administrative Code Section 10.5(b)2, Council approval of the proposed agreement is required as Council approved the original agreement and previous amendments. To the best of our knowledge, the Contractor has complied with all standard provisions for City contracts, as well as City contracting requirements.

FISCAL IMPACT STATEMENT

As a result of the terms of the proposed Third Amendment, the maximum allowable compensation will be reduced by \$1,132,357. Funding for future years will be subject to the appropriation of funds by the Mayor and Council. No additional General Fund impact is anticipated. Execution of the proposed amendment is in compliance with City's Financial Policies in that budgeted funds are used for budgeted purposes and that current operations are funded by current revenues.

RHL:MFC:04190019

Attachments

LOS ANGELES FIRE COMMISSION

**BOARD OF
FIRE COMMISSIONERS**

DELIA IBARRA
PRESIDENT

ANDREW GLAZIER
VICE PRESIDENT

JIMMY H. HARA, M.D.
REBECCA NINBURG
JIMMIE WOODS-GRAY

LETICIA GOMEZ
COMMISSION EXECUTIVE ASSISTANT II



ERIC GARCETTI
Mayor

SUE STENGEL
INDEPENDENT ASSESSOR

EXECUTIVE OFFICE
200 NORTH MAIN STREET, SUITE 1840
LOS ANGELES, CA 90012

(213) 978-3838 PHONE
(213) 978-3814 FAX

July 16, 2018

Honorable Members of the City Council
City of Los Angeles
City Hall, Room 395
Attn: City Clerk

Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
Attn: Mandy Morales, Legislative Coordinator

[BFC 18-072] – THIRD AMENDMENT TO AGREEMENT WITH PHYSIO-CONTROL, INC.
(C-117907)

At its meeting of July 17, 2018, the Board of Fire Commissioners approved the report and its recommendations. The report is hereby transmitted to the Mayor and City Council for consideration and approval.

Should you need additional information, please contact the Board of Fire Commissioners' office at 213-978-3838.

Sincerely,

Isela Iñiguez
Acting Commission Executive Assistant

Attachment

cc: Board of Fire Commissioners (without attachments)
Fire Chief Ralph M. Terrazas (without attachments)

July 17, 2018

LOS ANGELES FIRE DEPARTMENT



RALPH M. TERRAZAS
FIRE CHIEF

APPROVED: 7/17/18
BOARD OF FIRE COMMISSIONERS
BY: [Signature]
COMMISSION EXECUTIVE ASSISTANT

July 9, 2018

BOARD OF FIRE COMMISSIONERS
FILE NO. 18-072

TO: Board of Fire Commissioners

FROM: [Signature] Ralph M. Terrazas, Fire Chief

SUBJECT: THIRD AMENDMENT TO AGREEMENT WITH PHYSIO-CONTROL, INC.
(C-117907)

FINAL ACTION:	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

SUMMARY

On September 24, 2010, the Los Angeles Fire Department (LAFD) entered into an Agreement with Scan Health, Inc., dba Sansio, to provide field data capture devices and program support services, to automate the collection of emergency medical services patient information. On January 29, 2016, the First Amendment was executed to reflect the acquisition of Sansio by Physio-Control, Inc. (Physio-Control). On November 22, 2016, the Second Amendment was executed to exercise the first three-year renewal option to extend the Agreement through September 23, 2019.

In March 2017, the LAFD began an effort with Physio-Control to upgrade both the tablet-style mobile computers to a new manufacturer, GETAC, and the latest version of the company's MobileTouch software. Shortly after the citywide deployment, the LAFD began experiencing a variety of system issues that would render an electronic patient care report (ePCR) device inoperable and require either a lengthy reset or replacement of the device. As a result of the persistent system issues, the LAFD began withholding payment for unsatisfactory performance as of the June 23, 2017 invoice period, pursuant to the Agreement.

Over the course of the next several months, the LAFD and Physio-Control worked closely together to troubleshoot issues and field test various software and hardware firmware updates. Since April 1, 2018, the system has been operational with acceptable performance. Following discussions between representatives of Physio-Control, LAFD and City Attorney's Office, the parties entered into a Third Amendment to reflect the vendor's agreement to forgive and forego payments for invoice periods from June 23, 2017 through March 23, 2018, amounting to \$1,132,357, during resolution of the performance issues on the ePCR system and devices. The Amendment also provides additional scope of work to further refine the software and device capabilities, and a Complaint Process for future resolution of disputes.

RECOMMENDATIONS

That the Board:

1. Approve and authorize the Fire Chief to execute the Third Amendment to the Agreement with Physio-Control, Inc. (C-117907).
2. Transmit the Third Amendment with Physio-Control to the Mayor and City Council for review and approval.

FISCAL IMPACT

The Third Amendment to the Agreement with Physio-Control memorializes the contractor's agreement to forgive and forego 10 months payments by the Fire Department, amounting to \$1.13M, during resolution of the performance issues on the electronic patient care report (ePCR) system and devices.

Board Report prepared by June Gibson, Fire Administrator, Administrative Services Bureau.

Attachment

**THIRD AMENDMENT TO CONTRACT C-117907
BETWEEN
THE CITY OF LOS ANGELES
AND
PHYSIO-CONTROL, INC.
FOR FIELD DATA COLLECTION SYSTEM (FDCS)**

This third Amendment to Contract C-117907 is made and entered into by and between the City of Los Angeles, a municipal corporation ("CITY"), acting by and through the Los Angeles Fire Department (hereinafter "LAFD") and Physio-Control, Inc. ("PHYSIO").

WITNESSETH

WHEREAS, the Parties executed Agreement Number C-117907 for the development and use of the PHYSIO created FDCS, as well as various services, on September 24, 2010; and

WHEREAS, said Agreement was first amended on January 29, 2016; and

WHEREAS, said Agreement was amended by the Parties a second time on November 22, 2016; and

WHEREAS, the Parties wish to continue said Agreement, but find it necessary to amend the Agreement a third time in order to preserve the contractual relationship and better specify a more detailed Statement of Work (attached hereto and fully incorporated herein as Appendix A). Both LAFD/CITY and PHYSIO shall fully cooperate with each other to maintain open lines of communication and complete the Deliverables as set forth on the Statement of Work; and

WHEREAS, the Office of the City Attorney has issued a revised Standard Provisions for City Contracts (attached hereto and fully incorporated herein as Appendix B);

NOW, THEREFORE, in consideration of the promises and of the covenants, representations, and agreements set forth herein, the parties hereby agree as follows:

Modify: Contract C-117907 as follows:

ARTICLE II
TERM AND SERVICES TO BE PROVIDED

8.0 COMPENSATION AND METHOD OF PAYMENT

8.5 PHYSIO foregoes and forgives payments for months 81 through and including 90 as listed in Exhibit C of the Agreement in the amount of \$1,132,357.00.

8.6 As of April 23, 2018, LAFD shall recommence monthly payments (starting at month 91) according to Paragraph 8.1 and Exhibit C to the Agreement, in the amount of \$140,025.04 (less 10% as set forth below.)

8.7 PHYSIO agrees to extend a 10% reduction in the total monthly billing as set forth in Exhibit C of the Agreement until such time as the Deliverables set forth in the Statement of Work (Appendix A) are met.

AND

12. STANDARD PROVISIONS

A. Standard Provisions for City Contracts

CONTRACTOR agrees to comply with the Standard Provisions for City Contracts (Rev. 10/17), attached hereto as Appendix B and made a part hereof.

AND

19. Except as amended by this third amendment, all other terms and conditions of contract number C-117907, and the first and second amendments, shall remain in full force and effect.

In the event of any inconsistency between the provisions of this Contract and the appendixes hereto, the inconsistency shall be resolved by giving precedence to the documents in the following order:

1. Paragraphs set forth in this third amendment to C-117907;
2. Paragraphs set forth in the second amendment to C-117907;
3. Paragraphs set forth in the first amendment to C-117907;
4. Paragraphs set forth in the body of C-117907;

5. Standard Provisions for City Contracts (Rev. 10/17)

AND

20. COMPLAINT PROCESS

20.1 It is the intent of the Parties that all disputes arising under this Agreement be resolved expeditiously, amicably, and at the level within each Party's organization that is most knowledgeable about the disputed issue. The Parties understand and agree that the procedures outlined in this Section 20 (Complaint Process) are not intended to supplant the routine handling of inquiries and complaints through informal contact with their respective managers. Accordingly, for purposes of the procedures set forth in this Section, a "Complaint" shall mean any action, dispute, claim, or controversy of any kind, whether in contract or tort, statutory or common law, legal or equitable, now existing or hereafter arising under or in connection with, or in any way pertaining to this Agreement.

20.2 PHYSIO and the LAFD agree to act with urgency to mutually resolve any Disputes which may arise with respect to this Agreement. All such Complaints shall be subject to the provisions of this Section (such provisions shall be collectively referred to as the "Complaint Process"). Time is of the essence in the resolution of Complaints.

20.3 PHYSIO and the LAFD agree that, the existence and details of a Complaint notwithstanding, both Parties shall continue without delay their performance hereunder, except for any performance which the LAFD reasonably determines should be delayed as a result of such Complaint.

20.4 In the event of any dispute and/or Complaint between the Parties with respect to this Agreement, PHYSIO and the LAFD shall submit the matter to their respective project managers for the purpose of endeavoring to resolve such dispute and/or Complaint.

20.5 In the event that the project managers are unable to resolve the Complaint within a reasonable time not to exceed ten (10) days from the date of submission of the Dispute to them, then the matter shall be immediately submitted to PHYSIO's Director of Professional Services and the LAFD's Chief Information Officer for further consideration and discussion to attempt to resolve the Complaint.

20.6 In the event that the Project Directors are unable to resolve the Complaint within a reasonable time not to exceed ten (10) days from the date of submission of the Dispute to them, then the matter shall be immediately submitted to PHYSIO's Sr. Director of Sales and the Fire Chief. These persons shall have ten (10) days to attempt to resolve the Complaint.


20.7 In the event that at these levels, there is not a resolution of the Complaint acceptable to both Parties, then each Party may assert its other rights and remedies provided under this Agreement and/or its rights and remedies as provided by law.

20.8 All Complaints utilizing this Complaint Process shall be documented in writing by each Party and shall state the specifics of each alleged Complaint and all actions taken. The Parties shall act in good faith to resolve all Complaints. At all three (3) levels described in this Section, the efforts to resolve a Complaint shall be undertaken by conference between the Parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.

(Signature Page to Follow)

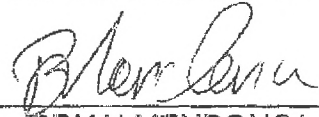
IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES

By 
LOS ANGELES FIRE DEPARTMENT
RALPH M. TERRAZAS
Fire Chief

Date 4/25/18

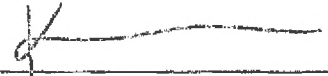
PHYSIO-CONTROL, INC.

By 
BRIAN MENDONCA
SR. FINANCE DIRECTOR

Date 5/24/2018

APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By 
KIMBERLY MIERA
Deputy City Attorney

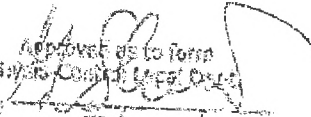
Date 6-20-18

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By _____
Deputy City Clerk

Date _____

Approved as to form
Physio-Control, Inc. Clerk
By: 
Date: 5/24/18

THIRD AMENDMENT TO CONTRACT C-117907 BETWEEN
THE CITY OF LOS ANGELES AND PHYSIO-CONTROL, INC.
FOR FIELD DATA COLLECTION SYSTEM (FDCS)

Ticket	Task	Status	Delivery	Type	Product	Commitment
						STATEMENT OF WORK
410737	HLMT-3284	Task Created	2018	Legacy Mobile 4 Functionality	MT	Reference 814 workflow will be customer definable using PowerFields in MobileTouch the way they are using Flex Fields in v4
412096	HLMT-3533	Pending Task	2018	Legacy Mobile 4 Functionality	MT	For all Call Times, give users the ability to select the Current Time or the Previous Time – Using Current Time will default to the device's system time – Using Previous Time will default to the nearest previous call time
438549	HLMT-3385	Task Created	2018	Legacy Mobile 4 Functionality	MT	Add ability to change passwords within MobileTouch
438550	HLMT-2873	Task Created	2018	Legacy Mobile 4 Functionality	MT	Add ability to attach two ECG events to a single PCR
438552	SIETE-70067	Task Created	2018	Issue(Bug)	HEMS MGR	When Inactivating an Employee in HealthEMS Manager, provide the option to also delete the associated User
418845	HLMT-1648	Task Created	2018	Issue(Bug)	HEMS MGR	Resolve Issue where the ECG event 'No Shock Advised' is incorrectly mapping to the treatment 'Manual Defibrillation'
7244095	HLMT-2869	Task Created	2018	Issue(Bug)	MT	Apply the 'Employee to set for all imported vitals/flows' as the default 'Crew Name' on imported Vitals
416928	HLMT-1427 HLMT-1428	Task Created	2018	Issue(Bug)	MT/CODE-STAT	To address case processing and availability from ECG monitors, reliability improvements will be made using the latest version of the SDK to prevent intermittent outages
412561	HLMT-2632	Task Created	2018	Issue(Bug)	MT	Add ability to force Call Number field to be limited to four numeric characters
417713	HLMT-1533	Task Created	2018	Issue(Bug)	MT	Resolve issue where selecting and deselecting a 'Driver' or 'Documentor' clears the critical validation. Critical validation should persist when the value is removed
431212	HLMT-2998	Scheduled	2018	Issue(Bug)	MT	Disable pinch-to-zoom on LAFDs MobileTouch MSI
411822	SIETE-68951	Task Created	2018	Legacy Mobile 4 Functionality	HEMS MGR	Add ability to add, view, edit, and inactivate MobileTouch Devices from HealthEMS Manager
409765	HLMT-2548	Task Created	2018	Legacy Mobile 4 Functionality	MT	When attaching a file to a PCR, the following filetypes should be available without having to change to browsing for "All Files". .pdf,.png,.jpg,.jpeg,.tiff,.gif,.bmp,.tct,.pco,.zol,.hic,.aed
412065	HLMT-2757	Task Created	2018	Legacy Mobile 4 Functionality	MT	When a user times out in MobileTouch, the ensuing login screen will maintain that user's username and only require a password for re-login
412074	HLMT-2764	Task Created	2018	Legacy Mobile 4 Functionality	MT	Update the control for grid fields (i.e Patient Medical History and Patient Medications) to allow adding multiple entries at once rather than clicking 'Add' for each one
N/A	N/A	N/A	2018	Issue(Bug)	Hardware Image	In order to make the Blue Resource folder on the desktop open as expected, Physio-Control/Stryker will continue to work with the third party security software (Fortres Grand) to make the necessary changes to the image for distribution.
428859	HLMT-3532	Task Created	2018	Issue(Bug)	MT	Expand the ECG event query window to find events that began after midnight

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 Business Assistance Virtual Network ("BAVN") at <https://www.labavn.org/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through BAVN. **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.

EXHIBIT 1

INSTRUCTIONS AND INFORMATION ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

(Share this information with your insurance agent or broker)

1. Agreement/Reference All evidence of insurance should identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) as determined in writing by the CAO-RM.

2. When to submit Normally, no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

Submitting your documents. **Track4LA®** is the CITY'S online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used by insurance brokers and agents as they submit client insurance certificates directly to the CITY. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format. **Track4LA®** advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA®** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 may be accepted, however ***submissions other than through Track4LA® will significantly delay the insurance approval process as documents will have to be manually processed.*** **CONTRACTOR** must provide CITY a thirty day notice of cancellation (ten days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter. Completed Insurance Industry Certificates other than ACORD 25 Certificates are sent electronically to CAO.insurance.bonds@lacity.org.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

Verification of approved insurance and bonds may be obtained by checking **Track4LA®**, the CITY'S online insurance compliance system, at <http://track4la.lacity.org>.

4. Renewal When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate or edit the existing Acord 25 Certificate through **Track4LA®** at <http://track4la.lacity.org>.

5. Alternative Programs/Self-Insurance Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the CAO-RM for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at (www.2sparta.com), or by calling (800) 420-0555.

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

8. **Errors and Omissions** coverage will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/insuranceForms.htm>). A Waiver of Subrogation on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property** insurance is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty** coverages may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information.

12. **Cyber Liability & Privacy** coverage may be required to cover technology services or products for both liability and property losses that may result when a CITY contractor engages in various electronic activities, such as selling on the Internet or collecting data within its internal electronic network. **CONTRACTOR'S** policies shall cover liability for a data breach in which the CITY employees' and/or CITY customers' confidential or personal information, such as but not limited to, Social Security or credit card information are exposed or stolen by a hacker or other criminal who has gained access to the CITY'S or CONTRACTOR'S electronic network. The policies shall cover a variety of expenses associated with data breaches, including: notification costs, credit monitoring, costs to defend claims by state regulators, fines and penalties, and loss resulting from identity theft. The policies are required to cover liability arising from website media content, as well as property exposures from: (a) business interruption, (b) data loss/destruction, (c) computer fraud, (d) funds transfer loss, and (e) cyber extortion.

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: _____