



ANTONIO R. VILLARAIGOSA
Mayor

Commission
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CHRISTINA E. NOONAN
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RONALD O. NICHOLS
General Manager

March 12, 2013

The Honorable City Council
City of Los Angeles
Room 395, City Hall
Los Angeles, California 90012

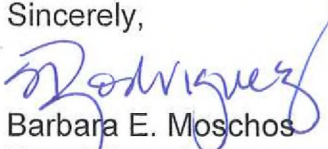
Honorable Members:

Subject: Agreement No. 47145-3 with CGI Technologies and Solutions, Inc.

Pursuant to Charter Section 373, enclosed for approval by your Honorable Body is Resolution No. 013 204, adopted by the Board of Water and Power Commissioners on March 5, 2013, approved as to form and legality by the City Attorney, which authorizes Execution of Agreement No. 47145-3 for Outage Management System and Mobile Dispatch System Maintenance Program. Award to CGI Technologies and Solutions, Inc. As directed by the Board, transmitted to you are supporting documents.

If there are any questions regarding this item, please contact Ms. Winifred Yancy, Manager of Intergovernmental Affairs and Community Relations, at (213) 367-0025.

Sincerely,

for 
Barbara E. Moschos
Board Secretary

BEM:sar

Enclosures: LADWP Resolution
Board Letter
Agreement No. 47145-3

Water and Power Conservation ... a way of life

111 North Hope Street, Los Angeles, California 90012-2607 Mailing address: Box 51111, Los Angeles 90051-5700
Telephone: (213) 367-4211 Cable address: DEWAPOLA

c/enc: Mayor Antonio Villaraigosa
Councilmember Jose Huizar, Chair, Energy and the Environment Committee
Gerry F. Miller, Chief Legislative Analyst
Miguel A. Santana, City Administrative Officer
Rafael Prieto, Legislative Analyst, CLA
William R. Koenig, Chief Administrative Analyst
Winifred Yancy

WHEREAS, the City of Los Angeles Department of Water and Power (LADWP) requires a sole source agreement with CGI Technologies and Solutions Inc.(CGI) to provide services for the Outage Management System/Mobile Dispatch System (OMS/MDS) to maintain, enhance, and provide proprietary products and services including software maintenance, software upgrades, technical support services and training for a period of three years with two one-year renewable options, for total expenditures not to exceed \$5,442,690; and

WHEREAS, the OMS/MDS is part of the LADWP's Electric Trouble System and is a pivotal component of emergency response to the citizens of Los Angeles with regard to electrical service, and

WHEREAS, pursuant to Charter Section 371(e)(7), competitive bidding would not be possible. Additionally, CGI is the only company that produces the software used in the various applications that LADWP has already purchased, and

WHEREAS, the term of the Agreement exceeds the total contract time period set by ordinance and in accordance with the Los Angeles City Charter Section 373, City Council Approval is required.

NOW, THEREFORE, BE IT RESOLVED that Agreement No. 47145-3, approved as to form and legality by the City Attorney and filed with the Secretary of the Board, between LADWP and CGI to provide proprietary, professional, expert, and technical services, and software maintenance for OMS/MDS in the Power System, be and the same are hereby approved.

BE IT FURTHER RESOLVED that pursuant to the Los Angeles City Charter Section 1022, the requested services which involve proprietary software can be more feasibly performed by an outside contractor than by LADWP or City employees.

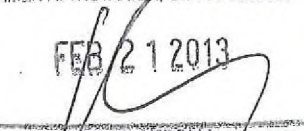
BE IT FURTHER RESOLVED, that the Chief Accounting Employee of LADWP, upon proper certification, is authorized and directed to draw demands on the Power Revenue Fund in payment of the obligations arising under Agreement No. 47145-3.

BE IT FURTHER RESOLVED that the President or Vice President of the Board or the General Manager or such person as the General Manager shall designate in writing as his designee, and the Secretary, Assistant Secretary or the Acting Secretary of the Board are hereby authorized, empowered, and directed to execute Agreement No. 47145-3 for and on behalf of the LADWP, and after approval by the Los Angeles Council pursuant to City Charter Section 373.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held

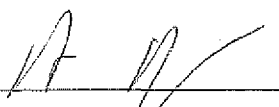
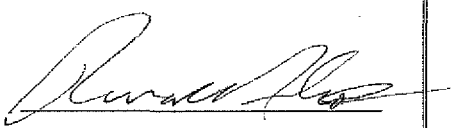
MAR 05 2013

APPROVED AS TO FORM AND LEGALITY
CARMEN A. TRUTANICH, CITY ATTORNEY

BY 
DIRK BROERSMA
DEPUTY CITY ATTORNEY


Secretary

LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP) BOARD APPROVAL LETTER

TO: BOARD OF WATER AND POWER COMMISSIONERS	DATE: February 25, 2013
<div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center; width: 45%;">  <hr style="width: 80%; margin: 0 auto;"/> <p>ARAM BENYAMIN Senior Assistant General Manager – Power System</p> </div> <div style="text-align: center; width: 45%;">  <hr style="width: 80%; margin: 0 auto;"/> <p>RONALD O. NICHOLS General Manager</p> </div> </div>	SUBJECT: <p align="center">Agreement No. 47145-3</p> <p align="center">Outage Management System and Mobile Dispatch System Maintenance Program</p> <p align="center">Contract With: CGI Technologies and Solutions Inc. Montreal, Quebec</p>
	FOR COMMISSION OFFICE USE: RESOLUTION NO. _____
CITY COUNCIL APPROVAL REQUIRED: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	IF YES, BY WHICH CITY CHARTER SECTION: 373

- New Contract
- Replacement Contract
- Amendment to Existing Contract

PURPOSE

Transmitted for approval by your Honorable Board is a Resolution, approved as to form and legality by the City Attorney, recommending to the Los Angeles City Council approval of Agreement No. 47145-3 between LADWP and CGI Technologies and Solutions Inc. (CGI), to provide services for the Outage Management System/Mobile Dispatch System (OMS/MDS) to maintain, enhance, and provide proprietary products and services including software maintenance, software upgrades, technical support services, and training for LADWP's Electric Trouble System for expenditures not to exceed \$5,442,690 and for a term of three years with two one-year renewable options.

COST AND DURATION

The total contract expenditure will not exceed \$5,442,690 for the three-year contract period with two one-year renewable options and includes the following services:

Summary

Service	Maximum Price for 3-year period	Price (Two One-Year Renewable Options)	Total Price
Standard Proprietary Software Maintenance and Services	\$2,282,190	(4th Yr) \$760,730 (5th Yr) 760,730	\$3,803,650
Escrow Services	203,424	(4th Yr) 67,808 (5th Yr) 67,808	339,040
Proprietary Improvement	701,000	599,000	1,300,000
TOTAL:	\$3,186,614	\$2,256,076	\$5,442,690

BACKGROUND

Between 1989 and 1994, there were two separate audits performed by the City of Los Angeles on the LADWP. Both audits documented that there were no work force management system programs to manage the work force and the work at LADWP.

In the early 1990s, Power System management created an internal Power System organizational team (currently called Power System Information and Advanced Technology) and chartered them to create a work force management system program. The assembled team was composed of employees from management, field and office supervisors, engineering, field and crew personnel, Information Technology Services (ITS), and clerical in addition to many individuals that participated on an ad-hoc basis.

Eight "best-of-breed" systems were selected which comprise today's work force management program for the Power System. The eight proprietary systems being used by the Power System to manage its assets and work force are as follows:

- Enterprise Work Management Information System/Mobile Work Management Information System (EWMIS/MWMIS)
- OMS/MDS
- Geospatial Electric System (GES)
- FastGate Gateway
- MicroStation
- Energy Control System Historical Information System (ECSHIS)

- Supervisory Control and Data Acquisition System (SCADA)
- Maximo

Additionally, many of these system programs have field mobile devices supporting field personnel in a wireless mode. In particular, OMS/MDS proprietary software provided by CGI handles work-related issues on the Electric Transmission and Distribution System. This is equivalent to the 9-1-1 system for the Power System. OMS/MDS supports trouble dispatchers in diagnosing the source and location of problems and dispatching repair crews. MDS incorporates laptop computers in Electric Trouble vehicles with real-time data communications to automatically dispatch trouble work to field crews, record trouble activity performed by crews, report trouble job status changes and job completion information in real-time to OMS/MDS, and provide job and device location in a graphical environment.

With several of the Power System proprietary software contracts expiring, including CGI, and the arrival of Matthew M. Lampe as Chief Information Officer in November 2007, the Power and Water Systems worked with ITS to review these contracts and establish a path forward regarding the systems and contracts.

Ongoing maintenance and upgrades of OMS/MDS software are essential to continued LADWP operations since OMS/MDS is used as an integral part of Electric Trouble daily operations in providing reliable power to our customers. It also provides operational information to LADWP organizations. OMS/MDS is also integrated with the Customer Information System to provide Customer Service Representatives with real-time outage and repair information on a 24-hour basis. OMS/MDS software is proprietary and maintenance services can only be obtained from the software provider.

Los Angeles City Council Approval

Per Charter Section 373, Los Angeles City Council (City Council) approval is required. Due to time-sensitive operational needs, an Executive Directive No. 4 waiver was granted by the Mayor's Office on February 12, 2013. A CAO report will be provided for City Council review prior to final consideration of this item.

METHOD OF SELECTION

Competitive Cooperative Purchase Sole Source Single Source

CGI is the sole provider of LADWP's OMS/MDS software. CGI provides proprietary services, owns the source code necessary to make changes to the software, ensures that changes are made to the software, and provides proprietary support for

enhancements and fixes to the core software and system interfaces. Therefore, pursuant to City Charter Section 371(e)(7), it has been determined that the competitive bidding process is not possible for these services.

M/W/OBE SUBCONTRACTING PARTICIPATION

This agreement is for software maintenance and services for the LADWP's Power Outage Management System. All work under this contract will be proprietary and will be self-performed by the contractor. In the previous contract there was some non-proprietary work included in the agreement. Part of the non-proprietary work were programming and Oracle database administration services; however services are not required on the proposed contract.

CONTRACT AND VENDOR HISTORY

Contract and Vendor History					
Contract/ PO No.	Contractor	Term of Contract	Start Date	Ending Date	Contract Amount
47723-8 (with Amendment No. 1)	CGI	5 Years	3/17/2008	3/17/2013	\$6,900,130

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act (CEQA), it has been determined that the action of awarding a contract for software maintenance is exempt pursuant to the General Exemptions described in CEQA guidelines Section 15061 (b)(3). General Exemptions apply in situations where it can be seen with reasonable certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Board of Water and Power Commissioners
Page 5
February 25, 2013

RECOMMENDATION

It is requested that your Honorable Board adopt the attached Resolution recommending the City Council's approval of Agreement No. 47145-3 to be executed as authorized in the Resolution.

MED:MWG:rr

Attachments

e-c/att: Ronald O. Nichols
Richard M. Brown
Aram Benyamin
James B. McDaniel
Philip Leiber
Gary Wong
Marvin D. Moon
Marcelo E. Di Paolo

**AGREEMENT
FOR
OUTAGE MANAGEMENT SYSTEM AND MOBILE DISPATCH
SYSTEM MAINTENANCE PROGRAM**

**CGI TECHNOLOGIES AND SOLUTIONS INC.
AND LOS ANGELES DEPARTMENT OF WATER AND POWER**

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IRAN CONTRACTING ACT OF 2010 COMPLIANCE AFFIDAVIT

(California Public Contract Code Sections 2200-2208)

The California Legislature adopted the Iran Contracting Act of 2010 to respond to policies of Iran in a uniform fashion (PCC § 2201(q)). The Iran Contracting Act prohibits proposers engaged in investment activities in Iran from bidding on, submitting proposals for, or entering into or renewing contracts with public entities for goods and services of one million dollars (\$1,000,000) or more (PCC § 2203(a)). A proposer who "engages in investment activities in Iran" is defined as either:

1. A proposer providing goods or services of twenty million dollars (\$20,000,000) or more in the energy sector of Iran, including provision of oil or liquefied natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquefied natural gas, for the energy sector of Iran; **or**
2. A proposer that is a financial institution (as that term is defined in 50 U.S.C. § 1701) that extends twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that person will use the credit to provide goods or services in the energy sector in Iran and is identified on a list created by the California Department of General Services (DGS) pursuant to PCC § 2203(b) as a person engaging in the investment activities in Iran.

The proposer shall certify that at the time of submitting a proposal for new contract or renewal of an existing contract, he or she is **not** identified on the DGS list of ineligible businesses or persons and that the proposer is **not** engaged in investment activities in Iran in violation of the Iran Contracting Act of 2010.

California law establishes penalties for providing false certifications, including civil penalties equal to the greater of \$250,000 or twice the amount of the contract for which the false certification was made; contract termination; and three-year ineligibility to bid on contracts (PCC § 2205).

To comply with the Iran Contracting Act of 2010, the proposer shall complete and sign ONE of the options shown below.

OPTION #1: CERTIFICATION

I, the official named below, certify that I am duly authorized to execute this certification on behalf of the proposer or financial institution identified below, and that the proposer or financial institution identified below is **not** on the current DGS list of persons engaged in investment activities in Iran and is **not** a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person or vendor, for 45 days or more, if that other person or vendor will use the credit to provide goods or services in the energy sector in Iran and is identified on the current DGS list of persons engaged in investment activities in Iran.

Name of Proposer/Financial Institution (Printed): DAVID HOTTE

Signed by: *David Hotte* (Authorized Signature)

DAVID HOTTE (Printed Name)

VP CONSULTING SERVICES (Title of Person Signing)

OPTION #2: EXEMPTION

Pursuant to PCC § 2203(c) and (d), a public entity may permit a proposer or financial institution engaged in investment activities in Iran, on a case-by-case basis, to be eligible for, or to bid on, submit a proposal for, or enter into, or renew, a contract for goods and services. If the proposer or financial institution identified below has obtained an exemption from the certification requirement under the Iran Contracting Act of 2010, the proposer or financial institution shall complete and sign below and attach documentation demonstrating the exemption approval.

Name of Proposer/Financial Institution (Printed): _____

Signed by: _____ (Authorized Signature)

(Printed Name)

(Title of Person Signing)

**AGREEMENT
FOR
INFORMATION TECHNOLOGY PRODUCTS & SERVICES**

a. **THIS AGREEMENT FOR INFORMATION TECHNOLOGY PRODUCTS & SERVICES** (“Agreement”), is entered into this ___ day of _____, 20__ by and between the **LOS ANGELES DEPARTMENT OF WATER AND POWER** (the “LADWP”), acting by and through the **BOARD OF WATER AND POWER COMMISSIONERS** (Board), and **CGI Technologies and Solutions, Inc.**, a *wholly-owned subsidiary of CGI Group Inc.*, a *Delaware Corporation*, with a principal place of business at 11325 Random Hills Road, Fairfax, Virginia 22030 (“Contractor”).

b. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **DEFINITIONS.** Capitalized terms used in this Agreement shall have the following meanings:

a) **“Authorized Subcontractor”** shall mean a subcontractor or service provider of Contractor who has been approved by the LADWP beforehand and in writing to carry out any part of Contractor’s obligations under this Agreement.

b) **“Background Technology”** shall have the meaning assigned to it in **Subsection 17(b)** (“**Background Technology and Inventions**”).

c) **“Board”** shall mean Board of Water and Power Commissioners.

d) **“Change Order”** shall have the meaning assigned to it in **SECTION 3** (“**CHANGE ORDER PROCESS**”).

e) **“Confidential Information”** shall have the meaning assigned to it in **Subsection 18(a)** (“**Protection**”).

f) **“Contract Administrator”** shall mean the LADWP’s representative who has been identified as such from time to time by the LADWP, and who shall have authority

to act for the LADWP under this Agreement.

g) **“Contractor’s Quality Assurance Program”** shall mean that program, if any, described as such in ARTICLE III (**“CONTRACTOR’S QUALITY ASSURANCE PROGRAM”**).

h) **“Deliverables”** shall mean collectively all items provided or to be provided by Contractor hereunder, including without limitation all Software and Services.

i) **“LADWP Work Product”** shall have the meaning assigned to it in Subsection 17(a) (**“Disclosure of Work Product”**).

j) **“Developed Software”** shall mean Software, in both Object Code and Source Code formats, which is not Existing Software, and which is identified as such in a Statement of Work.

k) **“Disclosing Party”** shall have the meaning assigned to it in Subsection 18(a) (**“Protection”**).

l) **“Documentation”** shall mean all information reasonably necessary or desirable, or as described in a Statement of Work, to be provided to Contractor by the LADWP which describes the form, features or operation of the Deliverables and which is contained in a tangible medium, such as written format, tape, magnetic or other media, and including without limitation all Updates of Documentation and Documentation which the LADWP may require at any time.

m) **“Effective Date”** shall mean the first date upon which all of the following shall have occurred: (a) this Agreement has been signed by the LADWP by the person authorized by the LADWP to sign on its behalf and also signed by the Contractor’s

authorized representative; (b) this Agreement has been approved by the City’s Council or by the Board, or by the City’s or the Board’s officer or employee authorized to give such approval; and (c) the Office of the City Attorney has indicated in writing its approval of this Agreement as to form and legality.

n) **“Error”** shall mean any material failure of any Deliverable to conform with its Specifications.

o) **“Escrow Agent”** shall have the meaning assigned to it in Subsection 18(f) (**“Escrow”**).

p) **“Escrow Agreement”** shall mean a written agreement in substantially the form and format as described in ARTICLE XII (**“ESCROW AGREEMENT”**).

q) **“Escrow Materials”** shall have the meaning assigned to it in Subsection 18(f) (**“Escrow”**).

r) **“Existing Software”** shall mean that Software, in Object Code format (but subject to Subsection 18(f) (**“Escrow”**)), which exists as of the Effective Date, and which is identified as such in a Statement of Work, and including Documentation and Updates.

s) **“Fees”** shall mean those amounts to be paid to Contractor hereunder, and which are described as such in the Statement of Work.

t) **“Force Majeure”** shall have the meaning assigned to it in SECTION 11 (**“FORCE MAJEURE”**).

u) **“Hardware”** shall mean any and all hardware, machines, devices, computers, or similar equipment described as such in a Statement of Work, including without

limitation all associated supplies, materials and spare parts.

v) **“Hardware Maintenance”** shall have the meaning assigned to it in **Subsection 20(a)** (**“Hardware Maintenance”**).

w) **“Indemnified Parties”** shall have the meaning assigned to it in **SECTION 19** (**“INTELLECTUAL PROPERTY AND DELIVERABLES INDEMNITY”**).

x) **“Invention”** shall mean any and all trade secrets, inventions, mask works, ideas, processes, formulae, Source Codes, Object Codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques existing as of the Effective Date or coming into existence thereafter.

y) **“Invoice”** shall have the meaning assigned to it in **Subsection 12 (c)** (**“Invoices”**).

z) **“Job Cost Report”** shall mean detailed, written or electronic records of the Contractor which describe fully Contractor’s costs in its performance under this Agreement, and including all periodic and cumulative amounts to date of revenue, costs, gross profit and billing information against bid projected costs, and sub-accounts for the different types of all cost categories.

aa) **“Maintenance”** shall mean: (i) Hardware Maintenance; and (ii) Software Maintenance.

bb) **“Object Code”** shall mean computer software programs, not readily perceivable by humans, and which are suitable for machine execution without the intervening steps of interpretation or compilation.

cc) **“Prior Work Product”** shall have the meaning assigned to it in **Subsection 17(a)** (**“Disclosure of Work Product”**).

dd) **“Project Plan”** shall mean that portion of the SOW specifying the Deliverables and the Schedule (including without limitation all start and end dates for all Tasks).

ee) **“Proprietary Rights”** shall have the meaning assigned to it in **Subsection 17(c)** (**“Assignment and License”**).

ff) **“Receiving Party”** shall have the meaning assigned to it in **Subsection 18(a)** (**“Protection”**).

gg) **“Response”** shall mean Contractor’s written response to the RFP.

hh) **“RFP”** shall mean the LADWP’s “Request for Proposal”, number [____], or “Request for Bid”, number [____].

ii) **“Schedule”** shall mean the schedule of Deliverables, dates and Fees described as such in a Statement of Work.

jj) **“Services”** shall mean collectively, the Tasks described in each Statement of Work.

kk) **“Shrink-Wrap Agreement”** shall mean any form of license or other agreement included with any Deliverables hereunder, and including without limitation any embedded “click-wrap” license agreement, or any license agreement which is presented under shrink-wrap or other plastic coverings the removal of which may be deemed to effect agreement with the terms of such license agreement.

ll) **“Software”** shall mean collectively: (i) Existing Software; and (ii) Developed

Software, and in all cases including all Documentation.

mm) **“Software Maintenance”** shall have the meaning assigned to it in **Subsection 20(b) (“Software Maintenance”)**.

nn) **“Source Code”** shall mean computer software programs not in machine readable format and which is not suitable for machine execution without the intervening steps of interpretation or compilation.

oo) **“Specifications”** shall mean collectively all operational, functional or other specifications with respect to any Deliverables, including without limitation all Documentation and those specifications described as such in the Statement of Work and the Response.

pp) **“Statement of Work”** shall mean the description of the work to be carried out by Contractor, the Deliverables to be provided by Contractor, the Schedule to be met by Contractor, and the Fees to be paid, and contained in the format described in **ARTICLE I (“STATEMENT OF WORK”)**.

qq) **“Task Assignment”** shall mean a written description of work activity provided by the LADWP describing work to be carried out by Contractor, and consisting of at least one (1) Task and an associated Fee.

rr) **“Tasks”** shall mean the smallest units of work activity described under each Statement of Work.

ss) **“Update”** shall mean any modification of or addition to the Software or Documentation, including without limitation all new releases, versions, sub-versions, corrections, “patches” and maintenance releases, which Contractor may prepare, obtain, or have prepared at any time.

tt) **“Viruses”** shall have the meaning assigned to it in **Subsection 21(d) (“Viruses”)**.

uu) **“Work Product”** shall have the meaning assigned to it in **SECTION 17 (“RIGHTS IN WORK PRODUCT AND LICENSES”)**.

2. DELIVERABLES.

a) **Services.** Contractor shall perform Services, strictly in accordance with each Statement of Work.

b) **Hardware.** (Section intentionally deleted)

c) **Software.**

i) Existing Software.

Contractor shall provide Existing Software according to the Statement of Work, but in no event later than the delivery of any Developed Software with which such Existing Software is to be integrated pursuant to such Statement of Work.

ii) Developed Software.

Contractor shall prepare and deliver to the LADWP all Developed Software, strictly in accordance with each Schedule.

d) **Documentation.** Contractor shall prepare and deliver to the LADWP all Documentation, strictly in accordance with each Schedule.

e) **Authorized Subcontractors.** With prior approval of the LADWP, the Contractor may enter into contracts and agreements with Authorized Subcontractors for the performance of portions of this Agreement. The Contractor shall at all times be responsible for the acts, errors or omissions of its Authorized Subcontractors and persons directly or indirectly employed by them. Nothing in this Agreement shall

constitute any contractual relationship between any others and the LADWP or any obligation on the part of the LADWP to pay, or to be responsible for the payment of, any sums to any Authorized Subcontractors or any other third party. No such Authorized Subcontractor shall be a third party beneficiary of this Agreement. Upon written request from the Contract Administrator, the Contractor shall promptly supply the LADWP with all subcontractor agreements.

f) **Site Visits by Contractor.** All visits by Contractor to the LADWP's facilities must have prior approval by the Contract Administrator. Visiting Contractor representatives must carry LADWP-issued identification badges, and conform to such security, safety and other requirements as the LADWP may from time to time impose.

g) **Permits.** The Contractor and its Authorized Subcontractors, officers, agents and employees shall obtain and maintain all permits and licenses necessary for the Contractor's performance hereunder and shall pay any third-party fees required therefore.

3. CHANGE ORDER PROCESS.

a) **Process.** Unless expressly agreed to otherwise in a Statement of Work, the Specifications, the Schedule and the Fees are as described in such Statement of Work, and shall not be changed without the prior, written consent of the LADWP. Provided, however, that in the event that the LADWP wishes to change the Specifications or the Schedule, then the LADWP shall so notify the Contractor in writing, describing the changes to be made. The Contractor shall respond to such notification promptly in writing (and in no event later than ten (10) days thereafter) describing any increase in Fees which the Contractor seeks with respect to such changes. If thereafter agreed to by the parties, the parties shall record

their agreement with respect to such changes, and increase in Fees (if any) in a written change order ("Change Order"), to be signed by the parties, and which will amend this Agreement. Invoices for Fees pursuant to Change Orders will be identified and issued separately from other Invoices.

b) **No Obligation.** EXCEPT AS AUTHORIZED THROUGH THE PROCEDURE OF A CHANGE ORDER PROCESS, THE LADWP SHALL HAVE NO OBLIGATION TO PAY, AND SHALL NOT PAY, ANY INCREASE IN FEES REGARDLESS OF ANY ADDITIONAL WORK CARRIED OUT UNDER THIS AGREEMENT BEYOND THAT WHICH IS EXPRESSLY DESCRIBED IN EACH STATEMENT OF WORK.

4. **PACKING AND SHIPMENT.** (Section intentionally deleted)

5. **DELIVERY.** Contractor shall strictly adhere to the Schedule attached to any specific SOW for any delivery purposes. Time shall be of the essence of Contractor's performance under this Agreement. Time, if stated as a number of days, shall mean calendar days unless otherwise specified. The quantities of Deliverables specified herein are the only quantities required. If Contractor delivers in excess of the quantities of Deliverables specified herein, the LADWP shall not be required to make any payment for the excess Deliverables, and may at the LADWP's discretion dispose of such excess Deliverables, return such excess Deliverables to Contractor at Contractor's expense and risk, or make such excess Deliverables available for pick-up by Contractor.

6. **SUBSTITUTIONS AND QUALITY.**

a) **Substitutions.** Substitution of any other goods or services for Deliverables called for in any Statement of Work may not

be tendered without the prior, written consent of the Contract Administrator. Contractor shall not use any specification in lieu of the Specifications contained in each Statement of Work without the prior, written consent of the LADWP.

b) Quality. (Section intentionally deleted)

c) Drawing Quality. (Section intentionally deleted)

d) Professional Licensure and Certification. (Section intentionally deleted)

7. DELIVERY, INSPECTION, ACCEPTANCE AND REJECTION

a) Delivery. Contractor shall deliver all Deliverables according to the Schedule to such addresses as may be from time to time specified by the LADWP.

b) Inspection. (Section intentionally deleted).

c) Acceptance and Rejection. Upon the completion of the inspection and testing described in **Subsection 7(b) ("Inspection")**, the LADWP shall inform Contractor of whether the corresponding Deliverables are accepted by the LADWP. Any failure of the LADWP to provide such notice within sixty (60) days of delivery shall be deemed an approval thereof. The Contractor shall remove all rejected Deliverables promptly, and in no event later than five (5) days after such rejection. The LADWP shall be free to dispose of any Deliverables which are not so removed.

d) Quality Program. If so provided in Article III ("CONTRACTOR'S QUALITY ASSURANCE PROGRAM"), Contractor and its Authorized Subcontractors will provide and maintain such Contractor's

Quality Assurance Program throughout the Term of this Agreement. Contractor will keep records evidencing related quality inspections and their result, and will make such records available to the LADWP upon request throughout the Term and for three (3) years thereafter. Contractor shall permit the LADWP to review procedures, practices, processes, and related documents to determine the acceptability of Contractor's Quality Assurance Program or other similar business practices related to performance of this Agreement.

e) Facilities. (Section intentionally deleted).

8. SAMPLES. (Section intentionally deleted).

9. SAFETY AND ACCIDENT PREVENTION. The LADWP agrees to provide a suitable and safe environment at its facilities with respect to Services to be provided under this Agreement. The parties understand and agree that Contractor has not included in its charges any expense for dealing with or removing potentially hazardous substances, such as asbestos, unless otherwise expressly provided by a Statement of Work. If not so provided in such Statement of Work, the LADWP shall be responsible for handling such substances at its own cost. In performing work under this Agreement, Contractor shall conform to all specific safety requirements contained in the Agreement and as required by law or regulation. Contractor shall take any additional precautions as the LADWP may reasonably require for safety and accident prevention purposes, and shall at all times exercise reasonable and prudent judgment with respect thereto. Any violation of such requirements, laws or regulations shall be considered a material breach of this Agreement.

10. PERSONNEL.

a) **Information.** The LADWP shall provide reasonably necessary representatives with authority to act on the LADWP's behalf with respect to approvals, requests, and meeting scheduling.

b) **Capacity.** Contractor warrants that the size of the staff employed by the Contractor in its performance hereunder shall be reasonably adequate in number and quality at all times to perform the work required by this Agreement and to add such addition personnel as are necessary to accomplish any work required by any Change Order.

c) **Identification.** The Contractor shall furnish the LADWP from time to time upon request the names, titles, and qualifications of its key project personnel and subcontractors, including without limitation individual resumes, and the tasks to be performed by such individuals. Upon receipt of such request, the Contractor shall respond within ten (10) business days.

d) **Approval.** (Section intentionally deleted)

e) **Control.** The Contractor's and the Authorized Subcontractors' personnel shall at all times remain under the control of the Contractor.

11. FORCE MAJEURE. If either party is unable to perform its obligations because of strikes, lockouts, labor disputes, embargos, acts of God, governmental regulations, judicial orders, enemy or hostile governmental action beyond the reasonable control of the Contractor or its Authorized Subcontractors ("Force Majeure"), then such party shall immediately notify the other party in writing, and such party's performance shall be suspended for the

period equal to the period time of such cause for suspension of performance.

12. FEES, INVOICES AND PAYMENT.

a) **Fees.** The LADWP shall pay the Fees described in Article I, Section D of the Statement of Work for Services and Deliverables which have been accepted by the LADWP. Any Fees called for in any Statement of Work shall not increase for at least one (1) year after the date of such Statement of Work, unless expressly agreed to otherwise by the LADWP. Unless expressly stated in a Statement of Work, all salaries, wages, or other payments (including without limitation any overtime) to any third parties, Authorized Subcontractors or employees, shall be the sole responsibility of the Contractor, and the Contractor hereby agrees to fully indemnify, defend and hold harmless the LADWP with respect thereto.

b) **Travel and Costs.** Travel time of the Contractor's personnel shall adhere to Section D.1.

c) **Invoices.** Invoicing shall occur in accordance with milestones and payment schedule in relevant SOW. Each such Invoice shall meet all the invoice criteria described in **ARTICLE VI ("INVOICE CRITERIA")**, and shall contain the contract/purchase order number, the vendor code number, the City of Los Angeles Business Tax Registration Certificate Number, and the identification of material, equipment and/or services covered by the Invoices. In all cases the amount of applicable sales tax or use tax shall be separately stated on the Invoice. All Invoices shall be accompanied by such written documentation as the LADWP may reasonably require in order to support the amount and calculation of all corresponding Fees. Invoices for Services shall be issued

monthly for all Services provided during the immediately preceding month.

d) Payment. Such Invoices, if correct, will be certified, and paid within thirty (30) days after receipt of Invoice. Invoice payments will not be made if the Invoice is received more than six (6) months after acceptance of corresponding Deliverables. No such Invoice shall be certified for payment, or paid, unless and until it shall first conform with **Subsection 12(c) ("Invoices")** above. In the event of any dispute of any Fees under any Invoices, the LADWP agrees to make payment of all undisputed amounts as hereinabove provided.

e) Tax Registration Certificate. Contractor shall obtain and keep in full force and effect during the Term of this Agreement all "Business Tax Registration Certificates" required by the City of Los Angeles Business Tax Ordinance, Article 1, Chapter II, Section 21.00 and following, of the Los Angeles Municipal Code. Contractor's current Business Tax Registration Certificate Number or, for those firms that are exempt, a Vendor Registration Number, must be shown on all Invoices submitted for payment.

f) Taxpayer Identification Number ("TIN"). Contractor hereby represents and warrants that its TIN is 54-0856778 No Fees shall be payable or paid to Contractor unless and until such TIN is verified by the LADWP as valid.

g) Third Party Claims. The Contractor shall promptly pay, when due, all amounts payable 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 LADWP property (including reports, documents, and other

tangible matter or Deliverables produced hereunder), against the Contractor's rights to payments hereunder, or against the City, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

h) Most Favored Customer. (Section intentionally deleted).

13. TERM AND TERMINATION.

a) Term.

The term of this Agreement ("Term") shall commence on March 17, 2013 of this Agreement and shall expire 3 (three) years thereafter, unless earlier terminated as hereinafter provided.

b) Renewal Option

At the Department's sole option, the term of this Agreement may be extended for up to an additional 2 (two) years, exercisable in yearly increments, or any portion thereof.

c) Termination without Cause. The This Agreement may be terminated by the LADWP, without cause, upon written notice delivered to CGI 60 days prior to termination. Upon receipt of such notice, the Contractor shall immediately stop all work under this Agreement. The Contractor shall be entitled to payment of Fees for all Deliverables completed, including without limitation Services provided (in both cases where accepted by the LADWP), until the date of such notice, and also to reimbursement for reasonable and documented re-stocking charges imposed on Contractor by third party suppliers due to such termination, where such charges have been called to the LADWP's attention beforehand and in writing. The Contractor shall then deliver to the LADWP, in an

organized and usable form, all Deliverables "work in process" as of such date.

d) Termination for Material Breach.

Either party may terminate this Agreement upon notice, in whole or in part, for the material breach of this Agreement by the other party (including without limitation, in the case of Contractor, any such breach by Contractor's Authorized Subcontractors) which has remained uncured for a period of ten (10) days from the date of notice thereof to the breaching party. Without limiting the generality of the foregoing: (i) any late payment of Fees by the LADWP shall not, in itself, be deemed a material breach of this Agreement. ; and (ii) any failure of Contractor to substantially timely perform Services or deliver other Deliverables according to any Schedule and this Agreement, shall be deemed a material breach hereof, and in such case the LADWP shall also have the right to reject all such Deliverables. In the case of such late performance or delivery by Contractor, the LADWP may, in addition to any rights and remedies the LADWP may also have, require Contractor, at Contractor's expense, to ship any Deliverables via air freight or by other expedited routing means (at no cost to the LADWP) to avoid or minimize actual or potential delay.

e) Disqualification. In the event Contractor receives one (1) or more notices of material breach as described in **Subsection 13(c) ("Termination for Material Breach")**, whether such material breaches are cured or not, the LADWP may consider such material breaches in making any subsequent determination of responsibility with respect to future awards formal hearing process consistent with California Law herein below.

f) Remedies Not Exclusive. Any election by the LADWP to seek any remedy under this **SECTION 13 ("TERM AND TERMINATION")**, including without limitation any right to reject Deliverables or to require expedited shipping, shall not limit any other rights or remedies which the LADWP may have with respect to any breach of this Agreement.

g) Right of Offset. (Section intentionally deleted).

h) Suspension of Work. The Contract Administrator may orally direct the Contractor to suspend, and to subsequently resume performance of all or any part of the work. Such direction shall be confirmed in writing. An equitable adjustment in the work completion schedule and corresponding Fees (if fixed price) shall be negotiated and confirmed by a Change Order or a revision to a task assignment if such suspension impacts the cost of the work and/or work completion schedule. The LADWP shall pay the Fees due for the suspended work up to the effective date of suspension notice and shall resume Fee payments effective as of the work resumption date. These fees will include all expenses to be incurred by CGI caused by this suspension of work.

i) Errors and Omissions. Subject to any specific provisions applicable to warranty related to Deliverables to the exclusion of the hereinafter provision, the Contractor will be responsible for correcting or remedying any errors or omissions which occur in performance of the services under this Agreement and which are the result of the Contractor's negligence, action or omission, regardless of whether the foregoing are a material breach hereof or not. The cost of correcting or remedying any such error or omission shall be borne by the Contractor. Such remedy shall occur

within thirty (30) days of the receipt of a notice to that effect by the Contractor

14. TAXES. Unless otherwise required by law, the LADWP is exempt from Federal excise taxes. The LADWP will only pay for any State or local sales or use taxes on the Services rendered or other Deliverables supplied to the LADWP pursuant to this Agreement.

15. NEWLY MANUFACTURED DELIVERABLES. (Section intentionally deleted).

16. RECORDS AND AUDIT.

a) Records and Audits. Incorporated by Reference. See Article X.

b) Progress Reports. The Contractor shall, as required by the Contract Administrator from time to time, submit reports summarizing all the Tasks under this Agreement, the work accomplished, work left to be done, work to be done in the coming months, and the estimated completion dates, including without limitation any deviations or reasonably likely deviations from the Schedule. Each such report shall be organized by Task and shall include the Task Number, Task Coordinator, Task Title, the Authorized Fee, the Start Date and Completion Date, and the Total of Fees received to date by the Contractor. Such report shall also show the total Fees received by the Contractor under this Agreement.

c) Right to Review. (Section intentionally deleted)

17. RIGHTS IN WORK PRODUCT AND LICENSES.

a) Disclosure of Work Product. (Section intentionally deleted)

a.1 Ownership of intellectual Rights

Except for 17.2 below, ownership, titles and proprietary rights shall be governed by sections 16, 17 and 18 of the "Master Software Licenses, Services and Support agreement between LADWP) and the Contractor

b) Background Technology and Inventions. (Section intentionally deleted)

b.1 License granted

Each Party shall retain all right, title and interest in and to any of its pre-existing material including any software, frameworks, methodologies, tools, interfaces, processes, techniques and know-how used in the development or in the performance of the Deliverables and Inventions (the "Background Technology") including any enhancements or derivative works thereto, provided, however, that upon final payment, Contractor grants LADWP an irrevocable, nontransferable, non-exclusive license to use Contractor's Background Technology that is incorporated into the Deliverables, solely for LADWP's internal business use in connection with said Deliverables. All Background Technology shall be subject to the confidentiality obligations of each Party.

For greater clarity, LADWP acknowledges that the license herein granted shall not cover in any way anything related to Mappoint.

Contractor shall specifically describe and identify in ARTICLE V all existing BACKGROUND TECHNOLOGY which Contractor intends to use in the course of its performance hereunder.

c) Assignment and License. (Section intentionally deleted)

d) Waiver or Assignment of Rights. (Section intentionally deleted)

e) Continuing Assurances and Enforcement. Contractor agrees to cooperate with the LADWP or its designee(s), both during and after the Term of this Agreement, in the procurement and maintenance of the LADWP's license rights in the Deliverables and to execute, when requested, any other documents deemed necessary by the LADWP to carry out the purpose of this Agreement.

f) Future Development. This Agreement shall not preclude the Contractor from developing materials outside this Agreement that are competitive with, irrespective of their similarity to, Deliverables which are delivered to the LADWP pursuant to this Agreement.

g) Existing Software License. (Section intentionally deleted)

h) Documentation License. Contractor hereby grants to the LADWP a worldwide, perpetual, irrevocable, non-exclusive, royalty-free, paid up, transferable license, with respect to the Documentation in order to use, copy, execute, publicly perform, publicly display, digitally perform and create derivative works of the Documentation solely in connection with the Department's exercise of its rights under this Agreement.

18. CONFIDENTIAL INFORMATION AND SOURCE CODE ESCROW.

a) Protection. Each party (the Disclosing Party") may from time to time during the term of this Agreement disclose to the other party (the "Receiving Party") certain non-public information regarding the Disclosing Party's business, including technical, marketing, financial, personnel,

planning and other information ("Confidential Information"). The Disclosing Party shall mark all such Confidential Information in tangible form with the legend 'confidential', 'proprietary', or with similar legend. With respect to Confidential Information disclosed orally, the Disclosing Party shall describe such Confidential Information as such in writing within thirty (30) days after the date of oral disclosure. Regardless of whether so marked, however, any non-public information regarding the Developed Software (in Source Code and Object Code formats), shall be deemed to be the Confidential Information of the LADWP.

b) Protection of Confidential Information. Except as expressly permitted by this Agreement, the Receiving Party shall not disclose the Confidential Information of the Disclosing Party (using the same degree of care which the Receiving Party ordinarily uses with respect to its own proprietary information, but in no event with less than reasonable care). The Receiving Party shall also not use the Confidential Information of the Disclosing Party for any purpose not expressly permitted by this Agreement, and shall limit the disclosure of the Confidential Information of the Disclosing Party to the employees or agents of the Receiving Party who have a need to know such Confidential Information of the Disclosing Party to the employees or agents of the Receiving Party who have a need to know such Confidential Information for purposes of this Agreement, and who are, with respect to the Confidential Information of the Disclosing Party, bound in writing by confidentiality terms no less restrictive than those contained herein. The Receiving Party shall provide copies of such agreements to the Disclosing Party upon request; provided, however, that such agreement copies shall themselves be deemed the Confidential Information of the Receiving Party. Notwithstanding the

foregoing, after the expiration or termination of this Agreement and the return by the Receiving Party of the Confidential Information of the Disclosing Party as provided in subsection 18(d) ("Return of Confidential Information"), the Receiving Party shall be free to use internally (but not disclose) any ideas, concepts and know-how contained in such Confidential Information: (i) which relate to the business of the Receiving Party; and (ii) which have been retained mentally by employees of the Receiving Party through the course of their performance under this Agreement.

c) State Law Requirements - Protection For Personal Information. State law (See S.B. 1386 and A.B. 1950) requires a person or entity that owns or licenses computerized data that includes personal information, of a California resident, to disclose any breach of the data base security system and to implement and maintain procedures and practices to protect personal information from unauthorized access, destruction, use, modification, or disclosure and, shall require by contract, that non-affiliated third party recipients of such personal information, implement and maintain security procedures and practices to protect the personal information. Accordingly, Contractor agrees to implement and maintain such security procedures and practices, in conformance with S.B. 1386 and A.B. 1950, with respect to any personal identification information received under this agreement, as well as notify the City of any breach in security. In addition, Contractor shall not share, disclose, or in anyway transfer the personal identification information without the written approval of the LADWP.

Contractor shall be responsible for any and all liabilities, including but not limited to those stated below in this paragraph, that result from any violation of S.B. 1386 or

A.B. 1950 that Contractor, its employees, agents, or subcontractors may cause pursuant to the activities performed under this contract. Accordingly, Contractor agrees to indemnify and hold harmless the City of Los Angeles, its respective agencies, LADWPs, boards, all of their commissioners, officers, employees, and authorized agents, and, at the option of the City of Los Angeles, to provide a defense, reasonably acceptable to the LADWP, against any and all suits and causes of action, claims, charges, damages, demands, judgments, civil fines and penalties, or losses of any kind or nature whatsoever caused or brought by any person, including any aggrieved party, as defined in S.B. 1386, arising out of Contractor's breach of any of its duties and obligations under S.B. 1386 or A.B. 1950. The indemnification herein includes all awards, damages, interest, costs and attorneys' fees, if any. Such defense will be consistent with City Charter, Sections 271, 272 and 273.

d) Exceptions. Notwithstanding anything herein to the contrary, Confidential Information shall not be deemed to include any information which: (i) was already lawfully known to the Receiving Party at the time of disclosure by the Disclosing Party as reflected in the written records of the Receiving Party; (ii) was or has been disclosed by the Disclosing Party to a third party without obligation of confidence; (iii) was or becomes lawfully known to the general public without breach of this Agreement; (iv) is independently developed by the Receiving Party without access to, or use of, the Confidential Information; (v) is approved in writing by the Disclosing Party for disclosure by the Receiving Party; (vi) is required to be disclosed in order for the Receiving Party to enforce its rights under this Agreement; or (vii) is required to be disclosed by law or by the order of a court or similar judicial or administrative body;

provided, however, that the Receiving Party shall notify the Disclosing Party of such requirement immediately and in writing, and shall cooperate reasonably with the Disclosing Party, at the Disclosing Party's expense, in the obtaining of a protective or similar order with respect thereto.

e) Return of Confidential Information. The Receiving Party shall return to the Disclosing Party, destroy or erase all Confidential Information of the Disclosing Party in tangible form upon the written request of the Disclosing Party (except for Deliverables and any other items which the LADWP is otherwise entitled to retain under this Agreement) and the Receiving Party shall certify promptly and in writing that it has done so.

f) Escrow.

(i) Deposit. No later than five (5) days after the Effective Date, Contractor and LADWP shall enter into an Escrow Agreement with such software source code escrow agent as may be reasonably required by the LADWP (the "Escrow Agent") pursuant to which Escrow Agreement Contractor shall immediately deposit with such Escrow Agent one (1) copy of all existing annotated Source Code listings, flow charts, decision tables, schematics, drawings, specifications, documentation, design details, and other related documents which pertain to the Software and all technology necessary to understand the design, structure, and implementation of the Software and to maintain, support and build Object Code of the Software (including, but not limited to, any tools which may or not be commercially available) such that a third party programmer reasonably skilled in the language used in such materials could maintain and support the Software without further assistance or references to other

materials (collectively, the "Escrow Materials"). Such Escrow Materials shall also include any Updates of such Software made available to the LADWP pursuant to SECTION 20 ("MAINTENANCE AND SUPPORT") of this Agreement, which Escrow Materials Contractor shall keep updated on no less frequent a basis than semi-annually.

(ii) License Grant.

Subject to SECTION 18 ("CONFIDENTIAL INFORMATION AND SOURCE CODE ESCROW"), Contractor hereby grants to LADWP a perpetual, irrevocable, non-exclusive, royalty-free, fully paid up, non-transferable (except as provided in Subsection 24(j) ("Assignment") license with respect to the Escrow Materials to use, execute, copy and modify such Escrow Materials solely as reasonably necessary or desirable in order to exercise the LADWP's internal rights under this Agreement. Notwithstanding anything to the contrary herein, however, LADWP understands and agrees that it shall not exercise the license granted in this Subsection 18(f)(ii) ("License Grant") with respect to the Escrow Materials unless and until the Escrow Materials are released to LADWP pursuant to the Escrow Agreement.

For greater clarity, LADWP acknowledges that the Escrow Agreement shall not cover in any way anything related to Mappoint.

(iii) Escrow Verification Services."

General escrow services as described in Section 18-F of the Agreement are included in Standard Escrow Services as described above. LADWP may, at its option, as described under Escrow Fees in Article I – Statement of Work, Section D, request that the escrow services used by CGI provide additional specific escrow verification services (Escrow Verification Services) from time to time which shall consist of a

complete compilation and testing of the source code and object code, if any, on file with the Approved Escrow Agent. LADWP will then receive the results of such Escrow Verification Services.”

19. INTELLECTUAL PROPERTY AND DELIVERABLES INDEMNITY.

a) Statement of Indemnity.

Contractor agrees that from and after the Effective Date it shall fully indemnify, defend and hold harmless the LADWP, the Board, and its and their affiliates, officers, directors, agents, employees, customers and assigns (the “Indemnified Parties”) from and against any and all claims, losses, liabilities, damages and costs (including attorneys' fees and court costs) arising from or relating to any Deliverables or arising from or relating to any claim, demand, threat, suit or proceeding by any third party regarding the Deliverables, including without limitation any claims of injury to persons or property, or of intellectual property infringement or misappropriation, by any third party. The LADWP shall notify Contractor promptly of any third party claim in connection with the foregoing, shall cooperate reasonably with Contractor in connection therewith (at Contractor's expense), in the defense or settlement of the foregoing. The LADWP shall have the right at its own expense to be represented in any action related to the foregoing by counsel of its own choice, and shall cooperate reasonably with Contractor with respect to such litigation.

b) Control. In Contractor's defense of the LADWP, negotiation, compromise, and settlement of any foregoing infringement or misappropriation action, the LADWP shall retain discretion in and control of the litigation, negotiation, compromise, settlement, and appeals therefrom, as required by the Los Angeles City Charter,

particularly Article II, Sections 271, 272 and 273 thereof.

c) Bonds. (Section intentionally deleted)

d) Claims and Remediation. If Contractor receives notice of a claim, demand, threat, suit or proceeding regarding alleged intellectual property infringement or misappropriation by the Deliverables, or if in Contractor's judgment such a claim is likely, Contractor may, at its sole expense, procure for LADWP ownership of, or the right to continue using, the Deliverables, modify the Deliverables so that they are no longer infringing, or replace the Deliverables with other items of the same technical specifications and the same or better functionality and performance, which shall, upon acceptance by the LADWP, be considered Deliverables.

e) Use of Funds. Contractor certifies that it has appropriate systems and controls in place to ensure that LADWP funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

20. MAINTENANCE AND SUPPORT.

a) Hardware Maintenance. (Section intentionally deleted)

b) Software Maintenance.

Commencing with the first day after the expiration of the Software warranty described in any SOW as provided for in SECTION 21 (“WARRANTIES”), Contractor shall immediately commence providing Software Maintenance which shall consist of those activities and services described as such in ARTICLE IX (“SOFTWARE MAINTENANCE”).

c) **Failure to Provide Maintenance.** Subject to any conflicting provisions in any SOW, which provisions shall prevail, any failure of Contractor to timely provide Maintenance hereunder shall thereupon immediately suspend any obligation of the LADWP to pay any Fees, and may, in addition and at the LADWP's option, be considered a material breach of this Agreement for purposes of SECTION 13 ("TERM AND TERMINATION").

d) **Availability.** (Section intentionally deleted)

21. WARRANTIES.

a) **Deliverables.** Contractor hereby represents and warrants that the Deliverables (including without limitation all Software, but not including Services) shall material conformed to the terms of any SOW related to a specific Deliverable so described in the SOW.

b) **Services.** Contractor represents and warrants that Contractor shall perform the Services in a professional and workmanlike manner, in accordance with the best practices of Contractor's industry, and in material conformity with corresponding Specifications (including without limitation all Documentation). In the event of any breach of the foregoing warranty, the LADWP shall promptly notify Contractor, and Contractor shall immediately re-perform the non-conforming Services. Any failure of Contractor to carry out the foregoing in a manner reasonably satisfactory to the LADWP, may, at the LADWP's option, be referred to the Dispute resolution process herein provided in SECTION 24 d.1

c) **General.** Contractor represents and warrants that: (i) Contractor has full power and authority to enter into this Agreement and the person signing the Agreement on

Contractor's behalf has been duly authorized and empowered to enter into this Agreement; (ii) the Deliverables shall not contain any materials which are unlawful, defamatory, libelous, threatening, abusive, racist, vulgar, harassing, pornographic or obscene; (iii) Neither the Deliverables (including without limitation the provision of Services) nor any element thereof, infringes or shall infringe or misappropriate the intellectual property rights of any third party, including without limitation any patent, copyright, trademark or trade secret rights; (iv) the Deliverables shall not be subject to any restrictions, including without limitation any liens, mortgages, pledges, security interests, encumbrances, or encroachments; (v) Contractor is not under, and shall not enter into any, obligation or obligations inconsistent with the provisions of this Agreement; and (vi) Contractor shall not violate any law, statute, ordinance, or regulation in the course of its performance under this Agreement.

d) **Viruses.** Contractor represents and warrants that it has exercised and shall exercise its most diligent efforts to ensure that no viruses, "Trojan Horses", "Worms" or other damaging, dangerous or objectionable code (collectively, "Viruses") are included with the Deliverables at the time of delivery of the Deliverable. If a Virus may be found to exist in or have emanated from the Deliverables as above mentioned, or any electronic data, information or report generated thereby, Contractor agrees, at its sole expense, to exercise its most diligent efforts (including but not limited to providing appropriate replacement products, software, installation, and diagnostic testing) to remove such Virus within five (5) days of LADWP's notice.

e) **Disclaimer.** EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, CONTRACTOR HEREBY

DISCLAIMS ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

22. LIMITATION OF LIABILITY.

THE TOTAL AND CUMULATIVE LIABILITY OF CGI TO THE DEPARTMENT ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT FOR ALL CLAIMS AND SERIES OF CLAIMS NOTIFIED DURING ANY CONTRACT YEAR SHALL IN NO CIRCUMSTANCES EXCEED THE AMOUNT THE ANNUAL FEES ACTUALLY PAID BY THE DEPARTMENT UNDER THE AGREEMENT DURING SUCH PERIOD. LIMITATIONS TO CGI'S LIABILITY FOR CLAIMS THAT MAY BE FILED AFTER THE TERMINATION OF THE AGREEMENT SHALL BE CALCULATED ON THE BASIS OF THE LAST CONTRACT YEAR.

IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF THE OTHER PARTY, OR A THIRD PARTY, ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT, WHETHER BASED UPON CONTRACT, TORT, BREACH OF WARRANTY OR ANY OTHER LEGAL OR EQUITABLE GROUNDS, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF REVENUE OR PROFITS, OR, FAILURE TO REALIZE EXPECTED SAVINGS.

23. SURVIVAL AND ORDER OF PRECEDENCE. In the event of any expiration or termination of this Agreement, the provisions of Section 1 ("Definitions"), Subsection 3(b) ("No Obligation"), Section 13 ("Term and Termination"), Section 16 ("Records and Audit"), Section 17 ("Rights in Work Product and Licenses"), Section 18 ("Confidential Information and Source Code Escrow"), Section 19 ("Intellectual Property and Deliverables Indemnity"), Section 21 ("Warranties"), Section 22 ("Limitation of Liability"), Section 23 ("Survival and Order of Precedence"), and Section 24 ("General") shall survive and shall continue to bind the parties. In the event of any conflict between the terms of this Agreement and the terms of any exhibit, the terms of the exhibit shall control. In the event of any conflict between the following documents, all of which are hereby incorporated by reference into this Agreement, the order of precedence shall be as follows:

- (a) Latest Change Order
- (b) Task Assignment
- (c) Agreement
- (d) Other referenced documents
- (e) Response Dated September 28, 2012

24. GENERAL.

a) **Governing Law.** This Agreement shall be governed in all respects by the laws of the United States of America and the State of California without regard to conflicts of law principles. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement.

b) **Attorneys' Fees.** In the event any proceeding or lawsuit is brought by the LADWP or Contractor in connection with

this Agreement, each party shall bear its own attorneys' fees and costs.

c) **Forum.** Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City of Los Angeles. Subject to the provision of Sub Section d.1) of this SECTION 24, the State and Federal Courts located in the City of Los Angeles shall have exclusive jurisdiction over any disputes under this Agreement, and the parties hereby submit to the personal jurisdiction of such courts.

d) **Injunctive Relief.** It is understood and agreed that, notwithstanding any other provisions of this Agreement, breach of the provisions of this Agreement by one Party will cause the other Party irreparable damage for which recovery of money damages would be inadequate, and that the non defaulting Party shall therefore be entitled to obtain timely injunctive relief to protect the non defaulting Party rights under this Agreement in addition to any and all remedies available at law.

e) **Informal Dispute Resolution** In the event of a dispute in connection with this Agreement, the Contract Administrator and the Contractor's designated representative shall meet to discuss and resolve the dispute. In the event they are unable to resolve the dispute within fifteen (15) days, or five (5) days if either Party notifies the other party that the matter require urgent resolution, the dispute shall be referred to a senior level officer of each of the Parties for resolution of the problem.

f) **Notices.** All notices or reports permitted or required under this Agreement shall be in writing and shall be delivered by personal delivery or by certified or registered mail, return receipt requested, and shall be deemed given upon personal

delivery or five (5) days after deposit in the mail. Any such notice or report directed to the LADWP shall be delivered to:

LOS ANGELES DEPARTMENT OF WATER AND POWER

Ali Morabbi

Power System Information and Advance
Technology Manager,
111 North Hope Street, Room 851
Los Angeles, California 90012-2694

With a Copy To:

Chief Assistant City Attorney
111 North Hope Street, Room 340
Los Angeles, California 90012-2694

Any such notice or report directed to the Contractor shall be delivered to:

CGI

David Hotte

1350 Rene-Levesque Boulevard West
4th floor
Montréal, Quebec
Canada
H3G 1T4

Either party, by written notice, may designate different or additional person(s) or different addresses.

g) **Agency.** Nothing contained herein shall be construed as creating any agency, partnership, or other form of joint enterprise between the parties.

h) **Waiver.** The failure of either party to require performance by the other party of any provision hereof shall not affect the full right to require such performance at any time thereafter; nor shall the waiver by either party of a breach of any provision

hereof be taken or held to be a waiver of the provision itself.

i) Severability. In the event that any provision of this Agreement shall be unenforceable or invalid under any applicable law or be so held by applicable court decision, such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole, and, in such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law or applicable court decisions.

j) Headings. The section headings appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or extent of such section or in any way affect this Agreement.

k) Assignment. Neither this Agreement nor any rights or obligations of Contractor hereunder may be assigned by Contractor in whole or in part without the prior written approval of the LADWP. Such approval may be withheld for any reason or no reason as this Agreement is a personal services contract and was awarded to Contractor based on the qualities of Contractor. For the purposes of this **Subsection 24(j) ("Assignment")**, a change in the persons or entities who control fifty percent (50%) or more of the equity securities or voting interest of Contractor shall be considered an assignment of Contractor's rights and obligations. The LADWP's rights and obligations, in whole or in part, under this Agreement may be assigned by the LADWP. The LADWP may exercise full transfer and assignment rights in any manner at the LADWP's discretion.

l) Counterparts. This Agreement may be executed simultaneously in two (2) or more counterparts, each of which will be considered an original, but all of which together will constitute one and the same instrument.

m) Relationship of the Parties. The Contractor is acting hereunder as an independent Contractor and not as an agent or employee of the LADWP. The 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 the LADWP.

n) Entire Agreement. This Agreement together with the Exhibits hereto completely and exclusively states the agreement of the parties regarding its subject matter. This Agreement supersedes, and its terms govern, all prior proposals, agreements, or other communications between the parties, oral or written, regarding such subject matter. The terms of any Shrink-Wrap Agreement accompanying any Software delivered to the LADWP hereunder shall, to the extent inconsistent with the terms of this Agreement, have no effect whatsoever. This Agreement shall not be modified except by a subsequently dated written amendment or exhibit signed on behalf of the LADWP and Contractor by their duly authorized representatives. Any purported oral amendment to this Agreement shall have no effect.

AGREED TO:

LOS ANGELES DEPARTMENT OF WATER
AND POWER OF THE CITY OF LOS
ANGELES BY THE BOARD OF WATER AND
POWER COMMISSIONERS OF THE CITY
OF LOS ANGELES

Date: _____ By: _____

RONALD O. NICHOLS
GENERAL MANAGER

APPROVED AS TO FORM AND LEGALITY
CARMEN A. TRUTAMICH, CITY ATTORNEY

FEB 21 2013

BY _____
DIRK BROERSMA
DEPUTY CITY ATTORNEY

AND: _____

BARBARA E. MOSCHOS
SECRETARY

CGI TECHNOLOGIES AND SOLUTIONS, INC

Date: 12/02/2013 By: [Signature]

Title: UP CONSULTING SERVICES

Date: 12/02/2013 By: [Signature]

Title: Senior executive consultant

ARTICLE I STATEMENT OF WORK

SECTION A Software Support Agreement

BY AND BETWEEN: **CGI Technologies and Solutions Inc.** (a wholly-owned subsidiary of CGI Group Inc.) a Delaware Corporation, having its principal place of business at 11325 Random Hills Road, Fairfax, Virginia, 22030,

(Hereinafter referred to as "CGI")

AND : Los Angeles Department of Water and Power, having its principal place of business at 111 N Hope St., Los Angeles, CA 90012. (Herein after referred to as "**Customer**")

For good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

A.1 Software Support Agreement

The following terms are used in this Agreement, as defined in this Section:

- A.1.1 "**Additional Services**" shall mean any services provided in addition to those expressly specified in Appendix A, Section A hereof. Additional Services include, without limitation, needs for training, interventions attributable to supplemental environments, reconfiguration, customization of software, conversion of data, installation, reinstallation of the Software or any migration to a new Release of the Licensed Software and modification of databases. These services shall be charged based upon CGI then current rates.
- A.1.2 "**Agreement**" shall mean this Software Support Agreement and all appendices referencing this Agreement as amended from time to time in accordance with Appendix A, Section A hereof.
- A.1.3 "**CGI Business Day**" shall mean a day other than a Saturday, Sunday and a holiday observed by CGI.
- A.1.4 "**CGI Business Hour(s)**" shall mean 08:30 a.m. to 05:00 p.m., Eastern Time, Monday through Friday, holidays observed by CGI excluded.
- A.1.5 "**Client Customized Software**" shall mean the program functions in machine readable object code only added or connected to the Licensed Software including, without limitations, all interfaces developed by CGI for the Customer and fully identified in Appendix A Section F.
- A.1.6 "**Defect(s)**" shall mean a reproducible failure of the Software to perform in substantial conformity with the Software specifications set forth in the corresponding user's guide(s), help file(s) or other related printed document.
- A.1.7 "**Designated System**" shall mean the hardware and software environment identified in Appendix A (Section H) and with which the Software is operating at the date of execution of this Agreement, excluding any development, training or testing environment on which the Software is installed.
- A.1.8 "**Documentation**" shall mean CGI's published documentation normally provided by CGI to a customer for use of the Licensed Software.
- A.1.9 "**Effective Date**" shall mean the starting date of this Agreement as indicated in Section I letter M.
- A.1.10 "**Licensed Software**" shall mean the core modules, excluding custom code, of the software components for which a "Software License" was entered into between

the Customer and CGI, in machine readable object code only owned by CGI. Such software components are identified in Appendix A, Section F.

A.1.11 "**Major Release**" shall mean any subsequent Release, designated by a re-numbered Release number in which CGI has incorporated significant improvements, new functions or modifications affecting the Software's architecture is including, but not limited to, graphical user interface, database structure, software infrastructure. Some functions and/or modules are optional as determined by CGI at its sole discretion.

A.1.12 "**Minor Release**" shall mean a new Release, designated by a re-numbered Release number in which CGI has incorporated minor improvements to existing functions of the Licensed Software modules.

A.1.13 "**Release**" shall mean the general term for common CGI software, for which a Software license can be entered into, in machine-readable object code form only, which is released by CGI from time to time. Each Release is numbered and tagged and is in machine-readable code form only.

A.1.14 "**Service Pack**" shall mean any repair or replacement of object code or executable code of the Licensed Software to remedy a Defect with no change on the Release number but identified as a Service Pack.

A.1.15 "**Software**" shall mean the Licensed Software and/or the Client Customized Software, as defined in Exhibit A, Section F.

A.1.16 "**Software Shipment**" shall mean the delivery of a particular Release to the Customer.

A.1.17 "**Support Services**" shall mean the support services described in Appendix A, Section B SUPPORT SERVICES PLAN EVERGREEN PLAN SUPPORT SERVICES.

A.2 Software Support Plan

A.2.1 The specific Support Services are described in Article I, Section B. It is acknowledged and agreed that the Support Services provided by CGI are, except in exceptional circumstances, remedial and that interventions hereunder may only be triggered by the Customer.

A.2.2 The provisions of this Agreement shall be deemed incorporated into all purchase orders issued by LADWP for Support Services and supersedes all terms and conditions mentioned or referred to therein.

- A.2.3 CGI shall provide a write-in service for assistance, information and the communication of questions and enhancement suggestions directed to CGI. A response will be provided by CGI within a reasonable time.
- A.2.4 CGI may circulate to LADWP non confidential information about the Software found to be of value to other users of the Software.
- A.2.5 CGI shall provide Support Services in relation to the determination of Defects which Customer alleges affect the Software on Designated System, in accordance with the Support Plan described in Article I, Section B. Calls shall only be placed by one of the Authorized Customer Representatives identified in Article I, Section E.
- A.2.6 CGI shall access the Designated System and the Software directly, via telecommunication link, to isolate and identify alleged Defects, to provide corrections or workarounds. Each party will bear its own telecommunication costs.

CGI may, at its own discretion and with LADWP's prior approval, deploy a software support representative to isolate alleged Defects in the Software and apply corrections or workarounds that cannot be made through a telecommunications link. If required, in order to perform the Support Services under this Agreement, Customer shall make a workplace available to the CGI Software support representative. All CGI's standard travel and living expenses shall be charged to Customer. CGI shall provide Customer with all supporting receipts and documentation as per section C.3.4.

A.3 Proprietary

- A.3.1 CGI shall only be responsible for the provision of Support Services for the Release of the Licensed Software and for the LADWP Customized Software.
- A.3.2 If a correction or work-around is not available to resolve a Defect on the Release of the Licensed Software installed at the LADWP's site, the correction of the Defect will be done, unless otherwise indicated by CGI, on the Release of the Licensed Software then currently supported or through the releases of a Service Pack or a Minor Releases of the Licensed Software.
- A.3.3 LADWP may purchase additional Client Customized Software during any support period. Support Services relating to such additional Client Customized Software may also be acquired upon mutual consent of the parties.
- A.3.4 LADWP retains the right to migrate to the latest Release of the Licensed Software while this Agreement is still in force.

- A.3.5 If the installation of any Release to the Licensed Software or any additional Client Customized Software requires a modification to any interface or any Client Customized Software, or to any component of the Designated System, CGI will provide Additional Services, as agreed with LADWP, so as to make, or assist LADWP in making, such modification. Failure to make such modification shall relieve CGI of its obligation to provide Support Services hereunder.
- A.3.6 If LADWP wishes to transfer the Software to a different Designated System or modify the Designated System (Section H), it shall notify CGI in writing, provided however, that in no event shall CGI be obligated to provide Support Services for the Software if used with software programs or hardware items not then generally supported by CGI. Upon receipt of such written notice, CGI will provide to Customer an evaluation of the time and costs relating to the analysis of the impact of such proposed modification or transfer of the Designated System on the related Support Services, including whether or not CGI will be able to continue to provide Support Services. Any such modification may result in an increase in the applicable support fees.
- A.3.7 To the extent that the Support Services are impacted as a result of:
- A.3.7.1 any need for training, need for data conversion, or problems due to erroneous data;
 - A.3.7.2 any configuration or any installation not done by CGI;
 - A.3.7.3 any environment, software program or hardware items not listed in Sections F& H;
 - A.3.7.4 any defect affecting a software program (other than the Software) or hardware equipment constituting the Designated System (Section H) or any failure caused by the LADWP's system network;
 - A.3.7.5 the operation of the Designated System (Section H) in environmental conditions outside those currently prescribed by the manufacturer or supplier of any of its components as acceptable for installation and maintenance purposes;
 - A.3.7.6 the failure by LADWP to keep the Designated System properly maintained in accordance with standards of maintenance prescribed by any manufacturer or supplier;
 - A.3.7.7 any act or omission by LADWP or any third party;
 - A.3.7.8 the failure by LADWP to follow CGI's instructions as provided from time to time;
 - A.3.7.9 the Software being serviced, supported or modified by anyone other than CGI;
 - A.3.7.10 a force majeure; or
 - A.3.7.11 any event which might alter or modify the performance of any component of the Software or the Designated System, including without limitation, power failures and malfunctions of air conditioning or heating systems.

CGI shall, promptly upon becoming aware of the occurrence of an event listed above, send the Customer a notice containing (i) CGI's assessment of the impact of such event on its ability to continue to provide the Support Services, and (ii) a description of the Additional Services, if any, required as a result thereof. If the Customer disagrees with CGI's assessment, the matter shall be submitted to the dispute resolution mechanism. Otherwise, LADWP shall, within 60 days of CGI's notice, take the necessary measures to ensure that CGI is able to resume providing the Services.

- A.3.8 If it is determined that CGI has provided Support Services as a result of an event mentioned in Section 3.7 or from any other cause not directly related to the Software, CGI shall have the right to charge Customer for Additional Services spent servicing the problems (regardless of the impact of its intervention).

SECTION B Support Services Plan
Evergreen Plan Support Services

B.1 Description

B.1.1 Services

- (a) A phone-in service for the provision of advice regarding Licensed Software Defect, determination and resolution.
- (b) Support services include the diagnosis of the Software Defect, correction of Software malfunction or failure in the current Release, correction by way of any Support Services, by the release any Minor or Major Release, the provision of temporary by-passes and workarounds or any other means;
- (c) Calls may be placed by an Authorized Customer's Representative seven (7) days a week, twenty-four (24) hours a day;
- (d) Technical advisory services by a designated CGI Service Manager for overall investigation of maintenance and service issues on operational matters;
- (e) Availability of access to online and remote 'Defect Tracking System' (iTrack);
- (f) Availability of access to automated upgrade procedures for CGI software including the conversion of database structure, as made available by CGI;
- (g) Availability of access to online documentation;
- (h) Additional Services available for the Client Customized Software.

B.1.2 Continuous Improvement

CGI shall provide to the Customer, while the support contract is in effect and at no additional cost, when generally made available to all of CGI's customers, Minor and Major Releases of the Licensed Software as well as updates to the Documentation, as the case may be. New software modules and new products will be treated as optional and will be provided once a mutual agreement has been reached as to the applicable terms, conditions and costs. Customer shall be responsible for making a number of copies equal to the number of licenses granted to it.

B.2 Customer Support Process

B.2.1 Responsibilities

CGI's Customer Support Center is responsible for:

- First level follow-up on calls received at its phone-in service;
- Receiving all Customer queries and Defects in a timely and expedient manner, as long as they are related to the support of the Software operating on the Designated System.
- Assigning a CGI reference number to the Customer after the request has been analyzed.
- Logging all calls into the Defect Management System.
- Reviewing all incoming voice-mail, e-mail, faxes, and telephone calls addressed to the Customer Support Center.
- Transferring the request to the QA/QC department for analysis.
- Tracking the request to ensure that the Defect is being serviced as defined below.
- Closing the request after the Customer has agreed that the Defect was corrected.

B.3 Support Manager Services

The role of the CGI Support Manager is to provide technical advisory services for overall investigation of maintenance and service issues on operational matters. In particular, the CGI Support Manager's role is to:

- Provide technical advisory services to the Customer relating to the CGI Software and support services;
- Conduct one survey per year at Customer premises.

B.4 Software Trouble Reports and Priority Levels

B.4.1 Process for reporting Defects in the Software and assignment of priority level

Upon encountering a Defect, Customer will gather as much information as possible pertaining to the specific Defect and forward it on to CGI's Support Service Center. This information will include: detailed description of what the user and/or system was doing when the Defect was encountered, how specifically the user (or the system) was impacted when the Defect was encountered, what (if any) actions were taken either by the user or Customer Software support, copies/dumps of any specific data related to the Defect, as appropriate. Due to the criticality of certain Defects, the initial report of a Defect may not include all pieces of information available. However, all available information will be forwarded to CGI as soon as possible.

B.4.2 Response Time

Within 15 minutes of receiving a call for a P1 or P2 Defect (as defined in Section 4.5 of this Appendix B) via the CGI Hot-Line Number (refer to Section 7 of this Appendix B) and within seventy-two (72) business hours of receiving a call for a P3 or P4 Defect (as defined in Section 4.5 of this Appendix B), CGI shall confirm to the Customer's Authorized Representative that it has received notification of the Defect. CGI shall then service any reported P1 and P2 Defects as described in Section 5.1 of this Appendix B and any reported P3 and P4 Defects as described in Section 5.2 of this Appendix B.

B.4.3 Software Trouble Report

A Software Trouble Report (STR) is used to report any system Defect. It is initiated by the Customer and includes a detailed description, as specified in Section 4.1 of this Article I, of all encountered Defects. Also included is CGI's reply containing information about the resolution (as specified in Sections 5.1 and 5.2 of this Article I). The STR number shall be used for tracking through assessment, diagnostic, resolution (if appropriate) and incorporation into subsequent Releases of the Software.

Within two (2) business days, CGI will log the reported Defect and communicate in writing a STR number for the Defect. In case where Customer feels that the Defect has been improperly prioritized by CGI, Customer will promptly state its objection to CGI in writing and the parties will enter into discussions to determine the priority level to be given to the Defect for the purposes hereof.

B.4.4 Prime Contact

A Prime Contact will be designated by CGI to oversee the diagnosis and resolution of any Customer support issues. Once a call is placed, the Prime Contact will plan and manage the resolution of the Defects with the Customer.

B.4.5 Priority Levels

Five priority levels are applied to Defects logged into CGI's Tracking System to determine the required level of intervention and type of Support Services. Gaps between software design and customer requirements are not considered "Defects." The priority levels are:

Priority Levels		Description
P1	Fatal	Software component is not operational. This is a production-limiting problem with no known work-around.
P2	Critical	Defects that result in a lack of Software component functionality or that cause intermittent system failure. This is a production hindrance problem with no known work-around.
P3	Non-critical	Defects that cause non-critical Software component features consistently to malfunction. End Users are not able to use certain functionality with the Software, but have a defined work-around to continue their operations and not inhibit production.
P4	Minor	Defects that cause attributes and/or options of Software component programs not to operate in accordance with, is a nuisance to the End Users, but is not a production-limiting problem of the Software.
P5	Suggestion	Suggestions and requests for enhancements of the Software. This includes gaps between Software design and customer business requirements.

B.5 Service for Defects

B.5.1 Support Service for P1 and P2 Defects

For P1 Defects, a diagnostic shall be made and a solution or work-around acceptable to Customer shall be scoped as quickly as possible, but not to exceed four (4) hours from the time the CGI software technician has identified the Defect.

P1 Defects shall be serviced by CGI continuously so that the scoped solution or work-around acceptable to Customer can be implemented in a timely manner.

For P2 Defects, a diagnostic shall be made and a solution or work-around acceptable to Customer shall be scoped as quickly as possible, but not to exceed twenty-four (24) hours from the time the CGI software technician identified the Defect.

CGI shall fix P1 and P2 Defects promptly and shall ship software fixes or Updates at the agreed to frequency.

The fixes or Updates provided by CGI shall be deemed accepted by Customer within ten (10) days of their delivery unless such fixes or Updates prevent the Software from performing its main intended functions as specified in the Documentation. In this event, Customer shall communicate to CGI in writing with the reasons for its refusal of the fixes or Updates. Customer shall be responsible for testing of fixes or Updates and for determining the appropriate time to deploy them into production.

CGI and the Customer shall assign a single point of contact for P1 and P2 Defects. Status updates shall be provided within a time frame to be mutually agreed by the parties at the time the Defect is reported. Status information reported shall include the estimated time of resolution, the nature of the Defect and the assignment of personnel. Status information shall be provided as required by Customer on a case by case basis.

If required, upon determining the Defect, CGI shall provide to Customer an evaluation of the time and cost, if any, required to correct Defects or to apply corrections or workarounds.

B.5.2 Service for P3 and P4 Defects

Support Services for P3 and P4 Defects are handled through CGI's Customer Support Center during CGI's normal business hours. The Customer is either directed to an Application Support representative for help in the use of an application or the call is recorded as a Defect in the STR database.

Upon determining the Defect, if it consists in a Defect to the Software, CGI shall provide to Customer an evaluation of the time to perform resolution during normal CGI Business Hours;

P3 and P4 Defects will be addressed as described below:

P3: Commercially reasonable efforts to resolve within three (3) months of being reported;

P4: Commercially reasonable efforts to resolve within six (6) months of being reported.

In cases of P3 and P4 Defects, the Customer and CGI may mutually agree to prioritize for inclusion appropriate Defect Resolutions in scheduled Production Rollouts.

B.5.3 Service for P5 Defects

P5 Defects or any enhancement suggestion shall be transmitted to CGI in writing. These defects or enhancements shall be reviewed by the CGI solution manager. When requested by several customers, they shall be presented to the CGI's user community to decide whether they shall be included in future releases.

B.5.4 Acceptance of Fixes

The fixes or Minor Releases provided by CGI as resolution of reported Defects in the course of the Support Services shall be deemed accepted by the Customer after being put into production or at a date mutually agreed after customer acceptance testing has been completed whichever occurs first. Customer shall be responsible for testing of these fixes or Minor Enhancements and for determining the appropriate time to deploy them into production.

B.6 Hot-Line Service Cycle

The Customer Support Center can be accessed either in French or English via the following methods. For P1 and P2 Defects, the Hot-line number must be used in priority to ensure a 15-minute response time.

- Hot-line number (for P1 and P2 Defects): 1-877-634-7978

- Customer Support Number – (for P3, P4, and P5 Defects):
1-800-390-6033 ext. 1012727

- Fax: 514-415-3999, attention: Customer Support Center
- E-mail: support.util-sol@cgi.com

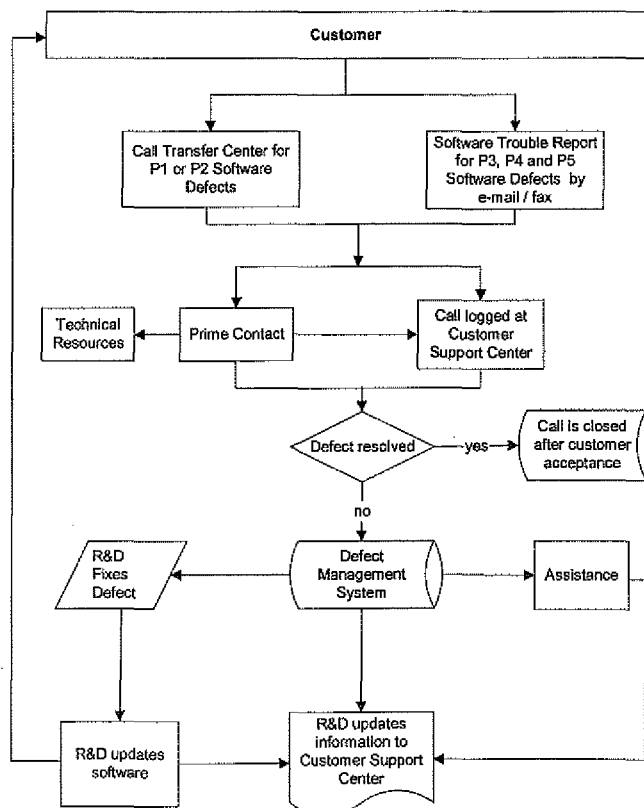
B.7 Online Services

CGI provides access to an extranet page where the following are available:

- Links to a newsletter, white papers and all available Software documentation. Information on the User Group conference and the related documentation can also be accessed.
- Access to the CGI Defect tracking system and current database in which the Customer's Authorized Representatives can view information on Customer-specific Defects and information about their resolution.

B.8 Call Handling General Process Flow

CGI has the infrastructure to support Customer in configuration, installation and implementation of CGI's solution. The following flowchart shows how Customer's incoming calls are processed within CGI's organization.



B.9 Support Services

CGI shall provide OMS/MDS system services to the Department which shall include the following:

- (a) OMS / MDS proprietary Software changes resulting from tuning/upgrading the Software and databases (Oracle, Compilers, etc.), and on-site Technical Support related to impacts to any OMS / MDS proprietary Software.
- (b) OMS/MDS technical resource for software upgrades, periodic maintenance, performance tuning of system, and business process enhancements implementation.
- (c) System and management reporting development, including upgrades to current web system for operations and management reports, development of system reliability reports, and mapping of outage locations.
- (d) Services to include data conversion, documentation, consulting services, quality assurance and project management as related to the OMS / MDS system.

SECTION C Proprietary & Special Services and Licenses

The following defines the **Proprietary Services and Licenses** that are included in this agreement.

CGI Proprietary Services and Licenses

Throughout the Term, CGI will provide the **Proprietary Services and Licenses** defined herein. The Department may terminate the Services under each of these Tasks at any time upon ninety (90) days' prior written notice to CGI subject to the termination without cause clause. All other conditions of the Agreement will be adhered to herein.

The Proprietary Services and Licenses are as follows:

C.1 Migration Services for OMS and MWM Solutions in line of Smart Grid initiatives

- The professional services required for migrating to a superior version are comprised of:
 - One Major and one Minor release, (as defined in Article I, Section A, 1.11 and 1.12):
 - Preparation of a Statement of Work in collaboration with LADWP personnel
 - Conduct Product Familiarization and Gap Analysis
 - Preparation of Interface Requirement Specifications (IRS) with LADWP personnel
 - Preparation of database migration scripts
 - Interface Development Support if needed
 - QA/QC Internal Testing
 - Conduct Factory Acceptance Testing (FAT)
 - On-site support on Site Acceptance Testing (SAT)
 - Provide on-site assistance for SAT
 - Conduct Train-the-Trainer Training
 - Provide Rollout support

Note: Request for Proprietary Services and Licenses LADWP should be initiated with a Task Assignment as described under column C.4.

C.2 CGI Licenses for OMS and MWM Applications

- Licenses are comprised of additional CGI licenses for OMS and MWM new users, new software modules and new products.

C.3 Proprietary Improvement

The Implementation of **Proprietary improvements** will be requested by the Department through the Contract Administrator under the Agreement will be performed in accordance with a Task Management System, described in Section C.4. Accordingly, prior to any Department request to CGI for the **Proprietary improvements** under the Agreement, the Department will prepare a written document called a "Task Assignment".

A separate Task Assignment proposal will be prepared for each Task Assignment and will include, but not limited to, the following information:

1. Task number;
2. Task name or title;
3. Purpose and objective of the Task assignment;
4. Prerequisites to CGI's performance;
5. Scope of the work to be performed;
6. Results of work expected;
7. Premises (assumptions, benefits envisioned, conditions, or restrictions);
8. Key Task Assignment management personnel;
9. Schedule, including expected progress reports and transmission of interim results;
10. Mutually established fixed cost to be paid to CGI to perform the Task Assignment, and performance completion/payment schedules; or "time and material" rates applicable in accordance herewith and an estimate of total "time and material" fees; and
11. Name of the Department's-authorized representative.

The provisions of this Agreement shall be deemed incorporated into all Task Assignments entered into between the parties.

C.4 Task Management System

CGI TECHNOLOGIES AND SOLUTIONS INC (CGI) services shall be performed in response to a task or tasks (hereinafter referred to as a Task Assignment or Task Assignments, respectively) assigned by the Los Angeles Department of Water and Power (LADWP). Each Task Assignment shall be under the immediate and responsible direction of one of CGI's principals. CGI shall furnish all services necessary to accomplish its assigned activities associated with a Task Assignment.

C.4.1 LADWP Contract Administrator (CA) and Task Assignment Authorization

Any Implementation of **Proprietary Improvements** which is not provided for in the approved Task Assignment or work which would require additional charges shall not be performed without prior modification of the existing Task Assignment, in writing, by the Contract Administrator.

The LADWP CA is CGI's primary LADWP contact regarding all matters related to the Agreement. All letters or other correspondence pertaining to the future Agreement between LADWP and CGI (hereinafter "Agreement") shall be addressed to the CA. The CA may change over the life of the Agreement. LADWP will notify CGI of any change in the LADWP resource identified as the CA for the Agreement. At the time these Task Management System (TMS) provisions were finalized as part of a Solicitation Letter process, the CA for the Agreement is proposed to be:

Marcelo Di Paolo
Power System Information and Advanced Technologies
Los Angeles Department of Water and Power
111 N. Hope Street, Room 851
Los Angeles, CA 90012-5701

While the Agreement will be administrated by the LADWP, all Task Assignments will be jointly authorized by LADWP according to the following levels of authority:

- \$5,000 or Under
Task Assignments or changes to Task Assignments, where the estimated person-hour expenditures and/or not-to-exceed amount do not exceed \$5,000, shall be authorized by the LADWP representative at the level of Electrical Engineer.
- Over \$5,000
Task Assignments or changes to Task Assignments, where the estimated person-hour expenditures and/or not-to-exceed expenditure limit exceed \$5,000, shall be authorized by the LADWP representative at the level Electrical Engineer above along with sign-off via initials or signature by the LADWP Power System Director of Engineer or their authorized representatives in their absence.

C.4.2 Task Assignment Definition

C.4.2.1 Task Assignment Proposal

LADWP will prepare a written proposal for each Task Assignment which will contain the following information:

1. Task Assignment number
2. Task Assignment name or title
3. Purpose and objective of the Task Assignment

4. Prerequisite tasks
5. Scope of work to be performed
6. Business and/or technical requirements
7. References as necessary
8. Key task personnel
9. Schedule, including expected progress reports and expected completion date
10. Method of compensation for proposed Task Assignment (Time-and-Material and/or Fixed Price)
11. Expected person-hour expenditures (Time-and-Material Basis)
12. Not-to-exceed expenditure limit (for Time-and-Material Basis)

During LADWP's consideration and preparation of a Task Assignment proposal, any pre-Task Assignment exchanges and activities in the form of discussions, meetings, research, and/or analysis that CGI participates in shall be conducted at CGI's own expense. In the event that the completion of said pre-Task Assignment exchanges and activities represents a significant financial investment for CGI due to the level of effort required, CGI can request that LADWP prepare a separate written Task Assignment proposal for said pre-Task Assignment exchanges and activities.

C.4.2.2 Review of Task Proposal by CGI

CGI, at its own expense, will evaluate said Task Assignment proposal for completeness, understandability, feasibility, and viability of estimated person-hour expenditures and/or not-to-exceed expenditure limit. Any request to modify the Task Assignment proposal shall be transmitted in writing to the LADWP CA. In the event that the evaluation process represents a significant financial investment for CGI due to the level of effort required, CGI can request that LADWP prepare a separate written Task Assignment proposal for said evaluation.

C.4.2.3 Approved Task Assignment

CGI shall begin performance of the particular Task Assignment after approval is transmitted in writing by the CA. Compensation shall be no more than the amount stated therein. No alteration of the Task Assignment or the compensation set forth therein, once authorized by the CA, is permitted without the prior written consent of the CA.

C.4.3 Work Outside Approved Task Assignment

Work which is outside the approved Task Assignment which would not require additional charges shall not be performed unless the existing Task Assignment is modified via a Revision pursuant to item C.4.4 below. Work which is outside the approved Task Assignment which would require additional charges shall not be performed unless the existing Task Assignment is modified via a Change Order pursuant to item C.4.4 below.

C.4.4 Modifications to Approved Task Assignment

LADWP may authorize or request modifications to an approved Task Assignment by the issuance of a Revision or Change Order. Modifications which do not alter the price or not-to-exceed amount of the Task Assignment and which do not substantially alter the scope or schedule associated with the Task Assignment shall be made by the issuance of a technical or administrative Revision to the Task Assignment. All other modifications shall be made by the issuance of a Change Order to the Task Assignment.

C.4.5 Compensation for Task Assignments

Task Assignment Activities shall be performed either on a time-and-material basis, with a not-to-exceed amount, or upon a fixed-price basis. Task Assignments shall clearly state which compensation method is being used. The Parties will select that method of compensation which is most compatible with the particular Task Assignment, provides the least cost to LADWP, and assures the Contractor adequate compensation.

In determining reasonable compensation to be paid under the fixed-price option, **Section D, Fee and Payment Schedule**, along with a list of authorized reimbursable expenses, shall be consulted and considered.

Any payments prior to Task Assignment completion under either option shall be substantially equivalent to the total percentage of the work performed toward the completion of the Task Assignment. To that end, the Parties, during the preparation of a Task Assignment, shall formulate a performance and Deliverable-based payment schedule to the extent possible.

C.4.5.1 Time and Material Basis with a Not-to-Exceed Amount

All Task Assignments performed on a time-and-material basis, with a not-to-exceed amount, shall comply with the following provisions.

C.4.5.2 Fixed-Price Basis

LADWP will pay for Standard Proprietary Software Maintenance Services and Proprietary Improvement Services associated with any authorized Task Assignment performed on a fixed-price basis up to the agreed upon lump-sum price pursuant to the specific provisions within the Task Assignment.

C.4.6 General invoice submittal procedures

CGI shall observe the following general invoice submittal procedures in addition to the specific details of invoice content that are contained in Sections C.4.5.2 below based on the specific type of the Task Assignment:

C.4.6.1 Mailing or Emailing of Invoices

Itemized, verified, and certified invoices shall be submitted in triplicate and mailed to (insert the name of the CA below):

Marcelo Di Paolo
Power System Information and Advanced Technologies
Los Angeles Department of Water and Power
111 N. Hope Street, Room 851
Los Angeles, CA 90012-5701

Attention: [Marcelo Di Paolo]

At CGI's option, an electronic copy of the itemized, verified, and certified invoice, including scanned copies of any page(s) requiring an CGI signature, can be emailed to the CA.

C.4.6.2 General Invoice Information

1. CGI's name, address, and vendor code number
2. CGI's City of Los Angeles Business Tax Registration Certificate Number
3. Date of the invoice
4. CGI's invoice number
5. LADWP contract (i.e. Purchase Order) number
6. TMS Task Assignment number
7. Itemized fees for services, expenses, and/or costs as well as any applicable taxes
8. Total amount of invoice
9. Back-up documentation for all fees for services, expenses, and/or costs in a format acceptable to LADWP
10. The following Certification Statement signed by the Contractor:
"I hereby certify, under penalty of perjury, that the services rendered and billings reflected in this invoice are true, accurate and in conformance with the terms of this Agreement, including but not limited to the Living Wage Ordinance, Los Angeles Administrative Code Section 10.37 et. Seq."
11. Approval signature blocks for the CGI resource certifying the invoice and the LADWP CA for the Agreement

C.4.7 Invoices associated with Task Assignments performed on a time-and-material basis with a not-to-exceed amount

Any payments prior to task completion under either option below shall be substantially equivalent to the total percentage of the work performed toward the completion of the Task Assignment.

C.4.7.1 Deliverable based payment schedule included in Task Assignment

If the Task Assignment included a deliverable based payment schedule, CGI shall submit itemized, verified, and certified invoices pursuant to the general invoice submittal

procedures in Section 3.1 above upon completion of a specific deliverable associated with the Task Assignment. In addition to the invoice information identified in Section 3.1 above, the Task Assignment deliverable number and description shall be provided and the back-up documentation shall support the completion of the deliverable.

C.4.7.2 Deliverable based payment schedule NOT included in Task Assignment

If the Task Assignment does not include a deliverable based payment schedule, CGI shall, at the end of each calendar month in which services are performed or expenses are incurred and prior to the tenth day of the following month, submit itemized, verified, and certified invoices pursuant to the general invoice submittal procedures in Section 3.1 above. In support of payment for such invoices, CGI shall furnish back-up documentation that includes a progress report, payroll records, receipts and other evidence of reimbursement expenses and any other information necessary to verify that CGI's billing is in accordance with the Agreement and the Task Assignment. Invoice payments will not be made if the invoice is received more than six months after the billing period.

C.4.8 Invoices associated with Task Assignments performed on a fixed-price basis

C.4.8.1 Deliverable based payment schedule included in Task Assignment

If the Task Assignment included a deliverable based payment schedule, CGI shall submit itemized, verified, and certified invoices pursuant to the general invoice submittal procedures in Section 3.1 above upon completion of a specific deliverable associated with the Task Assignment. In addition to the invoice information identified in Section 3.1 above, the Task Assignment deliverable number and description shall be provided and the back-up documentation shall support the completion of the deliverable.

C.4.8.2 Deliverable based payment schedule NOT included in Task Assignment

If the Task Assignment does not include a deliverable based payment schedule, CGI shall submit itemized, verified, and certified invoices pursuant to the general invoice submittal procedures in Section 3.1 above upon completion of the entire Task Assignment. The back-up documentation shall support the completion of the Task Assignment.

SECTION D Fees and Payment Schedule

D.1 Compensation for Task Assignments

Task Assignment activities shall be performed either on a time-and-material basis, with a not-to-exceed amount, or upon a fixed-price basis. Task Assignments shall clearly state which compensation method is being used. The parties will select that method of compensation which is most compatible with the particular Task Assignment, provides the least cost to LADWP, and assures CGI adequate compensation.

In determining reasonable compensation to be paid under the fixed-price option, the fee schedule in the Agreement, along with a list of authorized reimbursable expenses, shall be consulted and considered.

Any payments prior to Task Assignment completion under either option shall be substantially equivalent to the total percentage of the work performed toward the completion of the Task Assignment. To that end, the parties, during the preparation of a Task Assignment, shall formulate a performance and deliverable based payment schedule to the extent possible.

D.1.1 Compensation for Expenses

Unless specifically authorized as reimbursable expenses by the Task Assignment or a Change Order to the Task Assignment, no compensation for incidental expenses shall be provided. Office and other normal operating expenses shall be included in the fees for services quoted by CGI. Any compensation for authorized expenses will be reimbursed in US dollars.

D.1.1.1 Travel Expenses to and from Los Angeles area

If specifically authorized by the Task Assignment or a Change Order to the Task Assignment, LADWP will reimburse CGI for the actual costs of the following travel expenses for CGI's personnel who are located outside the greater Los Angeles area:

- 1) Airfare and Ground Transportation: Airfare is limited to coach class only. LADWP encourages the use of mass transit ground transportation. If necessary, car rental is limited to one compact rental car per 4 passengers per trip. Original receipts for airfare and ground transportation must be submitted.
- 2) Meals: Meal expenses up to a maximum limit of \$55.54 US dollars per day. This should include taxes and tips. The following breakdown for meals shall be used as a guideline:

Breakfast:	\$13.39
Lunch:	\$17.25

Dinner: \$24.90

Meal receipts must be the detailed, itemized receipts. Reimbursement will not be made for alcoholic beverages.

3) Lodging: Lodging expenses of CGI's personnel up to a maximum rate of \$175.70 US dollars per room per day. This should include taxes and tips. Lodging receipts must show paid in full with zero balance owed. Higher rates may be allowed if CGI is unable to obtain a lodging rate comparable to LADWP personnel lodging in the Los Angeles area under one of many lodging contracts LADWP maintains. Higher lodging rates must be pre-approved by the CA.

4) Meals and Lodging are reimbursable only on working days as reported on timesheets, and payments are subject to the approval of the LADWP CA identified in the Agreement.

5) Per diem expenses to CGI's personnel in lieu of actual costs will not be reimbursed.

D.1.1.2 Travel Expenses within Los Angeles area

Daily mass transit ground transportation and if necessary, car rental limited to one compact rental car per 4 passengers per trip for CGI's personnel who are located outside the greater Los Angeles area. Original receipts for all means of ground transportation must be submitted. Travel expenses for CGI's personnel who are located inside the greater Los Angeles area will not be reimbursed.

D.1.1.3 Unusual Reimbursable Expenses

Unusual expenses may be specifically authorized as reimbursable expenses, when it is to LADWP's benefit to do so. If so, the unusual expenses must be thoroughly and carefully defined in the Task Assignment or a Change Order to the Task Assignment.

D.2 Time-and-Materials Basis

The Department will pay for time-and-materials based task services at the rates established in Section D.3 hereto. Complete payment for any Task Assignment made on a time-and-materials basis will be limited by the maximum amount established in the Task Assignment.

Rates contained in Section D.3 are valid through December 31, 2013. Rates for subsequent one-year contract term will be requested by CGI in writing to the Department at the start of each new contract period.

The rates shown may be increased at the start of each new contract term by a percentage not greater than the percentage increase in the Consumer Price Index, as recorded in the Federal Register, for the 12-month period prior to the increase. Notwithstanding the

foregoing, such rates may be increased by a percentage greater than the Consumer Price Index where CGI can reasonably demonstrate that certain expense items have increased more significantly than the Consumer Price Index (for example exchange rate variations for Canadian resources). In any one contract term the rates will not be increased by a percentage greater than three percent (3%) per year.

D.3 CGI Professional Services Resources Rate Sheet

US Resource Type	Daily Rate
Programmer, Trainer	\$1,092
Technical Lead	\$1,365
Project Manager	\$1,638

All rates are in US dollars.

Notwithstanding the rate structure above, CGI and LADWP can agree on different rates for specific resources.

All rates are per day of work (8 hours per day, 5 days per week), assuming a minimum duration of 4 consecutive days at a time. Trip to LADWP will be charged at the daily rate in each direction.

These rates are going to be used exclusively for Time and Material basis type of work.

All taxes are excluded from this table.

This table assumes that the work is performed on-site and LADWP is providing the resources with necessary workspace, tools and amenities including a computer workstation to carry on work of the task assignment.

Rates are valid until December 31, 2013 and can vary from year to year in accordance with Section D.2.

D.4 Fees and Payment Schedule

D.4.1 TERM AND PRICING for Standard Proprietary Software Maintenance and Software Support Services (Based on Exhibit A, Article I, Section B)

Standard Software Maintenance Services as defined herein will begin as of the date of the Execution Letter received by CGI from the Department, and will extend for a period of three (3) years thereafter (the "Term") for the maximum amount of \$2,282,190. At the Department's sole option for renewal, the Standard Software Maintenance Services will be charged at \$760,730.00 for each extended year.

Payment schedule: the fixed fee for the standard core Software Maintenance Services will be paid in monthly increments over a 36-month period. Each monthly payment shall be \$63,394.166.

Customer agrees to pay the following monthly support fees for Support Services as defined in Article I, Section B of the Agreement. These support fees shall be due and payable net thirty (30) days from the date of receipt of invoice.

The support fees are subject to increase if Customer purchases additional license rights from CGI. Such increase shall be equivalent to eighteen percent (18%) of the price of these additional license rights.

D.4.2 TERM AND PRICING for Proprietary Services and Licenses (Based on Article I, Section C)

Payment schedule: Payment is as agreed to by both parties as described as part of each Task Assignment in Exhibit A, Article I, Section C.

Summary

Service	Price (Maximum Fee for 3-year period)	Price (2 One-Year Renewable Options)	Total Price
Standard Proprietary Software Maintenance and Services	\$2,282,190	(4th Yr) \$760,730 (5th Yr) \$760,730	\$3,803,650
Escrow Services	\$203,424	(4th Yr) \$67,808 (5th Yr) \$67,808	\$339,040
Proprietary Improvement	\$701,000	\$599,000	\$1,300,000
TOTAL:	\$3,186,614	\$2,256,076	\$5,442,690

All Fees do not include state or local taxes.

D.4.3 ESCROW FEES:

Standard Escrow Services as defined herein will begin as of the date of the Execution Letter received by CGI from the Department, provided such letter is received no later than March 17, 2013, and will extend for a period of three (3) years thereafter (the "Term") for the amount of \$203,424.00. The Department must authorize the work for Escrow Verification Services in advance as stated under Task Assignment in Article I, Section C, of the Agreement. The total amount available for work for years four (4) and five (5) is \$135,616. The Department may issue, once per year, up to a total of two (2) Task Assignments requesting that Escrow Verification Services be performed. At the Department's sole option for renewal, the escrow services for the extended term of the agreement will be charged at \$67,808.00 per year.

Payment schedule: the fixed fee for the Escrow Services will be paid in yearly increments over a 3-year period. Each yearly payment shall be \$67,808.00.

SECTION E Authorized Customer Representative

Customer agrees to supply to CGI a maximum number of five (5) Authorized Customer Representatives, including telephone numbers, e-mail addresses, fax numbers and any other information that may be required. Below is the current list of authorized customer representatives.

1. Name: Marcelo Di Paolo
 E-mail: marcelo.dipaolo@ladwp.com
 Telephone numbers: (213)367-1388
 Fax numbers: (213)367-3592

2. Name: Matthew Gil
 E-mail: matthew.gil@ladwp.com
 Telephone numbers: (213)367-2392
 Fax numbers: (213)367-3592

3. Name: Samson Tafesse
 E-mail: Samson.tafesse@ladwp.com
 Telephone numbers: (213)367-8237

SECTION F CGI Software Version and Quantity

Item No.	Revision	Qty	Description
SERVER Licenses			
1. Pragma™Line	5.4	1.2 Mil Customers	Pragma™Up Pragma™Views Pragma™Switch Pragma™Proof Complex Incident, Substation Modeling Alarm & Event Manager
2. Pragma™CAD	5.4.1	Up to 2.0 Mil Customers	Auto-Dispatch Scheduling Workload Leveling Complex Job
3. Pragma™Road Server	5.2	101-250 users	Communication Software for radio communication
4. SkyView Server	5.4.1		Based on MapPoint
SEAT Licenses			
1. Pragma™Line Dispatchers	5.4	16	Basic Pragma™Line Dispatchers Software (Access to Pragma™Up, Pragma™Views, Pragma™Switch, Pragma™Proof, Complex Incident, Substation Modeling)
2. Pragma™CAD Dispatchers	5.4.1	16	Basic Pragma™CAD Dispatchers Software (Access to Auto-Dispatch, Scheduling, Workload Leveling, Complex Job)
3. Pragma™CAD Mobile Client	5.4.1	90	Basic MobLite Software Field Report Module Time Sheet
4. Pragma™CAD Mobile Supervisor	5.4.1	10	Basic Mobile Supervisor Software (Monitoring of crews, Monitoring of Assignment Lists for crews, etc.) Field Report Module (Approval/Refusal/Disapprove) Time Sheet (Approval/Refusal/Disapprove)
5. Pragma™Road Client	5.2	101-250 users	Communication Software for radio communication between server and client

6. SkyView (101-250 users) Mobile Display	5.4.1	100	Graphical Map Display on the Mobile with GPS
7. SkyView Dispatcher Client	5.4.1	14	Graphical Map Display on the Dispatcher Workstations
8. SkyView (101-250 users) Mobile Client	5.4.1	100	Global view of all crews and jobs in the system
Other			
1. Pragma TM Links	2.6	1	Messaging between MobLite and the Server
2. Substation Studio	5.2	1	<ul style="list-style-type: none"> • Substation Studio Editor module

SECTION G MBE/WBE Sub-Contractors

Current list of Minority Business Enterprises (MBEs) and Women Business Enterprises (WBEs), sub-contracting in accordance with Article 23.0. Sub-contractors are subject to change based on need and service required by the Department as part of these efforts. Participation percentages for each type of enterprise are to remain set throughout the Term of the contract on a yearly basis.

Women Business Enterprises (WBEs)

Percentage of Non-Proprietary Support Tasks: 7%

Management Advising Consultants
11901 Santa Monica Blvd., Suite 349
Los Angeles, CA 90025
Contact: Naghmed Melody Eskandari
Phone: 310-710-3222

P. Murphy & Associates
4405 Riverside Dr., Suite 105
Burbank, CA 91505-4050
Contact: Caroline Ginesi
Phone: 818-841-2002

Minority Business Enterprises (MBEs)

Percentage of Non-Proprietary Support Tasks: 15%

JnG Solutions, Inc.
5419 Luis Dr.
Agoura Hills, CA 91301

Contact: Greg Dato
Phone: (818)692-6726

Pacific Rim Engineering
2314 Arcadian Shores
Oxnard, CA 93036

Contact: Steve Coronado
Phone: (805) 276-8091

SECTION H Designated System
DESCRIPTION OF HARDWARE ENVIRONMENT

1. The production servers used for this system are:

- Application Server Model HP DL380 G5
- Data Base Server Model Oracle Sun T3-1
- Storage Array Model Oracle SAN 6180

2. The Disaster Recovery servers used for this system are :

- Application Server Model HP DL380 G5
- Data Base Server Model Oracle Sun T3-1
- Storage Array Model Oracle SAN 6180

3. The Training and Development servers used for this system are :

- Application Server Model HP DL380 G5
- Data Base Server Model Oracle Sun T3-2

4. The workstations are:

- HP Z400 desk top computers

5. The Mobile Units are:

- Panasonic CF-30 Mobile Units

ARTICLE II GOVERNMENT AND INSURANCE TERMS

Section 2.01 Business Policies.

(a) Los Angeles Department of Water and Power's Recycling Policy.

A. The LADWP of Water and Power supports the use of recycled-content products of all types. Recycled-content products help conserve natural resources, including water and energy, and reduce demands upon landfills.

B. The Contractor shall submit all written documents on paper with a minimum of 30 percent post-consumer recycled content. Existing company/corporate letterhead/stationery that accompanies these documents is exempt from this requirement. Documents of two or more pages in length shall be duplex-copied (double-sided pages). Neon or fluorescent paper shall not be used in any written documents submitted to the LADWP.

(b) Non-discrimination/Equal Employment Practices/Affirmative Action.

A. Non Discrimination and Equal Employment Practices

The Consultant shall not discriminate in employment practices against any employee or applicant for employment because of race, religion, national origin, sex, age, or physical handicap. The Consultant shall complete, sign, and submit to the Department the "Non-Discrimination and Equal Employment Practices" (2 pages) affidavit.

B. Affirmative Action Plan

The Consultant shall have an Affirmative Action Plan on file with the Director of Supply Chain Services. The Consultant shall comply with the requirements of the City of Los Angeles and shall complete, sign, and submit to the Department the "Affirmative Action Plan" (3 pages) affidavit.

An Affirmative Action Plan shall be in effect and on file with the Department for the duration of the contract period.

(c) Minority and Women Business Enterprise (MBE/WBE)

A. It is the policy of the Department to provide Women Business Enterprises (WBEs), and Minority Business Enterprises (MBEs), and all other business enterprises an equal opportunity to participate in the performance of all Department contracts. Bidders shall assist the Department in implementing this policy by taking all reasonable steps to ensure that all available business enterprises, including WBEs and MBEs, have an equal opportunity to compete for and participate in the work being requested by this SL.

State whether the Contractor is a Women's or Minority Business Enterprise. The Department encourages Contractors to use Women's and Minority Business Enterprises and all other business enterprises and equal opportunity to participate in the performance of this contract.

Provide the company name, contact person, address, and telephone number of all proposed subcontractors. If the Contractor or any of the subcontractors are W/MBE firms, attach a copy of their certification.

(d) Service Contract Worker Retention And Living Wage Policy.

Unless otherwise exempt in accordance with the provisions of this Ordinance, this contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 et seq. of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 et seq., of the Los Angeles Administrative Code, as amended from time to time.

1. CONSULTANT assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of benefits as defined in the LWO.
2. CONSULTANT further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. CONSULTANT shall require each of its Subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. CONSULTANT shall receive and retain on file the executed pledges from each such Subcontractor within ninety (90) days of the execution of the Subcontract. CONSULTANT'S evidence of executed pledges from each such Subcontractor shall fully discharge the obligation of the CONSULTANT to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
3. The CONSULTANT, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. CONSULTANT shall post the Notice of Prohibition Against Retaliation provided by the City.
4. Any Subcontract entered into by the CONSULTANT relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of LWO and the SCWRO, and shall incorporate the LWO and SCWRO.
5. CONSULTANT shall comply with all rules, regulations and policies promulgated by the designated administrative agency, which may be amended from time to time.

Under the provisions of Section 10.36.3(c) and Section 10.37.5(c) of the Los Angeles Administrative Code, the City shall have the authority, under appropriate circumstances,

to terminate this contract and otherwise pursue legal remedies that may be available if the City determines that the subject CONSULTANT has violated provisions of the LWO and the SCWRO or both.

Where under the LWO Section 10.37.6(d), the designated administrative agency has determined (a) that the CONSULTANT is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the awarding authority in such circumstances may impound monies otherwise due the CONSULTANT in accordance with the following procedures. Impoundment shall mean that from monies due the CONSULTANT, the awarding authority may deduct the amount determined to be due and owing by the CONSULTANT to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures there described through final and binding arbitration. Whether the CONSULTANT is to continue work following an impoundment shall remain in the unfettered discretion of the awarding authority. The CONSULTANT may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.

Earned Income Tax Credit

This contract is subject to the provisions of Section 10.37.4 of the Los Angeles Administrative Code, requiring employers to inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Tax Credit (EITC). Employers must further make available to employees the forms required to secure advance EITC payments from employers.

(e) Child Support Policy.

The Contractor and any Subcontractor(s) must fully comply with all applicable State and Federal employment reporting requirements for the Contractor's and any Subcontractor(s)' employees. The Contractor and any Subcontractor(s) must fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with the California Family Code. The Contractor and any Subcontractor(s) must certify that the principal owner(s) thereof (any person who owns an interest of 10 percent or more) are in compliance with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally. The Contractor and any Subcontractor(s) must certify that such compliance will be maintained throughout the term of the Contract. Failure of the Contractor and/or any Subcontractor(s) to fully comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignments or Notices of Assignment or failure of the principal owner(s) to comply with any Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a default under the Contract. Failure of the Contractor and/or any Subcontractor(s) or principal owner(s) thereof to cure the default within 90 days of notice of such default by the City shall subject the Agreement to termination.

(f) Equal Benefits Ordinance

The contract resulting from this proposal is subject to applicable provisions of the Equal Benefits Ordinance (EBO), Division 10, Chapter 1, Article 1, Section 10.8.2.1 of the City of Los Angeles Administrative Code.

As part of their proposal to the Department, proposers shall complete and submit the "Equal Benefits Ordinance Compliance Affidavit" (2 pages) (provided in **Appendix E**). Failure to comply with these requirements shall result in the proposer being deemed non-responsive.

Proposers do not need to submit supporting documentation with their proposals. However, the Department reserves the right to request supporting documentation to verify that benefits are provided equally as specified on the Equal Benefits Ordinance Compliance Affidavit.

Proposers seeking additional information regarding the requirements of the Equal Benefits Ordinance may visit the Bureau of Contract Administration's website at <http://bca.lacity.org>.

(g) Contractor Responsibility Program

The contract resulting from this bid is subject to applicable provisions of the Contractor Responsibility Program Ordinance, Division 10, Chapter 1, Article 14 of the City of Los Angeles Administrative Code.

As part of their proposal to the Department, proposers shall complete and submit the "Pledge of Compliance with Contractor Responsibility Ordinance" (1 page) and "Responsibility Questionnaire" (9 pages) affidavits (provided in **Appendix F**). Failure to comply with these requirements may result in the proposer being deemed non-responsive.

(h) Iran Contracting Act of 2010

In accordance with California Public Contract Code Sections 2200-2208, all bidders submitting proposals for, entering into, or renewing contracts with the LADWP for goods and services estimated at one million dollars (\$1,000,000) or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit" (1 Page) provided in Article XIII.

Section 2.02 Insurance Requirements.

(a) Insurance

It is the policy of Los Angeles Department of Water and Power (LADWP) that upon the award of a contract, the selected Bidder/Bidder/Tenant must provide evidence of insurance that conforms to the insurance requirements of the bid/proposal/agreement. Insurance requirements are explained in detail in the attached language and "Contract Insurance Requirements" sheet, which specifically outlines the types and amounts of coverage required for this project/tenancy. For your information and use, "Special

Endorsement Forms", "Guidance for Submitting Evidence of Insurance" and information on our insurance program for small contractors are available on our website.

When and if you are awarded a contract/agreement, acceptable evidence of required insurance, from insurers acceptable to the LADWP, will be required to be submitted within 30-days of the date of award and maintained current throughout the term of the contract. Said evidence of insurance must be on file with the Risk Management Section in order to receive payment under any contract for services rendered, and in order to commence work/tenancy under your contract.

(b) Additional Insured Status Required

Contractor shall procure at its own expense, and keep in effect at all times during the term of this Agreement, the types and amounts of insurance specified on the attached Contract Insurance Requirements page. The specified insurance shall also, either by provisions in the policies, by City's own endorsement form or by other endorsement attached to such policies, include and insure City, its Department of Water and Power, its Board of Commissioners (hereinafter referred to as "Board"), and all of its officers, employees and agents, their successors and assigns, as Additional Insured (except for Professional Liability and Workers' Compensation), against the area of risk described herein as respects Contractor's acts or omissions in its performance of the agreement, hereunder or other related functions performed by or on behalf of Contractor.. Such insurance shall not limit or qualify the liabilities and obligations of the Contractor assumed under the contract.

(c) Severability of Interests and Cross Liability Required

Each specified insurance policy (other than Workers' Compensation and Employers' Liability and Property coverages) shall contain a Severability of Interest and Cross Liability clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and a Contractual Liability Endorsement which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Agreement with the City of Los Angeles."

(d) Primary and Non-Contributory Insurance Required

All such insurance shall be Primary and Noncontributing with any other insurance held by City's Department where liability arises out of or results from the acts or omissions of Contractor, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Contractor.. Any insurance carried by the LADWP which may be applicable shall be deemed to be excess insurance and the Contractor's insurance is primary for all purposes despite any conflicting provision in the Contractor's policies to the contrary.

(e) Deductibles Subject to LADWP's Discretion

Deductibles and/or self-insured retentions shall be at the sole discretion of the Risk Manager of the LADWP (hereinafter referred to as "Risk Manager"). The LADWP shall

have no liability for any premiums charged for such coverage(s). The inclusion of the LADWP, its Board, and all of its officers, employees and agents, and their agents and assigns, as additional insured, is not intended to, and shall not, make them, or any of them a partner or joint venture with Contractor in its operations.

(f) Proof of Insurance for Renewal or Extension Required

At least ten (10) days prior to the expiration date of any of the policies required on the attached Contract Requirement page, documentation showing that the insurance coverage has been renewed or extended shall be filed with the LADWP. If such coverage is canceled or reduced in coverage, Contractor shall, within fifteen (15) days of such cancellation or reduction of coverage, file with the LADWP evidence that the required insurance has been reinstated or provided through another insurance company or companies.

(g) Submission of Acceptable Proof of Insurance and Notice of Cancellation

Contractor shall provide proof to the LADWP's Risk Manager of all specified insurance and related requirements either by production of the actual insurance policy(ies), by use of LADWP's own endorsement form(s), by other written evidence of insurance acceptable to the Risk Manager, but always in a form acceptable to the Risk Manager and the Office of the City Attorney. The documents evidencing all specified coverages shall be filed with the LADWP prior to Contractor beginning operations hereunder. Said proof shall contain at a minimum, the applicable policy number, the inclusive dates of policy coverages, the date the protection begins for the Department of Water and Power, and the insurance carrier's name. It shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, material reduction in coverage or non-renewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los Angeles at least thirty (30) calendar days prior to the effective date thereof. The notification shall be sent by registered mail to: The Office of the City Attorney, Water and Power Division, Post Office Box 51111, JFB Room 340, Los Angeles, California 90051-0100.

(h) Claims-Made Insurance Conditions

Should any portion of the required insurance be on a "Claims Made" policy, the Contractor shall, at the policy expiration date following completion of work, provide evidence that the "Claims Made" policy has been renewed or replaced with the same limits, terms and conditions of the expiring policy, or that an extended three (3) years discovery period has been purchased on the expiring policy at least for the contract under which the work was performed.

(i) Failure to Maintain and Provide as Cause for Termination

Failure to maintain and provide acceptable evidence of the required insurance for the required period of coverage shall constitute a breach of contract, upon which the LADWP may immediately terminate or suspend the agreement.

(j) Sub-Contractor Compliance

The Contractor shall be responsible for all sub-contractors'/sub-vendors' compliance with the insurance requirements.

(k) Periodic Right to Review/Update Insurance Requirements

The LADWP and Contractor agree that the insurance policy limits specified on the attached Contract Insurance Requirements page may be reviewed for adequacy annually throughout the term of this Agreement by the Risk Manager/City Attorney, who may thereafter require Contractor to adjust the amounts and types of insurance coverage however the Risk Manager/City Attorney deems to be adequate and necessary. City reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance, including applicable license and ratings.

(l) Specific Insurance Requirements

The Bidder shall confirm to the requirements listed in the "Contract Insurance Requirements" sheet per Article XI.

(m) Indemnification

**Indemnification for Design Professionals Relating to Construction Contracts
Relative to California Civil Code Section 2782**

Except for the sole negligence or willful misconduct of the Department, the Consultant undertakes and agrees to defend, indemnify and hold harmless the Department, the City of Los Angeles, including but not limited to any of its boards, commissioners, officers, agents, employees, assigns and successors in interest (hereinafter, collectively, "Indemnitees") from and against any and all suits and causes of action, claims, losses, demands, penalties, judgments, costs, expenses and disbursements of any kind or nature whatsoever, including but not limited to attorney's fees (including allocated costs of internal counsel) and costs of litigation, damage, obligation or liability of any kind or nature whatsoever, in any manner arising by reason of, incident to, or connected in any manner to negligence, recklessness or willful misconduct of the Consultant, or negligent non-performance, or negligent breach of this Agreement, including but not limited to any such negligent act, error or omission or recklessness, or willful misconduct by or of the Consultant or Consultant's officers, employees, agents or subconsultants of any tier, that results in death or injury to any person, or damage or destruction to property of any kind, or loss of use (hereinafter, collectively, "Indemnified Liabilities"). The provisions of this paragraph shall survive expiration or termination of this Agreement, and shall be in addition to, and not exclusive of, any other rights or remedies which Indemnitees have at law, in equity, under this Agreement or otherwise. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this subsection may be unenforceable in whole or in part, Consultant shall contribute the maximum portion that

it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them.

Indemnification for Non-Design Professionals

Except for the gross negligence or willful misconduct of the Department, the Consultant undertakes and agrees to defend, indemnify and hold harmless the Department, the City of Los Angeles, including but not limited to any of its boards, commissioners, officers, agents, employees, assigns and successors in interest (hereinafter, collectively, "Indemnitees") from and against any and all suits and causes of action, claims, losses, demands, penalties, judgments, costs, expenses and disbursements of any kind or nature whatsoever, including but not limited to attorney's fees (including allocated costs of internal counsel) and costs of litigation, damage, obligation or liability of any kind or nature whatsoever, in any manner arising by reason of, incident to, or connected in any manner to performance, non-performance or breach of this Agreement, or willful misconduct or any other act, error or omission by or of the Consultant or Consultant's officers, employees, agents or subconsultants of any tier, including but not limited to any such act, error or omission or willful misconduct that results in death or injury to any person, including but not limited to Consultant, Consultant's officers, employees, agents, and subconsultants of any tier, or damage or destruction to property of any kind, of either Party hereto, or of third Parties, or loss of use (hereinafter, collectively, "Indemnified Liabilities"). The provisions of this paragraph shall survive expiration or termination of this Agreement, and shall be in addition to, and not exclusive of, any other rights or remedies which Indemnitees have at law, in equity, under this Agreement or otherwise. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this subsection may be unenforceable in whole or in part because they are violative of any law or public policy, Consultant shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them. The provisions of this paragraph shall survive the expiration or termination of this Agreement.

ARTICLE III CONTRACTOR'S QUALITY ASSURANCE PROGRAM
(Section intentionally left blank)

ARTICLE IV BACKGROUND TECHNOLOGY
(Section intentionally left blank)

ARTICLE V RESPONSE
(Section intentionally left blank)

ARTICLE VI INVOICE CRITERIA

INVOICE CRITERIA
Los Angeles Department of Water and Power

NOTE: ANY FEE PAYMENTS MADE IN EXCESS OF FEES ACTUALLY OWED TO CONTRACTOR ARE NULL AND VOID, SHALL BE DEDUCTED FROM FUTURE FEE PAYMENTS AND/OR RETENTION, AND MAY RESULT IN LIABILITY FOR DAMAGES FOR PRESENTING FALSE CLAIMS

INVOICE PREPARATION CHECKLIST

ANY "NO" ANSWERS MAY RESULT IN THE DELAY OF PAYMENT

	<u>YES</u>	<u>NO</u>
1. Are you sending your invoice in triplicate to: (unless other specific instructions appear on your Purchase Order [PO])	_____	_____
<p>Accounts Payable Business Unit Los Angeles Department of Water and Power City of Los Angeles PO Box 51211, Room 424 Los Angeles, CA 90051-5511</p> <p><i>(NOTE: Delivery slips and invoices delivered with goods will not initiate payment)</i></p>		
2. Is your firm's invoice name exactly the same as on the PO/SPO?	_____	_____
3. Does your invoice, delivery slip, credit memo, or correspondence have		
a. Your correct Contractor number?	_____	_____
b. The correct PO/SPO number?	_____	_____
c. Your Business Tax Registration Certificate Number or Contractor Requisition Number?	_____	_____
4. Have all materials/services been delivered?	_____	_____
5. Do invoice prices and quantities agree with the PO/SPO?	_____	_____
6. Does each billed item indicate the corresponding number on the PO/SPO? (Payment will not be made for any item or charges such as freight, restocking, etc. if not specifically allowed for in the PO.)	_____	_____
7. If freight charges are authorized in the PO, are you, and not the	_____	_____

freight company, billing for the charges?

8. Are all taxes stated separately? (DWP is not exempt from payment of sales tax. Out-of-State Contractor: Please indicate if California sales/use tax should be paid directly to the State of California.)

9. Is your invoice submitted in accordance with contract terms?

10. Does your invoice number appear on any credit memo?

ARTICLE VII PRIOR WORK PRODUCT
(Section intentionally left blank)

ARTICLE VIII **HARDWARE MAINTENANCE**
(Section intentionally left blank)

ARTICLE IX SOFTWARE MAINTENANCE
(Section intentionally left blank)

ARTICLE X RIGHT TO AUDIT CLAUSE

1. **Right to Audit:** The Contractor and the Contractor's subcontractors and suppliers shall be subject at any time with 7 calendar days prior written notice to audits by the Department or the Department's agents, collectively defined as "Authorized Auditors", relating to all billings and to verify compliance with all contract requirements relative to practices, methods, procedures, and documentation. The Authorized Auditors shall have access to all records and data relating to the contract. The audits will be performed using FAR, Part 30 and 31, et seq., generally accepted accounting practices and principles, and City Contractor Cost Guidelines, and any other applicable City, State and Federal government audit standards if any. The Contractor shall maintain and the Authorized Auditors will have the right to examine and audit all books, records, documents, accounting procedures and practices, and other evidence, regardless of form (e.g., machine readable media such as disk, tape, etc.) or type (e.g., databases, applications software, database management software, utilities, etc.), sufficient to properly reflect all costs claimed to have been incurred or anticipated to be incurred in performing the Contract. Any information provided on machine-readable media shall be provided in a format accessible and readable by the Authorized Auditors. The Contractor shall not, however, be required to furnish the Authorized Auditors with commonly available software. If the Contractor, the Contractor's subcontractors and/or suppliers are required to submit cost or pricing data in connection with the Contract and/or the Contract Amendment, the Authorized Auditors will have the right to examine all documents necessary to permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used. The Authorized Auditors will also have the right to reproduce, photocopy, download, transcribe, and the like any such records. The Contractor shall make said evidence or to the extent accepted by the Authorized Auditors, photographs, micro-photographs etc. or other authentic reproductions thereof available to the Authorized Auditors at the Contractor's offices at all reasonable times and without charge. The Contractor and the Contractor's subcontractors and suppliers shall keep and preserve all such records for a period of not less than 3 years from and after Final Payment or, if the Contract is terminated in whole or in part, until 3 years after final Contract closeout.

The Contractor, the Contractor's subcontractors and suppliers shall account for and be responsible for unallowable costs and mutually agreed unallowable costs. The detail and depth of records required as backup support for proposals, billings, or claims shall be that which adequately establishes and maintains visibility of identified unallowable costs, costs directly associated to unallowable costs, and allowable costs.

All Changes are subject to audit. Changes with an absolute value of one hundred thousand (\$100,000) dollars or more shall require an audit. The City may waive the right to audit where there was adequate price competition, an established catalog or market prices for commercial items sold in substantial quantities to the public, and/or prices set by law or regulation.

The Contractor shall maintain and segregate cost and pricing data, books, records, documents, and any other accounting evidence sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred or anticipated to be incurred by a Contract Amendment, including a change order.

For a period of 3 years from the date of Final Payment under the Contract, and prior to the execution of any Contract Amendment that exceeds an absolute value of one hundred thousand dollars (\$100,000), the Authorized Auditors will have the right to examine all books, records, documents, and any other applicable data or evidence that relate to the negotiation and/or performance of the Contract and/or a contract amendment for the purpose of evaluating the accuracy and completeness of the cost or pricing data submitted by the Contractor. To the extent that the examination reveals inaccurate, incomplete, or non-current data, the data shall be considered defective; if the audit indicates the Contractor has been overpaid under a previous payment application, such overpayment, after 10 calendar days notice to the Contractor, shall be paid to the Department.

The Authorized Auditors may require that the Contractor supply appropriate documentation to support the costs or prices proposed for a Contract amendment, including a change order, and will refuse to complete negotiations until satisfactory documentation is submitted. The Contractor's books, records, documents and any other applicable data or evidence that relate to the negotiations and/or performance of the contract amendment shall be subject to audit and inspection.

Also subject to audit shall be the Contractor's records, books, documents and any other applicable data or evidence relating to those items on a billing that relates to:

- a. Work performed under the contract and/or a change order;
- b. Goods not yet incorporated into the work;
- c. Services or work performed under a contract amendment negotiated on an indefinite quantity basis; and
- d. Fixed-price change orders to validate the claimed percentage of completion on the payment application.

Notwithstanding the foregoing, if the audit reveals that the overpayment is more than 5% of the billing, the Contractor shall pay all expenses and costs incurred by the Authorized Auditors arising out of or related to the audit.

ARTICLE XI CONTRACT INSURANCE REQUIREMENTS

CONTRACT INSURANCE REQUIREMENTS

For Contractors, Service Providers, Vendors, and Tenants

Agreement/Activity/Operation: CGI Inc. - Outage Management System/Mobile Dispatch System
 Reference/Agreement: Legal Agreement
 Term of Agreement: 5 years
 Contract Administrator and Phone: Samson Tafesse 213-367-8237
 Buyer and Phone Number: _____
 Risk Manager / Date: AMN/1-18-12

Contract-required types and amounts of insurance as indicated below by checkmark are the minimum which must be maintained. All limits are Combined Single Limit (Bodily Injury/Property Damage) unless otherwise indicated. Firm 30 day Notice of Cancellation required by Receipted Delivery.

PER OCCURRENCE LIMITS

- | | | |
|---|---|--|
| <p>(x) WORKERS' COMPENSATION(Stat. Limits)/Employer's Liability:</p> <p style="padding-left: 20px;"> <input checked="" type="checkbox"/> Broad Form All States Endorsement
 <input type="checkbox"/> Jones Act (Maritime Employment)
 <input checked="" type="checkbox"/> Waiver of Subrogation
 <input type="checkbox"/> Other: _____ </p> <p>(x) AUTOMOBILE LIABILITY:</p> <p style="padding-left: 20px;"> <input checked="" type="checkbox"/> Owned Autos
 <input checked="" type="checkbox"/> Hired Autos
 <input type="checkbox"/> Contractual Liability
 <input type="checkbox"/> MCS-90 (US DOT)
 <input type="checkbox"/> Waiver of Subrogation </p> <p>(x) GENERAL LIABILITY: () Limit Specific to Project</p> <p style="padding-left: 20px;"> <input checked="" type="checkbox"/> Broad Form Property Damage
 <input checked="" type="checkbox"/> Premises and Operations
 <input type="checkbox"/> Fire Legal Liability
 <input type="checkbox"/> Corporal Punishment
 <input type="checkbox"/> Watercraft Liability
 <input type="checkbox"/> Waiver of Subrogation
 <input type="checkbox"/> Marine Contractors Liability </p> <p>(x) PROFESSIONAL LIABILITY:</p> <p style="padding-left: 20px;"> <input checked="" type="checkbox"/> Contractual Liability
 <input type="checkbox"/> Additional Insured </p> <p>() AIRCRAFT LIABILITY: ()</p> <p style="padding-left: 20px;"> <input type="checkbox"/> Passenger Per Seat Liability
 <input type="checkbox"/> Pollution </p> <p>() PROPERTY DAMAGE:</p> <p style="padding-left: 20px;"> <input type="checkbox"/> Replacement Value
 <input type="checkbox"/> All Risk Form
 <input type="checkbox"/> Builder's Risk:\$ _____
 <input type="checkbox"/> Transportation Floater:\$ _____
 <input type="checkbox"/> Scheduled Locations/Propt. </p> <p>() WATERCRAFT:</p> <p style="padding-left: 20px;"> <input type="checkbox"/> Protection and Indemnity
 <input type="checkbox"/> Waiver of Subrogation </p> <p>() POLLUTION: ()</p> <p style="padding-left: 20px;"> <input type="checkbox"/> Incipient/Long Term
 <input type="checkbox"/> Waiver of Subrogation </p> <p>() CRIME: () Joint Loss Payable Status</p> <p style="padding-left: 20px;"> <input type="checkbox"/> Fidelity Bond
 <input type="checkbox"/> Employee Dishonesty
 <input type="checkbox"/> Computer Fraud </p> | <p style="text-align: right;">(\$1,000,000.00)</p> <p style="padding-left: 20px;"> <input type="checkbox"/> US L&H (Longshore and Harbor Workers)
 <input type="checkbox"/> Outer Continental Shelf
 <input type="checkbox"/> Black Lung (Coal Mine Health and Safety)
 <input type="checkbox"/> Other: _____ </p> <p style="text-align: right;">(\$1,000,000.00)</p> <p style="padding-left: 20px;"> <input type="checkbox"/> Any Auto
 <input checked="" type="checkbox"/> Non-Owned Auto
 <input checked="" type="checkbox"/> Additional Insured
 <input type="checkbox"/> Trucker's Form
 <input type="checkbox"/> Other: _____ </p> <p style="text-align: right;">() Per Project Aggregate (\$1,000,000.00)</p> <p style="padding-left: 20px;"> <input checked="" type="checkbox"/> Contractual Liability
 <input checked="" type="checkbox"/> Personal Injury
 <input checked="" type="checkbox"/> Products/Completed Ops.
 <input type="checkbox"/> Garagekeepers Legal Liab.
 <input type="checkbox"/> Collapse/Underground
 <input type="checkbox"/> Pollution
 <input type="checkbox"/> Airport Premises
 <input type="checkbox"/> Other: _____ </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Waiver of Subrogation
 <input type="checkbox"/> Vicarious Liability Endt. </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Contractual Liability
 <input type="checkbox"/> Additional Insured
 <input type="checkbox"/> Loss Payable Status (AOIMA) </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Actual Cash Value
 <input type="checkbox"/> Named Perils Form
 <input type="checkbox"/> Boiler and Machinery () Flood: _____
 <input type="checkbox"/> Contractors Equipment\$ _____ () Loss of Rental Income: _____
 <input type="checkbox"/> Other: _____ () Other: _____ </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Pollution
 <input type="checkbox"/> Other: _____ </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Sudden and Accidental
 <input type="checkbox"/> Contractor's Pollution </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Financial Institution Bond
 <input type="checkbox"/> In Transit Coverage
 <input type="checkbox"/> Commercial Crime </p> | <p style="padding-left: 20px;"> <input type="checkbox"/> Independent Contractors
 <input type="checkbox"/> Child Abuse/Molestation
 <input type="checkbox"/> Explosion Hazard
 <input checked="" type="checkbox"/> Addition Insured Status
 <input type="checkbox"/> Hangarkeepers Legal Liab.
 <input type="checkbox"/> Other: _____ </p> <p style="text-align: right;">(\$3,000,000.00)</p> <p style="padding-left: 20px;"> <input checked="" type="checkbox"/> 3 Year Discovery Tail
 <input type="checkbox"/> Other: _____ </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Hull Waiver of Subrogation
 <input type="checkbox"/> Other: _____ </p> <p style="text-align: right;">()</p> <p style="padding-left: 20px;"> <input type="checkbox"/> Agreed Amount
 <input type="checkbox"/> Earthquake: _____ </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Additional Insured
 <input type="checkbox"/> Other: _____ </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Additional Insured
 <input type="checkbox"/> Other: _____ </p> <p style="padding-left: 20px;"> <input type="checkbox"/> Additional Insured
 <input type="checkbox"/> Loss of Monies/Securities
 <input type="checkbox"/> Wire Transfer Fraud
 <input type="checkbox"/> Forgery/Alteration of Docs. </p> |
|---|---|--|

() Other: _____
() ASBESTOS LIABILITY: () Additional Insured

() Other: _____

() _____

Page 2. CONTRACT INSURANCE REQUIREMENTS (continued)

PER OCCURRENCE LIMITS

() _____		
(\$ _____)		
(type of coverage)		
() _____	() _____	() _____
() _____	() _____	() _____
() _____	() _____	() _____
() _____		
(\$ _____)		
(type of coverage)		
() _____	() _____	() _____
() _____	() _____	() _____
() _____	() _____	() _____
() _____		
(\$ _____)		
(type of coverage)		
() _____	() _____	() _____
() _____	() _____	() _____
() _____	() _____	() _____

ARTICLE XII ESCROW AGREEMENT

ARTICLE XIII IRAN CONTRACTING ACT OF 2010

IRAN CONTRACTING ACT OF 2010 COMPLIANCE AFFIDAVIT

(California Public Contract Code Sections 2200-2208)

The California Legislature adopted the Iran Contracting Act of 2010 to respond to policies of Iran in a uniform fashion (PCC § 2201(q)). The Iran Contracting Act prohibits proposers engaged in investment activities in Iran from bidding on, submitting proposals for, or entering into or renewing contracts with public entities for goods and services of one million dollars (\$1,000,000) or more (PCC § 2203(a)). A proposer who "engages in investment activities in Iran" is defined as either:

1. A proposer providing goods or services of twenty million dollars (\$20,000,000) or more in the energy sector of Iran, including provision of oil or liquefied natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquefied natural gas, for the energy sector of Iran; **or**
2. A proposer that is a financial institution (as that term is defined in 50 U.S.C. § 1701) that extends twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that person will use the credit to provide goods or services in the energy sector in Iran and is identified on a list created by the California Department of General Services (DGS) pursuant to PCC § 2203(b) as a person engaging in the investment activities in Iran.

The proposer shall certify that at the time of submitting a proposal for new contract or renewal of an existing contract, he or she is **not** identified on the DGS list of ineligible businesses or persons and that the proposer is **not** engaged in investment activities in Iran in violation of the Iran Contracting Act of 2010.

California law establishes penalties for providing false certifications, including civil penalties equal to the greater of \$250,000 or twice the amount of the contract for which the false certification was made; contract termination; and three-year ineligibility to bid on contracts (PCC § 2205).

To comply with the Iran Contracting Act of 2010, the proposer shall complete and sign **ONE** of the options shown below.

OPTION #1: CERTIFICATION

I, the official named below, certify that I am duly authorized to execute this certification on behalf of the proposer or financial institution identified below, and that the proposer or financial institution identified below is **not** on the current DGS list of persons engaged in investment activities in Iran and is **not** a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person or vendor, for 45 days or more, if that other person or vendor will use the credit to provide goods or services in the energy sector in Iran and is identified on the current DGS list of persons engaged in investment activities in Iran.

Name of Proposer/Financial Institution (Printed): _____

Signed by: _____ (Authorized Signature)

_____ (Printed Name)

_____ (Title of Person Signing)

OPTION #2: EXEMPTION

Pursuant to PCC § 2203(c) and (d), a public entity may permit a proposer or financial institution engaged in investment activities in Iran, on a case-by-case basis, to be eligible for, or to bid on, submit a proposal for, or enter into, or renew, a contract for goods and services. If the proposer or financial institution identified below has obtained an exemption from the certification requirement under the Iran Contracting Act of 2010, the proposer or financial institution shall complete and sign below and attach documentation demonstrating the exemption approval.

Name of Proposer/Financial Institution (Printed): _____

Signed by: _____ (Authorized Signature)

_____ (Printed Name)

_____ (Title of Person Signing)