

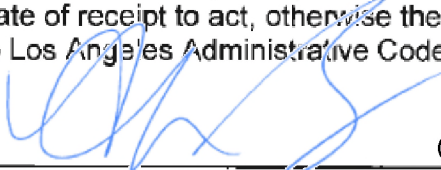
0150-10523-0002

TRANSMITTAL

TO The City Council	DATE 08/08/19	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT

First Supplemental Agreement to the Professional Services Agreement with The Segal Company (Western States), Inc. to Provide Administration and Communication Consulting Services for the Deferred Compensation Plan and Pension Savings Plan

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



MAYOR (Ana Guerrero) for

RHL:RR:11200005t

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

To: The Mayor	Date: 08-07-19	C.D. No. All	CAO File No.: 0150-10523-0002				
Contracting Department/Bureau: Personnel Department		Contact: Steve Montagna (213) 978-1621 Sherry Cox (213) 473-9122					
Reference: Personnel Department transmittal dated February 28, 2019, referred for report by the Mayor.							
Purpose of Contract: To provide administration and communications consulting services for the Deferred Compensation Plan and Pension Savings Plan.							
Type of Contract: () New contract (X) Amendment, C-127274		Contract Term Dates: Original Agreement: July 1, 2015 to June 30, 2018 First Supplemental Agreement: July 1, 2015 to June 30, 2020					
Contract/Amendment Amount: Not to exceed \$180,000							
Proposed amount \$0 + Prior award(s) \$180,000 = \$180,000							
Source of funds: Participant fees collected by third party administrators directly support contractual expenses for the Deferred Compensation Plan and Pension Savings Plan.							
Name of Contractor: The Segal Company (Western States), Inc. dba Segal Consulting							
Address: 1920 N Street, NW #400, Washington, DC 20036							
	Yes	No	N/A	Contractor has complied with:	Yes	No	N/A
1. Council has approved the purpose	X			8. Business Inclusion Program	X		
2. Appropriated funds are available	X			9. Equal Benefits & First Source Hiring Ordinances	X		
3. Charter Section 1022 findings completed	X			10. Contractor Responsibility Ordinance	X		
4. Proposals have been requested	X			11. Disclosure Ordinances		X	
5. Risk Management review completed	X			12. Bidder Certification CEC Form 50	X		
6. Standard Provisions for City Contracts included	X			13. Prohibited Contributors (Bidders) CEC Form 55	X		
7. Workforce that resides in the City: 0.51 percent				14. CA Iran Contracting Act of 2010	X		

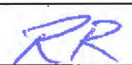
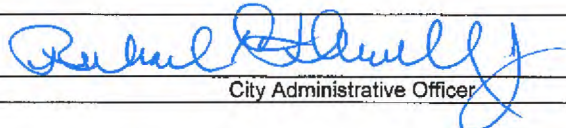
RECOMMENDATIONS

That the Mayor and Council:

- 1) Approve, and authorize the General Manager of the Personnel Department to execute, the proposed First Supplemental Agreement to Professional Services Agreement C-127274 with The Segal Company (Western States), Inc. dba Segal Consulting to extend the term an additional two years for a revised term effective July 1, 2015 through June 30, 2020, subject to City Attorney approval as to form; and,
- 2) Instruct the Personnel Department to ensure the Contractor submits current documents in compliance with the applicable contracting requirements including the Disclosure Ordinances prior to executing the Agreement.

SUMMARY

On March 20, 2018, the Board of Deferred Compensation Administration (Board) adopted a Personnel Department (Personnel) staff recommendation to extend the Agreement with The Segal Company (Western States), Inc. dba as Segal Consulting (Contractor) as a provider for administration and

			
RR	Analyst	11200005	City Administrative Officer

communication consulting services (Services) for the City's Deferred Compensation Plan (DCP) and Pension Savings Plan (PSP).

The proposed Agreement continues the current level of Services which include:

- A. Plan administration consulting:
 - (i) Procurement development and analysis of responses,
 - (ii) Contract development and review,
 - (iii) Plan Design, best practices, and benchmarking, and
 - (iv) Technical retirement services.
- B. Communications consulting:
 - (v) Materials development and review,
 - (vi) Develop marketing strategies for the DCP and PSP, and
 - (vii) Participant assessments and surveys.

Approval of the proposed First Supplemental Agreement will (i) extend the term by two years resulting in a total five-year term effective July 1, 2015 through June 30, 2020, and (ii) update the Standard Provisions for City Contracts along with other administrative provisions. According to Personnel, the invoices for Services under the proposed Agreement are paid directly by the third party administrator for the DCP and PSP and funded by participant fees, in accordance with Los Angeles Administrative Code (LAAC) Division 4, Section 4.1407(f) and Section 4.1610(a), respectively. Expenses during the initial three-year term were approximately \$155,000 which results in a remaining expenditure authority of approximately \$25,000. Personnel states that the remaining expenditure authority is sufficient for the proposed Agreement and no increase to the expenditure authority is requested.

Services provided under this Agreement are required on an ongoing basis and may have been performed prior to execution of this proposed First Supplemental Agreement. As a result, a ratification clause is included in the proposed Agreement to include any work performed during the entire term of the Agreement.

Personnel is advised to work with the Contractor to ensure compliance with the applicable contracting requirements including submitting documentation regarding the Disclosure Ordinances. It is recommended this documentation is submitted and verified prior to contract execution.

Per Charter Section 1022, this Office found the work proposed to be contracted can be performed more feasibly by a contractor than by City employees. In accordance with LAAC 10.5(a)(7), City Council approval is not required for a contract with a service provider for the City's DCP with a cumulative term not exceeding five years. However, the proposed Agreement also includes services for the PSP. As the proposed Agreement exceeds a three-year term in support of the PSP, in addition to the DCP, Council approval is required in accordance with LAAC 10.5(a).

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. Contractual services supporting the Deferred Compensation Plan and Pension Savings Plan are paid by a third party administrator and funded by participant fees. Approval of the proposed Agreement complies with the City's Financial Policies as sufficient funds are available to support the proposed expenditures in the Agreement.

**BOARD OF CIVIL SERVICE
COMMISSIONERS**

Room 360, PERSONNEL BUILDING

—
JEANNE A. FUGATE
PRESIDENT

RAUL PEREZ
VICE PRESIDENT

COMMISSIONERS:
ERICA L. JACQUEZ
NANCY P. McCLELLAND
TODD SARGENT

—
BRUCE E. WHIDDEN
COMMISSION EXECUTIVE DIRECTOR

**CITY OF LOS ANGELES
CALIFORNIA**



ERIC GARCETTI
MAYOR

PERSONNEL DEPARTMENT

PERSONNEL BUILDING
700 EAST TEMPLE STREET
LOS ANGELES, CA 90012

—
Wendy G. Macy
GENERAL MANAGER

February 28, 2019

Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

Subject: **REQUEST FOR REVIEW AND APPROVAL OF PROPOSED FIRST
SUPPLEMENTAL AGREEMENT TO THE PROFESSIONAL SERVICES
AGREEMENT (CONTRACT NO. C-127274) BETWEEN THE SEGAL
COMPANY (dba SEGAL CONSULTING) AND THE CITY OF
LOS ANGELES**

In accordance with Executive Directive No. 3, attached for your review and approval is a draft First Supplemental Agreement ("Agreement") to the Professional Services Agreement, Contract No. C-127274, ("Contract") with The Segal Company, doing business as Segal Consulting ("Contractor"), to provide ongoing City of Los Angeles Deferred Compensation Plan ("DCP") and City of Los Angeles Pension Savings Plan ("PSP") administration and communications consulting services for the City of Los Angeles Board of Deferred Compensation Administration ("Board").

In accordance with the Los Angeles Administrative Code (LAAC) Section 4.1407, the Board has the sole authority for the operation of the DCP. Additionally, in accordance with LAAC Division 10, Chapter 1, Article 1, the Board has the authority to enter into contracts with service providers for a period of up to five years. The Board entered into a three-year contract with Contractor on July 1, 2015, to provide ongoing plan administration consulting, communications consulting, and board and participant communications, with a total contract amount not to exceed \$180,000. The contract expired on June 30, 2018. In order to continue the services provided by Contractor, an Agreement must be executed.

The City Attorney has requested that the Personnel Department General Manager be added as a signatory to this Agreement since it may involve PSP consulting costs. The original Agreement did not have the General Manager Personnel Department as a signatory.

Background

The DCP is a voluntary and supplemental retirement savings program (governmental 457 plan) for City employees who are contributing members of one of City's three primary retirement/pension plans. Employees who enroll in the DCP make tax-advantaged contributions directly from their paychecks in order to increase their savings for retirement. The Board has a statutory and fiduciary obligation to act solely in the best interests of DCP participants.

The PSP is a mandatory retirement savings program for employees who are part-time, temporary, seasonal, or otherwise not a member in one of City's three retirement/pension plans. PSP employees contribute 4.5% of their gross salary and City makes a matching contribution of 3%. The PSP is administered by the Personnel Department with the Board of Deferred Compensation Administration providing an advisory role.

Basis for First Supplemental Agreement to Contract No. C-127274

At its meeting on March 20, 2018, the Board approved an extension of the Agreement from July 1, 2018, through June 30, 2020, for the DCP. The Personnel Department General Manager concurred with the extension of the term for the PSP. The existing contract is fully funded to cover the contract extension; the Board will not be requesting to increase the contract amount.

The draft Agreement extends the term with Contractor by two years, incorporates the updated Standard Provisions for City Contracts (Rev. 10/17), and updates City's contract. Contractor has agreed to maintain the current fee structure, with no increase in the hourly rates for the extension of the Agreement.

Contract Compliance

Segal Consulting's compliance documentation statuses are as follows:

Contractor's Equal Benefits/First Source Hiring Ordinance, Slavery Disclosure Ordinance, and Border Wall Contracting Disclosure Ordinance affidavits are current.

A Contract Review report was requested with regard to this contract. The Personnel Department, Classification Division determined that City does not have classifications that possess the knowledge and expertise to perform the work proposed to be contracted.

Contractor's insurance certificate has been requested.

The headquarters address and representative for Contractor is as follows:

Wendy Young Carter, Principal
Segal Consulting
1920 N Street, NW #400
Washington, DC 20036

Fiscal Impact

There will be no impact on City's General Fund for DCP consulting service. In accordance with the LAAC Division 4, Chapter 14, all of City's administrative and operating costs are required to be paid from participant fees.

PSP consulting costs are a budgeted item in the Personnel Department's Employee Benefits Contractual Services account. PSP consulting costs will remain within budgeted amounts.

Recommendation

That the Board and the Personnel Department be authorized to negotiate and execute a First Supplemental Agreement to Contract No. C-127274 with Segal Consulting to provide ongoing Deferred Compensation Plan and Pension Savings Plan administration consulting services to the City and extend the term of the contract for a revised contract term effective July 1, 2018 through June 30, 2020 subject to the final review and approval of the City Attorney.

Please contact Michael Daco at (213) 473-9195 with any additional questions.

Respectfully submitted,



Wendy G. Macy
General Manager

Attachment

ec: Robert Roth, CAO

**FIRST SUPPLEMENTAL AGREEMENT TO THE PROFESSIONAL SERVICES
AGREEMENT (CONTRACT NO. C-127274) BETWEEN
THE CITY OF LOS ANGELES
AND
THE SEGAL COMPANY (WESTERN STATES), INC. (dba SEGAL CONSULTING)
FOR PLAN ADMINISTRATION AND COMMUNICATIONS CONSULTING FOR THE
CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN**

This First Supplemental Agreement to the Professional Services Agreement (Contract No. C-127274), is made and entered into by and between The Segal Company (Western States), Inc., doing business as Segal Consulting ("Contractor") and the City of Los Angeles, a municipal corporation (the "City"), acting by and through the City of Los Angeles Board of Deferred Compensation Administration (the "Board") for the City of Los Angeles Deferred Compensation Plan, and through the Personnel Department for the City of Los Angeles Pension Savings Plan, with reference to the following:

RECITALS

1. Effective July 1, 2015, the City and Contractor entered into a Professional Services Agreement (Contract No. C-127274) (the "Contract") for Contractor to provide plan administration and communications consulting services for the City of Los Angeles Deferred Compensation Plan and Pension Savings plan (collectively "the Plans") in accordance with the provisions of Section 457 and 402(A) of the Internal Revenue Code of 1986, for the term commencing on July 1, 2015 through June 30, 2018;
2. The term of the Contract expired on June 30, 2018; however, the City has a continuing need for plan administration and communications consulting services;
3. City and Contractor have agreed to extend the provision of services for plan administration and communications consulting services for the Plans for the period of July 1, 2018, through June 30, 2020;
4. The Board, at its meeting held on March 20, 2018, approved the extension of the Contract for Deferred Compensation Plan services for an additional two-year term, commencing on July 1, 2018, through June 30, 2020, and authorized the Board Chairperson to enter into an agreement, under the same terms and conditions as are contained in the Contract;
5. The Personnel Department General Manager concurs with the extension of the provision of plan administration and communications consulting services for the Pension Savings Plan services for two additional years; and

6. The City and Contractor agree that the compensation payable for the additional two-year term shall be at the same hourly rate as set forth in the Contract.

NOW THEREFORE, the City and Contractor, in consideration of the promises and of the recitals, terms and conditions, covenants and representations below, agree as follows:

AGREEMENT

1. The terms and conditions of the Contract shall be the terms and conditions of this First Supplemental Agreement, except as expressly modified herein. The Contract is attached hereto as Attachment No. 1 and incorporated herein by reference.
2. The term of this First Supplemental Agreement will commence on July 1, 2018, and will end on June 30, 2020, or at such time as all funding provided herein has been expended, whichever occurs first, and subject to the termination provisions herein ("Term").
3. Article III, Subsection A(2)(a), shall be amended to read as follows:

Invoices shall be submitted to:

Steven Montagna, Chief
Employee Benefits Division
City of Los Angeles Deferred Compensation Plan
200 North Spring Street, Room 867
Los Angeles, CA 90012

4. Article IV, Section A, entitled "Standard Provision for City Contracts," shall be amended to read as follows:
 - (a) The first sentence shall be amended to read as follows:

Contractor agrees to comply with the Standard Provisions for City Contracts (Rev. 10/17), attached hereto as Attachment A and made a part hereof.
 - (b) Subsection 1, entitled "PSC – 20 INDEMNIFICATION" shall be replaced with "PSC – 18 Indemnification";
 - (c) Subsection 2, entitled "PSC – 21 INTELLECTUAL PROPERTY INDEMNIFICATION" shall be replaced with "PSC – 19 Intellectual Property Indemnification"; and

- (d) Subsection 3, entitled "PSC – 23 OWNERSHIP AND LICENSE" shall be replaced with "PSC- 21 Ownership and License".
5. Attachment A to the Contract, entitled "Standard Provisions for City Contracts - (Rev. 06/14)" is hereby deleted and replaced with "Standard Provisions for City Contracts - (Rev. 10/17)," which is attached hereto as Attachment 2 and incorporated herein by reference.
 6. Except as otherwise provided by this First Supplemental Agreement, all other terms and conditions of the Contract shall remain in full force and effect as part of this Contract.
 7. In the event of any inconsistency between the provisions in the body of this First Supplemental Agreement and the attachments hereto, the inconsistency shall be resolved by giving precedence to the documents in the following order, except as required by applicable ordinances and law:
 - (a) Paragraphs set forth in the body of this First Supplemental Agreement.
 - (b) Paragraphs set forth in the body of the Contract.
 - (c) Standard Provisions for City Contracts (Rev. 10/17).
 - (d) Any other attachments/exhibits to the Contract.
 8. This First Supplemental Agreement shall take effect upon the occurrence of all of the following events:
 - (a) This First Supplemental Agreement has been signed on behalf of Contractor by the person or persons authorized to bind Contractor hereto;
 - (b) The Office of the City Attorney has indicated in writing its approval of this First Supplemental Agreement as to form; and
 - (c) This First Supplemental Agreement has been signed on behalf of the City by the person designated to so sign by the City, by the City Council or employee authorized to enter into this agreement.
 9. Due to the need for the Contractor's services to be provided on an ongoing basis and upon the commencement of the term of this First Supplemental Agreement, Contractor may have provided services prior to the execution of this First Supplemental Agreement. To the extent that said services were performed in accordance with the terms and conditions of this First Supplemental Agreement, those professional services are hereby accepted by the City and shall be treated as services performed under the terms and conditions herein.
 10. This First Supplemental Agreement is executed in two (2) duplicate originals, each of which is deemed to be an original. This First Supplemental Agreement consists of four (4) pages.

(Signature page to follow)

IN WITNESS, thereof, the parties hereto have caused this First Supplemental Agreement to Contract C-127274 to be signed by their respective duly authorized officers. By signing this Supplemental Agreement, the parties certify that they have read and understood it, that they agree to be bound by the terms of the Supplemental Agreement and that they have the authority to sign it. This Supplemental Agreement is not binding on either party until approved by both parties.

THE CITY OF LOS ANGELES

SEGAL CONSULTING

By: _____
JOHN R. MUMMA
Chairperson, Board of Deferred
Compensation Administration

By: _____
WENDY YOUNG CARTER
Vice President

Date: _____

Date: _____

By: _____
WENDY G. MACY
General Manager, Personnel
Department

By: _____
ANDREW D. SHERMAN
Senior Vice President

Date: _____

Date: _____

APPROVED AS TO FORM:

ATTEST:

MICHAEL N. FEUER, City Attorney

HOLLY L. WOLCOTT, City Clerk

By: _____
CURTIS S. KIDDER
Assistant City Attorney

By: _____
Deputy City Clerk

Date: _____

Date: _____

*** Approved Signature Methods:**

- 1) Two signatures: One of the Chairman of the Board of Directors, President, or Vice-President, and one of the Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer.
- 2) One signature of a Corporate-designated individual together with a properly attested resolution of the Board of Directors authorizing the individual to sign.

City Business License Number:

2736421-0001-3 L049

Internal Revenue Service Taxpayer Identification Number:

94-1503999

Agreement Number:

C-127274

CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,
COUNCIL/PUBLIC SERVICES DIVISION
ROOM 395, CITY HALL

DATE: March 22, 2016

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FROM (DEPARTMENT): Personnel Department

CONTACT PERSON: Esther Chang

PHONE: 213-978-1586

CONTRACT NO.: C-127274

COUNCIL FILE NO.: N/A

ADOPTED BY COUNCIL: N/A

DATE

APPROVED BY BPW: N/A

DATE

NEW CONTRACT

AMENDMENT NO.

ADDENDUM NO.

SUPPLEMENTAL NO.

CHANGE ORDER NO.

CONTRACTOR NAME: Segal Consulting

TERM OF CONTRACT: July 1, 2015

THROUGH: June 30, 2018

TOTAL AMOUNT: Not to exceed \$180,000

PURPOSE OF CONTRACT:

Plan administration and communications consulting for the City of Los Angeles Deferred Compensation Plan.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF LOS ANGELES AND
THE SEGAL COMPANY (dba SEGAL CONSULTING)**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into by and between the City of Los Angeles (hereinafter "the City"), a municipal corporation, acting by and through the City of Los Angeles Board of Deferred Compensation Administration (hereinafter "the Board") and The Segal Company (Western States), Inc., doing business as Segal Consulting (hereinafter "Contractor"), with reference to the following:

RECITALS

1. The City has established a Deferred Compensation Plan ("DCP") and a Pension Savings Plan ("PSP") (collectively "the Plans") in accordance with the provisions of Sections 457 and 402(A) of the Internal Revenue Code of 1986;
2. The City desires to engage the services of a contractor to provide professional and expert Plan Administration and Communications consulting services for the purpose of assisting the City in the administration of the Plans;
3. The City publicly solicited proposals for Plan Administration and Communications consulting services and Contractor submitted a proposal dated April 2, 2015 (hereinafter referred to as "the Proposal"), which offers to provide those services as specified in the City's Request for Proposal ("RFP"), incorporated herein by reference;
4. The City reviewed Contractor's Proposal, finds it to be satisfactory in response to the Plan Administration and Communications consulting services needed by the City, and accepts Contractor's offer to provide the Plan Administration and Communications services identified in the Proposal;
5. The services to be performed are of a professional, expert and technical nature and are temporary and occasional in character; and
6. The Board, at its meeting of May 19, 2015, approved the retention of Contractor to provide the services to the Plans, subject to the successful negotiation of all necessary contractual terms and conditions.

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

ARTICLE I-
INTRODUCTION

A. Representatives of the Parties and Service of Notices

1. The representatives of the respective parties authorized to administer this Agreement, and to whom formal notices, demands, and communications shall be given are as follows:

a. The representative of the City shall be, unless otherwise stated in the Agreement:

Steven Montagna, Chief
Employee Benefits Division/Personnel Department
City of Los Angeles Deferred Compensation Plan
200 North Spring Street, Room 867
Los Angeles, CA 90012

b. The representative of Contractor shall be:

Wendy Young Carter, Principal
Segal Consulting
1920 N Street, NW #400
Washington, DC 20036

With copies to:

Wendy Young Carter, Principal
Segal Consulting
10880 Wilshire Boulevard, Suite 850
Los Angeles, CA 90024

2. Formal notices, demands, and communications required hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.

3. If the name of the person designated to receive the notices, demands, or communications, or the address of such person is changed, written notice shall be given, in accordance with Article I, within five (5) working days of said change.

ARTICLE II –
TERM AND SERVICES TO BE PROVIDED

A. Time of Performance

The term of this Agreement will commence on July 1, 2015, and will end on June 30, 2018, or at such time as all funding provided herein has been expended, whichever occurs first, and subject to the termination provisions herein (Term”).

B. Purpose of the Agreement

The purpose of Contractor's work under this Agreement is Plan Administration and Communications consulting with respect to the Plans.

C. Scope of Work

Contractor shall provide the following services to the City:

1. PLAN ADMINISTRATION CONSULTING

a) *Procurement Development and Analysis of Responses* – Contractor will assist the City in developing Requests for Proposals for various functions involved in the administration of the Plans, which may include some or all of the following:

- Third-party-administrative and recordkeeping services
- Plan audit services
- Services/programs which may or may not presently be included in the Plan

Contractor will be required to assist in evaluating responses to those proposals and generating recommendations to the City. Contractor will assist by drafting proposed RFP questionnaires, evaluation criteria, scoring methodologies, response summaries, recommendations for action, and other information as necessary to assist the City in evaluating the capabilities and viability of firms submitting proposals.

b) *Contract Development and Review* – Contractor will provide assistance to the City in development/review of proposed contracts for the various Plan-related services identified above which are periodically released for competitive bid. In addition, the Contractor will draft, review, and provide advice regarding amendments or extensions to existing contracts.

c) *Plan Design/Best Practices/Benchmarking* – Contractor will provide input and advice with respect to defined contribution plan design, best practices, and benchmarking relative to the DCP and PSP. This may include issues regarding:

- Determinations as to what services should be offered under each Plan
- Best practices in plan design and administration
- Measuring the success of the Plan relative to Plan mission/goals as well as other defined contribution plan sponsors

d) *Technical/Retirement Services* – Contractor will assist the City by evaluating and providing commentary with respect to a variety of tax, technical and retirement plan issues for use in day-to-day administration of the Plans and/or in the research of related matters. Contractor will provide expert review and analysis with respect to the following:

- Proposed or actual Federal legislation and regulations affecting the Plans
- Potential modifications to the DCP Plan Documents or PSP Administrative Code provisions
- Questions which may arise from time to time in the administration of each of the Plans concerning the interpretation of existing rules and regulations and their applicability to the City's Plans
- A broad range of questions related to retirement or tax-deferred savings concepts or issues not necessarily directly related to Section 457 defined contribution plan administration

2. COMMUNICATIONS CONSULTING

a) *Communications Materials Development/Review* – Contractor will provide assistance in the design/review of communications materials regarding various aspects of promoting or educating participants regarding various aspects of the Plans. Communications materials include Plan print materials such as account statements, program or benefit descriptions, and forms; Plan virtual materials such as videos and webinars on City's Plan websites; and Plan audio/verbal communications such as group meeting presentations or the automated telephone line.

b) *Communications Strategies* – Contractor will provide assistance in the development of marketing strategies for the Plans. Marketing strategies may be geared towards encouraging participation in the Plans as well as educating participants regarding various aspects of the Plans. The development of marketing strategies must include ways of defining objectives and crafting metrics for measuring success of the strategy.

c) *Participant Assessments* – Contractor will provide advice and assistance in developing and evaluating participant assessments including, but not limited to, participant surveys, focus groups, customer satisfaction evaluations, and other knowledge/awareness assessments.

3. **BOARD AND PARTICIPANT COMMUNICATIONS** – Contractor will review, edit and comment on reports and other investment-related communications that may be provided to Plan participants subject to the terms and conditions below:

a) Except as otherwise provided herein, the City will retain responsibility for ensuring that Participant Communications are accurate and in compliance with applicable rules and regulations.

b) The City may use the information provided by Contractor in Participant Communications and, absent any negligence, fraud or conduct in bad faith, Contractor will have no liability to the City for the City's use of such information in any Plan participant communications the City ultimately produces.

c) The information or materials provided to the City by Contractor with respect to Participant Communications may, subject to the terms and conditions herein, be distributed to Plan participants, but without Contractor's name, logo or other identification.

D. Advice on Regulatory Matters

Contractor will provide advice and guidance on the application and/or implementation of laws and regulations regarding 457 deferred compensation plans; however, such advice and guidance shall not constitute legal advice.

E. Work Orders

Contractor's provision of services under the Scope of Work shall be initiated by the City pursuant to a written work order. The work order shall specify the following:

- i. Date of work start
- ii. Summary of work order agreement
- iii. Defined deliverables (tasks) and due dates
- iv. Names of personnel working on work order
- v. Estimate of total cost
- vi. Approval by authorized City representative

Services rendered under each work order shall be invoiced to the City in accordance with Article III of this Agreement.

ARTICLE III –
GENERAL TERMS AND CONDITIONS

A. Deliverables, Payment Terms and Invoicing

1. Deliverables, Compensation, and Method of Payment

- a. Contractor shall provide to the City any and all deliverables in connection with the provision of Contractor's services pursuant to this Agreement, including without limitation those deliverables set forth in Article II of this Agreement. Contractor must be capable of providing all such deliverables to the City in both hard copy (final or camera-ready copy) and editable electronic format.
- b. Contractor will coordinate regular status meetings with the City as requested.
- c. Contractor understands and agrees that it may not make any financial commitment on behalf of the City, incur any cost or expense on behalf of the City, or obligate the City to make payments for any costs or expenses, unless authorized in the approved work orders.
- d. Contractor's compensation for the services performed hereunder will not exceed the amount of \$180,000. The City shall be billed only for actual fees and expenses incurred by Contractor. The hourly rates that will be charged by Contractor for the services rendered by staff in the following job titles are:

Plan Administration Consulting

Principal Consultant	\$450-\$500
Managing Consultant	\$300-\$445
Consultant	\$250-\$295
Associate/Analyst	\$125-\$245

Communications Consulting

Principal Consultant	\$450-\$500
Managing Consultant	\$300-\$445
Consultant	\$250-\$295
Associate/Analyst	\$125-\$245

- e. In the case of hourly rates pursuant to section (d) above, the stated rates shall remain fixed for the duration of the Term.

2. Invoicing

- a. Invoices shall be submitted to:

Esther Chang, Assistant Plan Manager
City of Los Angeles Deferred Compensation Plan
200 North Spring Street, Room 867
Los Angeles, CA 90012

- b. To ensure that services provided under personal services agreements are measured against services as detailed in the agreement, the Controller of the City of Los Angeles requires that specific supporting documentation be submitted with invoices in accordance with the City Charter Section 262.

Each invoice shall be submitted under a specific Work Order as outlined in the Scope of Work item E.

- c. Contractor shall submit invoices that conform to City standards and include, at a minimum, the following information:
- i. Name and address of Contractor
 - ii. Name and address of City department being billed
 - iii. Date of invoice and period covered
 - iv. Contract number or authority (purchase order) number
 - v. Description of completed task and amount due for task, including:
 1. Name of personnel working on task
 2. Hours spent on task and timesheet supporting charges (if applicable)
 3. Rate per hour and total due
 - vi. Certification by a duly authorized officer
 - vii. Discount and terms (if applicable)
 - viii. Remittance Address (if different from company address)
 - ix. All supporting documentation necessary to substantiate expenses.

- d. All invoices shall be submitted on Contractor's letterhead, contain Contractor's official logo, or other unique and identifying information such as the name and address of Contractor. Evidence that tasks have been completed, in the form of a report, brochure, or photograph, shall be attached to all invoices. Invoices shall be submitted within 30 days of service, or monthly, and shall be payable to the Contractor no later than 30 days after acknowledged receipt of a complete invoice. Invoices are considered complete when appropriate documentation or services provided are signed off as satisfactory by the City's Fiscal Officer.
- e. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of Contractor. The City will not compensate Contractor for costs incurred in invoice preparation. The City may request, in writing, changes to the content and format of the invoice and supporting documentation at any time. The City reserves the right to request additional supporting documentation to substantiate costs at any time.
- f. *Subcontractors' Requirements.* Tasks that are completed by approved subcontractors shall be supported by subcontractor invoices, copies of pages from reports, brochures, photographs, or other unique documentation that substantiates their charges.
- g. *Travel.* Only travel expenses authorized in advance by the Personal Department are reimbursable. Such expenses shall be reimbursed per City travel guidelines as outlined in Attachment B and subject to change by the Office of the City Controller without prior notification.
- h. *Contested Invoices.* The City reserves the right to contest any charge contained on Contractor's invoice. The City shall inform Contractor of any such contested charge and Contractor shall respond in writing to the contested charge and provide any additional information and/or documentation to support the charge. If Contractor is unable to justify or document the contested charge to the satisfaction of the City, then the contested charge shall be deducted from Contractor's invoice and not paid by the City. If the City is satisfied with Contractor's additional information and/or documentation provided, then the City shall immediately pay Contractor's invoice with the contested charge. Any contested invoice shall not be deemed a complete invoice for the purpose of subsection (A)(2)(c) above.
- i. *Limitation of City's Obligation to Make Payments to Contractor.* Notwithstanding any other provision of this Agreement, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no

obligation to make any payments to Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in the Agreement. Contractor agrees that any services provided by Contractor, purchases made by Contractor or expenses incurred by Contractor in excess of said appropriation(s) shall be free and without charge to the City and the City shall have no obligation to pay for said services, purchases or expenses. Contractor shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until the City appropriates additional funds for this Agreement.

- j. ***Failure to adhere to the provisions set forth in this Article III may result in nonpayment or non-approval of demands, pursuant to Los Angeles City Charter Section 262(a)***, which requires the Controller to inspect the quality, quantity, and condition of services, labor, materials, supplies, or equipment received by any City office or department, and approve demands before they are drawn on the Treasury. City reserves the right to partially pay or not approve any demand based on its findings pursuant to these provisions.

ARTICLE IV – STANDARD PROVISIONS

A. Standard Provisions for City Contracts

Contractor agrees to comply with the Standard Provisions for City Contracts (Rev. 06/14), attached hereto as Attachment A and made a part hereof. The term “contract” as used in the Standard Provisions for City Contracts shall mean this Agreement. In the event of any inconsistency between the provisions in the body of this Agreement and the Standard Provisions for City Contracts, the provisions of the body of this Agreement take precedence. The following provisions for the Standard Provisions for City Contracts are revised as follows:

1. PSC-20. INDEMNIFICATION

Except for the active negligence or willful misconduct of the City, or any of its boards, officers, agents, employees, assigns and successors in interest, Contractor undertakes and agrees to defend (with counsel subject to approval by City), indemnify and hold harmless the City and its boards, officers, agents, employees, assigns, and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, reasonable attorney's fees (both in house and outside counsel) and cost of litigation (including all

reasonable actual litigation costs incurred by the City, including but not limited to, reasonable costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Contractor's employees and agents, or damage or destruction of any property of either party hereto or of third parties, and/or for any other damages or losses of any kind or nature arising from the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by Contractor or its subcontractors of any tier. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the City. The provisions of PSC-20 shall survive expiration or termination of this Contract.

2. PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION

Contractor, at its own expense, undertakes and agrees to defend (with counsel subject to City approval), indemnify, and hold harmless the City, and its boards, officers, agents, employees, assigns and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, reasonable attorney's fees (both in house and outside counsel) and cost of litigation (including all reasonable actual litigation costs incurred by the City, including but not limited to, reasonable cost of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by Contractor, or its subcontractors of any tier, in performing the work under this contract; or (2) as a result of the City's actual or intended use of any work product furnished by Contractor, or its subcontractors of any tier, under the Agreement. Work Products are all works, tangible or not, created under this contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual records, and sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this contract and those allowed under the laws of the United States, the State of California, and the City. The provisions of PSC-21 shall survive expiration or termination of this contract.

3. PSC-23. OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all Work Products originated and prepared by Contractor or its subcontractors of any tier under this contract shall be and remain the exclusive property of the City for its use in any manner it deems appropriate. Contractor hereby assigns, and agrees to assign, all goodwill, copyright, trademarks, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by Contractor under this contract. Contractor further agrees to execute any documents necessary for the City to perfect, memorialize, or record the City's ownership of rights provided herein. For all Work Products delivered to the City that are not originated or prepared by Contractor or its subcontractors of any tier under this contract, Contractor hereby grants a non-exclusive perpetual license to use such Work Products for any City purposes. Except to the extent they contain Contractor's proprietary software, know-how, techniques, methodologies and report formats (collectively, "Contractor's Proprietary Information"), all documents, data, and other tangible materials authored or prepared and delivered by Contractor to the City under the terms of this Agreement (collectively, the "Deliverables"), are the sole and exclusive property of the City, once paid for by the City. To the extent Contractor's Proprietary Information is incorporated into such Deliverables, the City shall have a perpetual, nonexclusive, worldwide, royalty-free license to use, copy, and modify Contractor's Proprietary Information as part of the Deliverables internally and for their intended purpose.

B. Responsibility to Provide Services in Accordance with Applicable Standards and Requirement to Possess All Valid Permits and Licenses

Contractor warrants that the work performed hereunder shall be completed in a manner consistent with professional standards among those firms in Contractor's profession, doing the same or similar work, under the same or similar circumstances. Contractor must possess and maintain valid licenses and permits required to perform the services described herein.

**ARTICLE V –
MISCELLANEOUS**

A. Suspension

In addition to any other provision of this Agreement, the City may suspend all or part of the services hereunder for failure by Contractor to comply with the terms and conditions of this Agreement by giving written notice, which shall be effective upon receipt. Said notice shall set forth the specific conditions of noncompliance and the period provided for corrective action. Within five (5) working days of receipt of the notice Contractor shall reply in writing setting forth the corrective actions that will be undertaken, subject to City approval in writing. Performance shall not resume without the prior written approval of the City.

B. Termination of Agreement

The termination provisions contained in the Standard Provisions for City Contracts (PSC - 10) shall survive the termination of this Agreement. All unfinished documents and materials produced or procured by Contractor under this Agreement shall, upon termination, be provided to the City on an "AS IS" basis without any warranties of any nature whatsoever and Contractor shall have no liability from the use of any such unfinished documents and materials.

C. Ownership

In addition to the requirements set forth in the Standard Provisions for City Contracts, Contractor's performance of services is subject to the following (which shall take precedence over the terms in the Standard Provisions for City Contracts in the event of any inconsistency).

1. Except as otherwise provided herein, Contractor acknowledges and agrees that all documents, publications, databases, videos, reports, analyses, studies, drawings, information, or data (hereinafter collectively referred to as "Materials"), created or developed by Contractor specifically and exclusively for the City pursuant to the terms of this Agreement, are "Work Made for Hire" and shall become the property of the City for its use in any manner it deems appropriate. Contractor assigns any and all of its respective interests and rights in such Materials to the City. Notwithstanding such ownership of Materials, it is understood and agreed by Contractor that the City shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license to use, access, manufacture, improve upon, and allow others to do so for all government purposes, the Materials created and developed under this Agreement.

2. Contractor retains all patent, copyright and other intellectual property rights in the methodologies, methods of analysis, ideas, concepts, know-how, models, tools, techniques, skills, knowledge and experience (collectively, "Intellectual Property") owned or possessed by Contractor before the commencement of, or acquired by Contractor during or after, the performance of the services. To the extent that any Intellectual Property is embodied in any of the Materials, Contractor will grant to the City a non-exclusive, non-transferable, royalty-free license to use the Intellectual Property for its internal use, but solely in connection with and to the extent necessary for use of the Materials as contemplated by the Agreement.
3. All documents and records (hereinafter collectively referred to as "Documents") provided by the City to Contractor shall remain the property of the City and must be returned to the City upon expiration of the Term or termination of this Agreement or at request of the City; provided, however, Contractor may retain copies of Documents in accordance with its legal, disaster recovery, and records retention requirements, but subject to its confidentiality obligations pursuant to Section D below.
4. The provisions of this Section C shall survive expiration or termination of this Agreement.

D. Confidentiality

1. All Documents and information provided to Contractor by the City are confidential. All Materials are to be considered confidential. Contractor agrees not to provide Documents or Materials, nor disclose their content or any information therein, either orally or in writing, to any other person or entity, except as authorized by the City or as required by law. Contractor shall immediately notify City representative of any attempt by a third party to obtain access to Documents or Materials.
2. The provisions of this Section D shall survive expiration or termination of this Agreement.

E. Ambiguity

The parties acknowledge that each was represented by legal counsel or had the opportunity to consult with legal counsel in the drafting and negotiation of this Agreement. Any ambiguity in this Agreement shall not, therefore, be interpreted against any one party by virtue of that party being drafter of the Agreement.

F. Assignment

In addition to the prohibition regarding the assignment of this Agreement by Contractor contained in the Standard Provisions for City Contracts, Contractor shall not make any "assignment," as that term is defined in the Investment Advisers Act of 1940 (15 U.S.C. §80b-1 et. seq.), as amended, of this Agreement without the City's prior written consent.

G. Non-Exclusive Contract

This Agreement does not establish an exclusive contract between Contractor and City for the provision of the Scope of Work hereunder. City expressly reserves all rights to utilize others to provide some or all of the tasks included in the Scope of Work, to direct others to perform some or all of the tasks included in the Scope of Work without utilizing Contractor, and to seek bids or proposals from others to perform some or all of the tasks included in the Scope of Work.

H. Independent Audit/Contractor Evaluation

1. City reserves the right to assign an independent auditor to assess the quality of services being provided and the extent to which Contractor and its subcontractors, if any, are conducting City business within generally accepted industry standard practices. Contractor shall cooperate fully with any such audit.
2. Following the end of the Term, or earlier termination of the Agreement, City will conduct an evaluation of Contractor's performance hereunder. As required by the Los Angeles Administrative Code, evaluations will be based on specified criteria, including the quality of work performed, the timeliness of performance, financial issues and the expertise of personnel that Contractor assigned to perform the Scope of Work. A contractor that receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final City evaluation and allowed fourteen (14) calendar days to respond. City will use the final evaluation and any response from Contractor to evaluate proposals and to conduct reference checks when awarding future service contracts.

I. California Public Records Act

City is a public entity subject to the disclosure requirements of the California Public Records Act ("CPRA") (Government Code Section 6254 et. seq.). If Contractor believes that any documents submitted to City contains proprietary information and that such information falls within one or more of the exceptions to the CPRA, then Contractor must clearly mark such information as confidential and proprietary. In the event of a CPRA request for such information, City will

make best efforts to provide notice to Contractor prior to the date of disclosure. Should Contractor contend that any documents are exempt from disclosure under the CPRA and desire to prevent disclosure, it must obtain a protective order, injunctive relief or other appropriate remedy in Los Angeles County Superior Court before the date the City must respond to the request. If Contractor fails to obtain take such action and obtain such remedy before the response date, then City may disclose the requested documents. Contractor agrees to defend, indemnify and hold City harmless against any claim, action or litigation (including but not limited to all judgments, costs, fees and attorney's fees) that may result from denial by City of a CPRA request for documents arising from any representation or any action (or inaction) by Contractor.

J. Ratification

Due to the need for Contractor's services to be provided upon the commencement of the Term hereof, Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby accepted by the City and shall be treated as services performed under the terms and conditions of this Agreement.

K. Order of Precedence

In the event of any inconsistency between the provisions in the body of this Agreement and the exhibits and attachments, the provisions in the body of this Agreement take precedence, followed by the Standard Provisions for City Contracts and then by the other exhibits and attachments hereto.

L. Counterparts

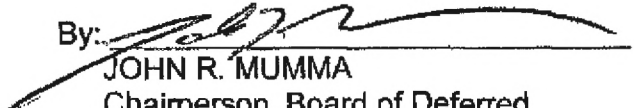
This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same Agreement.

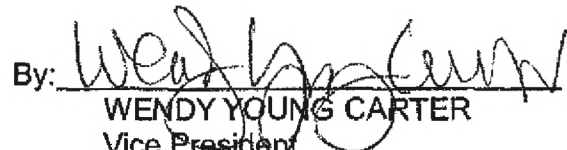
(Signature Page to Follow)

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

THE CITY OF LOS ANGELES

SEGAL CONSULTING

By: 
JOHN R. MUMMA
Chairperson, Board of Deferred
Compensation Administration

By: 
WENDY YOUNG CARTER
Vice President

Date: 9/21/15

Date: September 9, 2015

SEGAL CONSULTING

By: 
CATHIE EITELBERG
Senior Vice President

Date: September 9, 2015

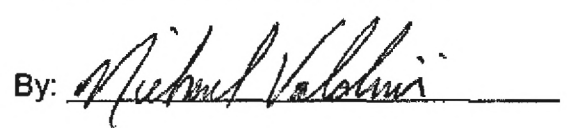
APPROVED AS TO FORM:

ATTEST:

MICHAEL N. FEUER, City Attorney

HOLLY L. WOLCOTT, City Clerk

By: 
CURTIS S. KIDDER,
Assistant City Attorney

By: 
Deputy City Clerk

Date: 9-17-15

Date: 3/22/16

* Approved Signature Methods:

- 1) Two signatures: One of the Chairman of the Board of Directors, President, or Vice-President, and one of the Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer.
- 2) One signature of a Corporate-designated individual together with a properly attested resolution of the Board of Directors authorizing the individual to sign.

City Business License Number - 2730421-001-3-1049
Internal Revenue Service Taxpayer Identification Number - 94-1503999
Agreement Number C-127274



STANDARD PROVISIONS FOR CITY CONTRACTS

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

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

PSC-2. Applicable Law, Interpretation and Enforcement

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

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

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

PSC-3. Time of Effectiveness

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

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

PSC-4. Integrated Contract

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

PSC-5. Amendment

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

PSC-6. Excusable Delays

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

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

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

PSC-7. Waiver

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

PSC-8. Suspension

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

PSC-9. Termination

A. Termination for Convenience

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

B. Termination for Breach of Contract

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

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

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

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

PSC-10. Independent Contractor

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

PSC-11. Contractor's Personnel

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

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

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

PSC-12. Assignment and Delegation

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

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

PSC-13. Permits

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

PSC-14. Claims for Labor and Materials

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

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

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

PSC-16. Retention of Records, Audit and Reports

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

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

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

PSC-17. Bonds

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

PSC-18. Indemnification

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

PSC-19. Intellectual Property Indemnification

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

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

PSC-20. Intellectual Property Warranty

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

PSC-21. Ownership and License

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

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

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

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

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

PSC-22. Data Protection

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

PSC-23. Insurance

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

PSC-24. Best Terms

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

PSC-25. Warranty and Responsibility of Contractor

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

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

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

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

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

PSC-27. Child Support Assignment Orders

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

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

PSC-28. Living Wage Ordinance

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

PSC-29. Service Contractor Worker Retention Ordinance

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

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

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

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

PSC-31. Contractor Responsibility Ordinance

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

PSC-32. Business Inclusion Program

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

PSC-33. Slavery Disclosure Ordinance

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

PSC-34. First Source Hiring Ordinance

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

PSC-35. Local Business Preference Ordinance

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

PSC-36. Iran Contracting Act

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

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

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR'S** principals, and **CONTRACTOR'S** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the "Restricted Persons")

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

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

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

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

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

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

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

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

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

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

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

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

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

PSC-42. Possessory Interests Tax

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

PSC-43. Confidentiality

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

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

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

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

1. Additional Insured/Loss Payee. The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

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

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

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

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

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

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

Required Insurance and Minimum Limits

Name: _____

Date: _____

Agreement/Reference: _____

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

	Limits				
Workers' Compensation (WC) and Employer's Liability (EL)					
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-bottom: 1px solid black;">WC</td> <td style="width: 50%; border-bottom: 1px solid black;">Statutory</td> </tr> <tr> <td style="border-bottom: 1px solid black;">EL</td> <td style="border-bottom: 1px solid black;"></td> </tr> </table>	WC	Statutory	EL	
WC	Statutory				
EL					
<input type="checkbox"/> Waiver of Subrogation in favor of City <input type="checkbox"/> Longshore & Harbor Workers <input type="checkbox"/> Jones Act					
General Liability					
<input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Fire Legal Liability <input type="checkbox"/> _____	<input type="checkbox"/> Sexual Misconduct _____				
Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)					
Professional Liability (Errors and Omissions)					
Discovery Period _____					
Property Insurance (to cover replacement cost of building - as determined by insurance company)					
<input type="checkbox"/> All Risk Coverage <input type="checkbox"/> Flood _____ <input type="checkbox"/> Earthquake _____	<input type="checkbox"/> Boiler and Machinery <input type="checkbox"/> Builder's Risk <input type="checkbox"/> _____				
Pollution Liability					
<input type="checkbox"/> _____					
Surety Bonds - Performance and Payment (Labor and Materials) Bonds					
Crime Insurance					
Other:					

City of Los Angeles
Personnel Department
Travel Expense and Reimbursement Guidelines
For Contractors and Vendors

As a government agency responsible to the public for the expenditure of public funds, it is necessary for the City of Los Angeles to limit the nature and amount of reimbursable travel expenses. Only travel expenses authorized by the Personnel Department will be reimbursed. Reimbursements are processed after expense statements with the required information are submitted, approved and funded. Reimbursement will be made only if the destination is farther than 50 miles both from traveler's primary residence and work location. Requests for reimbursement that do not contain all documentation may not be reimbursed.

When making travel arrangements, travelers should consider the following:

Airfare – The Traveler should arrange for coach airfare for one person by the most economical routing consistent with scheduling and the individual's calendar. Travelers should make arrangements as far in advance as possible to avoid paying excessive fares. The City will reimburse the cost for checking up to one piece of luggage. Flight insurance is not reimbursable. Should travelers extend their trip beyond the City's business dates, only the expenses related to the official City business will be reimbursed. The traveler should attach the original/electronic ticket or e-mail confirmation and proof of payment to the Personal Expense Statement.

Hotel Accommodations - The City reimburses single occupancy at hotels of acceptable quality that are economical and practical. Additional expenses at the hotel are the responsibility of the traveler. Upon checkout, the traveler should obtain an original hotel invoice or folio reflecting a zero balance, and should attach it to the Personal Expense Statement.

Meal and Incidental Allowance – The City provides an allowance based on the federal per diem rate for meal and incidental expenses. The meal and incidental allowances on the first and last days of travel, or when a meal is provided by the City are prorated and paid at 75% of the federal per diem rate for the destination. Per diem includes meals, room service, laundry, fees and other tips. Federal per diem rates may be found at www.gsa.gov. Receipts for meals and incidental expenses are not required except when the cost for any single meal exceeds \$25 in accordance with Los Angeles Administrative Code. No

City of Los Angeles
Personnel Department
Travel Expense and Reimbursement Guidelines
For Contractors and Vendors

allowance is permitted for same day travel. For reimbursement to be considered, receipts for hotel overnight stay must be submitted.

Ground Transportation – Prevailing taxi charges, for-hire vehicle (FHV) fees such as Uber and Lyft, and shuttle service fees are appropriate for reimbursement with original receipts. All other ground transportation expenses require justification, explanation and pre-approval from Personnel Department for reimbursement. Travelers should provide ample time for consideration for reimbursement of additional at-destination ground transportation expenses to allow the City to evaluate the request. Tips for driver of taxi and shuttle are reimbursed for up to 15 percent of the fare if included on the receipt. All vehicle rentals must be pre-approved by the City before any such transactions occur. Once approved, the City allows for only mid-sized rental vehicles or smaller for reimbursements. The City does not provide nor reimburse for rental vehicle insurance. All travelers are responsible for procuring their own insurance coverage for the term of their vehicle usage.

Tips and Gratuities – Reimbursement for tips and gratuities for meals, housekeeping and any other service where a tip or gratuity is typically provided is included as part of the meal & incidental allowance. Tips and gratuities should not be separately detailed on expense statements.

Parking – When and where parking is required, the long-term parking rate is reimbursable when the amount is the prevailing economy rate. Reimbursement is processed with original receipts.

Mileage In Lieu of Airfare – Some travelers wish to drive their personal vehicle instead of traveling by air. To do so, before travel starts, travelers must provide to the City a copy of their driver's license, proof of automobile (liability) insurance showing insurance coverage for the relevant travel dates, and the insurance declaration page that shows the auto coverage meets the City's minimum auto liability limits of:

- \$25,000 for injury to or death of one person, and
- \$50,000 for injury to or death of more than one person, and
- \$5,000 for property damage, in any one accident

Mileage may be reimbursed in place of airfare when the reimbursement amount does not exceed the coach airfare for the trip.

City of Los Angeles
Personnel Department
Travel Expense and Reimbursement Guidelines
For Contractors and Vendors

For comparison, travelers need to obtain and submit an airfare quotation for the relevant travel dates. A copy of an electronic map with to and from addresses should be provided to demonstrate distance. Reimbursement is based on the IRS Mileage Rate as of January 1 of the applicable year. The rate may be found at [irs.gov](https://www.irs.gov). Mileage is calculated from business address only, home addresses are not considered. (Reimbursement is normally calculated by multiplying the number of miles by the applicable mileage rate, and subtracting the traveler's home to work mileage.) The City is not responsible for injury, accident, towage, vehicle wear and tear, or damage when traveling to or from the City.

Alternative Transportation – The City reimburses coach fare for travel by train, bus, or boat with prior approval. Reimbursement amount is based on the cost comparison between the alternative transportation and estimated regular roundtrip airfare. The lower cost of the two will be reimbursed to the traveler. Reimbursement is processed when original receipts are submitted with the expense statement.

These Guidelines provide examples of the types and expense amounts the City routinely reimburses. Requests for reimbursement must be authorized and approved by the City; in order to do so, traveler must submit an expenses summary with original receipts attached to it. All documents become part of the City's records and are not returned to travelers. The City does not reimburse expenses for traveling companions, entertainment or sightseeing. Questions regarding these guidelines should be directed to the Personnel Department's representation in travel.