

*Los Angeles  
World Airports*

## **REQUEST FOR PROPOSALS**

### **SAP BASIS Remote Support Services**

**Release Date:**

**April 18, 2012**

**Submit Proposals to:**

Los Angeles World Airports  
Information Management and Technology Group  
Micaela LeBlanc, Division Head  
Business Application Support Division  
6053 W. Century Blvd., Suite 302  
Los Angeles, CA 90045  
Attention: May-Lain Liu / Evan So

**Submission Deadline:**

**May 31, 2012 before 2:00 PM**



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## **SECTION 1 – GENERAL INFORMATION**

The City of Los Angeles (City), Department of Airports, also known as Los Angeles World Airports (LAWA), is soliciting proposals from qualified Information Technology (IT) professionals, for remote BASIS support of the Systems Applications and Products (SAP) system.

## **SECTION 2 – BACKGROUND INFORMATION**

### **2.1 Los Angeles World Airports (LAWA)**

LAWA is a financially self-sufficient, proprietary department of the City of Los Angeles. It owns, operates, maintains and develops Los Angeles International Airport (LAX), Los Angeles/Ontario International Airport (LA/ONT) and Van Nuys General Aviation Airport (VNY). LAWA is governed by a seven-member Board of Airport Commissioners (BOAC), whose members are appointed by the Mayor and approved by City Council. LAWA centralizes many of its administrative functions at LAX, from which it provides services to all three airports. It employs approximately 4,000 employees at the three locations.

## **SECTION 3 – DESCRIPTION OF THE OPPORTUNITY**

### **3.1 The Opportunity**

LAWA uses SAP as its enterprise resource planning system. SAP 4.6C was procured and implemented in July 2001 and was upgraded to ECC6.0 in July 2009. The system provides LAWA with the ability to manage its overall financial portfolio, including its human capital. The major business functions at LAWA supported by SAP include:

- Financial Systems (general ledger, accounts receivable, accounts payable, fixed assets, funds management and special purpose ledger)
- Controlling (cost center accounting and internal orders)
- Budget (planning, plan activity rates and monitoring)
- Human Resources (organization management, personnel administration, time management, travel, training and events management)
- Purchasing (materials and services, contracts, fixed assets and warehouse inventory)
- Project Systems (project planning and budget monitoring).

Currently, there are 620 SAP users in the system.

It is critical to LAWA's business operations that SAP is available to its users without unscheduled interruptions. As a result, LAWA needs IT professionals capable of delivering BASIS services, which will insure SAP availability.



## **3.2 Project Scope of Work**

### ***3.2.1 Performance Monitoring and Tuning and Documentation***

- Identification, maintenance, monitoring, documentation and analysis of all SAP system processes
- Operating System (OS) performance monitoring, analysis and tuning
- Application performance monitoring, analysis and tuning
- Network performance monitoring, analysis and tuning
- System monitoring and performance tuning
- System parameters maintenance (OS, database)

### ***3.2.2 Database Administration and Documentation***

- Identification, maintenance, monitoring, documentation and analysis of all SAP recommended database support tasks
- Table space management
- Database troubleshooting and issue resolution

### ***3.2.3 System Administration and Documentation***

- Identification, maintenance, monitoring, documentation and analysis of all SAP recommended scheduled system support tasks
- Provide assistance in system testing
- System landscape maintenance
- System interface recommendation and implementation assistance

### ***3.2.4 Other SAP Technical Projects***

- To be determined on an “as needed” basis

All projects are required to follow LAWA Information Systems Security Guidelines (see Attachment A of this document). Additionally, the Proposer selected for contract award for this project will be required to sign a Non-Disclosure and Confidentiality Agreement (see Attachment B of this document), thereby acknowledging that they will treat as confidential all privileged and confidential information provided to them by LAWA.

## **3.3 Minimum Qualifications**

The Proposer and all proposed staff must clearly demonstrate and document in the proposal the minimum qualifications stated below. Proposals not meeting the minimum qualifications will not be reviewed or evaluated. At a minimum, the following should be included in the proposal:



### **3.3.1 Proposer**

- Experience and background information on the BASIS remote support activity of the organization;
- Must have the capability of providing the BASIS consulting services within the specified project time requirements;
- Must have experience in successfully providing SAP BASIS remote support to a public sector client. For the purpose of this contract, a public sector client must be a United States Federal, State, Municipal or Local Government agency.

### **3.3.2 Proposer's Staff**

- Proposed staff must possess no less than seven (7) years of experience providing SAP BASIS consulting services;
- Proposed staff must be an SAP BASIS Certified Administrator;
- Proposed staff must be an Oracle Certified Professional;
- Proposed staff must be a Sun Solaris Certified Engineer.

The proposer is expected to provide information to demonstrate that the consulting staff proposed for this project has experience in providing the services requested in this RFP. Specifically, the proposer is to provide the following information for all key staff assigned to this project:

- Name and title;
- Specific work to be performed and/or services to be provided;
- Description of qualifications and relevant experience that makes the proposed individual suitable for their designated role on this project;
- Any additional information that indicates the individual's ability to successfully perform the services required in this RFP, including resumes (can be included as an appendix to the technical proposal). These additional information documents or resumes must be clearly marked "team member resumes".

### **3.4 Minimum Service Level Agreement Requirement**

Prospective firms shall provide a direct phone number to on-call support personnel during business hours of 6:00 AM – 6:00 PM (Monday – Friday).

After-hours, weekend and holiday support requires a 30-minute maximum response time for phone call or email requests.

## SECTION 4 – EVALUATION CRITERIA AND SELECTION PROCESS

### 4.1 Evaluation Criteria

All proposal statements submitted in response to this RFP will be evaluated on the basis of professional experience, prior experience on similar projects, qualifications, methodology to provide project services and cost. LAWA reserves the right to judge, appraise and/or reject all proposals submitted.

The weighted selection criteria for this project shall be as follows:

| Evaluation Criteria |                                                                                                                               | Points    |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------|-----------|
| A                   | Overall prospective firms experience, qualification of key staff                                                              | 35        |
| B                   | Methodology in providing contract services                                                                                    | 25        |
| C                   | Past performance on contracts of similar size and scope at other government agencies or airports (to be checked by reference) | 25        |
| D                   | Project Cost                                                                                                                  | 15        |
| E                   | Compliance with Administrative Requirements                                                                                   | Pass/Fail |
| Total               |                                                                                                                               | 100       |

### 4.2 Scoring

Once each Evaluation Panel member has completed scoring of the proposals (and the interviews, if they are conducted), the panel members' scores will be converted to rankings (i.e. 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup>). The rankings established by the Evaluation Panel members will then be averaged to determine the overall ranking.

## SECTION 5 – RFP PROCESS

### 5.1 Important RFP Dates

LAWA, at its own discretion, reserves the right to invoke any and all of the processes listed below. Consequently, Proposers are required to meet all requirements as outlined in the RFP in the initial proposal.

The following table outlines the anticipated schedule for this RFP process.

| Activity                                                                              | Dates      |
|---------------------------------------------------------------------------------------|------------|
| Posting of request for proposal at <a href="http://www.labavn.org">www.labavn.org</a> | 04/18/2012 |
| Deadline for written questions                                                        | 05/10/2012 |



|                                                                                               |                        |
|-----------------------------------------------------------------------------------------------|------------------------|
| LAWA posts answers to written questions at <a href="http://www.labavn.org">www.labavn.org</a> | 05/18/2012             |
| Deadline date for proposal submission                                                         | 05/31/2012             |
| LAWA review and evaluation of proposals                                                       | 06/4/2012 - 06/15/2012 |
| BOAC approval of negotiated hosted contract                                                   | 10/01/2012             |
| Notice to proceed                                                                             | 11/01/2012             |

## 5.2 Written Questions and Official Answers

The RFP shall be released through the City of Los Angeles procurement website at [www.labavn.org](http://www.labavn.org)

Questions should be emailed to [sapbasis@lawa.org](mailto:sapbasis@lawa.org). All questions should be submitted no later than May 10, 2012. Answers to questions will be posted as an addendum to the original RFP by May 18, 2012 on [www.labavn.org](http://www.labavn.org).

**LAWA will not respond to any telephone or verbal questions.**

## SECTION 6 – SUBMISSION OF PROPOSAL STATEMENT

### 6.1 Submittal of Proposal

Qualified Proposers are invited to submit proposals in accordance with the requirements outlined in this document. Proposals are required to address all aspects of this RFP and must be submitted on or before **2:00 p.m. PST on Thursday, May 31, 2012.**

For U.S. Mail, hand or parcel delivery, the address is:

Micaela LeBlanc, Division Head  
LAWA IMTG  
Business Application Support Division (BASD)  
6053 W. Century Blvd., Suite 302, #320-A  
Los Angeles, CA 90045  
Attention: May-Lain Liu / Evan So

Proposals may be mailed or hand-delivered, but must be physically received by LAWА as specified. Proposers who submit proposals by mail should allow sufficient mail handling time to ensure timely delivery of the proposal to the submission location. No extension of time will be granted for submissions by mail or any other type of submission. Proposals submitted by email, facsimile transmissions or any other forms of electronic submission are not allowed. **Proposals received after the submission deadline will be rejected and returned unopened to the sender.**



## **6.2 Content of Proposal Submittals**

Interested parties shall submit proposals in two parts:

Part A – Proposal Statement and Qualifications; and

Part B – Administrative Requirements Packet and Optional Exhibits.

### **6.2.1 Part A**

Part A shall contain the proposal statement and all qualification information needed to meet minimum and other qualification requirements. The contents of Part A shall be complete in description, concise in volume and austere in form. Part A shall be in the format of a written report. Any supplementary artwork, visual aids, films and other extraneous materials will not be accepted. Part A shall contain no more than twenty (20) one-sided 8 ½ "x11" pages. The text shall be in Arial font with 11 point size.

Interested parties shall submit one (1) original (signed by authorized representative of the firm), six (6) hard copies and one (1) electronic copy (in PDF file format) of Part A. Part B submittal shall include one (1) original and one (1) hard copy.

Part A Proposal Statement shall adhere to the following format:

#### **6.2.1.1 Cover Letter**

The cover letter shall identify the entity that is submitting the proposal. The cover letter may highlight the important information provided in the RFP package. An authorized representative or officer of the entity submitting the proposal must sign the cover letter. The cover letter shall also provide the contact information of a representative who will address all matters related to the proposal statement.

#### **6.2.1.2 Table of Contents**

The Table of Contents shall adhere to the following sequence:

|             |                                            |
|-------------|--------------------------------------------|
| Section I   | Executive Summary                          |
| Section II  | About the Organization                     |
| Section III | Experience and Qualifications              |
| Section IV  | Methodology for Providing Project Services |
| Section V   | Proposed Cost                              |

#### **6.2.1.3 Section I – Executive Summary**

Executive Summary shall demonstrate the proposal submitting entity's understanding of the RFP.

#### **6.2.1.4 Section II – About the Organization**

LAWA seeks to understand the service offerings, business capability and organization of the entity that is submitting the proposal. This section shall provide sufficient information to present a complete picture of the organization and may include an organization chart and key personnel information.



#### **6.2.1.5 Section III – Experience and Qualifications**

This section shall provide sufficient information to help LAWA understand the experience and qualifications of the entity submitting the proposal. LAWA reserves the right to verify project references. LAWA also reserves the right to contact third parties for additional references as it deems advisable.

#### **6.2.1.6 Section IV – Methodology to Provide Project Services**

Interested entities submitting proposals shall discuss their methodology in delivering project services. Specifically, LAWA is interested in understanding the methodology and approach that will be used during the various stages of these services, such as planning, design, project management, system installation, application development and testing. Specific examples of both successful and challenging system/project implementation shall be detailed.

#### **6.2.2 Part B**

Part B consists of the Administrative Requirements – including exhibits, forms, and affidavits – that are required by the City Charter, City Ordinances and other City contracting Policies. Please read the instructions and accurately complete the required forms and affidavits. Each of these items is explained in SECTION 7 – ADMINISTRATIVE REQUIREMENTS. Failure to include any of the required items and/or failure to meet the minimum qualifications may result in the proposal statement being deemed “non-responsive” and disqualified from consideration.

### **SECTION 7 – ADMINISTRATIVE REQUIREMENTS**

Entities submitting proposal statements are hereby instructed that the City’s Administrative Requirements will apply to any contract that will be awarded through this RFP process. The administrative requirements will include some or all of those listed below:

- Vendor Identification Form
- Affidavit of Non-Collusion
- Affirmative Action
- Assignment of Anti-Trust Claims
- Bid/Proposal Bond
- Child Support Obligations
- Contractor Responsibility Program
- Equal Benefits Ordinance
- First Source Hiring Program
- Insurance
- Living Wage Ordinance
- Living Wage/Service Contractor Worker Retention Ordinance
- Municipal Lobbying Ordinance CEC Form 50
- Minority, Women and Other Business Enterprise Program
- Bidder Contributions City Ethics Commission Form 55



Persons who submit a response to this solicitation are subject to Charter Section 470 (c) (12) and related ordinances. As a result, proposers may not make campaign contributions to and or engage in fundraising for certain elected City officials or candidates for elected City office from the time they submit the response until either the contract is approved or, for successful proposers, twelve (12) months after the contract is signed. The proposer's principals and subcontractor(s) performing \$100,000 or more in work on the contract, as well as the principals of those subcontractors, are also subject to the same limitations on campaign contributions and fundraising.

Proposers must submit CEC Form 55 to the awarding authority at the same time the response is submitted. The form requires proposers to identify their principals, their subcontractors performing \$100,000 or more in work on the contract and the principals of those subcontractors. Proposers must also notify their principals and subcontractors in writing of the restrictions and include the notice in contracts with subcontractors. Responses submitted without a completed CEC Form 55 shall be deemed nonresponsive. Proposers who fail to comply with City law may be subject to penalties, termination of contract and debarment. Additional information regarding these restrictions and requirements may be obtained from the City Ethics Commission at (213) 978-1906 or [ethics.lacity.org](http://ethics.lacity.org).

Submit any questions you may have regarding these instructions to LAWA Procurement Services Division at [ProcurementServices@lawa.org](mailto:ProcurementServices@lawa.org) or at (424) 646-5380.

## **SECTION 8 – ADDITIONAL TERMS, CONDITIONS AND DISCLAIMERS**

**BY SUBMITTING A PROPOSAL IN RESPONSE TO AN RFP ISSUED BY LAWA, PROPOSER AGREES TO BE BOUND BY ALL OF THE TERMS, CONDITIONS, DISCLAIMERS AND REQUIREMENTS SET FORTH IN THIS SECTION OF THIS RFP.**

### **8.1 Contract Award**

LAWA intends to enter into a Contract with the Proposer(s) whose Proposal is deemed the most advantageous to LAWA. Proposers should be prepared to sign a Contract without further negotiation to the extent that provisions are required by LAWA. The successful Proposer(s) will be required to execute and return the Contract in the form similar to that attached (Attachment C) no later than four business days following presentation to the selected Proposer by LAWA. Depending on the specific contract, all or some of the provisions in the Contract in Attachment C may be applicable. However, the Proposer should be prepared to accept any and all of the provisions in the contract in Attachment C. If a selected Proposer does not execute and return the final Contract presented to it by LAWA within the prescribed time period, LAWA reserves the right, in its sole discretion, to extend the time period or to enter into the Contract with another Proposer. It is incumbent upon all Proposers to carefully review the terms of the Contract prior to proposing. Any Proposer who refuses to sign the Contract as so issued by LAWA will forfeit their Proposal Bond (if applicable).



## **8.2 Confidentiality**

All documents submitted in connection with this RFP may be subject to disclosure as required by the California Public Records Act (California Government Code Section 6250 et seq.) (Hereinafter referred to as “CPRA”) or the Ralph M. Brown Act (California Government Code Section 54950 et seq.). All submissions will become the property of LAWA. The Proposer must identify, in writing, trade secrets or other proprietary information (hereinafter collectively referred to as “Proprietary Information”) that the Proposer claims are exempt from disclosure pursuant to the CPRA.

If LAWA receives a CPRA request for the release of submitted materials, and LAWA determines any Proprietary Information is subject to disclosure under the CPRA, then LAWA will notify the Proposer of the request and its intent to disclose such materials. Such materials shall be released by LAWA as required by the CPRA unless the Proposer timely obtains a court order prohibiting such release.

## **8.3 Expense, Ownership and Disposition**

LAWA shall not be responsible, in any manner, for any costs associated with the preparation or submission of any documents or materials purchased, prepared or presented during any interviews, or any additional documentation provided or requested by LAWA for the purpose of this RFP. All submitted documents, including all drawings, plans, photos, and narrative material, shall become the property of LAWA upon receipt by LAWA.

LAWA shall have the right to copy, reproduce, publicize, release or otherwise dispose of each submittal in any way that LAWA elects. LAWA shall be free to use as its own, without payment of any kind or liability therefore, any idea, scheme, technique, suggestion, layout, or plan received during this RFP process.

## **8.4 Right of Rejection**

LAWA reserves the right to reject any or all submittals, to waive any informality in such submittals, to request new submittals or to not proceed to do the work or to proceed to do the work in any other manner for any reason. The receipt of any submittal shall not, in any way, obligate LAWA, the BOAC or the City to enter into an agreement, lease or any other contract of any kind with any Proposer.

## **8.5 Right to Receive Additional Information and Verify References and Information**

LAWA reserves the right to request any additional information it deems advisable from any Proposer to assist in its evaluation. LAWA reserves the right to verify all submitted information, including all references, and to contact third parties for additional references and information as it deems advisable. If any information stated in the proposal is found to be misrepresented in any manner, then this may be grounds for disqualification of the proposal.

## **8.6 Proposer/Respondent Questions**

If any Proposer finds discrepancies or omissions in, or there is doubt as to the true meaning of, any part of this RFP, or if any proposer has any questions regarding this RFP, then a written request for a clarification or interpretation should be clearly presented in writing and transmitted



by email to the address set forth on the cover page. The deadline for submission of questions is set forth on the cover page. Responses to all written questions, corrections and clarifications to the RFP will be made in writing, posted on the Los Angeles Business Assistance Virtual Network website ([www.labavn.org](http://www.labavn.org)) and made available to all prospective Proposers as an RFP addendum. Only questions pertaining to the information and requirements in the RFP will be answered. LAWA is not responsible for any explanation, clarification, interpretation or approval made or given in any manner except by addendum. Any addenda so issued are to be considered part of this RFP document.

#### **8.7 Contact with LAWA Personnel**

Proposers may only rely upon written information provided by LAWA. Proposers shall not rely upon, and LAWA shall not be responsible for, any oral information or instructions provided in reference to the RFP. Proposers must not attempt to contact members of the Proposal Evaluation Team, LAWA staff or BOAC to discuss or ask questions about the contents of the RFP, other than in writing as provided above. Improper contact with LAWA personnel may result in the disqualification of the Proposer.

#### **8.8 Interviews**

LAWA reserves the right to conduct interviews or, in the alternative, to proceed without conducting interviews. LAWA reserves the right to interview only a “short list” of specified proposers. The purpose of interviews, if conducted, would be to allow proposers the opportunity to clarify and expand upon aspects of their submittal. They also present an opportunity to evaluate key personnel and discuss issues of experience, performance, schedules, financial proposal, quality and the like. The same questions may be asked of all proposers. In addition, the Evaluation Panel may have individual questions for proposers based on the review of the written proposals, as well as follow-up questions. Proposers (either all or a further short-list) subsequently may be re-interviewed for final evaluation.

#### **8.9 Verification of Prior City Contracts**

The City Council adopted a resolution requiring that a list of all City contracts held by the contractor within the past ten years is included in all RFP response packages. LAWA staff will contact all Departments that contracted with the contractor to obtain references regarding the contractor's performance.

#### **8.10 Protest Procedures**

The procedures and time limits set forth in this document are the proposer's sole and exclusive remedy in the event of a protest. Failure to comply with these procedures will create a presumption that the proposer has waived any right to further pursue the protest, including filing a government code claim or any legal proceeding.

These procedures are for the benefit of the City. The purpose of the following procedures is to provide a method for resolving, prior to award, protests regarding the award of contracts by City, by and through the BOAC. The procedures will enable the BOAC to ascertain all of the facts necessary to make an informed decision regarding the award of the contract.



A protest relative to a particular proposal, and all required copies, must be submitted in detail, in writing, signed by the protestor or by a representative of protestor, and received in the offices of the Los Angeles City Attorney, Airport Division and the office of the BOAC, at the below addresses, before 5:00 p.m. of the fifth business day after issuance to the proposers of a notification of the intent to recommend by management of LAWA to the BOAC. The protest shall contain a full and complete statement specifying, in detail, the factual grounds and legal basis of the protest. The protest shall refer to the specific portion of the RFP, any submitted proposal statement or any other document which forms the basis for the protest. The protest must include the name, address and telephone number of the protestor and/or protestor's representative.

All protests must be addressed to the Office of the City Attorney, Airport Division, One World Way, Room 104, Los Angeles, California 90045 with a copy to the Secretary of the Board of Airport Commissioners at One World Way, Los Angeles, California 90045 and a copy to the Bureau or Division of the Department of Airports responsible for issuing the RFP. The party filing the protest must, at the same time as delivery to the City Attorney's office and the secretary of the BOAC as set forth above, deliver a copy of the protest and any accompanying documentation to all other parties with a direct financial interest that may be adversely affected by the outcome of the protest. Such parties shall include all other proposers.

The BOAC will only consider protests by any proposer(s) who appear(s) to have a substantial and reasonable prospect of receiving an award of a contract if the protest is denied or sustained. Only protests meeting the above criteria will be reviewed and submitted to the BOAC. Protesting and potentially affected parties will be notified of the time and date that the protest will be discussed in a public session of the BOAC. Protesting parties will be given an opportunity to present their arguments at the public session.

Protests will be evaluated in light of LAWA's interest, rather than the private interest of a disappointed proposer, and the BOAC may waive any informality in the proposal when to do so would be to the advantage of LAWA. If the BOAC determines that the protest was frivolous, then the party originating the protest may be determined by the BOAC to be irresponsible and that party may be determined to be ineligible for future contract awards.

#### **8.11 Adequacy of Information**

The information presented in this RFP is provided solely for the convenience of proposers and other interested parties. It is the responsibility of the proposers and interested parties to assure themselves that the information contained in this package is accurate and complete. LAWA provides no assurances pertaining to the accuracy of the data in this RFP.

Any square footages appearing throughout this RFP are approximate only. Statistical information, including maps and drawings, contained in this RFP is for information purposes only. The City is not responsible for inaccuracies or interpretations of said data or square footages.

All information stated in the proposal should be factual, truthful and should not be fabricated, embellished, extended or misrepresented. If any information stated in the proposal/statement of qualifications is found to be a misrepresentation or embellishment of past experiences, this may be considered as grounds for disqualification.



LAWA reserves the right to postpone the submittal due date. LAWA reserves the right to cancel this RFP; issue addenda to this RFP; re-advertise and issue a new solicitation document; reject any and all responses to this RFP in whole or in part; require amendments or modifications to the responses it receives with no liability whatsoever; or pursue other options when it is in LAWA's best interest to do so.

Each Proposer must not have any pending, active or previous legal action that would, in LAWA's sole judgment, prevent the Proposer from fulfilling their obligations under the Agreement.

#### **8.12 City Held Harmless**

Contractor shall, to the fullest extent permitted by law, defend, indemnify and hold harmless City and any and all of City's Boards, officers, agents, employees, assigns and successors in interest from and against any and all suits, claims, causes of action, liability, losses, damages, demands or expenses (including, but not limited to, attorney's fees and costs of litigation), claimed by anyone (including Contractor and/or Contractor's agents or employees) by reason of injury to, or death of, any person(s) (including Contractor and/or Contractor's agents or employees), or for damage to, or destruction of, any property (including property of Contractor and/or Contractor's agents or employees) or for any and all other losses, founded upon or alleged to arise out of, pertain to, or relate to the Contractor's (and/or its employees' or agents') and/or Sub-Contractor's (and/or its employees' or agents') performance of the Contract, whether or not contributed to by any act or omission of City, or of any of City's Boards, officers, agents or employees. If applicable, (a) where such suits, claims, causes of action, liability, losses, damages, demands or expenses arise from or relate to Contractor's performance of a "Construction Contract" as defined by California Civil Code section 2783, this paragraph shall not be construed to require Contractor to indemnify or hold City harmless to the extent such suits, causes of action, claims, losses, demands and expenses are caused by the City's sole negligence, willful misconduct or active negligence; and/or (b) where such suits, claims, causes of action, liability, losses, damages, demands or expenses arise from Contractor's design professional services as defined by California Civil Code section 2782.8, Contractor's indemnity obligations shall be limited to allegations, suits, claims, causes of action, liability, losses, damages, demands or expenses arising out of, pertaining to, or relating to the Contractor's negligence, recklessness or willful misconduct in the performance of the Contract.

In addition, Contractor agrees to protect, defend, indemnify, keep and hold harmless City, including its Boards, Departments and City's officers, agents, servants and employees, from and against any and all claims, damages, liabilities, losses and expenses arising out of any threatened, alleged or actual claim that the end product provided to LAWA by Contractor violates any patent, copyright, trade secret, proprietary right, intellectual property right, moral right, privacy, or similar right, or any other rights of any third party anywhere in the world. Contractor agrees to, and shall, pay all damages, settlements, expenses and costs, including costs of investigation, court costs and attorney's fees, and all other costs and damages sustained or incurred by City arising out of, or relating to, the matters set forth above in this paragraph of the City's "Hold Harmless" agreement.

In Contractor's defense of the City under this Section, negotiation, compromise, and settlement of any action, the City shall retain discretion in and control of the litigation, negotiation, compromise, settlement, and appeals there from, as required by the Los Angeles City Charter, particularly Article II, Sections 271, 272 and 273 thereof.



**Survival of Indemnities.** The provisions of this Section 8.12 shall survive the termination of this Contract.

### **8.13 Attorney Fees**

If City shall be made a party to any litigation commenced by or against proposer arising out of proposer's operations and as a result of which proposer is held liable, in whole or in part, by settlement, adjudication, or otherwise, then proposer shall pay all costs and reasonable attorney fees incurred by or imposed upon City in connection with such litigation. Each party shall give prompt notice to the other of any claim or suit instituted against it that may affect the other party.

### **8.14 Additional Disclaimers and Reservations**

Failure by LAWA to object to an error, omission, or deviation in the submittal package will in no way modify this RFP or excuse proposers from full compliance with the requirements of this RFP.

The BOAC and LAWA shall not be obligated to respond to any submittal, nor shall they be legally bound in any manner whatsoever by the receipt of a submittal.

All information stated in the respondent's proposal statement should be factual, truthful and should not be fabricated, embellished, extended or misrepresented. If any information stated in the proposal statement is found to be a misrepresentation or embellishment of past experiences, then this may be considered as grounds for disqualification.

LAWA reserves the right to postpone the submittal due date. LAWA reserves the right to cancel this RFP; issue addenda to this RFP; re-advertise and issue a new solicitation document; reject any and all responses to this RFP in whole or in part; require amendments or modifications to the responses it receives with no liability whatsoever; or pursue other options when it is in LAWA's best interest to do so.

Each proposer must not have any pending, active or previous legal action that would, in LAWA's sole judgment, prevent the proposer from fulfilling their obligations under the contract.



## ATTACHMENTS

Attachment A – Standard Information Systems Security

Attachment B – Non-Disclosure and Confidentiality Agreement

Attachment C – Sample Contract with Standard Terms and Conditions

--End of Document--

## **INFORMATION SYSTEMS SECURITY**

The term 'Information Systems Security' reference in this section refers to an application or operating systems software and hardware(s) to host any component of this proposed solution. The successful Proposer shall incorporate security best practices and meet a standard of due care to support the security policy of Los Angeles World Airports and shall abide by the following requirements:

### **A. Security Controls**

The successful Proposer shall be responsible for configuring security controls to provide individual accountability, auditability, and separation of duties. Security controls must be consistent with industry best practices, including but not limited to the following:

- a. Authentication requirements for access to sensitive data and privileged functions.
- b. Ensure the latest operating system patches have been applied to all components.
- c. Ensure the latest security-related patches have been applied to all components.
- d. Run only services required to meet desired functionality (disable unused services).
- e. Identify and enable required TCP/UDP ports and disable access to other TCP/UDP ports when applicable.
- f. Log all security related events and anomalies including unauthorized or invalid attempts to access privileged services.
- g. Components of the information system must be appropriately secured to ensure the confidentiality, integrity, and availability of the information stored.

### **B. Security Design & Review**

The successful Proposer shall use a "layered security" approach to network architecture design so that it provides multiple barriers to delay or prevent attackers from exploiting network resources.

- a. The successful Proposer shall submit a network diagram for review by LAWA IT staff.
- b. The successful Proposer shall submit an application flow diagram for review by LAWA IT staff.
- c. The successful Proposer shall be required to show that the network and/or application flow design conforms to security best practices and is implemented in a fully secure fashion.

### **C. Documentation**

1. The successful Proposer shall provide a security plan that includes, but is not limited to:
  - a. An overview of the information system security posture.
  - b. Full technical details regarding information system implementation strategy - documentation or guidelines vendor follows to implement and deliver the information system.
  - c. Full technical details regarding security strategy - patches applied, operating system hardening steps, services enabled/disabled, TCP/UDP ports opened/closed, authentication requirements, etc.

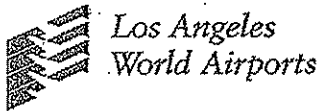
- d. Any deviations from the security best practices shall be documented by the successful Proposer and must be approved by the Office of Information Security.

**D. Security Assessment**

- 1. A security assessment may be performed by LAWA Office of Information Security to ensure appropriate security controls have been designed and implemented:
  - a. At the discretion of LAWA IT staff and prior to or immediately after information system deployment, LAWA or a third party representing LAWA may conduct a security assessment of the system prior to final user acceptance.

**E. Security Issue(s) Remediation**

- 1. Provision for remediation of security issues as requested by LAWA:
  - a. The successful Proposer must immediately remediate vulnerabilities and high-priority security issues identified during a security review or assessment.
  - b. The successful Proposer shall be responsible to remediate high and medium risk level issues within a reasonable timeframe. If the remediation affects the functionality of the information system, the Office of Information Security may grant an exception depending on the risk level or use other external security methods to minimize the risk.
  - c. Additional security assessment may be performed after remediation for verification purposes at the discretion of LAWA IT staff.



## LOS ANGELES WORLD AIRPORTS

### NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

This Confidentiality and Non-Disclosure Agreement ("Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2012 at Los Angeles, California by and between the **CITY OF LOS ANGELES**, a municipal corporation, acting by order of and through the Executive Director of the Department of Airports (hereinafter known as "City" "LAWA" or "Department") and \_\_\_\_\_ (hereinafter known as the "Recipient"). Recipient includes directors, officers, employees, agents, consultants, contractors, and sub-contractors, including their respective directors, officers, employees, and agents, of any level or type.

WHEREAS, as a condition of its providing Confidential and Privileged Information, LAWA is requiring each Contractor working on a security or capital program project, whether retained by it or by a third-party for its projects, to enter into this Agreement, thereby acknowledging that each such Recipient understands that it will be required to treat as strictly confidential and privileged any such information so provided, as well as its work product including conclusions of security assessments, evaluations and/or recommendations.

#### 1. Confidential Information:

1.1 All documents supplied in connection with \_\_\_\_\_ (hereinafter referred to as "Project") are the sole and exclusive property of LAWA.

1.2 The Confidential and Privileged Information (also referred to herein as "CPI") covered by this Agreement includes, but is not limited to, the following: data, electronic data or systems information, materials, products, specifications, manuals, plans, calculations, drawings and any other non-public information disclosed or submitted, orally, in writing, or by any other media, to Recipient by LAWA. From time to time, LAWA may, at its sole and exclusive option, update the CPI provided to Recipient, and Recipient has the obligation to notify, as may be applicable, its directors, officers, employees, agents, consultants, contractors, and sub-contractors of any type or level of any such updates. Nothing herein shall require LAWA to disclose any of its information unless it so chooses. All documents shall be identified as Confidential and Privileged by markings, notice or otherwise, but Recipient shall assume that all non-public information is Confidential and Privileged.

1.3 CPI may also include Sensitive Security Information (hereinafter referred to as "SSI"), as defined in the Transportation Security Administration Rules and Regulations, 49 CFR 1500.1 through 1520.7, and/or Critical Infrastructure Information (hereinafter referred to as "CII") as defined in 6 USC 131, et seq. and any rules or regulation enacted pursuant thereto. All federal laws and regulations shall be complied with for the protection of this information. When Confidential and Privileged Information or CPI is used in this Agreement it also includes SSI and CII.

#### 2. Recipient's Obligations:

2.1 LAWA's CPI is highly sensitive and vital to the protection of critical transportation infrastructure and public safety, and accordingly it is not for public dissemination or for disclosure to any



unauthorized individual. Recipient shall hold CPI in confidence. Recipient shall not use CPI other than for the Project, and shall disclose it only to its officers, directors, employees, agents, consultants, contractors, sub-contractors of any level or type who have a security related need to know and who have executed a copy of LAWA's Non-Disclosure and Confidentiality Agreement. Recipient shall not disclose, publish or otherwise reveal any CPI to any other party whatsoever except with the specific prior written authorization of LAWA. Each director, officer, employee, agent, consultant, sub-consultant, contractor, and sub-contractor of Recipient involved in the Project in any manner shall be informed in writing of these confidential and non-disclosure obligations and each must acknowledge in writing that he/she understands the obligations contained in this Agreement.

2.2 All CPI furnished in tangible form shall not be duplicated by Recipient except for purposes of this Project. Upon the request of LAWA, Recipient shall return all CPI, including copies, reproductions or other media containing such CPI, within ten (10) calendar days of such request. At Recipient's option, and with LAWA's written authorization, any documents or other media developed by Recipient containing CPI may be destroyed by shredding by Recipient. Recipient shall provide a written certificate to LAWA regarding destruction within five (5) calendar days thereafter.

2.3 If a subpoena, discovery request, Court Order, Freedom of Information Request, Public Record Act Request, or any other request or demand authorized by law (hereinafter collectively referred to as "Demand") seeking disclosure of CPI is received, Recipient shall immediately notify LAWA of such demand and forward all demands to the Los Angeles City Attorney's Office, Airport Division at the address set forth in paragraph 11 hereof. In response to any Demand seeking disclosure of CPI, Recipient shall assert all federal, state and/or local privileges available to any public entity within the State of Recipient's principal place of business and the State of California. Recipient shall take all legal steps necessary to protect the CPI from improper disclosure and to fully cooperate in LAWA's efforts to assure that confidential treatment will be afforded the CPI. Recipient shall only disclose that which a Court of competent jurisdiction has ordered it to disclose.

2.4 Recipient agrees that if at any time it discovers that CPI has been disclosed in violation of this agreement, it will immediately report the fact of and the circumstances regarding such disclosure to LAWA and shall use its best efforts to retrieve any tangible CPI so disclosed. Moreover, Recipient has received a copy of the LAWA Office of Information Security's External Party Information Disclosure Policy and agrees to abide by the requirements found within this policy. Recipient further agrees to promptly report all violations or suspected violations of LAWA's information security policies to the IMTG - Office of Information Security at 424-646-7000.

2.5 Recipient agrees that it will enforce the provisions of this Agreement within its offices and among its personnel and as to its agents, consultants, sub-consultants, contractors and sub-contractors of all levels and types and their respective directors, officers, employees, and agents. Recipient agrees that it will require its agents, consultants, sub-consultants, contractors, and sub-contractors to accept and enforce the provisions of this Agreement within their respective offices and among their directors, officers, employees, agents, consultants, sub-consultants, contractors and sub-contractors of all levels and types and their respective directors, officers, employees, and agents.



### 3. Term/Conditions:

3.1 The obligations of this Agreement shall survive any of Recipient's contractual obligations regarding the Project or until Recipient is expressly released, in writing, by LAWA. Further, the obligations contained herein not to disclose shall not be affected by bankruptcy, receivership, assignment, attachment or seizure procedures, whether initiated by or against Recipient, nor by the rejection of any agreement between LAWA and Recipient, by a trustee of Recipient in bankruptcy, or by Recipient as a debtor-in-possession or the equivalent of any of the foregoing under local law.

3.2 Recipient acknowledges that the unauthorized disclosure and handling of the CPI could cause substantial damage to Public Safety and Security and significantly endanger LAWA, its patrons, its facilities, and the general public and could result in civil or criminal fines, penalties and/or monetary damages.

3.3 Recipient acknowledges that the obligations of confidence required hereunder are extraordinary and unique and are vital to the security and well-being of LAWA, its patrons, facilities, and the general public, and that damages at law may be an inadequate remedy for any breach, or threatened breach, of this Agreement and that LAWA shall be entitled, in addition to all other rights or remedies, to seek such restraining orders and injunctions as it may deem appropriate for any such breach prohibiting disclosure of information in breach of this Agreement, without being required to show any actual damage or to post any bond or other security and Recipient consents thereto. Recipient understands that City or the United States Government may seek additional remedies available to it to enforce this Agreement and/or prevent the disclosure of CPI, including but not limited to, imposition of civil penalties, and any other enforcement or corrective action.

3.4 If Recipient violates the terms or conditions of this Agreement, such violation may result civil penalty against it pursuant to the United States authorities under 49 U.S.C. 46301 and 49 CFR Part 1520 or other federal or state statutes, LAWA may take such other enforcement or corrective action as it deems appropriate.

3.5 Recipient hereby assigns to LAWA all royalties, remunerations and emoluments that have resulted, will result, or may result from any disclosure, publication or revelation of CPI not consistent with the terms of this Agreement. In addition to the above herein contained, notwithstanding any other damages, royalties, remunerations, and/or emoluments recoverable under this Agreement and/or any contract between Recipient and LAWA that has CPI being disclosed to Recipient by LAWA, the Recipient shall be responsible to LAWA, as additional compensation, in the amount of Five Thousand Dollars (\$5,000) for each separate or individual non-authorized disclosure of CPI.

3.6 Recipient may use the CPI only for the purpose of preparing a bid for Project and/or works to be performed by Recipient for the Project

3.7 Recipient will be jointly and severally liable to LAWA for any breach of this Agreement by its respective directors, officers, employees, agents, consultants, sub-consultants, contractors, and/or sub-contractors and their respective directors, officers, employees, agents and consultants.

4. **Other Information:**

4.1 Recipient shall have no obligation under this Agreement with respect to CPI that is or becomes publicly available without breach of this Agreement by Recipient; is rightfully received without obligations of confidentiality; or is developed by Recipient without breach of this Agreement; provided, however, such CPI shall not be disclosed until thirty (30) days after written notice of intent is given to LAWA along with the reasons for disclosure.

5. **No License:**

5.1 Nothing contained herein shall be construed as granting or conferring any rights by license or otherwise in any CPI. It is understood and agreed that neither party solicits any change in the organization, business practice, service or products of the other party, and that the disclosure of CPI shall not be construed as evidencing any intent by a party to purchase any products or services of the other party nor as an encouragement to expend funds in development or research efforts. CPI may pertain to prospective or unannounced services or facilities.

6. **No Publicity:**

6.1 Recipient agrees not to disclose its participation in this undertaking, the existence or terms and conditions of the Agreement, or the fact that discussions are being held with the LAWA unless expressed written authorization is received from the LAWA and except as consistent with Federal and State public disclosure codes, statutes, or regulations.

7. **Governing Law and Equitable Relief:**

7.1 This Agreement shall be governed and construed in accordance with the laws of the State of California. Recipient consents to the exclusive jurisdiction of the appropriate United States Federal Court located within the County of Los Angeles, California or the Los Angeles Superior Court located in the Southwest Judicial District for any dispute arising out of this Agreement. Recipient agrees that in the event of any breach or threatened breach by Recipient, LAWA may, in addition to any other legal remedies which may be available, seek such equitable relief as may be necessary to protect it against any such breach or threatened breach.

8. **Final Agreement:**

8.1 This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof and constitutes the complete agreement of the parties on its subject matter. This Agreement may be modified only by a further writing that is duly executed by both parties.

9. **No Assignment:**

9.1 Recipient may not assign this Agreement or any interest herein without LAWA's express prior written consent.



10. **Severability:**

10.1 If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

11. **Notices:**

11.1 Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery services.

Written notices to LAWA hereunder, with a copy to the City Attorney of the City of Los Angeles, shall be addressed to:

Department of Airports  
1 World Way  
Post Office Box 92216  
Los Angeles, CA 90009-2216

Office of City Attorney  
1 World Way  
Post Office Box 92216  
Los Angeles, CA 90009-2216

or to such other address as LAWA may designate by written notice to Recipient.

Written notices to Recipient hereunder shall be addressed to:

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

or to such other address as Recipient may designate by written notice to LAWA.

12. **No Implied Waiver.**

12.1 Either party's failure to insist in any one or more instances upon strict performance by the other party of any term or terms of this Agreement shall not be construed as a waiver of any continuing or subsequent violation of any term hereof.

12.2 By granting Recipient access to information, LAWA does not waive any statutory or common law evidentiary privileges or protections that it may assert in any administrative or judicial proceeding to protect CPI to which Recipient has given access in order to perform its duties to LAWA.

13. **Federal Non-Disclosure Agreement.**

13.1 Recipient's execution of this Agreement shall not nullify nor affect in any manner any other secrecy or nondisclosure Agreements that the Company has executed or may execute with the United States Government.



Los Angeles  
World Airports

14. Privity.

14.1 Recipient acknowledges that by execution of this Agreement, a privity of contract has been created between LAWA and Recipient and the LAWA is a third party beneficiary to any related agreements entered into by Recipient and its directors, officers, employees, agents, contractors and/or sub-contractors and their related parties.

IN WITNESS WHEREOF, LAWA has caused this Agreement to be executed on its behalf by Executive Director and Recipient has caused the same to be executed by its duly authorized officers, all as of the day, year and place first hereinabove written.

APPROVED AS TO FORM:  
CARMEN TRUTANICH, City Attorney

CITY OF LOS ANGELES

Date \_\_\_\_\_

By \_\_\_\_\_  
Deputy/Assistant City Attorney

By \_\_\_\_\_  
Executive Director  
Department of Airports

By \_\_\_\_\_  
Chief Financial Officer  
Department of Airports

ATTEST:

CONTRACTOR'S NAME

By \_\_\_\_\_  
Signature (Secretary)

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

[SEAL]

\_\_\_\_\_  
Print Name

Please mail or deliver the completed Agreement to "6053 W. Century Blvd, Suite 302, Los Angeles, CA 90045" and "Attn: Office of IT Administration - Contract Compliance Office"



|                                                            |                  |
|------------------------------------------------------------|------------------|
| <b>LAWA IT POLICY</b>                                      |                  |
| <b>Title: External Party Information Disclosure Policy</b> |                  |
| 7.3-POL-External Party Information Disclosure_v1.4         |                  |
| Authority: Chief Information Officer                       | Date: 08/01/2011 |

## 1.0 PURPOSE

The purpose of this policy is to prevent confidential information leakage by LAWA employees or contractors and their sub-contractors when given access to LAWA sensitive information.

## 2.0 SCOPE

All Information under the control of Los Angeles World Airports ("LAWA") in the possession of LAWA employees or contractors and their sub-contractors needs to be protected from unauthorized disclosure, use, modification and deletion.

## 3.0 APPLICABILITY

- 3.1 If LAWA employees or contractors have questions regarding disclosure of specific information, it shall be directed to the relevant Information Owner. In addition, employees or contractors are expected to extend these policies to fit the specific circumstances they encounter, to use their professional judgment, and consult the Office of Information Security for guidance in those instances where it is appropriate.
- 3.2 Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment. Any person who is not an employee who violates this policy is subject to revocation of access to LAWA systems and networks. Violation of this policy may include civil and criminal penalties not described here.
- 3.3 As this is an information disclosure policy, there are no exceptions to this policy. All employees or contractors must abide by this policy.

## 4.0 POLICY STATEMENT

- 4.1 **Need To Know** – Unless the information has been designated as "Public", all LAWA internal information must be protected from unauthorized disclosure to third parties. Third parties may be given access to LAWA internal information only when a necessary "need to know" exists, and when such a disclosure has been expressly authorized by the Information Owner.
- 4.2 **Access Granting Authority** – Access to LAWA sensitive information by non-LAWA staff requires prior written authorization from the Information Owner or an Organizational Non-Disclosure Agreement has been signed by the contractor for access to specific information related to their contract. If the contractor has custody of LAWA sensitive information and has a need to share this information with their sub-contractors, they must refer all access requests to the relevant Information Owners or require their sub-contractors to sign an Individual Non-Disclosure Agreement. This agreement must be submitted to Office of Information Security for auditing and documentation.



- 4.3 **Non-Disclosure Agreements** – The disclosure of sensitive information to consultants, contractors, sub-contractors, temporaries, and other third parties must be preceded by the receipt of a signed Individual Non-Disclosure Agreement. When an NDA pertains to an organization, an officer of the recipient organization must sign an Organizational Non-Disclosure Agreement for it to be valid. LAWA employees must not sign NDAs provided by third parties without the authorization of LAWA legal counsel designated to handle intellectual property matters.
- 4.4 **Third Parties' Request For LAWA Information** – Unless an employee has been authorized by the Information Owner to make disclosures, all requests for information about LAWA and its business must be referred to the Public Relations Office. This policy includes mandatory disclosure related to Title 5 U.S.C. section 552 of the Freedom of Information Act. Such requests include questionnaires, surveys, and newspaper interviews. Exception to this policy is "SSI" information which shall not be shared with anyone unless there is a "need to know" and authorized by the Information Owner.
- 4.5 **Unassigned Owner** – If LAWA internal information is being considered for disclosure to a third party and does not have a designated Owner, then the disclosure decision must be made by the Chief Information Security Officer.
- 4.6 **Unmarked Information** – If the information considered for disclosure to third parties is not marked with an appropriate information classification, employees must assume the information is "For Internal Use Only" information, and not approved for public release. Information marked "Public" does not require Owner approval prior to release to third parties.
- 4.7 **Disclaimers** – It is the Information Owner's responsibility to ensure that any controversial information that is released to third parties must contain the appropriate legal disclaimers. Such disclaimers include words that limit LAWA liability, define the information's intended uses, and inform recipients of potential problems associated with the information.
- 4.8 **Disclosure Records** – Any employee releasing the information to third parties must maintain records reflecting the sensitive LAWA internal information that has been distributed to third parties. Such records must indicate the types of information disclosed, the receiving third party's name and contact information, and the date of release.
- 4.9 **Reporting Improper Disclosures** – If sensitive information has been inappropriately disclosed, or is believed to have been inappropriately disclosed, the circumstances must be reported immediately to the relevant Information Owner or the Office of Information Security at [INFOSEC@LAWA.ORG](mailto:INFOSEC@LAWA.ORG)

## 5.0 DEFINITIONS

**Information Owner** – is an individual or entity that holds managerial and financial accountable for a dataset and that has legal ownership rights of a dataset.

**Freedom of Information Act** – this is a federal freedom of information law that allows for the full or partial disclosure of unreleased information and documents controlled by the United States Government. The Act defines agency records subject to disclosure and outlines mandatory disclosure procedures.

**Non-Disclosure Agreement(NDA)** – also known as confidentiality agreement. It is a legal contract between at least two parties that outlines confidential material, knowledge, or information that the parties wish to share with one another for certain purposes.



**SSI (Sensitive Security Information)** – this is governed by Title 49 CFR Parts 15/1520 of the Code of Federal Regulations and is also related to Part 191 "Withholding Security Information from Disclosure under the Air Transportation Security Act of 1974". Part 191 created the category of sensitive but unclassified information known as SSI and described the information to be protected from disclosure, including "the security program of any airport; the security program of any air carrier; any device for the detection of any explosive or incendiary device or weapon; and, any contingency security plan.

## 6.0 REFERENCE DOCUMENTS

H.R. 2458 – Federal Information Security Management Act of 2002

<http://csrc.nist.gov/drivers/documents/FISMA-final.pdf>

FIPS 199 – Stds for Security Categorization of Federal Information and Information Systems.

<http://csrc.nist.gov/publications/fips/fips199/FIPS-PUB-199-final.pdf>

## 7.0 ORIGINATOR

Office of Information Security – Reference No. IMT-SP-0006

## 8.0 ATTACHMENTS

None

## 9.0 REVISION HISTORY

| Vers | Summary of Changes                                      | Author                         | Date      |
|------|---------------------------------------------------------|--------------------------------|-----------|
| 1.0  | Original policy as drafted                              | Office of Information Security | 9/28/2008 |
| 1.1  | Changed header/footer to Office of Information Security | Office of Information Security | 8/27/2009 |
| 1.2  | Minor changes by the City Attorney office               | City Attorney                  | 8/31/2009 |
| 1.3  | Minor changes by the City Attorney office               | City Attorney                  | 8/31/2009 |
| 1.4  | Revised Section 2, 4, 5, 6                              | Office of Information Security | 8/01/2011 |

CONTRACT BETWEEN THE CITY OF LOS ANGELES  
AND [NAME OF COMPANY] TO PROVIDE  
PROFESSIONAL SERVICES FOR THE DEPARTMENT OF AIRPORTS FOR THE CITY OF  
LOS ANGELES

THIS CONTRACT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2012, at Los Angeles, California by and between the **CITY OF LOS ANGELES**, a municipal corporation, ("City"), acting by order of and through the Board of Airport Commissioners ("BOAC") [*If applicable:* and the City Council for the City of Los Angeles], and [NAME] ("Contractor").

**RECITALS**

That for and in consideration of the covenants and conditions hereinafter contained to be kept and performed by the respective parties, IT IS AGREED AS FOLLOWS:

WHEREAS, City desires professional services to provide [*list services*] for the [*Name of Division*] at Los Angeles International Airport ("LAWA"); and

WHEREAS, Contractor has the experience, ability, and resources to provide these services under the terms and conditions set forth herein; and

WHEREAS, City has determined it is in its best interest to contract for such expert assistance.

NOW, THEREFORE, for and in consideration of the covenants and conditions hereinafter contained to be kept and performed by the respective parties hereto, IT IS MUTUALLY AGREED as follows:

**Section 1.0    Term of Contract.**

1.1    The term of this Contract shall commence on [*shall be for a period commencing on \_\_\_\_\_ and expiring on \_\_\_\_\_*] [*OR: upon execution of the contract by the Executive Director*] [*Or: [upon receipt from City of a Notice to Proceed]*] and shall terminate [*number of years*] therefrom, unless earlier terminated pursuant to Section 11 below.

**Section 2.0    Definitions.**

2.1    It is understood that when the following words and phrases are used herein, each shall have the meaning set forth opposite the same:

BOARD:                      The Board of Airport Commissioners of the City of Los Angeles.  
DEPARTMENT

OR LAWA: The Department of Airports of the City of Los Angeles.

EXECUTIVE

DIRECTOR: Executive Director of the Department of Airports, or her/his authorized designee.

**Section 3.0 Contractor Scope and Fee.**

3.1 Contractor shall provide *[type of service provided]* for the *[Name of Division within LAWA ("["])]* at *[Los Angeles International Airport ("LAX")]* ("Services"). Contractor agrees to provide the Services to City under the contractual terms and conditions set forth in Exhibit A and the Costs sheet from Contractor, which is attached hereto and incorporated by reference as Exhibit A-1. In the event of a conflict between the terms and conditions of this Contract and the terms and conditions of Exhibits A and A-1, all conflicts shall be resolved in favor of this Contract and all of its amendments over Exhibits A and A-1.

3.2 The compensation to Contractor shall not exceed *[WRITTEN AMOUNT (numerical amount)]*. The stated amount is deemed to include all provisions for Contractor's compensation for services, including, without limitation, travel costs, fringe benefits, all out of pocket expenses, and overhead costs.

3.3 Contractor shall attach to each billing an invoice and a status report specifying in detail the Services it has supplied to LAWA during the period covered by the invoice.

3.4 City reserves the right to require additional substantiation of any payment request submitted if, in the opinion of the Executive Director, such would be in the best interest of City. In order to verify charges incurred and invoiced by Contractor in the performance of this Contract, Contractor agrees to make pertinent books and records available to City's representative at LAWA's Office at the address listed below upon fifteen (15) days notice. The aforesaid records shall not include any proprietary records of Contractor such as cost data.

3.5 Timesheets (by total hours per day for each individual) shall be provided as back-up documents for services rendered.

3.6 City shall not be required to make payments for Services not yet provided or received, nor for Services deemed unsatisfactory by City. The parties agree that the Executive Director shall make the final determination as to when Contractor's Services or any part thereof have been satisfactorily performed or completed or the Services provided to City to justify release of any given payment to Contractor under this Contract.

3.7 If a necessary change causes an increase in the scope of work or services to be performed or the Services to be provided by Contractor pursuant to this Contract, then the parties hereto shall first agree upon additional compensation, if any, to be paid to Contractor therefore, and this Contract shall be amended, in writing, prior to the performance by Contractor of said increased work or service.

3.8 The costs for Services under this agreement shall be as low as those currently charged the Contractor's most favored customers for comparable quantities under similar terms and conditions. If, at the time Services are provided to LAWA, additional discounts are available to Contractor's other government and commercial customers based on volume guarantees, then, on condition that LAWA requests Contractor's then current list of lowest available costs from Contractor, LAWA will be offered the opportunity to have Services provided at such lower costs as those charged to Contractor's most favored customer based on similar terms and conditions.

**Section 4.0 Staffing and Personnel.** *[Note: May need revision.]* In addition to Key Staff, Consultant shall assign and promptly identify to LAWA specific senior Consultant Staff Members and senior Sub-consultant Managers (collectively "Management Staff") to provide technical support and expertise as set forth herein. Consultant shall use its best efforts to assure the continuity of the Management Staff assigned to the Program. Changes to either the Management Staff or the Key Staff assigned to this Project shall only be made after written request by Consultant to the Executive Director and shall be subject to the Executive Director's prior written approval. If written request for such a change is made, Consultant shall provide any documentation requested by the Executive Director for review and approval. Any such request for changes to the Management Staff may be disapproved by the Executive Director, but such disapproval shall not be exercised so as to unreasonably deprive Consultant of its right to make appropriate work assignments.

**Section 5.0 Notices.**

5.1 Notice to City. Written notices to City hereunder, with a copy to the City Attorney of the City of Los Angeles, shall be given by registered or certified mail, postage prepaid, and addressed to:

**Department of Airports  
1 World Way  
Post Office Box 92216  
Los Angeles, CA 90009-2216**

**Office of City Attorney  
1 World Way  
Post Office Box 92216  
Los Angeles, CA 90009-2216**

*[Optional: Name & Address of Division with Contract]*

or to such other address as City may designate by written notice to Contractor.

5.2 Notice to Contractor. Written notices to Contractor hereunder, with a copy to the City Attorney of the City of Los Angeles, shall be given by registered or certified mail, postage prepaid, and addressed to:

*[Name, Address]*

or to such other address as Contractor may designate by written notice to City.

5.3 The execution of any such notice by the Executive Director shall be as effective as to Contractor as if it were executed by the Board, or by Resolution or Order of said Board, and Contractor shall not question the authority of the Executive Director or the designee to execute any such notice.

5.4 All such notices, except as otherwise provided herein, may either be delivered personally to Executive Director with a copy to the Office of the City Attorney, Airport Division, in the one case, or to Contractor in the other case, or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid by certified or registered mail, return receipt requested, and shall be effective five (5) days after deposit in the mail.

#### **Section 6.0 City Held Harmless.**

6.1 In addition to the requirements of Section 17, Insurance herein, Contractor shall, to the fullest extent permitted by law, defend, indemnify and hold harmless City and any and all of City's Boards, officers, agents, employees, assigns and successors in interest from and against any and all suits, claims, causes of action, liability, losses, damages, demands or expenses (including, but not limited to, attorney's fees and costs of litigation), claimed by anyone (including Contractor and/or Contractor's agents or employees) by reason of injury to, or death of, any person(s) (including Contractor and/or Contractor's agents or employees), or for damage to, or destruction of, any property (including property of Contractor and/or Contractor's agents or employees) or for any and all other losses, founded upon or alleged to arise out of, pertain to, or relate to the Contractor's (and/or its employees' or agents') and/or Sub-Contractor's (and/or its employees' or agents') performance of the Contract, whether or not contributed to by any act or omission of City, or of any of City's Boards, officers, agents or employees. If applicable, (a) where such suits, claims, causes of action, liability, losses, damages, demands or expenses arise from or relate to Contractor's performance of a "Construction Contract" as defined by California Civil Code section 2783, this paragraph shall not be construed to require Contractor to indemnify or hold City harmless to the extent such suits, causes of action, claims, losses, demands and expenses are caused by the City's sole negligence, willful misconduct or active negligence; and/or (b) where such suits, claims, causes of action, liability, losses, damages, demands or expenses arise from Contractor's design professional services as defined by California Civil Code section 2782.8, Contractor's indemnity obligations shall be limited to allegations, suits, claims, causes of action, liability, losses, damages, demands or expenses arising out of, pertaining to, or relating to the Contractor's negligence, recklessness or willful misconduct in the performance of the Contract.

6.2 In addition, Contractor agrees to protect, defend, indemnify, keep and hold harmless City, including its Boards, Departments and City's officers, agents, servants and employees, from and against any and all claims, damages, liabilities, losses and expenses arising out of any threatened, alleged or actual claim that the end product provided to LAWA by Contractor violates any patent, copyright, trade secret, proprietary right, intellectual property right, moral right, privacy, or similar right, or any other rights of any third party anywhere in the world. Contractor agrees to, and shall, pay all damages, settlements, expenses and costs, including costs of investigation, court costs and attorney's fees, and all other costs and damages

sustained or incurred by City arising out of, or relating to, the matters set forth above in this paragraph of the City's "Hold Harmless" agreement.

6.3 In Contractor's defense of the City under this Section, negotiation, compromise, and settlement of any action, the City shall retain discretion in and control of the litigation, negotiation, compromise, settlement, and appeals there from, as required by the Los Angeles City Charter, particularly Article II, Sections 271, 272 and 273 thereof.

6.4 Survival of Indemnities. The provisions of this Section 6 shall survive the termination of this Contract.

#### **Section 7.0 Restrictions and Regulations.**

7.1 Contractor shall be solely responsible for fully complying with any and all applicable present and/or future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state, and/or local government authority.

7.2 Contractor shall be solely responsible for fully complying with any and all applicable present and/or future orders, directives, or conditions issued, given or imposed by the Executive Director which are now in force or which may be hereafter adopted by the Board of Airport Commissioners and/or the Executive Director with respect to the operation of Airport.

7.3 Contractor shall be solely responsible for any and all civil and/or criminal penalties assessed as a result of its failure to comply with any of these rules, regulations, restrictions, ordinances, statutes, laws, orders, directives and or conditions.

7.4 Contractor shall be solely responsible for insuring that the Services fully comply with any and all applicable present and/or future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state, and/or local government authority.

#### **Section 8.0 Independent Contractor.**

8.1 It is the express intention of the parties that Contractor is an independent contractor and not an employee, agent, joint venturer or partner of City. Nothing in this Contract shall be interpreted or construed as creating or establishing the relationship of employer and employee between Contractor and City or between Contractor and any official, agent, or employee of City. Both parties acknowledge that Contractor is not an employee of City.

8.2 Contractor shall retain the right to perform services for others during the term of this Contract, unless specified to the contrary herein or prohibited by conflict of interest or ethics laws, regulations, or professional rules of conduct.

**Section 9.0 Waiver.** The waiver by City of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any other term, covenant, or condition, or of

any subsequent breach of the same term, covenant, or condition.

**Section 10.0 Assignment or Transfer Prohibited.**

10.1 Contractor shall not, in any manner, directly or indirectly, by operation of law or otherwise, hypothecate, assign, transfer or encumber this Contract, or any portion thereof or any interest therein, without the prior written consent of the Executive Director. This Contract shall not, nor shall any interest therein, be assignable as to the interest of Contractor by operation of law without the prior written consent of the Executive Director or his or her authorized representative.

10.2 For purposes of this Contract, the terms "transfer" and "assign" shall include, but not be limited to, the following: (i) if Contractor is a joint venture, a limited liability company, or a partnership, the transfer of fifty percent (50%) or more of the interest or membership in the joint venture, the limited liability company, or the partnership; (ii) if Contractor is a corporation, any cumulative or aggregate sale, transfer, assignment, or hypothecation of fifty percent (50%) or more of the voting shares of Contractor; (iii) the dissolution by any means of Contractor; and, (iv) a change in business or corporate structure. Any such transfer, assignment, mortgaging, pledging, or encumbering of Contractor without the written consent of the Executive Director is a violation of this Contract and shall be voidable at LAWA's option and shall confer no right, title, or interest in or to this Contract upon the assignee, mortgagee, pledgee, encumbrancer, or other lien holder, successor, or purchaser.

10.3 When proper consent has been given by the Executive Director, the provisions of this Contract shall be binding upon, and shall inure to the benefit of, the heir(s), successor(s), executor(s), administrator(s) and assign(s) of the parties hereto.

**Section 11.0 Termination or Suspension of Services or Contract.**

11.1 City may terminate this Contract, with or without cause, upon giving the Contractor a thirty (30) day advance written notice.

11.2 If, at any time, the Executive Director, for any reason, decides to terminate or suspend the scope of work, or any part thereof, or Contractor's services, or any part thereof, the Executive Director may: (1) require Contractor to terminate or suspend the performance of all, or a portion, of its services and/or (2) terminate any part of this Contract, upon giving Contractor thirty (30) days written notice prior to the effective date of such suspension or termination which date shall be specified in such notice.

11.3 In the event that this contract or any portion thereof and/or Contractor's services, or any portion thereof is suspended or terminated by Executive Director, City will compensate Contractor for services completed and satisfactorily performed subject to the terms under Section 3.0.

**Section 12.0 Default and Right of Termination.**

12.1 In the event a Contractor fails to abide by the terms, covenants and conditions of this Contract, City may, instead of immediately exercising its rights under Section 11, give Contractor written notice to correct the defect or default. If the same is not corrected, or substantial steps are not taken toward accomplishing such correction, within five (5) days after City's mailing of notification, City may, at its sole discretion, (a) terminate this Contract forthwith upon giving Contractor a ten (10) day written notice, or (b) withhold any further payment for Contractor's services until such defect or default is corrected within the time specified by the City. If the default or defect is still not corrected within that time, City may terminate this Contract forthwith upon giving Contractor a ten (10) day written notice.

12.2 Notwithstanding anything herein to the contrary, either party has the right to terminate this Contract, with or without cause, upon thirty (30) days advance written notice to the Contractor.

**Section 13.0 Advertisements.** Contractor shall not, at any time, under any circumstances, install, place, or maintain any type of advertising, on Airports.

**Section 14.0 Attorneys Fees.** If City shall, without any fault, be made a party to any litigation commenced by or against Contractor arising out of Contractor's use or occupancy of Airport, then Contractor shall pay all costs, expenses, and reasonable attorney's fees incurred by or imposed upon City in connection with such litigation. Each party shall give prompt notice to the other of any claim or suit instituted against it that may affect the other party.

**Section 15.0 Ownership of Work Product.**

15.1 The City shall own all titles, rights and interests in all Work Products created by Contractor and all of its subconsultants (hereinafter collectively referred to as "Vendors") for the City under this Agreement. Work Products are all materials; tangible or not, created in whatever medium under this Agreement, including without limitation reports, manuals, specifications, drawings and sketches, computer programs and databases, schematics, maps, marks, logos, graphic designs, notes, matters and combinations thereof, and all forms of intellectual property. Contractor shall not dispute or contest, directly or indirectly, the City's exclusive right and title to the Work Products nor the validity of the intellectual property embodied therein. Vendors hereby assign, and if later required by the City, shall assign to the City all titles, rights and interests in all Work Products. Contractor shall cooperate and cause subconsultants to cooperate in perfecting City's titles, rights or interests in any Work Product, including prompt execution of documents as presented by the City. Contractor agrees that before commencement of any subcontract work it will incorporate all provisions in this Contract on property ownership, including this Section, to contractually bind or otherwise oblige its subconsultants and personnel performing work under this Contract such that the City's titles, rights, and interests in Work Products are preserved and protected as intended herein.

15.2 Contractor represents and warrants that performance of all obligations (including those performed by its subconsultants) under this Contract does not infringe in any way, directly or

contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, right of publicity and proprietary information.

15.3 Contractor will defend at its expense and hold harmless in any infringement claim, demand, proceeding, suit or action (hereinafter collectively referred to as "Action") against the City, its boards, commissioners, officers, directors, agents, employees, assigns and successors in interest (hereinafter collectively referred to as "City Defendants") from and against any infringement or violation, actual or alleged, direct or contributory, intentional or otherwise, of any intellectual property rights, (hereinafter referred to as "Intellectual Property rights"), (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by the Contractor or its subconsultants 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 Deliverable furnished by Contractor under the Contract. Contractor also shall indemnify the City against all reasonable attorneys' fees, losses, costs, expenses, liability, and damages awarded against the City or settlement as a consequence of such Action.

15.4 In Consultant's defense of the City Defendants, negotiation, compromise, and settlement of any such infringement action, the Los Angeles City Attorney's Office shall retain discretion in and control of the litigation, negotiation, compromise, settlement, and appeals therefrom, as required by the Los Angeles City Charter, particularly Article II, Sections 271, 272 and 273 thereof.

15.5 Rights and remedies available to the City hereinabove shall survive the expiration or other termination of this agreement. Further, the rights and remedies 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 of Los Angeles.

15.6 Should Contractor have information that (1) any of the Work Products allegedly or actually infringes or is likely to infringe on any third party intellectual property rights (patents, copyrights, trademarks, trade secrets and other proprietary information), or (2) any of the licenses procured on behalf of the City under this Contract is to expire, to be terminated or enjoined sooner than the term procured for, Contractor shall immediately notify City of such alleged, actual or potential infringement or license status. Upon City's request, Contractor shall, at Contractor's own expense,:

- i) procure for the City the right or license to continue using the intellectual property at issue; or
- ii) replace the intellectual property at issue with a functionally equivalent, non-infringing product, if practicable.

Exercise of any of the above-mentioned options shall not cause undue business interruption to the City or its lessees, or diminish the intended benefits and use of the Work Products by the City or its lessees under the specifications herein.

15.7 The provisions of Paragraphs 15.1 through 15.7 shall survive termination of this Contract.

**Section 16.0 Business Tax Registration.** Contractor represents that it has registered its business with the Office of Finance of the City of Los Angeles and has obtained and presently holds from that office a Business Tax Registration Certificate, or a Business Tax Exemption Number, required by City's Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following, of City's Municipal Code). Contractor shall maintain, or obtain as necessary, all such certificates required of it under said ordinance and shall not allow any such certificates to be revoked or suspended during the term hereof.

**Section 17.0 Insurance.**

17.1 Contractor shall procure at its expense, and keep in effect at all times during the term of this Contract, the types and amounts of insurance specified on Insurance, Exhibit B, attached hereto and incorporated by reference herein. The specified insurance shall also, either by provisions in the policies, by City's own endorsement form or by other endorsement attached to such policies, include and insure City, its Department, its Board and all of City's officers, employees, and agents, their successors and assigns, as additional insureds, against the areas of risk described on Insurance, Exhibit B, hereof with respect to Contractor's acts or omissions in its operations, use, and occupancy of the Airport or other related functions performed by or on behalf of Contractor in, on or about Airport.

17.2 Each specified insurance policy (other than workers' compensation and employers' liability and fire and extended coverages) shall contain a severability of interest (cross liability) clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and a contractual endorsement which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Contract with the City of Los Angeles."

17.3 All such insurance shall be primary and noncontributing with any other insurance held by City's Department where liability arises out of or results from the acts or omissions of Contractor, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Contractor. Such policies may provide for reasonable deductibles and/or retentions acceptable to the Executive Director based upon the nature of Contractor's operations and the type of insurance involved.

17.4 City shall have no liability for any premiums charged for such coverage(s). The inclusion of City, its Department, Board and all of City's officers, employees, and agents, their successors and assigns, as insureds is not intended to, and shall not, make them, or any of them, a partner or joint venturer with Contractor in Contractor's operations at Airport. In the event Contractor fails to furnish City evidence of insurance and maintain the insurance as required, City, upon ten (10) days prior written notice to comply, may (but shall not be required to) procure such insurance at the cost and expense of Contractor, and Contractor agrees to promptly reimburse City

for the cost thereof plus fifteen percent (15%) for administrative overhead. Payment shall be made within thirty (30) days of invoice date.

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

17.6 Contractor shall provide proof of all specified insurance and related requirements to City either by production of a stamped true and certified copy(ies) of the actual insurance policy(ies), by use of LAWA's own endorsement form(s), by broker's letter acceptable to the Executive Director in both form and content in the case of foreign insurance syndicates, or by other written evidence of insurance acceptable to the Executive Director. The documents evidencing all specified coverages shall be filed with City in duplicate and shall be procured and approved in strict accordance with the provisions in Sections 11.47 through 11.56 of the Los Angeles Administrative Code (the "Code") prior to Contractor occupying the Airport. The documents shall contain the applicable policy number, the inclusive dates of policy coverages, and the insurance carrier's name, shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, reduction in coverage, or nonrenewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los Angeles at least thirty (30) days prior to the effective date thereof. City reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance.

17.7 City and Contractor agree that the insurance policy limits specified herein shall be reviewed for adequacy annually throughout the term of this Contract by the Executive Director who may, thereafter, require Contractor, on thirty (30) days prior, written notice, to adjust the amounts of insurance coverage to whatever reasonable amount said Executive Director deems to be adequate.

17.8 Submission of insurance from a non-California admitted carrier is subject to the provisions of California Insurance Code Sections 1760 through 1780, and any other regulations and/or directives from the State Department of Insurance or other regulatory board or agency. Contractor agrees, except where exempted, to provide City proof of said insurance by and through a surplus line broker licensed by the State of California.

**Section 18.0 Child Support Orders.** This Contract is subject to Los Angeles Administrative Code, Division 10, Chapter 1, Article 1, Section 10.10, et seq. related to Child Support Assignment Orders, which is incorporated herein by this reference. A copy of Section 10.10 and the Declaration of Compliance form have been attached hereto for the convenience of the parties as Exhibit C. Pursuant to this section, Contractor (and any subcontractor of Contractor providing services to City under this Contract) shall (1) fully comply with all State and Federal employment reporting requirements for Contractor's or Contractor's subcontractor's employees applicable to Child Support Assignment Orders; (2) certify that the principal owner(s) of Contractor

and applicable subcontractors are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code Section 5230, et seq.; and (4) maintain such compliance throughout the term of this Contract. Pursuant to Section 10.10 (b) of the Code, failure of Contractor or an applicable subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Contractor or applicable subcontractors to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default of this Contract subjecting this Contract to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Contractor by City (in lieu of any time for cure provided elsewhere in this Contract).

#### **Section 19.0 Disabled Access.**

19.1 As directly related to Contractor's responsibilities with regard to this Contract, Contractor shall be solely responsible for fully complying with any and all applicable present and/future rules, regulations, restrictions, ordinances, statutes, laws, and/or orders of any federal, state, and/or local governmental entity and/or court regarding disabled access including any services, programs, improvements or activities provided by Contractor. Contractor shall be solely responsible for any and all damages caused by, and/or penalties levied as the result of, Contractor's noncompliance. Further, Contractor agrees to cooperate fully with City in its efforts to comply with the Americans with Disability Act of 1990 and any amendments thereto, or successor statutes.

19.2 Should Contractor fail to comply with Section 6.1, if applicable, then City shall have the right, but not the obligation, to perform, or have performed, whatever work is necessary to achieve equal access compliance. Contractor will then be required to reimburse City for the actual cost of achieving compliance, plus a fifteen percent (15%) administrative charge.

#### **Section 20.0 Nondiscrimination and Affirmative Action Program.**

##### **20.1 Federal Non-Discrimination Provisions.**

20.1.1 Contractor assures that it will comply with pertinent statutes, Executive Orders, and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates Contractor or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, this provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the

period during which the airport sponsor or any transferee retains ownership or possession of the property. [USE GUIDE, paragraph 1].<sup>1</sup>

## **20.2 Municipal Non-Discrimination Provisions.**

**20.2.1 Non-Discrimination In Use Of Airport.** There shall be no discrimination against or segregation of any person, or group of persons, on account of race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition in the lease, sublease, transfer, use, occupancy, tenure, or enjoyment of Airport or any operations or activities conducted on Airport. Nor shall Contractor or any person claiming under or through Contractor establish or contract any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of contractors, subcontractors, or vendees of Airport. Any assignment or transfer, which may be permitted under this Contract, shall also be subject to all non-discrimination clauses contained in Section 20.2.

**20.2.2 Non-Discrimination In Employment.** During the term of this Contract, Contractor agrees and obligates itself in the performance of this Contract not to discriminate against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition. Contractor shall take affirmative action to insure that applicants for employment are treated, during the term of this Contract, without regard to the aforementioned factors and shall comply with the affirmative action requirements of the Los Angeles Administrative Code, Sections 10.8, et seq., or any successor ordinances or law concerned with discrimination.

**20.2.3 Equal Employment Practices.** If the total payments made under this Contract are One Thousand Dollars (\$1,000) or more, this provision shall apply. During the performance of this Contract, Contractor agrees to comply with Section 10.8.3 of the Los Angeles Administrative Code ("Equal Employment Practices"), which is incorporated herein by this reference. A copy of Section 10.8.3 has been attached to this Contract for the convenience of the parties as Exhibit D. By way of specification but not limitation, pursuant to Sections 10.8.3.E and 10.8.3.F of the Los Angeles Administrative Code, the failure of Contractor to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of this Contract. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard have been given to Contractor. Upon a finding duly made that Contractor has failed to comply with the Equal Employment Practices provisions of this Contract, this Contract may be forthwith terminated, cancelled, or suspended.

**20.2.4 Affirmative Action Program.** If the total payments made under this Contract are One Hundred Thousand Dollars (\$100,000) or more, this provision shall apply. During

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<sup>1</sup> The paragraph references are to mandatory requirements contained in a document entitled, "LEASE AND USE AGREEMENT GUIDE," dated June 6, 1984, revised May 2001, published by the Federal Aviation Administration.

the performance of this Contract, Contractor agrees to comply with Section 10.8.4 of the Los Angeles Administrative Code ("Affirmative Action Program"), which is incorporated herein by this reference. A copy of Section 10.8.4 has been attached to this Contract for the convenience of the parties as Exhibit E. By way of specification but not limitation, pursuant to Sections 10.8.4.E and 10.8.4.F of the Code, the failure of Contractor to comply with the Affirmative Action Program provisions of this Contract may be deemed to be a material breach of this Contract. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard have been given to Contractor. Upon a finding duly made that Contractor has failed to comply with the Affirmative Action Program provisions of this Contract, this Contract may be forthwith terminated, cancelled, or suspended.

#### **Section 21.0 Equal Benefits Ordinance.**

21.1 Unless otherwise exempt in accordance with the provisions of the Equal Benefits Ordinance ("EBO"), Contractor certifies and represents that Contractor will comply with the applicable provisions of EBO Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time. Contractor shall not, in any of its operations within the City of Los Angeles or in other locations owned by City, including Airport, discriminate in the provision of Non-ERISA Benefits (as defined below) between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration. As used above, the term "Non-ERISA Benefits" shall mean any and all benefits payable through benefit arrangements generally available to Contractor's employees which are neither "employee welfare benefit plans" nor "employee pension benefit plans", as those terms are defined in Sections 3(1) and 3(2) of ERISA. Non-ERISA Benefits shall include, but not limited to, all benefits offered currently or in the future, by Contractor to its employees, the spouses of its employees or the domestic partners of its employees, that are not defined as "employee welfare benefit plans" or "employee pension benefit plans", and, which include any bereavement leave, family and medical leave, and travel discounts provided by Contractor to its employees, their spouses and the domestic partners of employees.

21.2 Contractor agrees to post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the term of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance at (213) 847-6480."

21.3 The failure of Contractor to comply with the EBO will be deemed to be a material breach of the Contract by City. If Contractor fails to comply with the EBO City may cancel or terminate the Contract, in whole or in part, and all monies due or to become due under the Contract may be retained by City. City may also pursue any and all other remedies at law or in equity for any

breach. Failure to comply with the EBO may be used as evidence against Contractor in actions taken pursuant to the provisions of Code Section 10.40, *et seq.*, Contractor Responsibility Ordinance. If City determines that Contractor has set up or used its contracting entity for the purpose of evading the intent of the EBO, City may terminate the Contract.

**Section 22.0 First Source Hiring Program For Airport Employers (for LAX ONLY).**

Contractor shall comply with the provisions of the First Source Hiring Program adopted by the Board. The rules, regulations, requirements, and penalties of the First Source Hiring Program are attached as Exhibit F and made a material term of this Contract.

**Section 23.0 Living Wage and Service Contract Worker Retention Requirements Requirements.**

**23.1 Living Wage Ordinance.**

23.1.1 **General Provisions: Living Wage Policy.** This Contract is subject to the Living Wage Ordinance (the "LWO") (Section 10.37, *et seq.*, of the Los Angeles Administrative Code, which is incorporated herein by this reference. A copy of Section 10.37 has been attached hereto for the convenience of the parties as Exhibit G. The LWO requires that, unless specific exemptions apply, any employees of a service contractor who render services that involve an expenditure in excess of Twenty-Five Thousand Dollars (\$25,000) and a contract term of at least three (3) months are covered by the LWO if any of the following applies: (1) at least some of the services are rendered by employees whose work site is on property owned by the City, (2) the services could feasibly be performed by City of Los Angeles employees if the awarding authority had the requisite financial and staffing resources, or (3) the designated administrative agency of the City of Los Angeles has determined in writing that coverage would further the proprietary interests of the City of Los Angeles. Employees covered by the LWO are required to be paid not less than a minimum initial wage rate, as adjusted each year. The LWO also requires that employees be provided with at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request, and at least ten (10) additional days per year of uncompensated time pursuant to Section 10.37.2(b). The LWO requires employers to inform employees making less than Twelve Dollars (\$12) per hour of their possible right to the Federal Earned Income Tax Credit ("EITC") and to make available the forms required to secure advance EITC payments from the employer pursuant to Section 10.37.4. Contractor shall permit access to work sites for authorized City representatives to review the operation, payroll, and related documents, and to provide certified copies of the relevant records upon request by City. Whether or not subject to the LWO, Contractor shall not retaliate against any employee claiming non-compliance with the provisions of the LWO, and, in addition, pursuant to Section 10.37.6(c), Contractor agrees to comply with Federal law prohibiting retaliation for union organizing.

23.1.2 **Living Wage Coverage Determination.** An initial determination has been made that this is a service contract under the LWO, and that it is not exempt from coverage

by the LWO. Determinations as to whether this Contract is a service contract covered by the LWO, or whether an employer or employee is exempt from coverage under the LWO are not final, but are subject to review and revision as additional facts are examined and/or other interpretations of the law are considered. In some circumstances, applications for exemption must be reviewed periodically. City shall notify Contractor in writing about any redetermination by City of coverage or exemption status. To the extent Contractor claims non-coverage or exemption from the provisions of the LWO, the burden shall be on Contractor to prove such non-coverage or exemption.

**23.1.3 Compliance; Termination Provisions And Other Remedies: Living Wage Policy.** If Contractor is not initially exempt from the LWO, Contractor shall comply with all of the provisions of the LWO, including payment to employees at the minimum wage rates, effective on the execution date of this Contract. If Contractor is initially exempt from the LWO, but later no longer qualifies for any exemption, Contractor shall, at such time as Contractor is no longer exempt, comply with the provisions of the LWO and execute the then currently used Declaration of Compliance Form, or such form as the LWO requires. Under the provisions of Section 10.37.6(c) of the Code, violation of the LWO shall constitute a material breach of this Contract and City shall be entitled to terminate this Contract and otherwise pursue legal remedies that may be available, including those set forth in the LWO, if City determines that Contractor violated the provisions of the LWO. The procedures and time periods provided in the LWO are in lieu of the procedures and time periods provided elsewhere in this Contract. Nothing in this Contract shall be construed to extend the time periods or limit the remedies provided in the LWO.

**23.1.4 Subcontractor Compliance.** Contractor agrees to include, in every subcontract or sublease covering City property entered into between Contractor and any subcontractor, a provision pursuant to which such subcontractor (A) agrees to comply with the LWO with respect to City's property; (B) agrees not to retaliate against any employee lawfully asserting noncompliance on the part of the subcontractor with the provisions of either the LWO; and (C) agrees and acknowledges that City, as the intended third-party beneficiary of this provision may (i) enforce the LWO directly against the subcontractor with respect to City property, and (ii) invoke, directly against the subcontractor with respect to City property, all the rights and remedies available to City under Section 10.37.5 of the LWO, as same may be amended from time to time.

**23.2 Service Contract Worker Retention Ordinance.** This Contract may be subject to the Service Contract Worker Retention Ordinance (hereinafter referred to as "SCWRO") (Section 10.36, et seq, of the Los Angeles Administrative Code), which is incorporated herein by this reference. A copy of Section 10.36 has been attached for the convenience of the parties as Exhibit G. If applicable, Contractor must also comply with the SCWRO which requires that, unless specific exemptions apply, all employers under contracts that are primarily for the furnishing of services to or for the City of Los Angeles and that involve an expenditure or receipt in excess of Twenty Five Thousand Dollars (\$25,000) and a contract term of at least three (3) months, shall provide retention by a successor contractor for a ninety-day (90-day) transition period of the employees who have

been employed for the preceding twelve (12) months or more by the terminated contractor or subcontractor, if any, as provided for in the SCWRO. Under the provisions of Section 10.36.3(c) of the Los Angeles Administrative Code, City has the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if City determines that the subject contractor violated the provisions of the SCWRO.

**Section 24.0 Contractor Responsibility Program.** Lessee shall comply with the provisions of the Contractor Responsibility Program adopted by the Board. The Executive Directives setting forth the rules, regulations, requirements and penalties of the Contractor Responsibility Program and the Pledge of Compliance Form is attached hereto as Exhibit H and incorporated herein by reference.

**Section 25.0 Municipal Lobbying Ordinance.**

Contractor shall comply with the provisions of the City of Los Angeles Municipal Lobbying Ordinance, Municipal Code Section 48.01 et seq., as amended.

**Section 26.0 Alternative Fuel Vehicle Requirement Program (for LAX Only).**

Contractor shall comply with the provisions of the alternative fuel vehicle requirement program (the "Alternative Fuel Vehicle Requirement Program"). The rules, regulations and requirements of the Alternative Fuel Vehicle Requirement Program are attached as Exhibit H and made a material term of this Contract.

**Section 27.0 Environmentally Favorable Operations.**

Contractor acknowledges for itself and any subcontractors that its operation of its activities under this Contract will be subject to all the Department's policies, guidelines and requirements regarding environmentally favorable construction, use and/or operations practices (collectively "LAWA Policies") as such LAWA Policies may be promulgated, revised and amended from time-to-time."

**Section 28.0 Compliance With Los Angeles City Charter Section 470(c)(12).**

28.1 The Contractor, Subcontractors, and their Principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected City officials or candidates for elected City office if the contract is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Contractor is required to provide and update certain information to the City as specified by law. Any Contractor subject to Charter Section 470(c)(12), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this contract:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions.

As provided in Charter Section 470(c)(12) and related ordinances, you are subcontractor on City of Los Angeles contract # \_\_\_\_\_. Pursuant to City Charter Section 470(c)(12), subcontractor and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Subcontractor is required to provide to contractor names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information included must be provided to contractor within 5 business days. Failure to comply may result in termination of contract or any other available legal remedies includes fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213/978-1960.

28.2 Contractor, Subcontractors, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available.

#### **Section 29.0 Miscellaneous Provisions.**

29.1 **Fair Meaning.** The language of this Contract shall be construed according to its fair meaning, and not strictly for or against either City or Contractor.

29.2 **Section Headings.** The section headings appearing herein are for the convenience of City and Contractor, and shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this Contract.

29.3 **Void Provisions.** If any provision of this Contract is determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Contract, and all such other provisions shall remain in full force and effect.

29.4 **Two Constructions.** It is the intention of the parties hereto that if any provision of this Contract is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

29.5 **Governing Law.** This Contract shall be construed and enforced in accordance with the laws of the State of California and venue shall lie in the appropriate U.S. Federal Court or California Superior Court located in Los Angeles County.

29.6 **Gender.** The use of any gender herein shall include all genders, and the use of any number shall be construed as the singular or the plural, all as the context may require.

29.7 **Ordinance and Code Language Governs.** City of Los Angeles ordinance and code exhibits are provided as a convenience to the parties only. In the event of a discrepancy between the

exhibits and the applicable ordinance and/or code language, or amendments thereto, the language of the ordinance and/or code shall govern.

29.8 **Amendments to Ordinances and Codes.** The obligation to comply with any ordinances and codes which have been incorporated into this Contract by reference shall extend to any amendments which may be made to those ordinances and codes during the term of this Contract.

29.9 **No Exclusive Right.** No provision of this Contract shall be construed to grant or authorize the granting of an exclusive right within the meaning of the Federal Aviation Act, 49 U.S.C. 40103(e) and 40107(a)(4)(Public Law No. 103-272).

29.10 **Amendment.** All amendments hereto shall be in writing and signed by the persons authorized to bind the parties thereto.

29.11 **Force Majeure.** Notwithstanding any other provision hereof, neither the Contractor nor the City shall be held responsible or liable for failure to meet their respective obligations under this agreement, if such failure shall be due to causes beyond the Contractor's or City's control. Such causes include but are not limited to: strikes, fire, flood, civil disorder, acts of God or the public enemy, acts of the Federal Government or any unit of state or local government in either sovereign or contractual capacity, insurrection, epidemics, freight embargos or delay in transportation, and changes in federal, state or local laws.

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**Section 30.0 Entire Agreement.** This Contract contains the entire agreement between the parties hereto and supersedes any and all prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements or understandings, oral or written, between and among the parties relating to the subject matter contained in this Contract which are not fully set forth herein. This is an integrated agreement.

**SIGNATURE BLOCK**

IN WITNESS WHEREOF, City has caused this Contract to be executed by the Executive Director of its Department of Airports and Contractor has caused the same to be executed by its duly authorized officers and its corporate seal to be hereunto affixed all as of the day and year first hereinabove written.

**APPROVED AS TO FORM:**  
CARMEN A. TRUTANICH,  
City Attorney

**CITY OF LOS ANGELES**

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Deputy/Assistant City Attorney

By: \_\_\_\_\_  
Executive Director  
Department of Airports

By: \_\_\_\_\_  
Wei Chi  
Deputy Executive Director  
Comptroller

ATTEST:

**[NAME OF COMPANY]**

By: \_\_\_\_\_  
Signature (Secretary)

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Title