

Harbor Department
Agreement 13-2903-A
City of Los Angeles

FIRST AMENDMENT TO AGREEMENT NO. 10-2903
BETWEEN THE CITY OF LOS ANGELES
AND
MICROSOFT CORPORATION

THIS FIRST AMENDMENT to Agreement No. 10-2903 is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), acting by and through its Board of Harbor Commissioners ("Board"), and MICROSOFT CORPORATION ("Consultant") as follows:

1. Subsection B.1. of Article III entitled EFFECTIVE DATE AND TERM OF AGREEMENT is amended to extend the term an additional three years, and will read:

"B. This Agreement shall be in full force and effect commencing from the date of execution and shall continue until the earlier of the following occurs:

1. Six (6) years have lapsed from the Effective Date of this Agreement;"

2. Subsection B of Article V entitled COMPENSATION AND PAYMENT is amended to increase the maximum payable amount by \$1,000,000, and will read:

"The maximum payable under this Agreement, including reimbursable expenses (see Exhibit B), shall be One Million Four Hundred Ninety Seven Thousand Nine Hundred Sixty Nine Dollars (\$1,497,969). The full amount for the first contract year (see Exhibit B) may be invoiced by Consultant upon final execution of this Agreement and pre-paid by the City in accordance with Los Angeles Administrative Code Section 5.47 as it is compensation for "services which are customarily required to be paid for in advance and which it is not possible to acquire without advance payment." Likewise, the full amount for each subsequent contract year (see Exhibit B) may be invoiced by Consultant sixty (60) days prior to the end of a contract year and pre-paid by the City."

3. Exhibit B is replaced in its entirety (see attached Exhibit B).

This Amendment shall be in full force and effect commencing upon signature of the Executive Director after approval by the City Council of Los Angeles pursuant to Section 606 of City's Charter. Except as amended herein, all remaining terms and conditions of Agreement No. 10-2903 shall remain in full force and effect.

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IN WITNESS THEREOF, the parties hereto have executed this First Amendment to Agreement No. 10-2903 on the date to the left of their signatures.

12-17-2013
Dated: 10-2-13, 2013

Gary Lee Moore
GARY LEE MOORE, P.E.
Interim Executive Director

Dated: September 12, 2013

THE CITY OF LOS ANGELES, by its
Board of Harbor Commissioners

By [Signature]
Executive Director

Attest [Signature]
Board Secretary

MICROSOFT CORPORATION

By David T. Gallagher

David T. Gallagher Director of Contracts
(Print/type name and title)

Attest: Melissa Ranslem

Melissa Ranslem Contracts Admin
(Print/type name and title)

APPROVED AS TO FORM AND LEGALITY

Sept 19, 2013
MICHAEL N. FEUER, City Attorney
JANNA B. SIDLEY, General Counsel

By [Signature]
MINAH PARK, Deputy City Attorney

MP:jpr
08/27/13
Attachments

Account#	54110/54310	W.O. #	
Ctr/Div#	0640	Job Fac.#	
Proj/Prog#			
Budget FY:		Amount:	
13/14	\$ 160,000	54110 \$ 63,000	
14/15	\$ 420,000	54310 \$ 97,000	
15/16	\$ 420,000	54110 \$ 63,000	
TOTAL:	\$1,000,000	54310 \$357,000	
For Acct/Budget Div. Use Only:			
Verified by: <u>[Signature]</u>			
Verified Funds Available: <u>Ref for Annie G 12/20/13</u>			
Date Approved: _____			

Rev 07/03/13

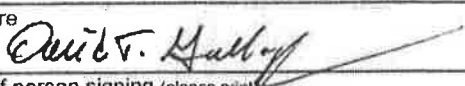
State and Local Government – Microsoft Premier Support Services Description

(Microsoft Affiliate to complete)
Services Description Number.
 (For Microsoft Internal Purposes Only)
 MSL Number

This services description ("**Services Description**") is made pursuant to the Microsoft Master Services Agreement, (the "**Agreement**") effective as of _____, which is incorporated herein by this reference. In this Services Description "**You**", "**Your**" or "**Customer**" means the undersigned customer and "**We**," "**Us**," or "**Our**" means the undersigned Microsoft affiliate. Any terms not otherwise defined herein will assume the meanings set forth in the Agreement. This Services Description is comprised of this cover page and the Services Description terms below, which are incorporated herein by this reference.

Customer Invoice Information		
Name of Customer Port of Los Angeles		Contact Name (This person receives invoices under this Services Description unless otherwise specified on Your purchase order.)
Name of Customer or Affiliate that executed the Agreement if different than the undersigned		
Street Address		Contact E-mail Address
City	State/Province	Phone
Country	Postal Code	Fax
Invoicing		
Premier Support is a prepaid service and all fees and any applicable taxes are due upon acceptance of this Services Description. We must be in receipt of a purchase order, check, or other acceptable form of payment before We will begin providing Services. We will invoice You for additional Services performed and expenses incurred. Our invoices are payable in full within 30 days of receipt by You and will be directed to Your representative for payment at the address shown above unless otherwise provided in a purchase order. Notwithstanding the foregoing, multi-year Service Descriptions will be invoiced upon Our acceptance of this Services Description for year one and the remaining installments will be invoiced at the subsequent anniversaries of the Commencement Date as defined on the Fee and Named Contacts Schedule(s). We reserve the right to adjust Our fees prior to entering into any new Fee and Named Contacts Schedule(s).		
Term		
This Services Description will commence on <u>11/01/2013</u> and will expire on <u>10/31/2016</u> (the "Expiration Date") unless otherwise extended by a subsequent FNC(s).		

By signing below the parties acknowledge and agree to be bound to the terms of the Agreement and this Services Description.

Customer	Microsoft Affiliate
Name of Customer (please print) Port of Los Angeles	Name Microsoft Corporation
	Signature 
	Name of person signing (please print) David T. Gallagher
	Title of person signing (please print) Director of Contracts


GARY LEE MOORE, P.E.
 Interim Executive Director

Date <u>12-17-2013</u> <u>10-2-2013</u>	Date <u>9-12-13</u>
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1. OVERVIEW. This Services Description describes the various types of services that may be obtained (the "Services"). In addition, it sets forth the parties' respective responsibilities, prerequisites and assumptions that underlie the provision of the Services, applicable fees, and additional terms and conditions. The Services focus on the following key areas:

Support Account Management from an assigned Microsoft resource ("Services Resource") helps to build and maintain relationships with Your management and service delivery staff and helps You arrange each element of the Premier Support to meet Your business requirements.

Workshops help You to prevent problems, increase system availability and assist with creating products and solutions based on Microsoft technologies.

Problem Resolution Support provides assistance for problems with specific symptoms encountered while using Microsoft products, where there is a reasonable expectation that the problem is caused by Microsoft products.

Support Assistance provides short-term advice and guidance for problems not covered with Problem Resolution Service as well as requests for consultative assistance for design, development and deployment issues.

Information Services provide Your staff with the latest knowledge on Microsoft technologies to enhance Your in-house support capabilities.

2. AVAILABLE SERVICES. You may utilize any combination of the following Services. Unless We specify otherwise, the Services are charged on an hourly basis and will be deducted from the total number of hours You have purchased as set forth in the attached Fee and Named Contacts Schedule(s). The complete list of Services below may not be available in all countries. For a detailed list of Services available outside the US, please contact Your Services Resource.

2.1 Support Account Management. Support Account Management services are intended to help coordinate the support and services relationship. The Services Resource is Your advocate within Microsoft and facilitates a team that can provide Workshops, Problem Resolution Support, and Support Assistance. The Services Resource also serves as the point of information delivery and provides Your feedback regarding the Services to other Microsoft groups. The Services Resource will engage with You in the following activities which will be deducted from the pre-paid hours listed in the "Premier Support Fees" section below:

- a. Planning and Resource Facilitation. At the commencement of this Service Description, an orientation and planning session can be conducted with Your management and staff via teleconference or onsite if an onsite visit has been purchased. The purpose of this meeting is to discuss the Services available, gather input regarding Your support needs, and jointly plan Your use of the Services.
- b. Status Meetings and Reporting. A standard status report can be prepared on a regular basis, to summarize the Services delivered during the previous reporting period. Status meetings will be conducted to discuss Service activities, monitor Your satisfaction levels, and discuss actions or adjustments that may be required. Customized reporting can be provided at Your request and any additional related labor will be deducted from Your Support Assistance hours.
- c. Escalation Management. Support issues that require escalation to other resources within Microsoft can be closely managed by the Services Resource to expedite resolution.

2.2 Workshops and Events. The goal of Workshops and Events is to provide You proactive technical information to assist in the design, development or deployment of Microsoft technologies. ***All registration requirements for Workshops and Events must be completed by You 60 days prior to the expiration date of the applicable Fee and Named Contacts Schedule(s).*** Additional benefits may include instruction to help reduce the number and minimize the impact of problems related to Microsoft Products that You experience. Workshops and Events can include the following:

- a. Workshops. We can conduct instructor-led training sessions that emphasize Microsoft technologies at Your facility or on location at Microsoft. If You elect to have a Workshop conducted at Your facility, We will provide You with specifications for configuring Your environment prior to the delivery of the Workshops. Workshops are individually scoped and priced depending upon the length, delivery location and material presented. Your Services Resource can provide You with a current list of available Workshops.

- b. **Events.** We can provide broad and deep technical development-focused presentations, combined with hands-on labs that provide training and facilitate Your implementations of Microsoft technologies. These Events provide the opportunity to interact with Microsoft product groups, Premier support development resources and marketing contacts. Your Services Resource can provide You with notification of scheduled Events.

2.3 Problem Resolution Support. Problem Resolution Support provides assistance for problems with specific symptoms encountered while using Microsoft products, where there is a reasonable expectation that the problems are caused by Microsoft products. Problem Resolution Support is available 24 hours a day, 7 days a week. Requests for support may be submitted via telephone or electronically through the Premier online website by Your designated contacts, except for Severity 1 and A which must be submitted via telephone as set forth below in Section 2.3(a). Problem Resolution Support can include any combination of the following:

- a. **Problem Request (Break-Fix).** An assisted break-fix support request, also known as an incident, is defined as a single support issue and the reasonable effort needed to resolve it. A single support issue is a problem that cannot be broken down into subordinate issues. If a problem consists of subordinate issues, each shall be considered a separate incident. Incidents requiring an onsite visit will be charged on an hourly basis and will include charges for reasonable travel and living expenses. In certain situations, We may provide You with a modification to the commercially available Microsoft product software code to address specific critical problems ("Hotfix(es)") in response to an assisted break-fix support request. Hotfixes are designed to address Your specific problems and are not regression tested. Except as otherwise provided herein or in an Exhibit, Hotfixes may not be distributed to unaffiliated third parties without Our express written consent.
- **Fixed Priced Incidents** include the commercially reasonable amount of Services necessary to troubleshoot and help resolve the support issue. The total number of incidents is set forth in the attached Fee and Named Contacts Schedule(s).
 - **Hours-based Incidents** are charged on an hourly basis and include the commercially reasonable amount of hours of Services necessary to troubleshoot and help resolve the support issue. Hours-based incidents are deducted from the pre-paid hours set forth in the attached Fee and Named Contacts Schedule(s) or charged to You in arrears if all pre-paid hours have been exhausted.

(Read and Delete: Use the below language for Premier Standard customers and delete language above for Premier Plus Customers)

Problem resolution support is charged on an hourly basis and includes the commercially reasonable amount of hours of Services necessary to troubleshoot and help resolve the support issue. Hours-based incidents are deducted from the pre-paid hours set forth in the attached Fee and Named Contacts Schedule(s) or charged to You in arrears if all pre-paid hours have been exhausted.

You are responsible for setting the initial severity level in consultation with Us and You can request a change in severity level at any time. The incident severity will determine the response levels within Microsoft and estimated response times and Your responsibilities are defined in the following table:

Severity	Situation	Our Expected Response	Your Expected Response
1 Submission via phone only	• Catastrophic business impact: • Complete loss of a core (mission critical) business process and work cannot reasonably continue • Needs immediate attention	• 1st call response in 1 hour or less • Our Resources at Your site as soon as possible. • Continuous effort on a 24x7 basis • Rapid Escalation within Microsoft to Product teams • Notification of Our Senior Executives	• Notification of Your Senior executives • Allocation of appropriate resources to sustain continuous effort on a 24x7 basis² • Rapid access and response from change control authority
A Submission via phone only	• Critical business impact: • Significant loss or degradation of services • Needs attention within 1 hour	• 1st call response in 1 hour or less • Our Resources at Your site as required. • Continuous effort on a 24x7 basis • Notification of Our Senior Managers	• Allocation of appropriate resources to sustain continuous effort on a 24x7 basis² • Rapid access and response from change control authority • Management notification
B Submission via phone or web	• Moderate business impact: • Moderate loss or degradation of services but work can reasonably	• 1st call response in 2 hours or less • Effort during Business Hours¹ only	• Allocation of appropriate resources to sustain Business Hours¹ continuous effort • Access and response from

	- continue in an impaired manner. - Needs attention within 2 Business Hours¹		change control authority within 4 Business Hours ¹
C Submission via phone or web	- Minimum business impact. - Substantially functioning with minor or no impediments of services. - Needs attention within 4 Business Hours¹	1st call response in 4 hours or less - Effort during Business Hours¹ only	- Accurate contact information on case owner - Responsive within 24 hours.

¹ Business Hours are defined as 6AM to 6PM Pacific Time, Monday through Friday excluding holidays.

² We may need to downgrade the severity level if You are not able to provide adequate resources or responses to enable Us to continue with problem resolution efforts.

You may be required to perform problem determination and resolution activities as requested by Us. Problem determination and resolution activities may include performing network traces, capturing error messages, collecting configuration information, changing product configurations, installing new versions of software or new components, or modifying processes.

You are responsible for implementing the procedures necessary to safeguard the integrity and security of Your software and data from unauthorized access and to reconstruct lost or altered files resulting from catastrophic failures.

- b. **Rapid Onsite Support Services.** You can request on-site support as an additional billable service. Our ability to provide onsite support is subject to Our resource availability, and the tasks performed will vary depending on the situation, environment, and business impact of the issue.
- c. **Software Assurance Benefits.** You may elect to convert Your Software Assurance 24x7 Problem Resolution Support Incidents (SA PRS Incidents) to Premier Problem Resolution Support (PPRS) hours or incidents for use consistent with Your Premier service plan at the time of transfer. This conversion is based on a local rate calculation that will be provided by your Services Resource. You may be required to purchase additional Support Account Management hours before converting SA PRS incidents/hours. All SA PRS Incidents You transfer are subject to this Services Description.

2.4 Support Assistance. Support Assistance provides short-term advice and guidance for problems not covered with Problem Resolution Support as well as requests for consultative assistance for design, development and deployment issues. Your Services Resource will work with You to determine Your specific Support Assistance needs.

The following are types of Support Assistance that can be utilized under this Services Description:

- a. **Infrastructure Support Assistance.** Infrastructure Support Assistance includes informal advice, guidance and knowledge transfer intended to help You implement Microsoft technologies in ways that avoid common support issues and decrease the likelihood of system outages.

These services also help You to resolve problems that are not attributed to Microsoft Products including:

- Errors caused by Your networking infrastructure, hardware, non-Microsoft software, operational procedures, architecture, IT service management process, system configuration or human error.
 - Multi-vendor coordination interoperability problems. Upon Your request, We will collaborate with third-party software suppliers to help resolve complex multi-vendor product interoperability issues.
- b. **Reviews.** A review is an assessment of a specific system, application or architecture to address design, development, deployment, and supportability issues for current or planned implementations of Microsoft technologies. Each review is individually scoped and estimated prior to scheduling resources, and a written report is produced to document findings and recommendations. **All requests for reviews and the applicable data must be submitted to Us no later than 60 days prior to expiration date of the applicable Fee and Named Contacts Schedule(s).**
 - c. **Development Support Assistance.** Development Support Assistance helps You in Your creation and development of internal applications on the Microsoft platform that integrate Microsoft technologies. Development Support Assistance specializes in Microsoft development tools and technologies.
 - d. **Lab Access.** Microsoft can provide You with access to a lab facility to assist You with product development, benchmarking and testing, prototyping and migration activities on Microsoft products. These facilities must be scheduled in advance and are subject to availability.

2.5 Information Services. Information Services provide You with technical information about Microsoft products and support tools that help You to implement and operate Microsoft products in a more efficient and effective manner. Information Services can include any combination of the following:

- a. Premier online website. The Premier online website provides access to the following information resources at no additional charge:
 - Regularly updated product news flashes documenting key support and operational information about Microsoft products.
 - Critical problem alerts notifying You of potentially high-impact problems.
 - Web response tool for submitting and checking the status of support incidents.
 - Microsoft KnowledgeBase of technical articles and troubleshooting tools and guides.
- b. Support Webcasts. Support webcasts are regularly scheduled webcast discussions led by Our program managers, developers and professionals covering key areas of Microsoft technology. These are provided at no additional charge and require high speed Internet access to participate.

2.6 Additional Services. You may request changes or additions to this Services Description at any time. Additional Services that are available for purchase, and the specific terms and conditions applicable to those Services, may be set forth in this Services Description, an attached Exhibit and/or Fee and Named Contacts Schedule(s). Additional Services will be invoiced at the prevailing price at the time the Services are rendered or upon acceptance of an Exhibit and/or Fee and Named Contacts Schedule(s) referencing this Services Description. If you purchase additional Problem Resolution Support hours or convert Software Assurance hours to Problem Resolution Support hours, you may also be required to purchase additional Services Management hours. Prior to delivering additional Services, We must be in receipt of a purchase order, check or other acceptable form of payment.

3. PREREQUISITES AND ASSUMPTIONS. Our delivery of Services under this Services Description is based upon the following Prerequisites and Assumptions:

- a. All Services will be provided remotely to Your locations in the United States unless otherwise set forth in an Exhibit to this Services Description (see section 3(k) below). Where additional onsite visits are mutually agreed, and not pre-paid and defined on your Fee and Named Contacts Schedule, You will be billed for reasonable travel and living expenses in arrears. Alternatively, You agree that any travel related expenses incurred by Microsoft may be decremented from the Support Assistance hours if You so choose. You certify that You possess the authority for this approval and such conversion is in compliance with any applicable government procurement and audit rules or regulations.
- b. All Services will be provided in the English language unless otherwise agreed to by You and Us in writing or in an Exhibit to this Services Description.
- c. We will provide support for all United States versions of commercially released generally available Microsoft products unless otherwise set forth in an Exhibit to this Services Description or specifically excluded on the Premier online website. Support for those Microsoft products that have entered the Extended Support Phase, as defined on the Premier online website, will be charged on an hourly basis only. Non-security related Hotfix support is not available for Microsoft products that have entered the Extended Phase of support unless You have purchased such support in an Exhibit to this Services Description.
- d. Support for pre-release products is not provided except as otherwise provided in an attached Exhibit.
- e. **ALL SERVICES, INCLUDING ANY ADDITIONAL SERVICES PURCHASED DURING THE TERM OF FEE AND NAMED CONTACTS SCHEDULE(S) SHALL BE FORFEITED IF NOT UTILIZED DURING THE TERM OF THE APPLICABLE FEE AND NAMED CONTACTS SCHEDULE(S).**
- f. Support Assistance is dependent upon the availability of resources.
- g. We can access Your system via remote dial-in to analyze problems at Your request. Our personnel will access only those systems authorized by You. We may provide You with software to assist with problem diagnosis and/or resolution. Such software is Microsoft's property and must be returned to Us promptly upon request. In order to utilize remote dial-in assistance, You must provide Us with the appropriate access and necessary equipment.
- h. You must have access to the Internet in order to take advantage of Internet-based services.

- i. Additional Prerequisites and Assumption may be set forth in relevant Exhibits.
- j. When purchasing Problem Resolution Support, we will require a corresponding quantity of Support Account Management to facilitate delivery of your Problem Resolution Support. If you purchase additional Problem Resolution Support, Support Assistance, or if you convert Software Assurance hours to Problem Resolution Support hours or incidents, you may be required to purchase additional Support Account Management.
- k. Resource Site Visits (number of trips to Your location) are mutually agreed upon at acceptance of this ~~Services Description and the total fixed price amount for these visits are included in Your Fee and Named Contacts Schedule.~~

4. YOUR RESPONSIBILITIES. This section sets forth Your performance obligations under this Services Description. Our performance is predicated upon You fulfilling the following responsibilities in addition to those set forth in Section 2.3 and any applicable Exhibits. Failure to comply with the following responsibilities may result in delays of Service.

- a. You can designate named contacts as set forth in the attached Fee and Named Contacts Schedule(s), one of which will be the Customer Support Manager ("CSM") for support related activities. The CSM is responsible for leading Your team and will manage all of Your support activities, and internal processes for submitting support requests to Us. Each contact will be supplied with an individual account number for access to the Premier online website, support issue submission and access to Your Services Resource. In addition to the named contacts, You may also identify two types of group contacts as follows:
 - One type will receive a shared account ID that provides access to the Premier online website for information content and the ability to submit support requests through the Premier online website or by telephone.
 - One type will receive a shared account ID that provides access to the Premier online website for information content only.
- b. You agree to work with Us to plan for the utilization of Services based upon the service level You purchased.
- c. You agree to provide an internal escalation process to facilitate communication between Your management and Us as appropriate.
- d. You agree to respond to customer satisfaction surveys We may provide to You from time-to-time regarding the Services.
- e. You agree to provide reasonable office space, telephone and high speed internet access, and access to Your internal systems and diagnostic tools to Our Services Resources that are required to be on-site.
- f. You are responsible for any travel and expenses incurred by Your employees or contractors.

5. ADDITIONAL TERMS AND CONDITIONS. Except as otherwise set forth in an Exhibit (or attachment to an Exhibit) to this Services Description, this section governs the ownership and use rights of any computer code or other materials that may be provided under this Services Description.

- a. **Pre-existing Work.** All rights in any computer code or materials developed or otherwise obtained by or for Us or Our affiliates, or You or Your affiliates independently of this Services Description ("Pre-existing Work") shall remain the sole property of the Party providing the Pre-existing Work. During the performance of the Services for this Services Description, each Party grants to the other Party (and Our contractors as necessary) a temporary, non-exclusive license to use, reproduce and modify any of its Pre-existing Work provided to the other Party solely for the performance of such Services. We grant You a non-exclusive, perpetual, fully paid-up license to use, reproduce and modify (if applicable) Our Pre-existing Work in the form delivered to You for Your internal business operations without any obligation of accounting or payment of royalties. Your licenses to Our Pre-existing Work are conditioned upon Your compliance with the terms of the Agreement and this Services Description and the perpetual license applies solely to Our Pre-existing Work that is left to You at the conclusion of Our performance of the Services.
- b. **Materials.** All rights in any materials developed by Us (other than software code) and provided to You in connection with the Services ("Materials") shall be owned by Us except to the extent such Materials constitute Your Pre-existing Work. Upon payment in full, We grant You a non-exclusive, perpetual, fully paid-up license to use, reproduce and modify the Materials solely for Your internal business operations and without any obligation of accounting or payment of royalties. You may sublicense the rights granted herein to Your Affiliates. All rights not expressly granted, are reserved.
- c. **Sample Code.** We grant You a nonexclusive, perpetual, royalty-free right to use and modify any software code

provided by Us for the purposes of illustration ("Sample Code") and to reproduce and distribute the object code form of the Sample Code, provided that You agree: (i) to not use Our name, logo, or trademarks to market Your software product in which the Sample Code is embedded; (ii) to include a valid copyright notice on Your software product in which the Sample Code is embedded; and (iii) to indemnify, hold harmless, and defend Us and Our suppliers from and against any claims or lawsuits, including attorneys' fees, that arise or result from the use or distribution of the Sample Code.

- d. **Open Source License Restrictions.** Because certain third party license terms require that computer code be generally (i) disclosed in source code form to third parties; (ii) licensed to third parties for the purpose of making derivative works; or (iii) redistributable to third parties at no charge (collectively, "open source license terms"), the license rights that each Party has granted to any computer code (or any intellectual property associated therewith) do not include any license, right, power or authority to incorporate, modify, combine and/or distribute that computer code with any other computer code in a manner which would subject the other's computer code to open source license terms.

Furthermore, each Party warrants that it will not provide or give to the other Party computer code that is governed by open source license terms.

- e. **Reservation of Rights.** All rights not expressly granted in this Section 5 are reserved..

6. Attachments: The following Schedule(s) and Exhibits are attached at the execution of this Services Description:

- ☐ Microsoft Premier Support Services Description Schedule: Fee and Named Contacts Schedule
- ☐ Microsoft Premier Support Services Description Exhibit: Support Consulting

**Microsoft Premier Support Services Description Schedule:
Fee and Named Contacts:**

(Microsoft Affiliate to complete)
Premier Support Services Description Number

Customer Name: **Port of Los Angeles**

This Schedule is made pursuant to the Microsoft Premier Support Services Description identified above (the "**Services Description**"). The terms of the Services Description and applicable Exhibits are incorporated herein by this reference and by accepting Our performance of Services under this Schedule You agree to be bound by these terms. Any terms not otherwise defined herein will assume the meanings set forth in the Agreement and the Services Description.

Term

This Schedule will commence on **11/01/2013** (the "Commencement Date") and will expire on **10/31/2016** (the "Expiration Date").

1. PREMIER SUPPORT SERVICES AND FEES. The quantities listed in the table below represent the amount of Services that You have pre-purchased for use during the term of this Schedule and applicable fees.

a. Fee Summary

	Year 1 Price (US\$)	Year 2* Price (US\$)	Year 3* Price (US\$)
USD Premier	\$62,837	\$65,979**	\$69,278**
Professional Services	\$97,000	\$357,000	357,000
Total	\$160,000	\$420,000	\$420,000

b. Services by Support Location

Country: United States (Premier Standard 0) Year 1
• Support Account Management Included • Up to 320 hours for Support Assistance • Up to 50 hours for Problem Resolution Support • Unlimited User Access to Premier Online Website

Country: United States (Premier Standard 0) Year 2
• Support Account Management Included • Up to 320 hours for Support Assistance • Up to 50 hours for Problem Resolution Support • Unlimited User Access to Premier Online Website

Country: United States (Premier Standard 0) Year 3
• Support Account Management Included • Up to 320 hours for Support Assistance • Up to 50 hours for Problem Resolution Support • Unlimited User Access to Premier Online Website

*For this multi-year FNC, base year services, including any additional services purchased during the base year as referenced above shall be forfeited if not utilized during such base year. Option year services will similarly expire at the end of each respective option year in which they were purchased.

**A 5% increase (over the Base Year, Option, Yr. 1, Option Yr. 2) has been factored into the pricing for Option Yr. 1, Option Yr. 2 for budgeting purposes only. You will be billed the prevailing (i.e., then current) price (as of the Commencement Date of Option Yr. 1, Option Yr. 2, or the amount shown above, whichever is lower.

2. MICROSOFT CONTACT

Microsoft Contact: Contact for questions and notices about this Schedule and the Services Description:

Microsoft Contact Name: Jim Bonnell
Phone: 602-320-7268
Email: jbonnell@microsoft.com
Facsimile: 425-936-7329, Attn: jbonnell

3. CUSTOMER NAMED CONTACTS

a. Premier Customer Named Contacts

CSM Name:	Named Contact Name:
Address:	Address:
Phone: ()	Phone: ()
Email:	Email:
Facsimile: ()	Facsimile: ()

Named Contact Name:	Named Contact Name:
Address:	Address:
Phone: ()	Phone: ()
Email:	Email:
Facsimile: ()	Facsimile: ()

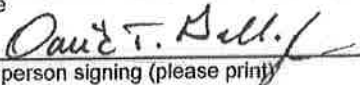
**Microsoft Premier Support Services Description Exhibit :
Professional Services**

(Microsoft Affiliate to complete)
Premier Support Services Description Number

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This Exhibit is made pursuant to the Microsoft Premier Support Services Description identified above (the "Services Description"). The terms of the Services Description are incorporated herein by this reference. Any terms not otherwise defined herein will assume the meanings set forth in the Services Description.

By signing below the parties acknowledge and agree to be bound to the terms of the Services Description and this Exhibit.

Customer	Microsoft Affiliate
Name of Customer (please print) Port of Los Angeles	Name Microsoft Corporation
Signature 	Signature 
Name of person signing (please print) Gary Lee Moore	Name of person signing (please print) David T. Gallagher
Date 12-30-13	Effective Date 9-12-13
Term	
This Exhibit will commence on the Effective Date above and will expire contemporaneously with the Services Description or the date We conclude the Services, whichever is later (the "Expiration Date").	

1. PRE-PURCHASE OF MICROSOFT PROFESSIONAL SERVICES. You have elected to pre-pay for Microsoft Professional Services in the amount set forth in the Fee and Named Contact Schedule(s). The precise scope of Services to be provided by Microsoft Professional Services will be set forth in Work Orders that will reference this Exhibit, and will be provided at Microsoft's then published rates according to the terms and conditions of the Agreement and the Work Order. Microsoft's rates may vary by country/region. In the event that Microsoft Professional Services fees due and owing exceed the amount of Your pre-paid fees in any year, the Microsoft affiliate that provides the Microsoft Professional Services will invoice You for the difference. In the event that You have not used all pre-paid fees upon expiration of this Exhibit and the Services Description, We will give You a credit for such unused MCS pre-paid fees that You may apply toward future Microsoft Professional Services.

2. Fees. You have elected to pre-pay for Microsoft Professional Services in the total amount set forth below. We reserve the right to utilize whichever labor categories in whatever quantities we determine, in our sole discretion, are appropriate to perform the services. The fees do not include fees for products. Unless otherwise specified in the invoice, you will pay us within 30 calendar days of the date of our invoice for the total amount set forth below.

3. TERMINATION. The Services covered by this Exhibit will commence and end on the dates set forth in Work Orders to be entered into by the parties from time to time. This Exhibit may be terminated earlier as set forth in the Agreement. In the event that any Work Order has not been completed by the earlier termination date, the terms of this Exhibit and any Work Order will continue in effect for purposes of such Work Order until the Services have been completed or the Work Order is terminated.

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CITY OF LOS ANGELES

CALIFORNIA

HOLLY L. WOLCOTT
Interim City Clerk



ERIC GARCETTI
MAYOR

Office of the
CITY CLERK

Council and Public Services
Room 396, City Hall
Los Angeles, CA 90012
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SHANNON HOPPE
Council and Public Services
Division

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When making inquiries relative to
this matter, please refer to the
Council File No.

December 18, 2013

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council
File No. 13-1630, at its meeting held December 17, 2013.

City Clerk
OS

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File No. 13-1630

ADMINISTRATIVE EXEMPTION and COMMUNICATION FROM CHAIR, TRADE, COMMERCE, AND TOURISM COMMITTEE relative to proposed agreement with Microsoft Corporation to provide product support and consulting services for the Los Angeles Harbor Department.

Recommendations for Council action:

1. ADOPT the determination by the Los Angeles Harbor Department that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.
2. APPROVE Agreement No. 13-2903-A with Microsoft Corporation to provide product support and consulting services for the Los Angeles Harbor Department.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of this request will result in an additional expenditure of \$1,000,000 for a total amount not to exceed \$1,497,969. The proposed term for the first amendment is for three years, which would extend the agreement to a total of six years. Approval of the proposed amendment complies with the Harbor Department's adopted Financial Policies. Approval of the proposed resolution will not impact the City's General Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE - JANUARY 6, 2014

(LAST DAY FOR COUNCIL ACTION - DECEMBER 18, 2013)

SUMMARY

At a regular meeting held on December 10, 2013, your Trade, Commerce and Tourism Committee Chair considered a Harbor Department transmittal relative to first amendment to sole-source Agreement No. 10-2903 with Microsoft Corporation to continue to provide product support and consulting services for all Microsoft products used by the Harbor Department. The CAO reports that the original three-year agreement expired in October 2013, and is currently on a month-to-month basis until the first amendment is approved. The proposed term for the first amendment is for three years, which would extend the agreement to a total of six years, until October 26, 2016. The proposed expenditure will increase by \$1,000,000 to a total amount not to exceed \$1,497,969 for the proposed six-year agreement period. In accordance with Charter Section 373, and the Los Angeles Administrative Code Section 10.5, Council approval is required for long term contracts that exceed three years. The City Attorney has approved the proposed Amendment as to form.

An opportunity for public comment was held. After a brief discussion, the Committee Chair moved to approve the recommendations contained in the transmittal. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

COUNCILMEMBER TOM LABONGE, CHAIR
TRADE, COMMERCE, AND TOURISM COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
LABONGE:	YES
BUSCAINO:	ABSENT
BONIN:	ABSENT

ADOPTED

DEC 17 2013

LOS ANGELES CITY COUNCIL

-NOT OFFICIAL UNTIL COUNCIL ACTS-