



# ORANGE COUNTY FIRE AUTHORITY

## AGENDA

Pursuant to the Brown Act, this meeting also constitutes a meeting of the Board of Directors.

### EXECUTIVE COMMITTEE REGULAR MEETING

Thursday, September 27, 2018  
5:30 P.M.

Regional Fire Operations and Training Center  
Board Room  
1 Fire Authority Road  
Irvine, CA 92602

This Agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action or discussion shall be taken on any item not appearing on the following Agenda. Unless legally privileged, all supporting documents, including staff reports, and any writings or documents provided to a majority of the Executive Committee after the posting of this agenda are available for review at the Orange County Fire Authority Regional Fire Operations & Training Center, 1 Fire Authority Road, Irvine, CA 92602 or you may contact Sherry A.F. Wentz, Clerk of the Authority, at (714) 573-6040 Monday through Thursday, and every other Friday from 8 a.m. to 5 p.m. and available online at <http://www.ocfa.org>

If you wish to speak before the Fire Authority Executive Committee, please complete a Speaker Form identifying which item(s) you wish to address. Please return the completed form to the Clerk of the Authority prior to being heard before the Committee. Speaker Forms are available at the counters of both entryways of the Board Room.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the Clerk of the Authority at (714) 573-6040.

### CALL TO ORDER

INVOCATION by Chaplain Ken Krikac

PLEDGE OF ALLEGIANCE by Director Hernandez

### ROLL CALL

### 1. PRESENTATIONS

No items.

## REPORTS

### REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR

### REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR

## PUBLIC COMMENTS

Resolution No. 97-024 established rules of decorum for public meetings held by the Orange County Fire Authority. Resolution No. 97-024 is available from the Clerk of the Authority.

Any member of the public may address the Board on items within the Board's subject matter jurisdiction but which are not listed on this agenda during PUBLIC COMMENTS. However, no action may be taken on matters that are not part of the posted agenda. We request comments made on the agenda be made at the time the item is considered and that comments be limited to three minutes per person. Please address your comments to the Board as a whole, and do not engage in dialogue with individual Board Members, Authority staff, or members of the audience.

The Agenda and Minutes are now available through the Internet at [www.ocfa.org](http://www.ocfa.org). You can access upcoming agendas on the Monday before the meeting. The minutes are the official record of the meeting and are scheduled for approval at the next regular Board of Directors meeting.

## 2. MINUTES

### A. Minutes from the August 23, 2018, Regular Executive Committee Meeting

Submitted by: Sherry Wentz, Clerk of the Authority

Recommended Action:

Approve as submitted.

## 3. CONSENT CALENDAR

*All matters on the consent calendar are considered routine and are to be approved with one motion unless a Committee Member or a member of the public requests separate action on a specific item.*

### A. Monthly Investment Reports

Submitted by: Patricia Jakubiak, Treasurer

**Budget and Finance Committee Recommendation: *APPROVE***

Recommended Action:

Receive and file the reports.

### B. Annual Investment Report

Submitted by: Patricia Jakubiak, Treasurer

**Budget and Finance Committee Recommendation: *APPROVE***

Recommended Action:

Receive and file the report.

**C. Fourth Quarter Financial Newsletter**

Submitted by: Lori Zeller, Deputy Chief/Administration and Support Bureau

**Budget and Finance Committee Recommendation: *APPROVE***

Recommended Action:

Receive and file the report.

**D. Contract Award for Medical Laboratory Testing Services**

Submitted by: Randy Black, Assistant Chief/Emergency Medical Services

Recommended Action:

Approve award of RFP DC2294 to Quest Diagnostics and authorize the Purchasing Manager to sign the proposed Professional Services Agreement for medical laboratory services in an amount not to exceed \$125,000 annually (\$375,000 during the initial three-year contract period through 2021).

**E. Award of Contract for 9-1-1 Dispatcher Console Replacement and Upgrade**

Submitted by: Dave Anderson, Deputy Chief/Emergency Operations Bureau

Recommended Action:

Approve and authorize the Purchasing Manager to execute the proposed Professional Services Agreement with Motorola Solutions, Inc. for software, hardware, and professional services to replace the existing legacy 9-1-1 Dispatcher Consoles with the ASTRO 25 series MCC7500 IP Dispatch Consoles for a total amount not to exceed \$2,209,652.

**F. Cooperative Contract for Information Technology Staff Augmentation Services**

Submitted by: Dave Anderson, Deputy Chief/Emergency Operations Bureau

Recommended Action:

Approve and authorize the Purchasing Manager to execute the proposed Professional Services Agreement with Computer Aid, Inc. for project management services for the Critical Infrastructure Improvement project for a two-year term in an amount not to exceed \$423,302.40.

**G. Request for Special Procurement For Custom Design and Metal Fabrication Services**

Submitted by: Dave Anderson, Deputy Chief/Emergency Operations Bureau

Recommended Action:

Approve and authorize the Purchasing Manager to increase and extend a previously issued blanket order with Stein Industries utilizing the special procurement provision in the Purchasing Ordinance for custom design and metal fabrication services for a three-year term at an amount not to exceed \$60,000 (\$20,000 annually).

**END OF CONSENT CALENDAR**

#### **4. DISCUSSION CALENDAR**

No items.

#### **CLOSED SESSION**

No items.

#### **COMMITTEE MEMBER COMMENTS**

**ADJOURNMENT** – The next regular meeting of the Executive Committee is scheduled for Thursday, October 25, 2018, at 5:30 p.m.

#### **AFFIDAVIT OF POSTING**

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted in the lobby, front gate public display case, and website of the Orange County Fire Authority, Regional Fire Training and Operations Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting. Dated this 20<sup>th</sup> day of September 2018.

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Sherry A.F. Wentz, CMC  
Clerk of the Authority

#### **UPCOMING MEETINGS:**

Budget and Finance Committee Meeting	Wednesday, October 10, 2018, 12 noon
Claims Settlement Committee Meeting	Thursday, October 25, 2018, 5:00 p.m.
Executive Committee Meeting	Thursday, October 25, 2018, 5:30 p.m.
Board of Directors Meeting	Thursday, October 25, 2018, 6:00 p.m.



# **MINUTES ORANGE COUNTY FIRE AUTHORITY**

**Executive Committee Regular Meeting  
Thursday, August 23, 2018  
5:30 P.M.**

**Regional Fire Operations and Training Center  
Board Room  
1 Fire Authority Road  
Irvine, CA 92602**

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## **CALL TO ORDER**

Chair Sachs called the regular meeting of the Orange County Fire Authority Executive Committee to order at 5:30 p.m. on August 23, 2018.

## **INVOCATION**

Senior Chaplain Dave Keehn offered the invocation.

## **PLEDGE OF ALLEGIANCE**

Director Hernandez led the assembly in the Pledge of Allegiance to our Flag.

## **ROLL CALL**

**Present:** Noel Hatch, Laguna Woods  
Gene Hernandez, Yorba Linda  
Joe Muller, Dana Point  
Ed Sachs, Mission Viejo  
Elizabeth Swift, Buena Park  
Tri Ta, Westminster

**Absent:** Shelley Hasselbrink, Los Alamitos  
Dave Shawver, Stanton  
Todd Spitzer, County of Orange

## **Also present were:**

Fire Chief Brian Fennessy	Assistant Chief Dave Anderson
Assistant Chief Lori Smith	Assistant Chief Lori Zeller
General Counsel David Kendig	Assistant Chief Mark Sanchez
Assistant Chief Randy Black	Human Resources Director Brigitte Gibb
Clerk of the Authority Sherry Wentz	

## **1. PRESENTATIONS**

No items.

## **REPORTS**

No items.

### **REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR (F: 12.02A6)**

Chair Sachs stated as the August meeting was cancelled, there will be no report; the Committee will hold a special meeting on September 4, 2018.

### **REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR (F: 12.02A6)**

Chair Sachs stated as the August meeting was cancelled, there will be no report; the next regular meeting will be held on September 12, 2018.

### **PUBLIC COMMENTS (F: 12.02A3)**

Chair Sachs opened the Public Comments portion of the meeting. Chair Sachs closed the Public Comments portion of the meeting without any comments from the general public.

## **2. MINUTES**

### **A. Minutes from the July 26, 2018, Regular Executive Committee Meeting (F: 12.02A2)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted by those present to approve the July 26, 2018, Minutes as submitted.

Director Swift was absent for the vote.

Director Swift arrived at this point (5:34 p.m.).

## **3. CONSENT CALENDAR (Agenda Item No. 3B was pulled for Separate Consideration)**

### **A. Monthly Investment Reports (F: 11.10D2)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to receive and file the reports.

### **B. Mission-Driven Culture Organizational and Leadership Development (F: 17.16A)**

General Counsel David Kendig pulled the item from the Consent Calendar for separate consideration. He reported that it had been brought to his attention that there was a website that indicated Chief Fennessy could be reached at the email address "[bfennessy@mcsolutions.com](mailto:bfennessy@mcsolutions.com)", and that in turn gave rise to a question whether Chief Fennessy has a business relationship with MC Solutions. Mr. Kendig summarized the

Minutes

OCFA Executive Committee Regular Meeting

August 23, 2018 Page - 2

interviews and investigation that was undertaken as a result and summarized the resulting conclusions. Specifically, he concluded that the referenced email address had been created in error when all speakers including Chief Fennessy who spoke at a particular class were erroneously entered in a third-party database with Mission-Centered Solutions shown as its affiliated company. The email address was never used by Chief Fennessy nor MCS. The error has now been corrected. In summary, General Counsel reported that they found no evidence of any financial relationship between the Fire Chief and either MC Solutions or the International Association of Fire Chiefs, and the staff recommendation remained as stated in the Staff Report.

On motion of Director Hatch and second by Director Ta the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to execute the proposed Professional Services Agreement with International Association of Fire Chiefs for three years in an amount not to exceed \$880,000 (Year One-\$472,500, Year Two-\$306,500, and Year Three-\$101,000) for mission-driven culture education development training.

**C. Memorandum of Understanding – Hold Harmless Agreement with the Federal Bureau of Investigation (F: 22.10B1)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to approve and authorize the Fire Chief or his designee to execute the proposed Memorandum of Understanding with the Federal Bureau of Investigation.

**D. Award of Contract for Fire Policy Manual & Daily Training Bulletins (F: 14.10A)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to execute the proposed Professional Services Agreement with Lexipol, LLC for a three-year period in an amount not to exceed \$364,055 (Year One-\$171,185, Year Two-\$124,685, and Year Three-\$68,185) inclusive of implementation services.

**E. Request to Add Additional Features and Purchase Order Increase for TriTech Computer Aided Dispatch Systems (F: 19.08A3a)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to:

1. Approve and authorize the Purchasing Manager to issue a purchase order to TriTech Software Systems in the amount of \$27,580 for licensing of the TriTech RapidSOS Interface and additional Inform Compute Aided Dispatch Archive Server Software including database administration configuration services and the first year of support and maintenance.

2. Approve and authorize the Purchasing Manager to amend and increase purchase order P0011224 with TriTech for the Regional CAD2CAD System Adapter by \$28,700 for additional integration services including testing, training, and the first year of support and maintenance.

**F. Blanket Order Increase Communications Equipment Installation Professional Services (F: 18.04A)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to execute the proposed Professional Services Agreement with 911 Vehicle to increase and extend the current blanket order for communications equipment installation services for the final, one-year optional renewal at an annual amount not to exceed \$240,000.

**G. Purchase Order Contract Increase for Communications Equipment Installation Professional Services (F: 19.09D9)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to amend and increase the current professional services agreement with Bear Communications, Inc. by \$170,250, for additional installation services needed to install in-vehicle 800MHz portable radio battery chargers in up to 340 OCFA emergency apparatus and vehicles, for a new not to exceed amount of \$327,750.

**H. Award of RFP #JA2288 Purchase of Two Crew Carrier Vehicles (F: 19.09A)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to issue a purchase order to Boise Mobile Equipment for the purchase of two crew carrier vehicles in a total amount of \$606,665 (\$303,333 each vehicle).

**I. Blanket Order Contract Increase for Detroit Diesel Engine Parts and Repair Services (F: 19.09)**

On motion of Director Hernandez and second by Director Ta the Executive Committee voted unanimously by those present to:

1. Approve and authorize the Purchasing Manager to increase the current blanket order contract with Valley Power Systems Inc., in the amount of \$50,000, not to exceed \$150,000 annually, and increase the current blanket order contract with Harbor Diesel in the amount of \$50,000, not to exceed \$100,000 annually, for the current contracts ending November 30, 2018.

2. Approve and authorize the Purchasing Manager to redistribute or adjust the funding between the two vendors as requested by the department provided the aggregate amount does not exceed \$250,000 annually.
3. Approve and authorize the Purchasing Manager to extend the contracts up to four additional one-year renewals, at the adjusted amounts, with annual price increases not to exceed 3% per year or the percentage increase in the U.S. Department of Labor Consumer Price Index for All Urban Consumers, Services, in the Los Angeles-Riverside-Orange County, CA Area, whichever is lower.

**J. Blanket Order Contract Extension for Janitorial Services at the Regional Fire Operations and Training Center (F: 19.07B7)**

On motion of Director Hernandez and second by Director Ta the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to extend the contract with DMS for janitorial services at Regional Fire Operations and Training Center from September 30, 2018, through April 30, 2019, in an amount not to exceed \$88,727.

**K. Contract Increase for Apparatus Bay Door Maintenance and Repair (F 19.07K)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to:

1. Approve and authorize the Purchasing Manager to amend and increase the current contract with Mako Overhead Door for apparatus bay door maintenance and repair services in the amount of \$100,000, not to exceed \$200,000, for the current contract ending October 31, 2018.
2. Approve an increase to the current contract with Mako Overhead Door for apparatus door maintenance and repair services for the remaining two, one-year optional renewals for an amount not to exceed \$200,000 annually.

**L. Approval for Donation of Doublewide Trailer to Centralia School District (F: 19.06)**

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to donate the doublewide trailer used at Temporary Fire Station 61 to the Centralia School District per SOP AD.03.06.

**M. Sole Source Purchase of the Drip Drop Hydration, Inc. Oral Rehydration Solution**  
(F: 19.12A)

On motion of Director Hernandez and second by Director Ta, the Executive Committee voted unanimously by those present to approve and authorize the Purchasing Manager to issue a sole source contract to Drip Drop Hydration, Inc., for a three-year aggregate amount not to exceed \$150,000 (up to \$50,000 annually).

**END OF CONSENT CALENDAR**

**4. DISCUSSION CALENDAR**

No items.

**CLOSED SESSION**

No items.

**COMMITTEE MEMBER COMMENTS**

The Executive Committee Members offered no comments.

**ADJOURNMENT** – Chair Sachs adjourned the meeting at 5:42 p.m. The next regular meeting of the Executive Committee is scheduled for Thursday, September 27, 2018, at 5:30 p.m.

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Sherry A.F. Wentz, CMC  
Clerk of the Authority



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
September 27, 2018

Agenda Item No. 3A  
Consent Calendar

**Monthly Investment Reports**

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**Contact(s) for Further Information**

Patricia Jakubiak, Treasurer Treasury & Financial Planning	<a href="mailto:triciajakubiak@ocfa.org">triciajakubiak@ocfa.org</a>	714.573.6301
Jane Wong, Assistant Treasurer	<a href="mailto:jane Wong@ocfa.org">jane Wong@ocfa.org</a>	714.573.6305

**Summary**

This agenda item is a routine transmittal of the monthly investment reports submitted to the Committee in compliance with the investment policy of the Orange County Fire Authority and with Government Code Section 53646.

**Prior Board/Committee Action**

**Budget and Finance Committee Recommendation: *APPROVE***

At its regular September 12, 2018, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

**RECOMMENDED ACTION(S)**

Receive and file the reports.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

Attached is the final monthly investment report for the month ended July 31, 2018. A preliminary investment report as of August 24, 2018, is also provided as the most complete report that was available at the time this agenda item was prepared.

**Attachment(s)**

Final Investment Report – July 2018/Preliminary Report – August 2018

# *Orange County Fire Authority Monthly Investment Report*



*Final Report – July 2018*

*Preliminary Report – August 2018*





## ***Monthly Investment Report Table of Contents***

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***Orange County Fire Authority***

***Final Investment Report***

***July 31, 2018***



## **EXECUTIVE SUMMARY**

### ***Portfolio Activity & Earnings***

During the month of July 2018, the size of the portfolio decreased by \$8.1 million to \$168.5 million. Significant receipts for the month included cash contract payments, apportionments of property taxes, intergovernmental agency payments, and charges for current services totaling \$18.2 million. Significant disbursements for the month included two biweekly payrolls which were approximately \$12.1 million each with related benefits. Significant disbursements also included a total payment of \$1.4 million for insurance. Total July cash outflows amounted to approximately \$27.9 million. The portfolio's balance is expected to decrease further in the following month as there are no major receipts scheduled for August.

In July, as the new fiscal year started, the portfolio's yield to maturity (365-day equivalent) rose by 3 basis points to 1.82%. The effective rate of return edged up by 2 basis points to 1.80%, and the average maturity of the portfolio shortened by 15 days to 69 days to maturity.

### ***Economic News***

The U.S. economy stayed strong overall in July 2018, despite some mixed economic activities. Employment conditions continued to be solid. There was a total of 157,000 new jobs created in July, and the unemployment rate declined by 1 basis point to an even lower rate of 3.9%. Consumer confidence measures were slightly mixed but remained high. Retail sales came in strong in July rising by 0.5%, a stronger pace than expected. Manufacturing and non-manufacturing retreated slightly, but continued expanding. The CPI (Consumer Price Index) rose by 0.2% for the month, as expected. Durable goods orders dropped more than expected while industrial production picked up slightly for the month. Both new and existing home sales fell in July. On August 1, 2018, the Federal Open Market Committee met and voted to keep the federal funds rate unchanged at a target range of 1.75% - 2.00%, but the Committee also upgraded its assessment of the economy.



### BENCHMARK COMPARISON AS OF JULY 31, 2018

3 Month T-Bill: 1.99%

1 Year T-Bill: 2.39%

6 Month T-Bill: 2.17%

LAIF: 1.94%

OCFA Portfolio: 1.80%

### PORTFOLIO SIZE, YIELD, & DURATION

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Book Value-	\$168,533,407	\$176,624,636	\$162,867,749
Yield to Maturity (365 day)	1.82%	1.79%	1.07%
Effective Rate of Return	1.80%	1.78%	1.04%
Days to Maturity	69	84	69





**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Summary**  
**July 31, 2018**

Orange County Fire Authority  
1 Fire Authority Road  
Irvine, Irvine, CA 92602  
(714)573-6301

(See Note 1 on page 9)

(See Note 2 on page 9)

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM/C 360 Equiv.	YTM/C 365 Equiv.
Money Mkt Mutual Funds/Cash	5,547,779.02	5,547,779.02	5,547,779.02	3.32	1	1	1.401	1.420
Federal Agency Coupon Securities	26,000,000.00	25,762,350.00	26,000,000.00	15.55	962	283	1.283	1.301
Federal Agency Disc. -Amortizing	10,000,000.00	9,975,850.00	9,976,725.00	5.97	117	44	1.928	1.955
Treasury Coupon Securities	18,000,000.00	17,950,410.00	17,954,017.29	10.74	203	99	1.958	1.985
Treasury Discounts -Amortizing	43,000,000.00	42,896,420.00	42,898,304.38	25.66	130	45	1.877	1.903
Local Agency Investment Funds	64,808,617.18	64,687,222.15	64,808,617.18	38.76	1	1	1.917	1.944
<b>Investments</b>	<b>167,356,396.20</b>	<b>166,820,031.17</b>	<b>167,185,442.87</b>	<b>100.00%</b>	<b>212</b>	<b>69</b>	<b>1.796</b>	<b>1.821</b>
<hr/>								
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	1,716,457.76	1,716,457.76	1,716,457.76		1	1	0.000	0.000
<b>Total Cash and Investments</b>	<b>169,072,853.96</b>	<b>168,536,488.93</b>	<b>168,901,900.63</b>		<b>212</b>	<b>69</b>	<b>1.796</b>	<b>1.821</b>

Total Earnings	July 31 Month Ending	Fiscal Year To Date
Current Year	272,167.77	272,167.77
<b>Average Daily Balance</b>	<b>177,606,971.32</b>	<b>177,606,971.32</b>
<b>Effective Rate of Return</b>	<b>1.80%</b>	<b>1.80%</b>

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2018. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak, Treasurer

**Cash and Investments with GASB 31 Adjustment:**

Book Value of Cash & Investments before GASB 31 (Above)

\$ 168,901,900.63

GASB 31 Adjustment to Books (See Note 3 on page 9)

\$ (368,493.66)

Total

\$ 168,533,406.97

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2018**

(See Note 1 on page 9)

(See Note 2 on page 9)

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity	Maturity Date
<b>Money Mkt Mutual Funds/Cash</b>											
SYS528	528	Federated Treasury Obligations			5,547,779.02	5,547,779.02	5,547,779.02	1.420	1.420	1	
<b>Subtotal and Average</b>			<b>9,287,089.45</b>		<b>5,547,779.02</b>	<b>5,547,779.02</b>	<b>5,547,779.02</b>		<b>1.420</b>	<b>1</b>	
<b>Federal Agency Coupon Securities</b>											
3133EFJP3	869	Federal Farm Credit Bank (Callable Anytime)		10/15/2015	10,000,000.00	9,979,700.00	10,000,000.00	1.100	1.054	75	10/15/2018
3133EGPD1	921	Federal Farm Credit Bank (Callable Anytime)		04/20/2017	7,000,000.00	6,886,600.00	7,000,000.00	1.180	1.375	365	08/01/2019
3134GBHT2	922	Fed Home Loan Mtg Corp		04/25/2017	9,000,000.00	8,896,050.00	9,000,000.00	1.625	1.518	450	10/25/2019
<b>Subtotal and Average</b>			<b>26,000,000.00</b>		<b>26,000,000.00</b>	<b>25,762,350.00</b>	<b>26,000,000.00</b>		<b>1.301</b>	<b>283</b>	
<b>Federal Agency Disc. -Amortizing</b>											
313385D29	945	Fed Home Loan Bank		04/26/2018	5,000,000.00	4,993,900.00	4,994,058.33	1.860	1.924	23	08/24/2018
313385J49	948	Fed Home Loan Bank		06/14/2018	5,000,000.00	4,981,950.00	4,982,666.67	1.920	1.986	65	10/05/2018
<b>Subtotal and Average</b>			<b>17,512,493.15</b>		<b>10,000,000.00</b>	<b>9,975,850.00</b>	<b>9,976,725.00</b>		<b>1.955</b>	<b>44</b>	
<b>Treasury Coupon Securities</b>											
912828T83	943	Treasury Note		04/19/2018	9,000,000.00	8,971,380.00	8,973,310.85	0.750	1.960	91	10/31/2018
912828M64	944	Treasury Note		04/19/2018	9,000,000.00	8,979,030.00	8,980,706.44	1.250	2.010	106	11/15/2018
<b>Subtotal and Average</b>			<b>17,946,887.76</b>		<b>18,000,000.00</b>	<b>17,950,410.00</b>	<b>17,954,017.29</b>		<b>1.985</b>	<b>99</b>	
<b>Treasury Discounts -Amortizing</b>											
912796PU7	940	US Treasury Bill		04/19/2018	9,000,000.00	8,996,310.00	8,996,400.00	1.800	1.835	8	08/09/2018
912796PZ6	941	US Treasury Bill		04/19/2018	9,000,000.00	8,976,330.00	8,976,750.00	1.860	1.901	50	09/20/2018
912796QD4	942	US Treasury Bill		04/19/2018	9,000,000.00	8,961,840.00	8,962,462.50	1.925	1.971	78	10/18/2018
912796PV5	946	US Treasury Bill		05/24/2018	4,000,000.00	3,995,400.00	3,995,502.22		1.874	22	08/23/2018
912796PY9	947	US Treasury Bill		05/31/2018	5,000,000.00	4,990,550.00	4,990,635.00	1.873	1.909	36	09/06/2018
912796QB8	949	US Treasury Bill		06/28/2018	7,000,000.00	6,975,990.00	6,976,554.66	1.884	1.920	64	10/04/2018
<b>Subtotal and Average</b>			<b>42,864,896.89</b>		<b>43,000,000.00</b>	<b>42,896,420.00</b>	<b>42,898,304.38</b>		<b>1.903</b>	<b>45</b>	
<b>Local Agency Investment Funds</b>											
SYS336	336	Local Agency Invstmt Fund			64,808,617.18	64,687,222.15	64,808,617.18	1.944	1.944	1	
<b>Subtotal and Average</b>			<b>63,995,604.08</b>		<b>64,808,617.18</b>	<b>64,687,222.15</b>	<b>64,808,617.18</b>		<b>1.944</b>	<b>1</b>	

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
Total and Average			177,606,971.32		167,356,396.20	166,820,031.17	167,185,442.87		1.821	69

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**July 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
<b>Money Mkt Mutual Funds/Cash</b>										
SYS10033	10033	Revolving Fund		07/01/2018	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank		07/01/2018	1,696,457.76	1,696,457.76	1,696,457.76		0.000	1
		<b>Average Balance</b>	<b>0.00</b>							<b>1</b>
<b>Total Cash and Investments</b>			<b>177,606,971.32</b>		<b>169,072,853.96</b>	<b>168,536,488.93</b>	<b>168,901,900.63</b>		<b>1.821</b>	<b>69</b>





**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of August 1, 2018**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, CA 92602  
 (714)573-6301

					Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval:	0 days	( 08/01/2018 - 08/01/2018 )	4 Maturities	0 Payments	72,072,853.96	42.67%	72,072,853.96	71,951,458.93
Aging Interval:	1 - 30 days	( 08/02/2018 - 08/31/2018 )	3 Maturities	0 Payments	18,000,000.00	10.65%	17,985,960.55	17,985,610.00
Aging Interval:	31 - 60 days	( 09/01/2018 - 09/30/2018 )	2 Maturities	0 Payments	14,000,000.00	8.27%	13,967,385.00	13,966,880.00
Aging Interval:	61 - 91 days	( 10/01/2018 - 10/31/2018 )	5 Maturities	0 Payments	40,000,000.00	23.62%	39,894,994.68	39,870,860.00
Aging Interval:	92 - 121 days	( 11/01/2018 - 11/30/2018 )	1 Maturities	0 Payments	9,000,000.00	5.32%	8,980,706.44	8,979,030.00
Aging Interval:	122 - 152 days	( 12/01/2018 - 12/31/2018 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	153 - 183 days	( 01/01/2019 - 01/31/2019 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	184 - 274 days	( 02/01/2019 - 05/02/2019 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	275 - 365 days	( 05/03/2019 - 08/01/2019 )	1 Maturities	0 Payments	7,000,000.00	4.14%	7,000,000.00	6,886,600.00
Aging Interval:	366 - 1095 days	( 08/02/2019 - 07/31/2021 )	1 Maturities	0 Payments	9,000,000.00	5.33%	9,000,000.00	8,896,050.00
Aging Interval:	1096 days and after	( 08/01/2021 - )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Total for			17 Investments	0 Payments		100.00	168,901,900.63	168,536,488.93



**NOTES TO PORTFOLIO MANAGEMENT REPORT**

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank (formerly Union Bank) Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year end. The adjustment for June 30, 2018 includes a decrease of (\$121,754) to the LAIF investment and a decrease of (\$246,740) to the remaining investments.
- Note 4: The Federated Treasury Obligations money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks, yet allow that liquidity to be invested while payment of the outstanding checks is pending.



## ***Local Agency Investment Fund (LAIF)***

As of July 31, 2018, OCFA has \$64,808,617 invested in LAIF. The fair value of OCFA's LAIF investment is calculated using a participant fair value factor provided by LAIF on a quarterly basis. The fair value factor as of June 30, 2018 is 0.998126869. When applied to OCFA's LAIF investment, the fair value is \$64,687,222 or (\$121,395) below cost. Although the fair value of the LAIF investment is lower than cost, OCFA can withdraw the actual amount invested at any time.

LAIF is included in the State Treasurer's Pooled Money Investment Account (PMIA) for investment purposes. The PMIA market valuation at July 31, 2018 is included on the following page.





Fair Value Including Accrued Interest	\$	90,155,032,049.30
---------------------------------------	----	-------------------

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*Orange County Fire Authority*

*Preliminary Investment Report*

*August 24, 2018*



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Summary**  
**August 24, 2018**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, Irvine, CA 92602  
 (714)573-6301

(See Note 1 on page 18)

(See Note 2 on page 18)

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM/C 360 Equiv.	YTM/C 365 Equiv.
Money Mkt Mutual Funds/Cash	1,721,068.60	1,721,068.60	1,721,068.60	1.23	1	1	1.401	1.420
Federal Agency Coupon Securities	26,000,000.00	25,811,910.00	26,000,000.00	18.65	962	259	1.283	1.301
Federal Agency Disc. -Amortizing	5,000,000.00	4,989,150.00	4,989,066.67	3.58	113	41	1.958	1.986
Treasury Coupon Securities	18,000,000.00	17,963,550.00	17,965,424.54	12.89	203	75	1.958	1.985
Treasury Discounts -Amortizing	30,000,000.00	29,946,330.00	29,944,147.50	21.48	140	35	1.901	1.928
Local Agency Investment Funds	58,808,617.18	58,698,460.94	58,808,617.18	42.18	1	1	1.917	1.944
<b>Investments</b>	<b>139,529,685.78</b>	<b>139,130,469.54</b>	<b>139,428,324.49</b>	<b>100.00%</b>	<b>240</b>	<b>67</b>	<b>1.796</b>	<b>1.821</b>

<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	601,469.32	601,469.32	601,469.32		1	1	0.000	0.000
<b>Total Cash and Investments</b>	<b>140,131,155.10</b>	<b>139,731,938.86</b>	<b>140,029,793.81</b>		<b>240</b>	<b>67</b>	<b>1.796</b>	<b>1.821</b>

	August 24 Month Ending	Fiscal Year To Date
<b>Total Earnings</b>		
Current Year	188,021.58	460,189.35
<b>Average Daily Balance</b>	<b>158,627,500.87</b>	<b>169,325,020.58</b>
<b>Effective Rate of Return</b>	<b>1.80%</b>	<b>1.80%</b>

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2018. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak, Treasurer

8/31/18

**Cash and Investments with GASB 31 Adjustment:**

Book Value of Cash & Investments before GASB 31 (Above)

\$ 140,029,793.81

GASB 31 Adjustment to Books (See Note 3 on page 18)

\$ (368,493.66)

Total

\$ 139,661,300.15



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**August 24, 2018**

(See Note 1 on page 18) (See Note 2 on page 18)

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity	Maturity Date
<b>Money Mkt Mutual Funds/Cash</b>											
SYS528	528	Federated Treasury Obligations			1,721,068.60	1,721,068.60	1,721,068.60	1.420	1.420	1	
<b>Subtotal and Average</b>			<b>5,743,746.64</b>		<b>1,721,068.60</b>	<b>1,721,068.60</b>	<b>1,721,068.60</b>		<b>1.420</b>	<b>1</b>	
<b>Federal Agency Coupon Securities</b>											
3133EFJP3	869	Federal Farm Credit Bank (Callable Anytime)		10/15/2015	10,000,000.00	9,986,100.00	10,000,000.00	1.100	1.054	51	10/15/2018
3133EGPD1	921	Federal Farm Credit Bank (Callable Anytime)		04/20/2017	7,000,000.00	6,918,870.00	7,000,000.00	1.180	1.375	341	08/01/2019
3134GBHT2	922	Fed Home Loan Mtg Corp		04/25/2017	9,000,000.00	8,906,940.00	9,000,000.00	1.625	1.518	426	10/25/2019
<b>Subtotal and Average</b>			<b>26,000,000.00</b>		<b>26,000,000.00</b>	<b>25,811,910.00</b>	<b>26,000,000.00</b>		<b>1.301</b>	<b>259</b>	
<b>Federal Agency Disc. -Amortizing</b>											
313385J49	948	Fed Home Loan Bank		06/14/2018	5,000,000.00	4,989,150.00	4,989,066.67	1.920	1.986	41	10/05/2018
<b>Subtotal and Average</b>			<b>9,774,943.40</b>		<b>5,000,000.00</b>	<b>4,989,150.00</b>	<b>4,989,066.67</b>		<b>1.986</b>	<b>41</b>	
<b>Treasury Coupon Securities</b>											
912828T83	943	Treasury Note		04/19/2018	9,000,000.00	8,979,480.00	8,980,349.75	0.750	1.960	67	10/31/2018
912828M64	944	Treasury Note		04/19/2018	9,000,000.00	8,984,070.00	8,985,074.79	1.250	2.010	82	11/15/2018
<b>Subtotal and Average</b>			<b>17,959,958.56</b>		<b>18,000,000.00</b>	<b>17,963,550.00</b>	<b>17,965,424.54</b>		<b>1.985</b>	<b>75</b>	
<b>Treasury Discounts -Amortizing</b>											
912796PZ6	941	US Treasury Bill		04/19/2018	9,000,000.00	8,988,570.00	8,987,910.00	1.860	1.901	26	09/20/2018
912796QD4	942	US Treasury Bill		04/19/2018	8,000,000.00	8,974,620.00	8,974,012.50	1.925	1.971	54	10/18/2018
912796PY9	947	US Treasury Bill		05/31/2018	5,000,000.00	4,997,350.00	4,996,878.33	1.873	1.909	12	09/06/2018
912796QB8	949	US Treasury Bill		06/28/2018	7,000,000.00	6,985,790.00	6,985,346.67	1.884	1.920	40	10/04/2018
<b>Subtotal and Average</b>			<b>36,590,235.08</b>		<b>30,000,000.00</b>	<b>29,946,330.00</b>	<b>29,944,147.50</b>		<b>1.928</b>	<b>35</b>	
<b>Local Agency Investment Funds</b>											
SYS336	336	Local Agency Invstmt Fund			58,808,617.18	58,698,460.94	58,808,617.18	1.944	1.944	1	
<b>Subtotal and Average</b>			<b>62,558,617.18</b>		<b>58,808,617.18</b>	<b>58,698,460.94</b>	<b>58,808,617.18</b>		<b>1.944</b>	<b>1</b>	
<b>Total and Average</b>			<b>158,627,500.87</b>		<b>139,529,685.78</b>	<b>139,130,469.54</b>	<b>139,428,324.49</b>		<b>1.821</b>	<b>67</b>	

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**August 24, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
<b>Money Mkt Mutual Funds/Cash</b>										
SYS10033	10033	Revolving Fund		07/01/2018	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank		07/01/2018	581,469.32	581,469.32	581,469.32		0.000	1
		<b>Average Balance</b>	<b>0.00</b>							<b>1</b>
<b>Total Cash and Investments</b>			<b>158,627,500.87</b>		<b>140,131,155.10</b>	<b>139,731,938.86</b>	<b>140,029,793.81</b>		<b>1.821</b>	<b>67</b>



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**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of August 25, 2018**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, Irvine, CA 92602  
 (714)573-6301

				Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval: 0 days	( 08/25/2018 - 08/25/2018 )	4 Maturities	0 Payments	61,131,155.10	43.66%	61,131,155.10	61,020,998.86
Aging Interval: 1 - 30 days	( 08/26/2018 - 09/24/2018 )	2 Maturities	0 Payments	14,000,000.00	9.99%	13,984,788.33	13,985,920.00
Aging Interval: 31 - 60 days	( 09/25/2018 - 10/24/2018 )	4 Maturities	0 Payments	31,000,000.00	22.10%	30,948,425.84	30,935,660.00
Aging Interval: 61 - 91 days	( 10/25/2018 - 11/24/2018 )	2 Maturities	0 Payments	18,000,000.00	12.83%	17,965,424.54	17,963,550.00
Aging Interval: 92 - 121 days	( 11/25/2018 - 12/24/2018 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 122 - 152 days	( 12/25/2018 - 01/24/2019 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 153 - 183 days	( 01/25/2019 - 02/24/2019 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 184 - 274 days	( 02/25/2019 - 05/26/2019 )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 275 - 365 days	( 05/27/2019 - 08/25/2019 )	1 Maturities	0 Payments	7,000,000.00	5.00%	7,000,000.00	6,918,870.00
Aging Interval: 366 - 1095 days	( 08/26/2019 - 08/24/2021 )	1 Maturities	0 Payments	9,000,000.00	6.43%	9,000,000.00	8,906,940.00
Aging Interval: 1096 days and after	( 08/25/2021 - )	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Total for		14 Investments	0 Payments		100.00	140,029,793.81	139,731,938.86



**NOTES TO PORTFOLIO MANAGEMENT REPORT**

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year end. The adjustment for June 30, 2018 includes a decrease of (\$121,754) to the LAIF investment and a decrease of (\$246,740) to the remaining investments.
- Note 4: The Federated Treasury Obligations money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks, yet allow that liquidity to be invested while payment of the outstanding checks is pending.

## GLOSSARY

### INVESTMENT TERMS

**Basis Point.** Measure used in quoting yields on bonds and notes. One basis point is .01% of yield.

**Book Value.** This value may be the original cost of acquisition of the security, or original cost adjusted by the amortization of a premium or accretion of a discount. The book value may differ significantly from the security's current value in the market.

**Commercial Paper.** Unsecured short-term promissory notes issued by corporations, with maturities ranging from 2 to 270 days; may be sold on a discount basis or may bear interest.

**Coupon Rate.** Interest rate, expressed as a percentage of par or face value, that issuer promises to pay over lifetime of debt security.

**Discount.** The amount by which a bond sells under its par (face) value.

**Discount Securities.** Securities that do not pay periodic interest. Investors earn the difference between the discount issue price and the full face value paid at maturity. Treasury bills, bankers' acceptances and most commercial paper are issued at a discount.

**Effective Rate of Return.** Rate of return on a security, based on its purchase price, coupon rate, maturity date, and the period between interest payments.

**Federal Agency Securities.** Securities issued by agencies such as the Federal National Mortgage Association and the Federal Farm Credit Bank. Though not general obligations of the US Treasury, such securities are sponsored by the government and therefore have high credit ratings. Some are issued on a discount basis and some are issued with coupons.

**Federal Funds.** Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed Funds are considered to be immediately available funds.

**Fed Funds Rate.** The interest rate charged by one institution lending federal funds to another.

**Federal Open Market Committee.** The branch of the Federal Reserve Board that determines the direction of monetary policy.

**Local Agency Investment Fund (LAIF).** A California State Treasury fund which local agencies may use to deposit funds for investment and for reinvestment with a maximum of \$50 million for any agency (*excluding bond funds, which have no maximum*). It offers high liquidity because



deposits can be converted to cash in 24 hours and no interest is lost. Interest is paid quarterly and the State's administrative fee cannot to exceed 1/4 of a percent of the earnings.

**Market value.** The price at which the security is trading and could presumably be purchased or sold.

**Maturity Date.** The specified day on which the issuer of a debt security is obligated to repay the principal amount or face value of security.

**Money Market Mutual Fund.** Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repurchase agreements and federal funds).

**Par.** Face value or principal value of a bond typically \$1,000 per bond.

**Rate of Return.** The amount of income received from an investment, expressed as a percentage. A *market rate of return* is the yield that an investor can expect to receive in the current interest-rate environment utilizing a buy-and-hold to maturity investment strategy.

**Treasury Bills.** Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

**Treasury Notes.** Intermediate U.S. government debt securities with maturities of one to 10 years.

**Treasury bonds.** Long-term U.S. government debt securities with maturities of 10 years or longer.

**Yield.** Rate of return on a bond.

**Yield-to-maturity.** Rate of return on a bond taking into account the total annual interest payments, the purchase price, the redemption value and the amount of time remaining until maturity.

### ECONOMIC TERMS

**Conference Board Consumer Confidence Index** A survey that measures how optimistic or pessimistic consumers are with respect to the economy in the near future.

**Consumer Price Index (CPI).** A measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. Changes in CPI are used to assess price changes associated with the cost of living.

**Durable Goods Orders.** An economic indicator released monthly that reflects new orders placed with domestic manufacturers for delivery of factory durable goods such as autos and appliances in the near term or future.

**Gross Domestic Product.** The monetary value of all the finished goods and services produced within a country's borders in a specific time period. It includes all of private and public consumption, government outlays, investments and exports less imports that occur within a defined territory.

**Industrial Production.** An economic indicator that is released monthly by the Federal Reserve Board. The indicator measures the amount of output from the manufacturing, mining, electric and gas industries.

**ISM Institute for Supply Management (ISM) Manufacturing Index.** A monthly index that monitors employment, production inventories, new orders and supplier deliveries.

**ISM Non-manufacturing Index.** An index based on surveys of non-manufacturing firms' purchasing and supply executives. It tracks economic data for the service sector.

**Leading Economic Index.** A monthly index used to predict the direction of the economy's movements in the months to come. The index is made up of 10 economic components, whose changes tend to precede changes in the overall economy.

**National Federation of Independent Business Small Business Optimism Index.** An index based on surveys of small business owners' plans and expectations regarding employment, capital, inventories, economic improvement, credit conditions, expansion, and earnings trends in the near term or future.

**Producer Price Index.** An index that measures the average change over time in the selling prices received by domestic producers for their output.

**University of Michigan Consumer Sentiment Index.** An index that measures the overall health of the economy as determined by consumer opinion. It takes into account an individual's feelings toward his or her own current financial health, the health of the economy in the short term and the prospects for longer term economic growth.



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
September 27, 2018

Agenda Item No. 3B  
Consent Calendar

**Annual Investment Report**

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**Contact(s) for Further Information**

Patricia Jakubiak, Treasurer Treasury & Financial Planning	<a href="mailto:triciajakubiak@ocfa.org">triciajakubiak@ocfa.org</a>	714.573.6301
Jane Wong, Assistant Treasurer	<a href="mailto:jane Wong@ocfa.org">jane Wong@ocfa.org</a>	714.573.6305

**Summary**

This annual agenda item is submitted to the Budget and Finance Committee in compliance with Section 18.2 of the Orange County Fire Authority's Investment Policy.

**Prior Board/Committee Action**

**Budget and Finance Committee Recommendation: *APPROVE***

At its regular September 12, 2018, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

**RECOMMENDED ACTION(S)**

Receive and file the report.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

Section 18.2 of OCFA's Investment Policy requires that the Treasurer submit an annual report to the Budget and Finance Committee and the Executive Committee following the close of the fiscal year. The attached report certifies that the Treasurer has complied with OCFA's investment policies and procedures and details the following:

- Portfolio performance and comparison to benchmarks
- A review of trends regarding the size of the portfolio
- Discussion of investment risk in the portfolio
- Analysis of the composition of the portfolio
- GASB 31 impacts
- Investment income
- A statement of anticipated investment fund activity in the next fiscal year

**Attachment(s)**

Annual Investment Report for Fiscal Year 2017/18

*Treasury and Financial Planning*



*Annual Investment Report – FY 2017/18*

# ***Orange County Fire Authority Annual Investment Report***

## ***Fiscal Year 2017/18***

*The Annual Investment Report for the fiscal year ended June 30, 2018 fulfills the requirements of Section 18.2 of the Authority's Investment Policy ("the Policy"). The Annual Report is a review of the last twelve months of investment activity by the Treasurer.*





## ***Annual Investment Report***

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

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### PORTFOLIO PERFORMANCE AND COMPARISON TO BENCHMARK

***OCFA's portfolio performance was in line with the Local Agency Investment Fund (LAIF) benchmark, but was lower than Treasury benchmark comparisons as listed below for FY 2017/18.***

During FY 2017/18, the Federal Reserve Board, again, gradually raised the federal funds rate, the overnight bank lending rate, three times as in FY 2016/17. The last rate increase occurred at their June 2018 meeting, bringing the rate to a new target range of 1.75% to 2.00%. The economy continued to grow during the FY 2017/18 with a consistently high consumer confidence level and a strong jobs market resulting in an even lower unemployment rate of 4.0% in June compared to 4.4% a year ago. OCFA's portfolio began the fiscal year with a maturity of 69 days and an effective rate of return of 1.04%. Due to the Fed's actions on interest rates during the fiscal year, OCFA's portfolio return also climbed to 1.78% on a portfolio balance of \$177 million. OCFA's portfolio performance was closely aligned with LAIF yet trailed the 3-month, 6-month and 1-year Treasury benchmarks. The major economic factors that caused the Treasury rates to rise at a faster pace included US economic growth, an increase in inflation and rising interest rates. Actual portfolio earnings exceeded the final budget projection for the fiscal year due to higher than anticipated cash balances and rising interest rates.

<i>OCFA Portfolio</i>				<i>Benchmark Comparisons</i>			
	<i>Market Value</i>	<i>Days to Maturity</i>	<i>Effective Yield</i>	<i>3 Month Treasury</i>	<i>6 Month Treasury</i>	<i>1 Year Treasury</i>	<i>LAIF</i>
<b>July</b>	162,867,749	69	1.04%	1.09%	1.13%	1.22%	1.05%
<b>August</b>	145,096,004	93	1.02%	1.03%	1.13%	1.23%	1.08%
<b>September</b>	141,285,259	81	1.02%	1.05%	1.17%	1.28%	1.11%
<b>October</b>	118,668,912	137	1.08%	1.09%	1.25%	1.40%	1.14%
<b>November</b>	144,470,372	109	1.15%	1.25%	1.39%	1.56%	1.17%
<b>December</b>	195,078,136	85	1.17%	1.34%	1.50%	1.70%	1.24%
<b>January</b>	161,668,906	101	1.29%	1.43%	1.62%	1.80%	1.35%
<b>February</b>	145,509,799	96	1.36%	1.59%	1.79%	1.96%	1.41%
<b>March</b>	153,662,453	88	1.42%	1.73%	1.92%	2.06%	1.52%
<b>April</b>	207,870,213	96	1.59%	1.79%	1.98%	2.15%	1.66%
<b>May</b>	201,451,392	84	1.68%	1.90%	2.07%	2.27%	1.76%
<b>June</b>	176,624,636	84	1.78%	1.94%	2.11%	2.33%	1.85%
<b>Fiscal Year</b>	<b>162,854,486</b>	<b>94</b>	<b>1.30%</b>	<b>1.44%</b>	<b>1.59%</b>	<b>1.75%</b>	<b>1.36%</b>

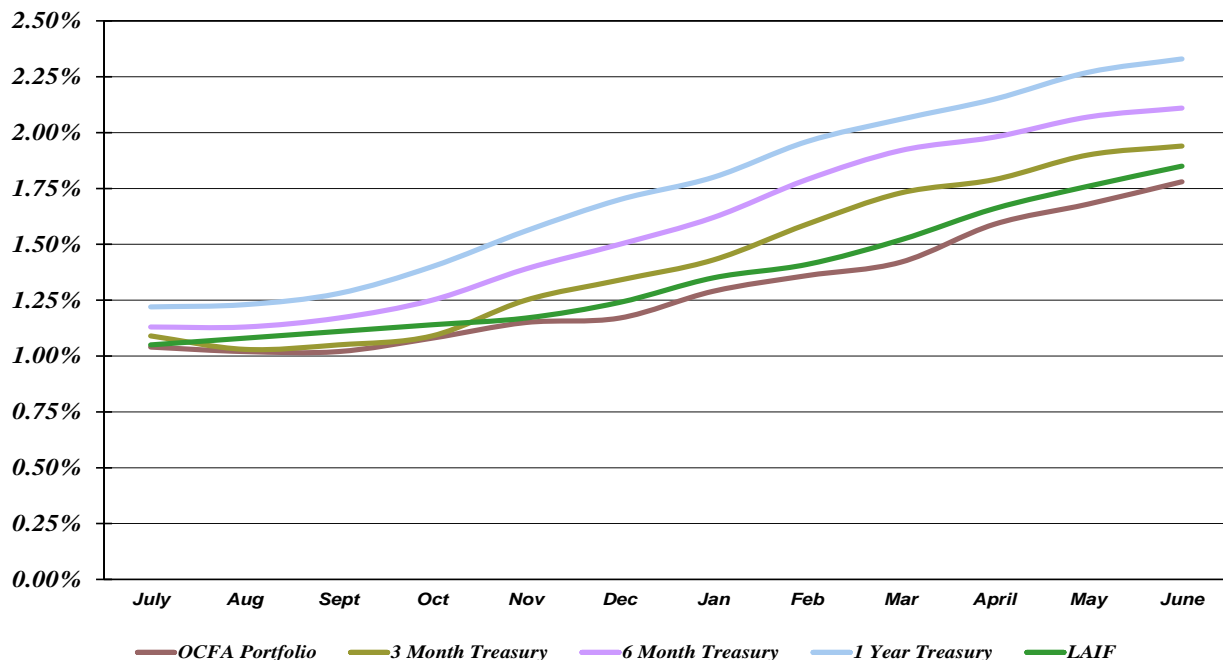


### **PORTFOLIO PERFORMANCE AND COMPARISON TO BENCHMARKS**

The following chart compares the Authority's monthly portfolio performance with benchmarks including 3-month, 6-month, and 1-year Treasuries and LAIF. With the portfolio's average maturity of about 3 months, OCFA's overall portfolio yield was closely aligned with LAIF, but lagged the Treasury benchmarks performance during FY 2017/18.

- During FY 2017/18, Treasury yields rose considerably, especially in the second half of the fiscal year, compared to the prior year due to the 3 rate increases enacted by the Fed.
- In a rising/declining interest rate environment, LAIF's return tends to lag the market in rising/declining due to their maturity structure. As such, LAIF's return gradually rose throughout the fiscal year as interest rates climbed.
- In FY 2017/18, OCFA kept investments primarily in Federal Agency securities and LAIF and increased its investment in Treasuries as Treasury rates began to pick up. However, OCFA remains somewhat restrained due to the timing of cashflow needs. As interest rates are expected to continue to rise in the incoming fiscal year, OCFA's portfolio rate of return can also be expected to grow along with the rising interest rate environment.

#### **Comparison to Benchmarks - FY 2017/18**

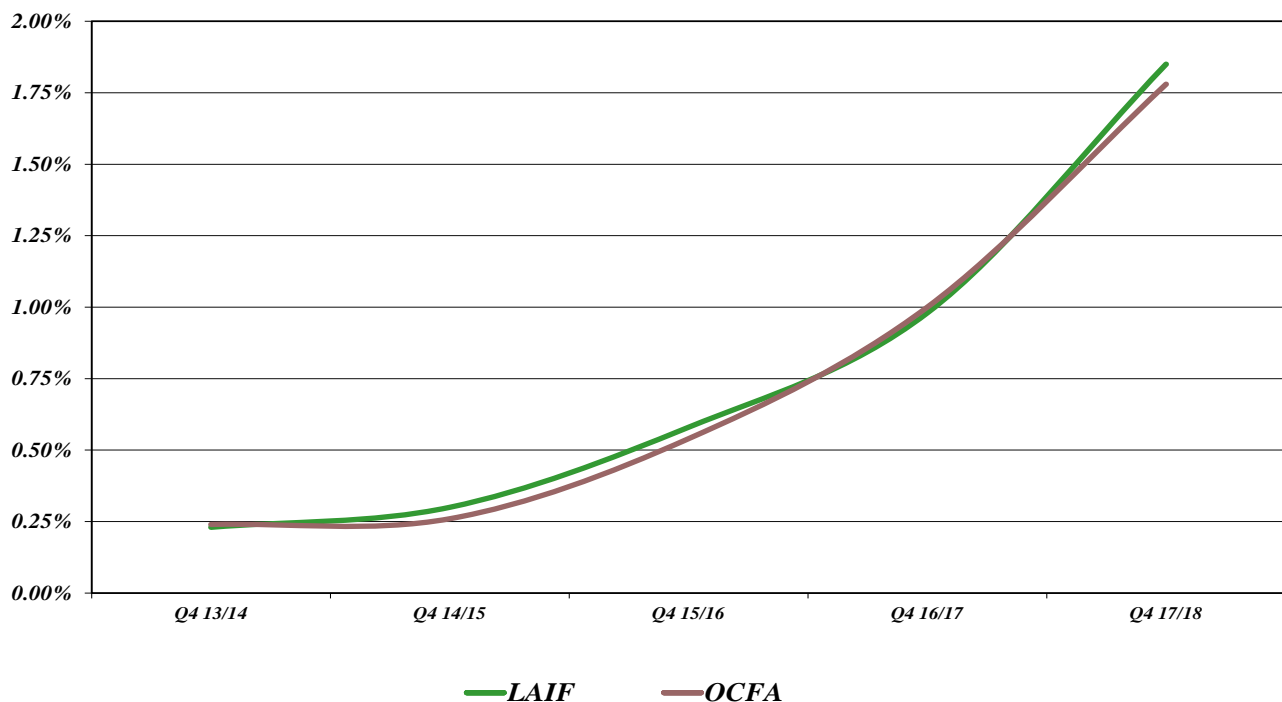




### PORTFOLIO PERFORMANCE AND COMPARISON TO BENCHMARKS

The following chart provides a 5-year history of the Authority's portfolio yield from FY 2013/14 through FY 2017/18 compared to a 5-year history of LAIF's yield. As demonstrated with this historical view, OCFA's portfolio yield performs very similarly to LAIF.

*OCFA & LAIF Portfolio Yields - 5 Year History*





***REVIEW OF TRENDS REGARDING THE SIZE OF  
THE PORTFOLIO***

***Portfolio balances during FY 2017/18 were largely the same as in FY 2016/17.***

The size of the OCFA's portfolio fluctuates over the course of a fiscal year due to timing differences between cash receipts and disbursements. Excluding financing proceeds, OCFA's largest cash receipts are from secured property taxes received in December and April and from cash contract payments received quarterly, except for the City of Santa Ana which pays monthly. Cash disbursements occur more evenly with biweekly payroll expenditures representing the largest component. These timing differences cause the General Fund to experience temporary cash shortages from July through mid-December.

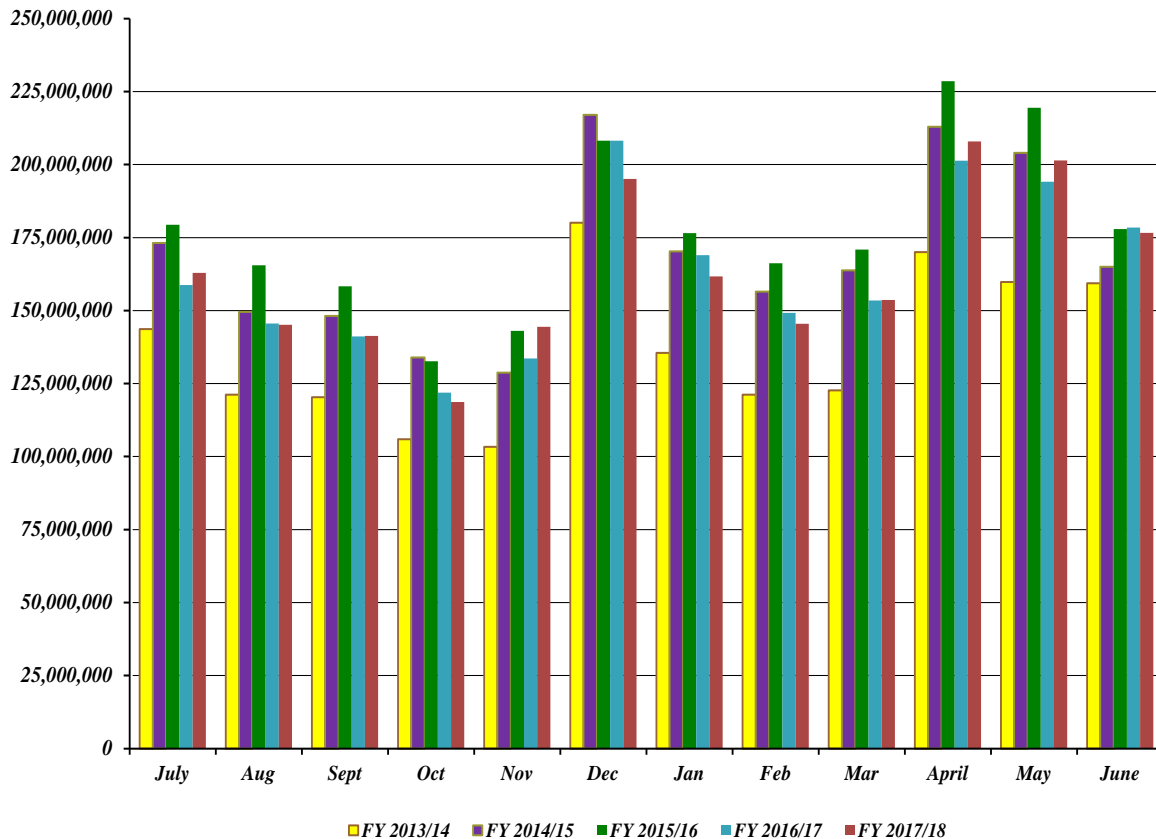
To resolve the temporary cash shortages in the General Fund, OCFA has issued Tax and Revenue Anticipation Notes (TRANs) on an as-needed basis. In FY's 2014/15 and 2015/16, in order to fund its General Fund's expected cashflow timing deficit, OCFA issued \$44.0 million and \$36.3 million TRANs, respectively, which contributed to higher portfolio balances throughout those fiscal years. OCFA's TRANs are typically issued in July and repaid annually in June at the end of the fiscal year; therefore, the ending portfolio balance at June 30<sup>th</sup> excludes TRANs proceeds. In the previous few years, including FY's 2013/14, 2016/17 and 2017/18, OCFA did not need to issue TRANs since it was able to meet its temporary cashflow timing shortages through use of a General Fund cashflow reserve, combined with interfund borrowing; thus cashflow balances for those years (without TRANs proceeds) were lower than FY's 2014/15 and 2015/16. In the past, OCFA has also used lease purchase financing to fund certain capital expenditures including helicopters, vehicles, communication equipment, and information systems.



### REVIEW OF TRENDS REGARDING THE SIZE OF THE PORTFOLIO

The following chart provides a 5-year history of the size of the OCFA's portfolio. During the last five fiscal years, portfolio balances have been rising gradually due to higher revenues, steady increase in the General Fund cashflow reserve and the Worker's Compensation Fund reserve. In addition, due to the projected seasonal/short-term cashflow needs, the OCFA resumed issuing TRANs in FY's 2014/15 and 2015/16, which contributed to the higher portfolio balances for those years. It should be noted, however, that the balances shown below represent total portfolio balance as opposed to fund balance available. Portfolio balance is always higher than fund balance because the portfolio includes cash and investments that are already committed to various contracts and purchase orders or that are reserved for future obligations.

*Size of the Portfolio - 5 Year Historical Trend*





## ***INVESTMENT RISK IN THE PORTFOLIO***

*Although all investments contain an element of risk, OCFA's Investment Policy, procedures, and investment strategies are designed to limit exposure to risk. The different types of risk are discussed below, as they pertain to the portfolio.*

### **Credit (Default) Risk**

Credit risk is defined as the risk to an investor that an issuer will default in the payment of interest and/or principal on a security. OCFA's investment policies and practices limit credit risk by:

- Limiting investments to the safest types of securities and highest quality issuers.
- Specifically excluding investments in equities, corporate bonds, derivatives, reverse repurchase agreements and financial futures or options.
- Avoiding investment in issuers placed on negative credit watch or with current events that involve negative financial implications.
- Pre-qualifying financial institutions and broker/dealers for competitive bidding of individual investment transactions.
- Diversifying investments so that potential losses on individual securities will be minimized.
- Reviewing monthly reports from the State Treasurer's Office regarding LAIF's performance.
- Requiring collateralization of demand deposits and certificates of deposit. MUFG Union Bank, as OCFA's bank, complies with all collateralization requirements for demand deposits.
- Safekeeping investments by separate agreement with MUFG Union Bank's Trust Department.



## ***INVESTMENT RISK IN THE PORTFOLIO***

### **Market Risk**

Market risk is defined as the risk that the value of a security may fall as a result of changes in the financial markets, such as increases in interest rates. In periods of rising interest rates, the market value of a security can fall below the amount of principal invested. If an investor sells the security before maturity, part of the principal will be lost. OCFA reduces market risk by matching investment maturities with cash flow needs to minimize investments that may need to be sold prematurely.

### **Interest Rate Risk**

Interest rate risk is defined as the risk that an investor will under-perform the market, as a result of holding an investment with a lower yield than the current market rate. For example, if an investor holds a one-year certificate of deposit earning 2%, and interest rates rise to 4%, the investor would incur an opportunity cost of 2%. Investors can avoid interest rate risk by keeping maturities fairly short if interest rates are expected to rise.

***OCFA's portfolio reflected an average maturity under one year throughout FY 2017/18 due to projected cashflow needs and market expectations of rising interest rates in the near future.***

### **Liquidity Risk**

Liquidity risk involves the ability to sell an investment before maturity. Some short-term investments are fairly illiquid. For example, a non-negotiable certificate of deposit is an illiquid asset that carries an interest penalty for early redemption. OCFA minimizes liquidity risk by maintaining a significant portion of its portfolio in very liquid instruments, such as LAIF where funds are immediately available, or Treasury and Agency securities, which have active secondary markets.





## **COMPOSITION OF THE PORTFOLIO**

### **Authorized Investments**

Section 10 of OCFA's Investment Policy lists the types of securities allowable for investment. Subject to stipulated restrictions, these include Treasury and Federal Agency securities, collateralized or insured passbook savings accounts and demand deposits, collateralized or insured certificates of deposit, bankers' acceptances, money market funds of short-term treasury securities, repurchase agreements, the Local Agency Investment Fund (LAIF), and commercial paper (rated A1/P1/F1) by the credit rating agencies Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings, respectively.

***OCFA's portfolio only included those investments authorized in  
Section 10 of the Policy in FY 2017/18.***

### **Portfolio Diversification**

Section 15.1 of the Policy sets parameters for portfolio diversification. OCFA's portfolio shall not be invested in a single security type or in a single financial institution/pool in excess of 15% of the total investment portfolio, with the exception of the following:

➤ US Treasury Securities	100%
➤ Local Agency Investment Fund	75%
➤ Federal Agency Securities	75%
➤ Bankers' Acceptances	25%
➤ Negotiable CD's	25%



### COMPOSITION OF THE PORTFOLIO

#### Portfolio Diversification

	<i>US Treasury Securities</i>	<i>LAIF</i>	<i>Federal Agencies</i>	<i>Commercial Paper</i>	<i>Money Market Mutual Funds</i>	<i>Total Portfolio</i>
<b>Maximum</b>	100%	75%	75%	15%	15%	100%
<b>FY Average</b>	17.78%	39.60 %	36.59%	0.00%	6.03%	100%
<b>July</b>	11.67%	39.81%	45.53%	0.00%	2.99%	100%
<b>August</b>	13.01%	41.93%	42.48%	0.00%	2.58%	100%
<b>September</b>	13.41%	45.36%	31.10%	0.00%	10.13%	100%
<b>October</b>	16.05%	48.45%	29.57%	0.00%	5.93%	100%
<b>November</b>	5.50%	44.68%	36.43%	0.00%	13.39%	100%
<b>December</b>	8.73%	30.83%	49.35%	0.00%	11.09%	100%
<b>January</b>	9.29%	39.09%	49.56%	0.00%	2.06%	100%
<b>February</b>	10.35%	42.13%	42.76%	0.00%	4.76%	100%
<b>March</b>	18.17%	42.29%	34.45%	0.00%	5.09%	100%
<b>April</b>	35.27%	31.55%	28.12%	0.00%	5.06%	100%
<b>May</b>	37.57%	32.26%	24.29%	0.00%	5.88%	100%
<b>June</b>	34.39%	36.78%	25.44%	0.00%	3.39%	100%



## ***COMPOSITION OF THE PORTFOLIO***

### **Maturity Diversification**

In order to ensure sufficient liquidity and reduce market risk, Section 15.3 of the Policy requires that “at least 50% of the portfolio is limited to a period of one year or less,” and “unless matched to a specific requirement and approved by the Executive Committee and the Board of Directors, no portion of the portfolio may exceed five years.”

***OCFA’s portfolio complied with maturity diversification requirements as stated in Section 15.3 of the Policy throughout FY 2017/18.***

### **Market Value**

Section 18.1.7 of OCFA’s Investment Policy requires monthly reporting of the current market value of the securities in the portfolio. The Treasurer reports current market values of the portfolio in both the Portfolio Summary and the Portfolio Detail sections of the Monthly Investment Report. Market values are provided monthly by MUFG Union Bank and quarterly by the State Treasurer’s Office for the LAIF investment.



## ***GASB 31 IMPACTS***

### **What is GASB 31?**

The Governmental Accounting Standards Board's Statement 31, titled "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," establishes rules for reporting investment valuation. The Statement generally requires governmental entities to report investments at fair value in the financial statements and to reflect the related unrealized gains and losses as a component of investment income. Different rules apply to an *internal investment pool* (consisting *only* of the governmental entity's own funds) versus an *external investment pool* (consisting of combined funds from other legally separate entities, such as a state or county investment pool).

### **How Does GASB 31 Impact OCFA's Portfolio?**

At June 30, 2018, all of the Authority's investments were reported at fair value in compliance with GASB 31 guidelines. The fair value reporting of OCFA's investments resulted in a net decrease of (\$368,494) to book value. **This fair value adjustment is for financial statement reporting only.**

Under GASB 31 guidelines, investment income is similarly increased/decreased for financial statement purposes. Investment income is impacted by the change in fair value of the investments from the beginning to the end of the reporting period. OCFA previously recognized and reported a decrease to investment valuation at June 2017 of (\$206,004); therefore, an additional loss/decrease of (\$162,490) was recognized and recorded to investment earnings as of June 30, 2018 to reflect the change in fair value of (\$368,494) at the end of the fiscal year.

<i>GASB 31 Adjustment to Books – Beginning of year</i>	<i>\$ (206,004.00)</i>
<i>Net Change in Fair Value (decrease to earnings)</i>	<i>\$ (162,490.00)</i>
<i>GASB 31 Adjustment to Books – End of year loss</i>	<i>\$ (368,494.00)</i>



### ***INVESTMENT INCOME***

Portfolio investment income in FY 2017/18 amounted to \$2,165,262 (pre-GASB 31 adjustment) compared to \$1,200,836 in FY 2016/17. The increase in investment income was primarily due to higher investment yield compared to FY 2016/17. The effective yield for the portfolio was 1.30% in FY 2017/18 compared to 0.73% in FY 2016/17. This increase in the overall effective yield from the prior year was consistent with the overall bond market performance.

### ***ANTICIPATED INVESTMENT ACTIVITY IN THE NEXT FISCAL YEAR***

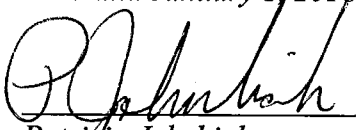
Cash forecasts for FY 2018/19 are based primarily on the FY 2018/19 Adopted Budget. OCFA's Adopted Budget reflects revenues which are in balance with expenditures for the year, and the Budget will enable OCFA to sustain its reserves at the Board-mandated policy level. It is anticipated that the CIP Reserves will continue to be spent down this year on planned projects. However, due to positive overall cashflow projections for FY 2018/19, OCFA did not need to issue TRANs for the FY 2018/19. As a result, the portfolio's balance is expected to decrease during the first half of the FY 2018/19 and fluctuate throughout the fiscal year when property taxes are received, but would level off at the end of the fiscal year.

In addition, based on the Fed's latest assessment of the economy, market expectations are that the Fed will likely continue to raise interest rates, again, in the near future. Thus, interest rates are expected to continue to rise during FY 2018/19, which may result in an increase in investment income over the prior year.



**TREASURER'S CERTIFICATION**

*"As Treasurer of the Orange County Fire Authority, I certify that I have complied with the annual Investment Policies adopted by the Board of Directors and effective January 1, 2017 and January 1, 2018."*

  
Patricia Jakubiak  
Treasurer

9/5/18  
Date

***"We visualize problems and solutions through  
the eyes of those we serve."***





Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
September 27, 2018

Agenda Item No. 3C  
Consent Calendar

**Fourth Quarter Financial Newsletter**

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**Contact(s) for Further Information**

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**Summary**

This routine agenda item is submitted to provide information regarding revenues and expenditures in the General Fund and the Capital Improvement Program Funds through the preliminary close of FY 2017/18.

**Prior Board/Committee Action**

**Budget and Finance Committee Recommendation: *APPROVE***

At its regular September 12, 2018, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

**RECOMMENDED ACTION(S)**

Receive and file the report.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

The Quarterly Financial Newsletter provides information about the General Fund's top five revenue sources as well as expenditures by department and by type. Revenues and expenditures for the Capital Improvement Program (CIP) funds are also included. Revenues and expenditures for the General and CIP Funds through the preliminary close of the fiscal year are within budget, except where noted in the attached newsletter.

**Attachment(s)**

Fourth Quarter Financial Newsletter – July 2017 to June 2018



# Orange County Fire Authority

## Fourth Quarter Financial Newsletter – July 2017 to June 2018

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### **OVERVIEW**

This report covers fiscal activities in the General Fund and CIP Funds through the fourth quarter of Fiscal Year 2017/18. Budget figures include all budget adjustments authorized by the Board through the end of the fiscal year.

### **GENERAL FUND**

With the year completed, total General Fund revenues are 103.0% of budget and expenditures are 98.7% as shown below:

General Fund (excludes 12110)	YTD Actual	Budget	Variance in Dollars	% Variance
Revenues	401,282,669	389,565,819	11,716,850	103.0%
Expenditures	392,970,788	399,196,073	(6,225,285)	98.7%

**Top Five Revenues.** The analysis presented below compares the five largest revenue categories received during the fiscal year, as compared to the budget. Categories in which the variance is exceeded by 10% or \$1 million, are discussed below the table.

Top Five Revenues	YTD Actual Receipts	Budget	Variance: Actual to Budget in Dollars	% Variance
Property Taxes	250,326,173	244,761,645	5,564,528	2%
Cash Contracts	95,075,733	95,908,362	(832,629)	-1%
State Reimbursements	21,341,411	20,776,423	564,988	3%
CRA Pass-through	11,578,682	9,842,993	1,735,689	15%
Community Risk Reduction Fees	6,658,135	6,145,787	512,348	8%
<b>Total</b>	<b>384,980,134</b>	<b>377,435,210</b>	<b>7,544,924</b>	<b>2%</b>

- **Property Taxes:** The variance in this category of approximately \$5.6 million or 2%, is a result of higher property tax revenue for FY 2017/18 than anticipated, primarily in the secured and supplemental property tax categories. The secured property tax category exceeded by 1.62%, or \$3.8 million, and the supplemental category, which is very unpredictable, exceeded by 19.1% or \$1.4 million.
- **CRA Pass-through:** Pass-through revenues represent OCFA's share of excess property tax from dissolved redevelopment areas, once enforceable obligations are paid. Essentially an element of property tax, this variance of 15% or \$1.7 million also is reflective of the difficulty in accurately estimating the timing of the excess property tax flow upon wind-down of the redevelopment areas.

**Expenditures.** The analysis presented on the following page compares the actual expenditures during the fiscal year, as compared to the budget. Categories in which the variance is exceeded by 10% or \$1 million, are discussed below the table.

Expenditures by Department	YTD Actual Expenditures	Budget	Variance: Actual to Budget in Dollars	% Variance
Business Services	34,997,181	36,003,884	(1,006,703)	-3%
Community Risk Reduction	10,834,134	11,419,634	(585,500)	-5%
Executive Management	15,396,771	15,600,986	(204,215)	-1%
Operations	298,240,219	299,685,013	(1,444,794)	0%
Support Services	33,502,483	36,486,556	(2,984,073)	-9%
<b>Total</b>	<b>392,970,788</b>	<b>399,196,073</b>	<b>(6,225,285)</b>	<b>-2%</b>

*Totals may not equal the sum of components, or Authority-wide totals, due to rounding*

- **Business Services:** This department was under budget in Services and Supplies, primarily in the Special Department Expense and Travel, Training and Meetings categories. Staff did not attend as much training as originally anticipated and a portion of the Special Department Expense remaining budget is being considered for Carryover to FY 2018/19.
- **Operations:** This department was under budget in Services and Supplies. About a third of the remaining budget is attributable to the Urban Search and Rescue unit which is primarily grant funded; therefore those funds will be included in the Carryover request.
- **Support Services:** This department ended the year under budget in Salary & Employee Benefits, Services and Supplies and Equipment. Vacancies in the ECC, and Fleet Services contributed to the savings in Salary & Employee Benefits. Additionally, several projects were not complete at year end and those remaining funds will be included in the Carryover request.

Expenditures by type are outlined below, with exception details below:

Expenditures by Type	YTD Actual Expenditures	Budget	Variance: Actual to Budget in Dollars	% Variance
Salary and Employee Benefits	357,647,306	359,115,010	(1,467,704)	0%
Services and Supplies	34,116,332	38,264,417	(4,148,085)	-12%
Equipment	1,207,150	1,816,646	(609,496)	-50%
<b>Total</b>	<b>392,970,788</b>	<b>399,196,073</b>	<b>(6,225,285)</b>	<b>-2%</b>

*Totals may not equal the sum of components, or Authority-wide totals, due to rounding*

- **Salary and Employee Benefits:** Support Services, and Community Risk Reduction were the primary contributors to the savings in this category with \$1.5 million, or less than 1% in total remaining at year-end.
- **Services and Supplies and Equipment.** Between these two categories, actual expenditures through the fourth quarter closed at approximately \$4.8 million or 13% under budget, in part, due to projects that were not completed in FY 2017/18 and will be carried over to FY 2018/19.

## **CIP FUNDS**

The following summarizes revenues and expenditures for the Capital Improvement Program funds. Any variances are noted as follows:

### **General Fund CIP**

Fund 12110	YTD Actual	Budget	Percent
Expenditures	2,557,479	3,111,074	82%

- This Fund receives transfers from the General Fund as its revenue source.
- Appropriations of \$3.1M included funding for routine maintenance and replacement of equipment such as pagers, PCs, laptops, printers, 800 MHz radios, VHF radios, MDC system, fire station telephone/alarm system upgrade, network servers, data storage, EOC upgrade and remote cameras on the County Tower and extrication rescue tools.
- YTD Expenditures of approximately \$2.6M include extrication tools, fire station telephone/alarm sound system upgrades, network, servers and security, data storage, remote cameras on the County Tower, PCs, laptops, tablets and printers, network servers, and VHF radios.
- Several projects were not completed in FY 2017/18 and about \$439K has been requested for carry over to FY 2018/19.

### **Fire Stations and Facilities**

Fund 123	YTD Actual	Budget	Percent
Revenue	2,426,292	1,553,099	156.2%
Expenditures	556,350	2,598,490	21.4%

- Several projects were not completed in FY 2017/18 and about \$439K has been requested for carry over to FY 2018/19.
- Revenues consist of unbudgeted developer contributions as well as bankruptcy loss recovery. We received the FY 2018/19 bankruptcy payment, which was the final payment, in FY 2017/18. There will be no further bankruptcy payments.
- Appropriations of \$10.0 M include funding for replacement of Fire Station 9, US&R warehouse improvements, infrastructure enhancements, site stabilization at Fire Station 42, replacement of Fire Station 10, vehicle sheds at Fire Station 18 and the completion of the RFOTC emergency power circuit project.
- Minimal expenditures occurred in FY 2017/18 as contracts for Fire Station 9 replacement and Fire Station 42 site stabilization had not yet been awarded. YTD expenditures were for improvements to the US&R Warehouse/Training Center, RFOTC Infrastructure security enhancements, RFOTC emergency power circuit extension, and design completion for the Fire Station 42 site stabilization project.
- Several projects were not completed in FY 2017/18 and about \$1.9M has been requested for carry over to FY 2018/19.

### Communications & Info. Systems Replacement

Fund 124	YTD Actual	Budget	Percent
Revenue	447,172	440,528	101.5%
Expenditures	1,186,357	4,250,516	27.9%

- Revenues in excess of budget are comprised of bankruptcy loss recovery proceeds. We received the FY 2018/19 bankruptcy payment, which was the final payment, in FY 2017/18. There will be no further bankruptcy payments.
- Appropriations of \$4.3M include funding for RFOTC Data Center Fire Suppression system upgrade, the OCFA Disaster Recovery Co-Location Facility, Incident Reporting Application Replacement, the Next Generation CAD2CAD projects, 800 MHz Replacement, and Audio Video Equipment Upgrades.
- YTD expenditures remain low at approximately 28% as most projects were still in planning stages through the end of FY 2017/18.
- Several projects were not completed in FY 2017/18 and about \$2.9M has been requested for carry over to FY 2018/19.

### Fire Apparatus

Fund 133	YTD Actual	Budget	Percent
Revenue	3,466,078	1,826,547	189.8%
Expenditures	7,424,749	11,290,499	65.8%

- Actual revenue includes the quarterly Cash Contract payments for vehicle depreciation, interest, bankruptcy loss recovery and a large unbudgeted developer contribution.
- Major expenditures include four quarterly lease payments on the helicopters; purchase orders were issued for seven Type-1 Engines, three Full-size 4-door vehicle, two mid-size 4-door vehicles, nine mid-size pickup vehicles and one mid-size cargo van.
- Several vehicles were not purchased in FY 2017/18 and about \$3.8M has been requested for carry over to FY 2018/19.

### **SUMMARY**

***For more information.*** This summary is based on detailed information from our financial system. If you would like more information or have any questions about the report, please contact Deborah Gunderson, Budget Manager at 714-573-6302, or Tricia Jakubiak, Treasurer at 714-573-6301.



**Orange County Fire Authority**  
**AGENDA STAFF REPORT**

**Executive Committee Meeting**  
**September 27, 2018**

**Agenda Item No. 3D**  
**Consent Calendar**

**Contract Award for Medical Laboratory Testing Services**

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**Contact(s) for Further Information**

Randy Black, Assistant Chief  
Emergency Medical Services

[randyblack@ocfa.org](mailto:randyblack@ocfa.org)

714.573.6008

Kenny Dossey, Battalion Chief

[kennydossey@ocfa.org](mailto:kennydossey@ocfa.org)

714.573.6071

**Summary**

This agenda item is submitted for the approval a contract for medical laboratory services to Quest Diagnostics, Inc. (Quest), the number one ranked firm in the Request for Proposal process.

**Prior Board/Committee Action**

Not Applicable.

**RECOMMENDED ACTION(S)**

Approve award of RFP DC2294 to Quest Diagnostics, Inc. and authorize the Purchasing Manager to sign the proposed Professional Services Agreement for medical laboratory services in an amount not to exceed \$125,000 annually (\$375,000 during the initial three-year contract period through 2021).

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding for this contract is included in the FY 2018/19 General Fund, specifically in the Emergency Medical Services (EMS) Section's budget for services and supplies.

**Background**

On June 26, 2018, RFP DC2294 was issued to solicit competitive proposals from medical lab testing providers. Final proposals were due on July 19, 2018, and both Quest and Agathos submitted proposals. An evaluation team consisting of staff from EMS and WEFIT evaluated the written proposals. Based on the evaluation scoring, Quest, the number one ranked firm, was invited to an interview and to further negotiate the terms of the final contract.



***Recommendation for Award***

Staff is recommending award of the contract to Quest in an annual not to exceed amount of \$125,000 annually (\$375,000 aggregate during the initial three-year contract period). Testing prices will remain the same for all three years. The new contract will result in an estimated annual savings of \$48,750 over the current contract (Attachment 1). Testing prices are lower and the contract is direct with the provider rather than through a third party administrator. The current contract with Agathos has been extended through October 31, 2018, should there be a need for services prior to approval of the new contract with Quest.

**Attachment(s)**

1. Proposal Evaluation Scoring for DC2294 – Medical Laboratory Testing Services
2. Proposed Professional Services Agreement

**DC2294 – Medical Laboratory Testing Services  
Summary of Evaluation Scores and Pricing**

***Evaluation***

An evaluation team consisting of two EMS staff and one WEFIT staff evaluated the proposals received. The proposal was evaluated based on the criteria and point structure as defined in the RFP: method of approach (15), qualifications and experience (30), availability of services (30) and proposed costs (25). Upon completion of the proposal evaluation, it was determined that the proposal from Quest Diagnostics met all the minimum mandatory requirements and was scored highest by the evaluation committee. Final evaluation scores, are shown in the table below:

<b>Evaluation Score Summary</b>						
Offerors	<b>Agathos Laboratories</b>			<b>Quest Diagnostic</b>		
*Annual Pricing	<b>\$157,860</b>			<b>\$112,090</b>		
<b>Evaluator #</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>3</b>
A. Method of Approach (15)	10.5	13.5	7.5	13.5	15	15
B. Qualifications & Experience (30)	27	27	15	27	28.5	30
C. Availability of Services (30)	25.5	27	24	24	28.5	18
D. Proposed Costs (25)	21.3	21.3	21.3	25	25	25
Sum of Proposal Scores	84.3	88.8	67.8	89.5	97.0	88.0
Sum of Written Proposal Rankings	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>

*\*Annual pricing is based on an estimated number of tests provided in the pricing page.*

California Division of Occupational Safety and Health (better known as Cal/OSHA) aerosol transmissible disease regulations and the Centers for Disease Control (CDC) guidelines, require testing of healthcare workers (including EMS providers) for tuberculosis on hire and at least every 12 months. The pricing for annual TB testing (the largest component of the contract) is provided below:

<b>Description of lab test</b>	<b>Qty</b>	<b>Agathos Lab (current contract)</b>		<b>Agathos Lab (new proposal)</b>		<b>Quest Diagnostics</b>	
		<b>Unit Cost</b>	<b>Total</b>	<b>Unit Cost</b>	<b>Total</b>	<b>Unit Cost</b>	<b>Total</b>
BAMT – QuantiFERON In Tube	1,500	90.00	135,000	85.00	127,500	60.00	90,000
Venipuncture Fee	1,500	7.50	11,250	7.30	10,950	5.00	7,500
<b>Total</b>			<b>\$146,250</b>		<b>\$138,450</b>		<b>\$97,500</b>

Soliciting and awarding the new contract for medical laboratory testing to Quest will result in an estimated annual savings of \$48,750 over the current contract with Agathos.

**ORANGE COUNTY FIRE AUTHORITY  
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and entered into this 27th day of September, 2018, by and between the Orange County Fire Authority, a public agency, hereinafter referred to as "OCFA", and Unilab Corporation, doing business as Quest Diagnostics Incorporated, hereinafter referred to as "Firm".

**RECITALS**

WHEREAS, OCFA requires the services of a firm for the as-needed lab diagnostic testing services, hereinafter referred to as "Project"; and

WHEREAS, Firm has submitted to OCFA a proposal dated July 19, 2018 in response to RFP DC2294, which is incorporated herein by this reference; and

WHEREAS, based on its experience and reputation, Firm is qualified to provide the necessary services for the Project and desires to provide such services; and

WHEREAS, OCFA desires to retain the services of Firm for the Project.

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein, OCFA agrees to employ and does hereby employ Firm and Firm agrees to provide professional services as follows:

**AGREEMENT**

**1. PROFESSIONAL SERVICES**

**1.1 Scope of Services.**

In compliance with all terms and conditions of this Agreement, Firm shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A." Firm warrants that all services shall be performed in a competent, professional and satisfactory manner in accordance with all standards prevalent in the same profession in the State of California. Firm represents and warrants that it and all employees, subconsultants and subcontractors providing any services pursuant to this Agreement shall have a sufficient skill and experience to perform the Project Services. All Project Services shall be completed to the reasonable satisfaction of the OCFA. In the event of any inconsistency between the terms contained in Exhibit "A" and the terms set forth in the main body of this Agreement, the terms set forth in the main body of this Agreement shall govern.

### **1.2 Compliance with Law.**

All services rendered hereunder shall be provided in accordance with all laws, ordinances, resolutions, statutes, rules, and regulations of OCFA and any federal, state or local governmental agency of competent jurisdiction.

### **1.3 Licenses and Permits.**

Firm shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

### **1.4 Familiarity with Work.**

By executing this Agreement, Firm warrants that Firm (a) has thoroughly investigated and considered the work to be performed, (b) has investigated the site of the work and become fully acquainted with the conditions there existing, (c) has carefully considered how the work should be performed, and (d) fully understands the facilities, difficulties and restrictions attending performance of the work under this Agreement. Should the Firm discover any latent or unknown conditions materially differing from those inherent in the work or as represented by OCFA, Firm shall immediately inform OCFA of such fact and shall not proceed with any work except at Firm's risk until written instructions are received from the Contract Officer.

### **1.5 Care of Work.**

Firm shall adopt and follow reasonable procedures and methods during the term of the Agreement to prevent loss or damage to materials, papers or other components of the work, and shall be responsible for all such damage until acceptance of the work by OCFA, except such loss or damages as may be caused by OCFA's own negligence.

### **1.6 Additional Services.**

Firm shall perform services in addition to those specified in the Proposal when directed to do so in writing by the Contract Officer, provided that Firm shall not be required to perform any additional services without compensation. Any additional compensation not exceeding ten percent (10%) of the original Agreement sum must be approved in writing by the Contract Officer. Any greater increase must be approved in writing by the Executive Committee of the OCFA Board of Directors.

## **2. TIME FOR COMPLETION**

The time for completion of the services to be performed by Firm is an essential condition of this Agreement. Firm shall prosecute regularly and diligently the work of this Agreement according to the schedules set forth in Firm's proposal. Firm shall not be accountable for delays in the progress of its work caused by any condition beyond its control and without the fault or negligence of Firm. Delays shall not entitle Firm to any additional compensation regardless of the party responsible for the delay.

## **3. COMPENSATION OF FIRM**

### **3.1 Compensation of Firm.**

For the services rendered pursuant to this Agreement, Firm shall be compensated and reimbursed, in accordance with the terms set forth in the Pricing Schedule, provided in Exhibit "B," and incorporated herein by reference in an amount not to exceed \$125,000 annually.

### **3.2 Method of Payment.**

In any month in which Firm wishes to receive payment, Firm shall no later than the fifth working day of such month, submit to OCFA in the form approved by OCFA's Director of Finance, an invoice for services rendered prior to the date of the invoice. OCFA shall pay Firm for all expenses stated thereon which are approved by OCFA consistent with this Agreement, within thirty (30) days of receipt of Firm's invoice.

### **3.3 Changes.**

In the event any change or changes in the work is requested by OCFA, the parties hereto shall execute an addendum to this Agreement, setting forth with particularity all terms of such addendum, including, but not limited to, any additional fees. Addenda may be entered into:

A. To provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product or work;

B. To provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Firm's profession.

### **3.4 Appropriations.**

This Agreement is subject to and contingent upon funds being appropriated therefore by the OCFA Board of Directors for each fiscal year covered by the Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to OCFA.

## **4. PERFORMANCE SCHEDULE**

### **4.1 Time of Essence.**

Time is of the essence in the performance of this Agreement.

### **4.2 Schedule of Performance.**

All services rendered pursuant to this Agreement shall be performed within the time periods prescribed in Firm's proposal, attached hereto as Exhibit "A". The extension of any time period specified in Exhibit "A" must be approved in writing by the Contract Officer.

### **4.3 Force Majeure.**

The time for performance of services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Firm, including, but not restricted to, acts of God or of a public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, and unusually severe weather if the Firm shall within ten (10) days of the commencement of such condition notify the Contract Officer who shall thereupon ascertain the facts and the extent of any necessary delay, and extend the time for performing the services for the period of the enforced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

### **4.4 Term.**

This agreement shall continue in full force and effect for three years unless earlier terminated in accordance with Section 8.5 or 8.6 of this Agreement. The contract may be renewed two additional one year periods upon mutual agreement between OCFA and the Firm.



## **5. COORDINATION OF WORK**

### **5.1 Representative of Firm.**

The following principal of the Firm is hereby designated as being the principal and representative of Firm authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith: Patrick Plewman, Vice President & General Manager, Operations.

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principal is a substantial inducement for OCFA to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Firm and devoting sufficient time to personally supervise the services hereunder. The foregoing principal may not be changed by Firm without the express written approval of OCFA.

### **5.2 Contract Officer.**

The Contract Officer shall be Debbie Casper, Purchasing Manager unless otherwise designated in writing by OCFA. It shall be the Firm's responsibility to keep the Contract Officer fully informed of the progress of the performance of the services and Firm shall refer any decisions that must be made by OCFA to the Contract Officer. Unless otherwise specified herein, any approval of OCFA required hereunder shall mean the approval of the Contract Officer.

### **5.3 Prohibition Against Subcontracting or Assignment.**

**5.3.1 No Subcontracting Without Prior Approval.** The experience, knowledge, capability and reputation of Firm, its principals and employees, and the Firm Representative were a substantial inducement for OCFA to enter into this Agreement. Therefore, Firm shall not contract with any other entity to perform in whole or in part the Project Services required hereunder without the express written approval of OCFA.

**5.3.2 Provisions in the Event Subcontractor(s) Are Authorized.** If Firm is authorized to subcontract any part of the Project Services as provided in Section 4.3.1, Firm shall be responsible to OCFA for the acts and omissions of its subcontractor(s) and subconsultant(s) in the same manner as it is for persons directly employed. For purposes of this Agreement, all persons engaged in the performance of Project Services will be considered employees of Firm. OCFA will deal directly with and will make all payments to Firm. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and OCFA. Firm shall ensure that all subcontractor insurance requirements set forth in Section 5 below (including its subsections) are complied with prior to commencement of services by each subcontractor.

**5.3.2.1 Withholding Payment for Non-Authorized Subcontractors.** OCFA shall have the right to withhold payment from Firm for services performed by any subcontractor or subconsultant performing Project Services but not authorized in writing by OCFA, or regarding which the insurance or other requirements under this Agreement have not been satisfied.

**5.3.3 Assignments.** Neither this Agreement nor any interest herein may be assigned, transferred, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of OCFA. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Firm, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release Firm or any surety of Firm from any liability hereunder without the express written consent of OCFA.

**5.4 Independent Contractor.**

Neither OCFA nor any of its employees shall have any control over the manner, mode or means by which Firm, its agents or employees, perform the services required herein, except as otherwise set forth herein. Firm shall perform all services required herein as an independent Firm of OCFA and shall remain at all times as to OCFA a wholly independent contractor with only such obligations as are consistent with that role. Firm shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of OCFA.

**6. INSURANCE AND INDEMNIFICATION**

**6.1 Compliance with Insurance Requirements.** Firm shall obtain, maintain, and keep in full force and effect during the term of this Agreement, at its sole cost and expense, and in a form and content satisfactory to OCFA, all insurance required under this section. Firm shall not commence any Project Services under this Agreement unless and until it has provided evidence satisfactory to OCFA that it has secured all insurance required under this section.

**6.2 Types of Insurance Required.** Without limiting the indemnity provisions set forth in this Agreement, Firm shall obtain and maintain in full force and effect during the term of this Agreement, including any extension thereof, the following policies of insurance. Firm may utilize self-insurance for all or any portion of the limits of insurance required to be carried in this Agreement, in accordance with Section 6.5.

**6.2.1 Professional Liability/Errors and Omissions Insurance ("PLI").** If Minimum PLI Limits are set forth in the solicitation, then Firm shall obtain and maintain PLI insurance applicable to each licensed profession practiced by Firm. Firm shall maintain PLI insurance with per-claim and aggregate limits no lower than the

Minimum PLI Limits designated. Covered professional services shall specifically include all Project Services to be performed under the Agreement.

**6.2.1.1** The PLI shall include contractual liability coverage applicable to this Agreement. The policy must “pay on behalf of” the insured, and include a provision establishing the insurer’s duty to defend the insured.

**6.2.1.2** If the PLI policy of insurance is written on a “claims-made” basis, the policy shall be continued in full force and effect at all times during the term of this Agreement, and for a period of three (3) years from the date of the completion of all Project Services provided hereunder (the “PLI Coverage Period”). If any PLI policy is replaced, cancelled, non-renewed, discontinued, or otherwise terminated, or if the limits of a PLI policy are reduced or the available coverage depleted below the required minimum coverage amounts for any reason during the PLI Coverage Period, Firm shall immediately obtain replacement PLI coverage meeting the requirements of this Section 5.2.1. Such replacement coverage shall satisfy all requirements herein, and shall include coverage for the prior acts or omissions of Firm during the time period during which any Project Services were performed. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended “tail” coverage with the present or new carrier or other insurance arrangements providing for complete coverage, either of which shall be subject to the written approval by the OCFA.

**6.2.1.3** If the PLI policy is written on an “occurrence” basis, the policy shall be continued in full force and effect during the term of this Agreement, or until completion of the Project Services provided for in this Agreement, whichever is later. In the event of termination of the PLI policy during this period, new coverage shall immediately be obtained, and written evidence of the policy shall be immediately provided to OCFA, to ensure PLI coverage during the entire course of performing the Project Services.

**6.2.1.4** Firm shall not perform any Project Services at any time during which required types or amounts of PLI insurance are not in effect, and OCFA shall have no obligation to pay Firm for Project Services performed while required PLI insurance is not in effect.

**6.2.2 Commercial General Liability Insurance.** If Minimum CGL Coverage Limits are set forth in the solicitation, then Firm shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of CGL Insurance. CGL insurance shall be provided on an occurrence-based coverage form; a “claims made” CGL policy is not acceptable. Firm shall maintain CGL insurance with per-claim, aggregate and products and operations completed limits no lower than the Minimum CGL Coverage Limits designated in the Terms, Conditions and Phrases.

**6.2.3 Excess Liability Insurance.** \$10 million per claim/\$10 million aggregate above the General and Professional Liability self-insured retentions.

**6.2.3 Automobile Liability Insurance.** If Minimum Auto Liability Coverage Limits are set forth in the Key Terms, Conditions and Phrases, then Firm shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Automobile liability insurance. Auto liability insurance shall be provided on an occurrence-based coverage form; a "claims made" auto liability policy is not acceptable. Firm shall maintain Auto liability insurance with per-claim and aggregate limits for bodily injury and property damage no lower than the Minimum Auto Liability Coverage Limits designated in the Terms, Conditions and Phrases. The policy shall specifically include coverage for owned, non-owned, leased, and hired automobiles.

**6.2.4 Workers' Compensation Insurance.** If required by the solicitation, then Firm shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Workers' Compensation Insurance in at least the minimum statutory amounts, and in compliance with all other statutory requirements applicable in the State of California. Firm hereby waives on its own behalf, and shall obtain a blanket endorsement from its workers' compensation insurer waiving on the insurance company's behalf, all rights of subrogation against the OCFA, its board members, officials, officers, employees, agents and volunteers.

**6.2.4.1** If subconsultants or subcontractors are used, Firm shall require each of its subconsultants and subcontractors, if any, to waive all rights of subrogation, and to obtain endorsements from the subconsultants'/subcontractors' workers' compensation insurers waiving all rights of subrogation, against the OCFA, its board members, officials, officers, employees, agents and volunteers.

**6.2.4.2** If Workers' Compensation Insurance is required under Section 6.2.4, Firm and each of its subconsultants and subcontractors shall also maintain, in full force and effect throughout the term of this Agreement, Employer's Liability Insurance with limits of at least one million dollars (\$1,000,000.00) per injury or illness.

**6.3 Acceptability of Insurers.** Each insurance policy required by this section shall be issued by a licensed company authorized to transact business by the Department of Insurance for the State of California with a current rating of A-:VII or better (if an admitted carrier), or a current rating of A:X or better (if offered by a non-admitted insurer listed on the State of California List of Approved Surplus Line Insurers (LASLI)), by the latest edition of A.M. Best's Key Rating Guide, except that the OCFA will accept workers' compensation insurance from the State Compensation Fund. In the event the OCFA determines that the Project Services to be performed under this Agreement creates an increased or decreased risk of loss to the OCFA, the Firm agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the OCFA.

**6.4 Specific Insurance Provisions and Endorsements.** Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the OCFA for written approval. Required

insurance policies shall contain the following provisions, or Firm shall provide blanket endorsements acceptable to the OCFA to add the following provisions to the insurance policies:

**6.4.1 Auto Liability and Excess Liability Endorsements.**

The policy or policies of insurance required by this Agreement for Excess and Automobile Liability Insurance shall be endorsed as follows:

**6.4.1.1 Additional Insured:** The OCFA, its board members, officials, officers, employees, agents and volunteers, shall be additional insureds; and

**6.4.1.1.1 Additional Insured Blanket Endorsements:** Additional insured endorsements shall not (1) be restricted to "ongoing operations", (2) exclude "contractual liability", (3) restrict coverage to "sole" liability of Firm, exclude any coverage required under this agreement, or (4) contain special limitations on the scope of protection afforded to additional insureds.

**6.4.1.2 Primary, Non-Contributing.** Where applicable, each CGL and Auto Liability insurance policy shall be endorsed to be primary and any other insurance, deductible, or self-insurance maintained by the OCFA, its board members, officials, officers, employees, agents or volunteers, shall not contribute with the primary insurance.

**6.4.2 Notice of Cancellation:** Should any of the described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

**6.4.3 ACORD Forms Will Not Be Accepted in Lieu of Blanket Endorsements.** By executing this Agreement, Firm certifies that it has prior to execution of this Agreement confirmed that its insurance company will issue each of the blanket endorsements required by this Agreement. Firm also certifies that it understands that "ACORD" Certificate of Liability Insurance forms will not be accepted in lieu of required blanket endorsements.

**6.5 Deductibles and Self-Insured Retentions.** Any deductible or self-insured retention must be approved in writing by the OCFA in advance. The decision whether to approve or withhold approval of a deductible or self-insured retention shall be made by the OCFA in the OCFA's sole and absolute discretion. (Firm may request pre-approval from OCFA of a deductible or self-insured retention prior to submitting Firm's Proposal).

**6.6 Waiver of Subrogation.** Automobile Liability and Excess Liability Insurance shall contain a blanket waiver of subrogation against the OCFA, its officials, officers, employees, agents and volunteers, or shall specifically allow Firm or others providing insurance evidence in compliance with the requirements set forth in this section

to waive their right to recovery prior to a loss. Firm hereby agrees to waive its own right of subrogation against the OCFA, its officials, officers, employees, agents and volunteers.

**6.6.1 Waivers of Subrogation: Subconsultants and Subcontractors**. If OCFA approves the use of subconsultants or subcontractors for the performance of any portion of the Project Services, then Firm shall obtain from each subconsultant and subcontractor, and make available to OCFA upon request, written express waivers by each subconsultant and subcontractor of the right of subrogation against the OCFA, its officials, officers, employees, agents and volunteers, and policy endorsements of each of its subconsultants' and subcontractors' insurance policies waiving any rights of subrogation against the OCFA, its officials, officers, employees, agents and volunteers insurer. All such waivers and endorsements shall be obtained prior to commencement of any Project Services by each subconsultant or subcontractor.

**6.7 Evidence of Coverage**. Concurrently with the execution of the Agreement, Firm shall deliver certificates of insurance together with blanket endorsements affecting each of the insurance policies required to be maintained by Firm by this Section 5.

**6.7.1 Authorized Signatures**. The certificates of insurance and blanket endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf.

**6.7.2 Renewal/Replacement Policies**. At least five (5) days prior to the expiration of any policy required by this Agreement, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the OCFA. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Firm shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the OCFA evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies meeting all requirements of this Agreement.

**6.8 Requirements Not Limiting**. Requirement of specific coverage or minimum limits contained in this section are not intended as a limitation on coverage, limits, or other requirements, or a waiver of any coverage normally provided by any insurance. Nothing in this section shall be construed as limiting in any way the indemnification provision contained in this Agreement, or the extent to which Firm may be held responsible for losses of any type or amount.

**6.9 Enforcement of Agreement (Non-Estoppel)**. Firm acknowledges and agrees that actual or alleged failure on the part of the OCFA to inform Firm of any non-compliance with any of the insurance requirements set forth in this Agreement imposes no additional obligation on the OCFA nor does it waive any rights hereunder.



**6.10 Insurance for Subconsultants.** If OCFA approves the use of subconsultants or subcontractors for the performance of any portion of the Project Services, then Firm shall be responsible for causing each approved subconsultant and subcontractor to procure and maintain insurance in the same types and amounts required for Firm, and in full compliance with the insurance requirements set forth in this Agreement, except as otherwise authorized in writing by the Contract Manager.

**6.10.1 Delivery of Evidence of Subcontractor Insurance.** Upon request of OCFA, Firm shall deliver to OCFA all certificates of insurance and endorsements required from subcontractors and subconsultants. (Note: Firm's duty to obtain all required insurance for subcontractors and subconsultants required under this Agreement applies whether or not OCFA requests delivery of evidence of such coverage.)

**6.11 Other Insurance Requirements.** The following terms and conditions shall apply to the insurance policies required of Firm and its subconsultants and subcontractors, if any, pursuant to this Agreement:

**6.11.1** Firm shall provide immediate written notice to OCFA if (1) any of the insurance policies required herein are terminated, cancelled, suspended, or non-renewed (2) the limits of any of the insurance coverages required herein are reduced; (3) any required insurance coverage is reduced below the required minimum limits through claims or otherwise, or (4) the deductible or self-insured retention is increased.

**6.11.2** All insurance coverage and limits required under this Agreement are intended to apply to each insured, including additional insureds, against whom a claim is made or suit is brought to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the OCFA or its operations shall limit the application of such insurance coverage.

**6.11.3** None of the insurance coverages required herein will be in compliance with the requirements of this section if they include any limiting endorsement which substantially impairs the coverages set forth herein (e.g., elimination of contractual liability or reduction of discovery period), unless the endorsement has first been submitted to the OCFA and approved in writing.

**6.11.4** Certificates of insurance will not be accepted in lieu of required endorsements, and submittal of certificates without required blanket endorsements may delay the Project. It is Firm's obligation to ensure timely compliance with all insurance submittal requirements as provided herein.

**6.11.5** Firm agrees to ensure that subconsultants and subcontractors, if any, and any other parties involved with the Project who are brought onto or involved in the Project by Firm, provide the same minimum insurance coverage required of Firm. Firm agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Firm agrees that upon request, all agreements with, and

evidence of insurance from, subconsultants and subcontractors and others engaged in performing any Project Services will be submitted to the OCFA for review.

**6.11.6** Firm agrees to provide immediate written notice to OCFA of any claim, demand or loss arising out of the Project Services performed under this Agreement.

## **6.12 Indemnification.**

To the fullest extent permitted by law, Firm shall defend (at Firm's sole cost and expense with legal counsel reasonably acceptable to OCFA), indemnify and hold the OCFA, its board members, officials, officers, employees, agents and volunteers, free and harmless from any and all claims, demands, orders, causes of action, costs, expenses, liabilities, losses, penalties, judgments, arbitration awards, settlements, damages or injuries of any kind, in law or in equity, including but not limited to property or persons, including wrongful death, (collectively "Claims") in any manner arising out of, pertaining to, related to, or incident to any alleged negligence, recklessness acts, errors or omissions, or willful misconduct of Firm, its officers, directors, employees, subconsultants, subcontractors, agents or invitees in connection with performance under this Agreement, or in any manner arising out of, pertaining to, related to, or incident to an alleged breach of this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses except that the indemnity obligation of Firm shall be reduced by an amount proportional caused by the negligence, recklessness or willful misconduct of the OCFA, if any.

Notwithstanding the foregoing, and only to the extent that the Project Services performed by Firm are subject to California Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Firm.

Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit Firm's indemnification obligation or other liability hereunder. Notwithstanding the foregoing, such obligation to defend, hold harmless and indemnify the OCFA, its board members officials, officers, employees, agents and volunteers, shall not apply to the extent that such Claims are caused by the sole negligence or willful misconduct of that indemnified party.

## **7. RECORDS AND REPORTS**

### **7.1 Reports.**

Firm shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the parties may mutually agree.

## **7.2 Records.**

Firm shall keep such books and records as shall be necessary to properly perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Except as provided in Section 7.5, the Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from such records.

## **7.3 Ownership of Documents.**

Except as provided in Section 7.5, all drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of this Agreement shall be the property of OCFA and shall be delivered to OCFA upon request of the Contract Officer or upon the termination of this Agreement, and Firm shall have no claim for further employment or additional compensation as a result of the exercise by OCFA of its full rights or ownership of the documents and materials hereunder. Firm may retain copies of such documents for its own use. Firm shall have an unrestricted right to use the concepts embodied therein.

## **7.4 Release of Documents.**

All drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer.

## **7.5 Confidential Materials.**

Notwithstanding anything to the contrary in this Agreement, the Firm shall be the sole owner of Firm's work papers and of any other documents, data or information which are required to be maintained confidential from OCFA by one or more rules of professional conduct governing the Firm's profession(s) (collectively, the "Confidential Materials"). Neither the OCFA nor the Contract Officer shall have access to the Confidential Materials except as may otherwise be required by order issued by a court of competent jurisdiction.

# **8. ENFORCEMENT OF AGREEMENT**

## **8.1 California Law.**

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such county, and Firm covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

## **8.2 Waiver.**

No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of OCFA shall be deemed to waiver or render unnecessary OCFA's consent to or approval of any subsequent act of Firm. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

## **8.3 Rights and Remedies are Cumulative.**

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

## **8.4 Legal Action.**

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, a declaratory judgment, or any other remedy consistent with the purposes of this Agreement.

## **8.5 Termination Prior to Expiration of Term.**

OCFA reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to Firm, except that where termination is due to the fault of the Firm and constitutes an immediate danger to health, safety and general welfare, the period of notice shall be such shorter time as may be appropriate. Upon receipt of the notice of termination, Firm shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Firm shall be entitled to compensation for all services rendered prior to receipt of the notice of termination and for any services authorized by the Contract Officer thereafter.

Firm may terminate this Agreement, with or without cause, upon thirty (30) days written notice to OCFA.

## **8.6 Termination for Default of Firm.**

If termination is due to the failure of the Firm to fulfill its obligations under this Agreement, OCFA may take over the work and prosecute the same to completion by contract or otherwise, and the Firm shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein

stipulated, provided that OCFA shall use reasonable efforts to mitigate damages, and OCFA may withhold any payments to the Firm for the purpose of set-off or partial payment of the amounts owed to OCFA.

#### **8.7 Attorneys' Fees.**

If either party commences an action against the other party arising out of or in connection with this Agreement or its subject matter, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the losing party.

### **9. OCFA OFFICERS AND EMPLOYEES; NON-DISCRIMINATION**

#### **9.1 Non-Liability of OCFA Officers and Employees.**

No officer or employee of OCFA shall be personally liable to the Firm, or any successor-in-interest, in the event of any default or breach by OCFA or for any amount which may become due to the Firm or its successor, or for breach of any obligation of the terms of this Agreement.

#### **9.2 Covenant Against Discrimination.**

Firm covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry. Firm shall take affirmative action to insure that applicants and employees are treated without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

### **10. MISCELLANEOUS PROVISIONS**

#### **10.1 Confidentiality.**

Information obtained by Firm in the performance of this Agreement shall be treated as strictly confidential and shall not be used by Firm for any purpose other than the performance of this Agreement without the written consent of OCFA.

## **10.2 Notice.**

Any notice, demand, request, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by pre-paid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

Orange County Fire Authority  
Attention: Debbie Casper,  
Purchasing Manager  
1 Fire Authority Road  
Irvine, CA 92602

**WITH COPY TO:**  
David E. Kendig, General Counsel  
Woodruff, Spradlin & Smart  
555 Anton Blvd. Suite 1200  
Costa Mesa, CA 92626

To Firm:

Quest Diagnostics  
Attention: Patrick Plewman, Vice President  
& General Manager, Operations  
8401 Fallbrook Ave  
West Hills, CA 91304

## **10.2 Integrated Agreement.**

This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement.

## **10.3 Amendment.**

This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

## **10.4 Severability.**

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the parties hereunder.

**10.5 Corporate Authority.**

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

**"OCFA"**

**ORANGE COUNTY FIRE AUTHORITY**

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

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

Debbie Casper  
Purchasing Manager

**APPROVED AS TO FORM.**

**ATTEST:**

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

  
DAVID E. KENDIG  
GENERAL COUNSEL

\_\_\_\_\_  
Sherry A.F. Wentz  
Clerk of the Board

Date: September 14, 2018

**"FIRM"**

**QUEST DIAGNOSTICS**

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

  
Patrick Plewman  
Vice President & General Mgr. Operations

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



**EXHIBIT A**  
**SCOPE OF SERVICES**



**Scope of Work**

**Proposal for Reference Laboratory Testing**

Quest Diagnostics Incorporated

Quest Diagnostics is ready to serve as your partner in the pursuit of better outcomes – in healthcare and in business. We understand that, in the right hands and with the right context, our diagnostic insights can inspire actions that transform lives.

**Medical Expertise**

Quest Diagnostics offers a wide range of unmatched medical expertise and we can quickly connect your providers with the information and insights they need.

The Quest Diagnostics network of approximately 650 MDs and PhDs consider it part of their jobs to engage with ordering physicians regarding unusual or unexpected findings and are available 24 hours a day, 365 days a year to provide medical, technical, and interpretive consultation.

Our MDs and PhDs can be reached in a variety of ways, including but not limited to:

<b>Email</b>	<a href="mailto:MedConsultation@QuestDiagnostics.com">MedConsultation@QuestDiagnostics.com</a>
<b>Telephone</b>	Client Services: 866-MYQUEST (866-697-8378) Pediatric Medical Consultation Hotline: 855-ALL-4KID(s) (855-255-4543) Genetic Consultation Hotline: 866-GENE-INFO (866-436-3463) Prescription Drug Monitoring: 877-40-RX-TOX (877-407-9869)

**Analytics & Technology Solutions**

At Quest Diagnostics, we understand it’s imperative that you select a lab partner who will provide access to the latest in clinical advancements, technological innovation, and actionable insights to help your organization achieve greater levels of productivity.

Our portfolio of technology offerings is designed to use lab data to analyze clinical performance and identify areas for improvement, provide platforms for seamless connectivity to the healthcare community, and deliver solutions for engaging with patients and clinicians to educate and empower for improved health. Certain solutions are subject to additional fees and must be governed under separate agreements.

## Scope of Work

### Proposal for Reference Laboratory Testing

Quest Diagnostics Incorporated

### Test Menu & Clinical Testing Franchises

Quest Diagnostics operates the largest clinical reference laboratory testing network in the country, with three bicoastal Nichols Institute centers for esoteric testing, over 25 regional laboratories, and specialized testing labs such as Athena Diagnostics.

Through our testing network, we offer the most comprehensive test menu in the industry with more than 3,500 orderable tests and deliver innovative solutions across the healthcare continuum through our clinical testing franchises.

<div>General Health &amp; Wellness</div>	Providing a deeper understanding of a patient's overall health to avoid more serious conditions	<div>Cardiometabolic &amp; Endocrinology</div>	250+ tests targeting CVD, diabetes, and endocrine disorders, offering insights for early diagnosis and treatment
<div>Cancer Diagnostics</div>	Cutting-edge testing solutions enabling precision for uncovering treatment options and targeting therapies	<div>Women's Health</div>	Comprehensive menu spanning the continuum of women's care, supporting the diversity of female health needs
<div>Prescription Drug Monitoring</div>	Ongoing research and development of new tests to keep pace with the dynamic toxicology marketplace	<div>Neurology</div>	500+ neurology genetics and immunology tests across the continuum of care for pediatric, adult, and geriatric populations
<div>Sports Diagnostics</div>	Customized diagnostics athletes can use to optimize performance, avoid injury, and support overall health	<div>Infectious Disease &amp; Immunology</div>	1200+ tests providing insights from screening and diagnosis to treatment selection and monitoring

Scope of Work

Proposal for Reference Laboratory Testing

Quest Diagnostics Incorporated

Testing Laboratories

Quest Diagnostics offers the broadest test menu in the industry through a network of laboratories offering both routine and esoteric testing, enabling us to provide single-source, full-spectrum testing to help your providers make confident diagnoses.

- Laboratories that operate 24 hours a day, 365 days a year, and touch the lives of patients more than 147 million times each year
- World-leading national diagnostic infrastructure features
- Eight “hub” labs across the country and four esoteric labs

Transition & Conversion Process

We understand the challenges that may be faced when transitioning to a new reference laboratory. To make the transition to Quest Diagnostics as easy as possible, we designed our “Smooth Start” plan – a comprehensive and fully customizable implementation program.

The program has pre-implementation, implementation, and post-implementation phases, and includes orientation and education on all aspects of our services, including but not limited to:

Key contacts	Client Services support	Monitoring practices
Connectivity	Send-out services	Reporting
Logistics & supplies	Specimen processing	Billing

Customer Service Approach

Quest Diagnostics believes that customer focus is critical in every aspect of our service and recognizes that meeting unique needs of our hospital customers requires a comprehensive, teamwork approach through effective communication with our customers.

To that end, we offer service support by telephone 24 hours a day, 365 days a year. Client Services representatives are available by telephone 24 hours a day, 365 days a year at 866-MYQUEST (866-697-8378) to respond to inquiries in areas such as specimen requirements, general test information, turnaround time, test add-ons, and results. Representatives can also direct calls to the appropriate individuals (including medical directors, scientific directors, and pathologists) for technical or medical interpretive information.



## Scope of Work

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### Proposal for Reference Laboratory Testing

Quest Diagnostics Incorporated

In addition, all of our managers and laboratory leaders are actively engaged in ensuring customer satisfaction. Issues are assigned to the responsible managers and prompt resolution is expected.

### Account Management Team

The account management team assigned to your organization by Quest Diagnostics will be very knowledgeable about your specific testing and service needs. They will visit your facility on a regular basis, providing up-to-date information and ensuring that all processes involving testing referred to Quest Diagnostics are running smoothly.

### Web-Based Ordering & Resulting

Quest Diagnostics provides web-based and mobile lab test ordering and resulting for physicians and hospitals via our Quantum™ Healthcare Professionals (HCP) connectivity solution.

Quantum HCP users have the ability to:

- Order lab tests, receive results, and access patient and test information electronically any time through any computer with internet access; free mobile apps are also available for most smartphones and tablets
- Use customizable screens when placing standing orders or submitting requisitions for frequently ordered tests
- Utilize advanced reporting features, such as cumulative graphing and the ability to retrieve and print test results by patient, date, test, or abnormal result
- Order supplies
- Protect patient information and adhere to privacy regulations; Quantum eLabs meets all proposed Health Insurance Portability and Accountability Act (HIPAA) standards and protects patient information with DigiCert, a provider of identity, authentication, and encryption solutions, and RSA 2084 bit certificate with a SHA256 signature

### IT Support

At no charge, Quest Diagnostics offers full support and training for all of our web solutions as well as computer hardware and software products that may be required. Our Customer Product Support Help Desk is the first point of contact for any IT questions or issues.

## Scope of Work

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### Proposal for Reference Laboratory Testing

Quest Diagnostics Incorporated

Help Desk analysts are available 24 hours a day, 365 days a year by telephone at 877-537-8378 and are thoroughly trained on all aspects of our applications. Help Desk analysts log incoming calls in our incident tracking system, take “ownership” of the issue, and troubleshoot.

### IT Security

The Quest Diagnostics IT security program upholds corporate values and provides high standards of service, trust, confidentiality and responsiveness to patients, customers, employees and business associates. The program encompasses regulatory requirements in a practical approach that preserves and protects the confidentiality, availability and integrity of information assets including patient, customer and business data.

## Firm's Detailed Information

### Proposal for Reference Laboratory Testing

Quest Diagnostics Incorporated

In 1967 in New York City, Dr. Paul Brown launched the clinical laboratory industry with his vision to offer high quality, highly automated, cost-effective clinical testing. The business was named MetPath (for Metropolitan Pathology) and it quickly became the leading independent testing laboratory in the greater New York metropolitan area.

Corning Incorporated purchased MetPath in 1982 and continued to build the company. The business expanded and additional companies were acquired, including Damon in 1993, Maryland Medical Laboratory in 1994, and Bioran in 1994. Corning also acquired Nichols Institute, world-renowned for esoteric testing, in 1994.

In December 1996, Corning spun off the laboratory testing business to its shareholders, establishing Quest Diagnostics as an independent company trading on the New York Stock Exchange under the symbol "DGX."

Over the years, Quest Diagnostics continued to expand through a combination of business growth and acquisitions. Today, we are the world's leading provider of diagnostic testing information services. We serve approximately half of the hospitals and half of the physicians in the United States, perform testing for approximately one-third of the U.S. adult population annually, and operate the most extensive network of clinical laboratories in the country. We also offer the largest test menu in the industry and have delivered more than 20 billion test results over the past decade.

In recent years, awards and recognitions we've received include but are not limited to:

- Named to Fortune Magazine's 2017 and 2016 "World's Most Admired Companies" list in the Health Care industry category of "Pharmacy and Other Services"
- Ranked 358th on the 2016 Fortune 500 and 1,008 on the 2016 Forbes Global 2000
- Ranked 222nd in the "Barron's 500 ranking of top-performing large companies for 2016
- Achieved Cancer Gold Standard™ accreditation from the CEO Roundtable on Cancer, recognizing our important actions to reduce the cancer risk of employees and their families
- Named a member of the Dow Jones® Sustainability World and North America indexes since 2004 (DJSI World) and 2005 (DJSI North America)
- Named to the Forbes "America's Most Trustworthy Companies" list
- Earned a place on the annual Newsweek Green Rankings, for the fourth consecutive year, placing 182 on the 2016 U.S. list
- Consistently named one of the best places to work in U.S. business journal rankings

RFP DC2294 – Medical Lab Diagnostic Testing Services

**APPENDIX A - OFFEROR'S INFORMATION**

Please complete and/or provide all requested information. If the proposal is submitted by a corporation, please provide an additional attachment that states the names of the officers who can sign an agreement on behalf of the corporation and whether more than one officer must sign. If the proposal is by a partnership or a joint venture, state the names and addresses of all general partners and joint venture parties. If the respondent is a sole proprietorship or another entity that does business under a fictitious name, the proposal shall be in the real name of the respondent with a designation following showing "DBA (the fictitious name)," provided however, that no fictitious name shall be used unless there is a current registration with the Orange County Recorder.

The undersigned, as respondent, declares that all documents regarding this proposal have been examined and accepted and that, if awarded, will enter into a contract with the Orange County Fire Authority.

Firm's Legal Name: <b>Unilab Corporation d/b/a Quest Diagnostics</b>	
Firm Parent or Ownership: <b>Quest Diagnostics Incorporated</b>	
Address: <b>8401 Fallbrook Ave., West Hills, CA 91304</b>	
Firm Telephone No. <b>818-737-6159</b>	Firm Fax No. <b>818-737-6163</b>
Firm's Tax I.D. Number: <b>71-0897031</b>	Incorporated: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Legal form of company: (partnership, corporation, joint venture): <b>Corporation</b>	
Length of time your firm has been in business: <b>51 Years</b>	Length of time at current location: <b>12 Years</b>
Number of employees and Number of Current Clients: <b>Number of employees = 5,200; Number of current clients = over 50,000 institutions of all sizes</b>	

**Management person responsible for direct contact with the Orange County Fire Authority and service required for this Request for Proposal (RFP).**

Name: <b>Kelly Harvey</b>	Title: <b>Sales Director</b>
Telephone No.: <b>714-222-0371</b>	E-mail: <b>kelly.d.harvey@questdiagnostics.com</b>

**Person responsible for the day-to-day servicing of the account:**

Name: <b>Suzanne Moat</b>	Title: <b>Account Executive</b>
Telephone No.: <b>714-615-4189</b>	E-mail: <b>suzanne.l.moat@questdiagnostics.com</b>

**Please indicate if you are subject to the Party and Participant disclosure requirements. Yes No**  
**If yes, you are required to submit form/s (see Appendix F).**

**\*For additional information please see "Campaign Contribution Disclosure".**



## **APPENDIX A - OFFEROR'S INFORMATION**

### **Additional Attachment**

Below are the names of the officers who can sign an agreement on behalf of the corporation; only one officer is required to sign.

Patrick Plewman, Vice President & General Manager, Operations

Jean-Marc Halbout, Vice President, Commercial

**EXHIBIT B**  
**PRICING PAGE**

**APPENDIX D – REVISED PRICING PAGE**

**Proposal Costs** - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. OCFA is requesting that pricing remain valid for the first two years of the contract. Increases in year three if required, must be disclosed and mutually agreed upon before the contract renewal and are to remain valid for at a minimum of one year. OCFA reserves the right to re-solicit if the pricing is not acceptable.

The table below shows the most requested tests and estimated number of each test ordered annually, **actual quantities ordered may vary.**

ITEM NO.	DESCRIPTION OF LAB TESTS	QTY	UNIT COST	TOTAL
1	BAMT; Item #182877 QuantiFERON In Tube (or equivalent) Mycobacterium tuberculosis antigen-stimulated interferon-gamma production with detection by enzyme-linked immunosorbent assay (ELISA). 86480 <i>Offeror's test number:</i> 19453	1,500	\$ 60.00	\$ 90,000.00
2	Hepatitis B Surface AB; Item # 006395 Hepatitis B Surface Antibody <b>Quantitative</b> Immunochemiluminometric assay (ICMA) 86706 <i>Offeror's test number:</i> 8475	200	\$ 15.00	\$ 3,000.00
3	Varicella; Item #235945 Varicella-Zoster Virus Anti-Bodies, IgG/IgM 86787 <i>Offeror's test number:</i> 4439	200	\$ 12.00	\$ 2,400.00
4	MMR Profile; Item # 058495 Measles, Mumps, Rubella (MMR) Immunity Profile Chemiluminescent immunoassay (CLIA) 86735, 86762, 86765 <i>Offeror's test number:</i> 5259**	200	\$ 42.00	\$ 8,400.00
5	Custom Profile: <b>revised</b> 1) HIV-1/2 Antigen and Antibodies, Fourth Generation, With Reflexes, 2) Hepatitis B Surface Antigen with Reflex Confirmation, 3) Hepatitis C Antibody with Reflex to HCV, RNA, Quantitative, Real-Time PCR, 4) RPR (Diagnosis) with Reflex to Titer and Confirmatory Testing <i>Offeror's test number:</i> CP 331313*	20	\$ 39.50	\$ 790.00
6	Venipuncture Fee (if applicable)	1,500	\$ 5.00	\$ 7,500.00
<b>ESTIMATED ANNUAL TOTAL</b>				<b>\$ 112,090.00</b>

RFP DC2294 – Medical Lab Diagnostic Testing Services

**Pricing Page Continued**

1. **GOVERNMENT / CO-OPERATIVE CONTRACT:** Is your pricing based on a Government or Co-operative contract? YES \_\_\_\_\_ NO ☒ \_\_\_\_\_

2. If yes, please provide details of which agency and contract the pricing is based on:

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3. **"PIGGYBACK" CLAUSE.** Offeror shall indicate below if they will extend the same prices, terms, and conditions of the proposal to other public agencies. Offeror's response to this question will not be considered in award of contract. When the Offeror extends the prices, terms, and conditions of this proposal to other public agencies, the contract shall be between Offeror and the other agencies, and the Orange County Fire Authority shall bear no responsibility or liability for the contracts.

Yes \_\_\_ No ☒ \_\_\_

4. **ADDITIONAL INFORMATION** – Provide any additional information you would like OCFA to consider:

\*Please review the attached breakdown of testing/pricing indicating the additional test that may be required if reflex testing is required

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\*\*Please review the attached breakdown of testing/pricing that will be listed on your monthly invoice

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5. **PAYMENT TERMS:** Subsequent to delivery and acceptance of delivery, the supplier must submit an invoice for payment. Invoices can be sent electronically to: [ap@ocfa.org](mailto:ap@ocfa.org) or mailed to:

Orange County Fire Authority  
Attention: Accounts Payable  
PO Box 53008  
Irvine, CA 92619

6. **FUTURE CONTRACT PRICING:** Please provide what factors will be considered for pricing in subsequent contract years. (i.e. Consumer Price Index).

If contract awarded, pricing is valid for the duration of the three year term.

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7. Please include a price list for consideration on any additional lab services your firm is able to offer. Include any additional costs that may be associated with requested lab tests. (i.e. additional testing with pricing that may be required based on initial test results)

**Term of Offer:** It is understood and agreed that this offer may not be withdrawn for a period of **one hundred eighty days** (180) from the Proposal Submittal Deadline, and at no time in case of successful Offeror.

## Exhibit B

#	TEST	DESCRIPTION	VOLUME	Proposed	Proposed-Extended
1	0019453	QUANTIFERON(R)-TB	1,500	\$ 60.00	\$ 90,000.00
2	0008475	HEP B SURF AB QL	200	\$ 15.00	\$ 3,000.00
3	0004439	VZV IGG AB	200	\$ 12.00	\$ 2,400.00
4	0005259	MMR (IGG) PANEL**	200	\$ 42.00	\$ 8,400.00
		964 - MEASLES AB (IGG)= \$14.00			
		8324 - MUMPS AB (IGG)= \$14.00			
		802 - RUBELLA IMMUNE= \$14.00			
5	CP 331313	CUSTOM PANEL	20	\$ 44.50	\$ 890.00
		498 - HEP B SURF AG W/CONF		\$ 8.00	
		* 36204 - HBSAG CONFIRMATION		\$ 10.00	
		8472 - HEP C AB W/REFL HCV		\$ 12.50	
		* 35645 - HCV RNA BY PCR,QT		\$ 85.00	
		36126 - RPR(DX)REFL FTA		\$ 4.00	
		* 4112 - FTA-ABS		\$ 10.00	
		* 36203 - RPR TITER		\$ 5.00	
		91431 - HIV1/2 AG/AB,4 W/RFL		\$ 15.00	
		* 16185 - HIV 1 RNA, QL TMA		\$ 123.00	
		* 91432 - HIV 1/2 AB DIFF		\$ 15.00	
6	0003259	DRAW FEE	1,500	\$ 5.00	\$ 7,500.00
			3,620		\$ 112,190.00

**\* If the listed reflex tests is required, the additional charge listed will be billed**

**\*\* Panel will be billed as indicated below**



## SAMPLE OF PROPOSED DRAW SCHEDULE

SHIFT	Week	Day	Start Time	End Time	Hrs	BAT 1	BAT 8	BAT 2	BAT 3	BAT 9	BAT 10	BAT 4	BAT 5	BAT 6	BAT 7	Daily Tot
A	1	Mon	9:00 AM	12:00 PM	3.00	50	50									100
B	1	Wed	9:00 AM	12:00 PM	3.00	50	50									100
C	1	Fri	9:00 AM	12:00 PM	3.00	50	50									100
A	2	Mon	9:00 AM	12:00 PM	3.00			50	50							100
B	2	Wed	9:00 AM	12:00 PM	3.00			50	50							100
C	2	Fri	9:00 AM	12:00 PM	3.00			50	50							100
A	3	Mon	9:00 AM	12:00 PM	3.00					50	50					100
B	3	Wed	9:00 AM	12:00 PM	3.00					50	50					100
C	3	Fri	9:00 AM	12:00 PM	3.00					50	50					100
A	4	Mon	9:00 AM	12:00 PM	3.00							50	50			100
B	4	Wed	9:00 AM	12:00 PM	3.00							50	50			100
C	4	Fri	9:00 AM	12:00 PM	3.00							50	50			100
A	5	Mon	9:00 AM	12:00 PM	3.00									50	50	100
B	5	Wed	9:00 AM	12:00 PM	3.00									50	50	100
C	5	Fri	9:00 AM	12:00 PM	3.00									50	50	100
<b>Grand Total</b>																<b>1500</b>

# of Hours	45.00
# of Phlebs/day	4
Total # of Hours	180
\$42/hour	\$ 7,560.00

4 Enter # Phlebotomists

10 Enter # draws per phlebotomist per hour

50 draws at each BAT= 2 phleb = ~3 hours

Proposed start time of 9:00 am



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
September 27, 2018

Agenda Item No. 3E  
Consent Calendar

**Award of Contract for  
9-1-1 Dispatcher Console Replacement and Upgrade**

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**Contact(s) for Further Information**

Dave Anderson, Deputy Chief  
Emergency Operations Bureau

[daveanderson@ocfa.org](mailto:daveanderson@ocfa.org)

714.573.6006

Joel Brodowski, IT Manager  
Logistics Department

[joelbrodowski@ocfa.org](mailto:joelbrodowski@ocfa.org)

714.573.6421

**Summary**

This agenda item seeks approval to enter into an agreement with Motorola Solutions, Inc. for software, hardware and professional services to replace and upgrade the OCFA's legacy 9-1-1 Dispatcher Console radio and computer systems as part of the 800MHz Countywide Coordinated Communications System P25 upgrade project utilizing discounted pricing from the Motorola Orange County Contract Equipment Price Book Agreement #MA-060-10012599.

**Prior Board/Committee Action**

At its October 27, 2016, meeting, the Executive Committee approved the award of a sole source purchase order to Motorola Solutions, Inc., to purchase 1,555 new Motorola 800MHz radios, accessories, and programming services for the 800MHz Countywide Coordinated Communications System P25 upgrade project for the total amount of \$6,792,913.

**RECOMMENDED ACTION(S)**

Approve and authorize the Purchasing Manager to execute the proposed Professional Services Agreement with Motorola Solutions, Inc. for software, hardware, and professional services to replace the existing legacy 9-1-1 Dispatcher Consoles with the ASTRO 25 series MCC7500 IP Dispatch Consoles for a total amount not to exceed \$2,209,652.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding for this contract is available in the existing FY 2018/19 Capital Improvement Plan Communications & Information Systems Fund 124 budget.

**Background**

***Sole Source Justification***

The 800MHz Countywide Coordinated Communications System (CCCS) is a highly complex and critical system that is proprietary to Motorola. The system and its components are uniquely configured for Orange County and Motorola is the only vendor who can supply the appropriate equipment and expertise to integrate the replacement equipment into the existing system.

### ***Countywide Coordinated Communications System (CCCS)***

The current CCCS was implemented from 1999-2001 with a life expectancy through 2015. The CCCS is administered by the Orange County Sheriffs' Department (OCSD) Communications Division. OCSD/Communications Division was directed in 2009 to develop the next generation system upgrade proposal, and developed a four-phase upgrade/replacement plan for the CCCS. The upgrade includes implementation of a P25 system digital architecture, which is the FEMA and Department of Homeland Security recommended technology for public safety communications interoperability. An additional requirement was added by the Orange County Fire Chiefs in 2015 to utilize encryption for all Fire Department radios and channels.

The CCCS is being systematically upgraded by Orange County Sheriff's Department Communications and Technology and OCFA IT/Communications staff in phases including replacement of three main components: backbone equipment, subscriber equipment, and dispatch consoles.

This request is to purchase the specialized dispatch radio console equipment, software, and professional services to complete the CCCS upgrade project and will replace the OCFA's 18 dispatcher consoles. The third party equipment including computers, monitors, KVMs (Keyboard Video Mouse) and other equipment that the dispatchers use to access the OCFA's Computer Assisted Dispatch (CAD) system, administrative computer systems, and the internet will also be replaced but as a separate purchase.

### ***Insurance and Indemnification***

OCFA General Counsel has noted that Motorola is not willing to agree to the more stringent requirements called for in OCFA's standard agreement but is willing to commit to the same insurance requirements that they negotiated in the Orange County Contract Equipment Price Book Agreement #MA-060-10012594. The County's agreement for this equipment is less protective than the OCFA's standard agreement, but the OCFA has no alternative suppliers for this equipment because it must be compatible with the 800MHz CCCS.

Similarly, OCFA General Counsel notes the revisions to our standard indemnification provisions, which are generally consistent with the County's agreement, but less protective of the OCFA than our standard agreement. Specifically, Motorola will only agree to indemnify, defend and hold OCFA harmless *to the extent* claims arise from the negligence of Motorola. By comparison, OCFA's standard indemnity provision applies irrespective of any apportionment of negligence between OCFA and contractor unless claims are caused by the sole negligence or willful misconduct of OCFA.

### ***Pricing***

The adjusted price based on Motorola's Orange County Contract Equipment Price Book Agreement #MA-060-10012594 features a significant discount for agencies in Orange County reducing the list price by \$214,844. Motorola is offering an additional discount of \$82,934 if a purchase order is issued by September 28, 2018 for a total discount and savings of \$297,778 and a total price of \$2,209,652 including tax and shipping.

### ***Recommendation***

Staff is recommending approval and authorization for the Purchasing Manager to execute the proposed Professional Services Agreement with Motorola Solutions, Inc. for the replacement and upgrade of OCFA's 9-1-1 Dispatcher Consoles for the amount of \$2,209,652.

### ***Attachment(s)***

1. Sole Source Request Form
2. Proposed Professional Services Agreement



## OCFA Sole Source Request Form

*The Purchasing Ordinance of the Orange County Fire Authority requires competitive bids and proposals for service and commodity contracts. A sole source is defined as a product or service that is available from only one known supplier as a result of unique performance capabilities, manufacturing processes, compatibility requirements or market conditions. The using department requesting a sole source shall provide written clear and convincing evidence to support a sole source determination, meaning that only one source exists to fulfill the requirements. This form is to be submitted with the purchase requisition to Purchasing with any sole source requests.*

### SECTION I - INSTRUCTIONS

1. Written justification on this form will be completed by the requesting department and submitted with the purchase requisition.
2. The request must be approved by the section manager and assistant chief prior to submitting the request to the purchasing manager.
3. All sole source forms must be submitted to the Purchasing Manager for approval. Based on the new ordinance the Fire Chief is not required to approve the sole source form. The sole source request may be submitted to Assistant Chief of Business Services by the Purchasing Manager for concurrence as required.
4. All sole source contracts exceeding \$50,000 (life of contract) require Executive Committee approval. In this case, the sole source request form must be submitted to the Executive Committee as an attachment to the staff report.
5. The approved sole source justification form will be included in the contract file.

### SECTION II – REQUEST INFORMATION

<b>Department/Section:</b> Information Technology	<b>Requested By:</b> David Johnson	<b>Date:</b> 13-Sep-2018
<b>Recommended Vendor:</b> Motorola Systems, Inc.	<b>Vendor Contact:</b> Kim Caplan	<b>Vendor's E-mail Address:</b> kim.caplan@motorolasolutions.com
<b>Vendor Address:</b> 10680 Trenea Street, Suite 200, San Diego, CA. 92131		<b>Vendor's Telephone #:</b> 858-442-3979
<b>Type of Contract:</b> <input checked="" type="checkbox"/> One-time <input type="checkbox"/> Multi-Year <input type="checkbox"/> Renewal <input type="checkbox"/> Amendment <input type="checkbox"/> Increase	<b>Contract Term (Dates):</b> Purchase by 10/01/2018	<b>Contract Amount:</b> \$2,209,652
<b>If the contract type is a Renewal, Amendment or Increase, please provide previous contract information with this request (PO, BO, previous approval date, Chief approval or EC approval, and dollar amount).</b>		<b>Attachments:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

### SECTION III – JUSTIFICATION

1. **Provide a detailed description of the product or service requested. Describe what it is. Attach additional sheet if necessary.**

Purchase specialized dispatch radio console equipment, software, professional services, and necessary support equipment to replace and upgrade the OCFA's 18 dispatcher consoles into the existing 800MHz Countywide Coordinated Communication System (CCCS) P25 upgrade project.

2. **Please state why the recommended vendor is the only one capable of providing the required services and/or commodities. Provide a summary of findings (research and analysis) including any supporting documentation which validates your recommendation (e.g., attach a manufacturer's letter verifying patented design and direct sale with no distributors) and demonstrates the sole source nature of this request. Attach additional sheet if necessary.**

The 800MHz CCCS is a highly complicated, proprietary Motorola system. Motorola is the only vendor who can supply the appropriate equipment and expertise to integrate the replacement equipment into the existing system. The system is a uniquely configured Motorola system for Orange County that requires expert technical knowledge only Motorola.

**SECTION III – JUSTIFICATION (continued)**

can provide.

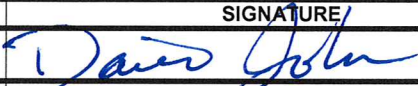
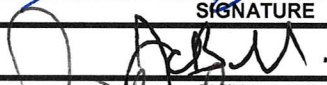

**3. Pricing - What efforts were made to get the best pricing (e.g., did you simply request a quote, negotiate with the vendor, did the vendor provide a discount)? Please provide the quote with your sole source request.**

Motorola provides special pricing in their Orange County Contract Equipment Price Book Agreement #MA-060-10012594 at a significant discount to retail prices in the amount of \$214,844. A further discount of \$82,934 if purchased by Sept. 28th for a total savings of \$297,778.



**4. Will this purchase obligate the OCFA to future purchases (maintenance, licensing or continuing needs)?**  
(If yes, please explain how and what the future costs will be.)

Yes. Any repair or new parts must be purchased from Motorola Solutions, Inc..

**Sole Source Request Submitted by:**

REQUESTORS NAME	SIGNATURE	DATE
David Johnson		13-Sept-2018
DIVISION CHIEF/SECTION MANAGER NAME	SIGNATURE	DATE
Joel Brodowski		13-Sep-2018
ASSISTANT CHIEF NAME	SIGNATURE	DATE
Dave Anderson		13-Sep-2018

**Purchasing Manager's Comments:**

PURCHASING MANAGER'S APPROVAL	DATE
	9/13/18
ASSISTANT CHIEF BUSINESS SERVICES CONCURRENCE	DATE
	9/13/18

Executive Committee Approval Required ☒ Yes ☐ No Sole Source over \$50,000

Executive Committee Approved: ☐ Yes ☐ No Date approved \_\_\_\_\_

**ORANGE COUNTY FIRE AUTHORITY  
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and entered into this \_\_\_\_ day of September, 2018, by and between the Orange County Fire Authority, a public agency, hereinafter referred to as "OCFA", and Motorola Solutions, Inc., a Corporation, hereinafter referred to as "Firm". OCFA and Firm are sometimes individually referred to herein as a "Party" and collectively as the "Parties".

**RECITALS**

WHEREAS, OCFA requires the services of a qualified firm to provide Communications Equipment Installation Services for the 800MHz Countywide Coordinated Communications System P25 Project, hereinafter referred to as "Project"; and

WHEREAS, Firm has submitted to OCFA a MCC 7500 P25 Dispatch Migration Proposal dated August 16, 2018, which is incorporated herein by this reference ("Proposal"); and

WHEREAS, based on its experience and reputation, Firm is qualified to provide the necessary services for the Project and desires to provide such services; and

WHEREAS, OCFA desires to retain the services of Firm for the Project;

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein, OCFA agrees to employ and does hereby employ Firm and Firm agrees to provide professional services as follows:

**AGREEMENT**

**1. PROFESSIONAL SERVICES**

**1.1 Scope of Services**

Firm shall provide the services or work in compliance with all terms and conditions of this Agreement which includes by reference and addendum (1) Firm's Proposal, attached hereto as Exhibit "A," and (2) any amendments, addendums, change orders, or modifications mutually agreed upon by the parties hereto ("Services" or "Work"). Firm warrants that all Services shall be performed in a competent, professional and satisfactory manner in accordance with all standards prevalent in the same profession in the State of California. Firm represents and warrants that it and all employees, subconsultants and subcontractors providing any Services pursuant to this Agreement shall have a sufficient skill and experience to perform the Services. All Services shall be completed to the reasonable satisfaction of the OCFA. In the event

the terms contained in the Proposal directly conflict with the terms set forth in the main body of this Agreement, the terms set forth in the main body of this Agreement and then the Proposal shall govern, in that order.

### **1.2 Compliance with Law**

All Services rendered hereunder shall be provided in accordance with all laws, ordinances, resolutions, statutes, rules, and regulations of OCFA and any federal, state or local governmental agency of competent jurisdiction.

### **1.3 Licenses and Permits**

Firm shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the Services required by this Agreement.

### **1.4 Familiarity with Work**

By executing this Agreement, Firm warrants that Firm (a) has thoroughly investigated and considered the Work to be performed, (b) has investigated the site of the Work and become fully acquainted with the conditions there existing, (c) has carefully considered how the Work should be performed, and (d) fully understands the facilities, difficulties and restrictions attending performance of the Work under this Agreement. Should the Firm discover any latent or unknown conditions materially differing from those inherent in the Work or as represented by OCFA, Firm shall immediately inform OCFA of such fact and shall not proceed with any Work except at Firm's risk until written instructions are received from the Contract Officer.

### **1.5 Care of Work**

Firm shall adopt and follow reasonable procedures and methods during the term of the Agreement to prevent loss or damage to materials, papers or other components of the work, and shall be responsible for all such damage until acceptance of the work by OCFA, except such loss or damages as may be caused by OCFA's own negligence.

### **1.6 Additional Services**

Firm shall perform services in addition to those specified in the Proposal when directed to do so in writing by the OCFA Purchasing Manager, provided that Firm shall not be required to perform any additional services without compensation. Any additional compensation exceeding fifteen percent (15%) must be approved in writing by the Executive Committee of the OCFA Board of Directors. Firm is not obligated to perform requested changes unless both Parties execute a written change order

## **2. TIME FOR COMPLETION**

The time for completion of the Services to be performed by Firm is an essential condition of this Agreement. Firm shall prosecute regularly and diligently the work of this Agreement according to the schedules set forth in Firm's Proposal. Firm shall not be accountable for delays in the progress of its work caused by any condition beyond its control and without the fault or negligence of Firm. Delays shall not entitle Firm to any additional compensation regardless of the party responsible for the delay, except where such a delay results solely from the action or inaction of OCFA and results in an increase in the cost or time required to perform this Agreement, the Parties will agree to an equitable adjustment of the contract price, performance schedule, or both, and will reflect the adjustment in a change order

### **3. COMPENSATION OF FIRM**

#### **3.1 Compensation of Firm**

For the Services rendered pursuant to this Agreement, Firm shall be compensated and reimbursed, in accordance with the terms set forth in Exhibit "A", in an amount not to exceed \$2,209,652 (Two Million, Two Hundred Nine Thousand, Six Hundred Fifty-Two) Dollars.

#### **3.2 Method of Payment**

In any month in which Firm wishes to receive payment, Firm shall submit to OCFA in the form approved by OCFA's Director of Finance, an invoice in accordance with the Payment Terms set forth in the Proposal for the milestones completed prior to the date of the invoice. OCFA shall pay Firm for all expenses stated thereon which are approved by OCFA consistent with this Agreement, within thirty (30) days of receipt of Firm's invoice.

#### **3.3 Changes**

In the event any change or changes in the work is requested by OCFA, the parties hereto shall execute a change order setting forth with particularity all terms of such addendum, including, but not limited to, any additional fees. A change order may be entered into:

A. To provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product or work;

B. To provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Firm's profession.



### **3.4 Appropriations**

This Agreement is subject to and contingent upon funds being appropriated therefore by the OCFA Board of Directors for each fiscal year covered by the Agreement. If such appropriations are not made, this Agreement shall terminate upon written notice to Firm without penalty to OCFA. Notwithstanding anything contained herein to the contrary, in the event that funds are not appropriated, OCFA will still be obligated to pay Firm for all Services performed and Equipment and Software delivered prior to the delivery of the written notice.

## **4. PERFORMANCE SCHEDULE**

### **4.1 Time of Essence**

Time is of the essence in the performance of this Agreement.

### **4.2 Schedule of Performance**

All Services rendered pursuant to this Agreement shall be performed within the time periods prescribed in the Proposal, attached hereto as Exhibit "A". The extension of any time period specified in Exhibit "A" must be approved in writing by the Contract Officer.

### **4.3 Force Majeure**

The time for performance of Services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Firm, including, but not restricted to, acts of God or of a public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, and unusually severe weather if the Firm shall within ten (10) days of the commencement of such condition notify the Contract Officer who shall thereupon ascertain the facts and the extent of any necessary delay, and extend the time for performing the Services for the period of the enforced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

### **4.4 Term**

Unless earlier terminated in accordance with Sections 8.5 or 8.6 of this Agreement, this Agreement shall commence upon the Effective Date, and shall continue in full force and effect until Project completion.

## **5. COORDINATION OF WORK**

### **5.1 Representative of Firm**

The following principal of the Firm is hereby designated as being the principal and representative of Firm authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith: Kim Caplan, Senior Account Manager

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principal is a substantial inducement for OCFA to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Firm and devoting sufficient time to personally supervise the Services hereunder. The foregoing principal may not be changed by Firm without the express written approval of OCFA.

### **5.2 Contract Officer**

The Contract Officer shall be Joel Brodowski, unless otherwise designated in writing by OCFA. It shall be the Firm's responsibility to keep the Contract Officer fully informed of the progress of the performance of the Services and Firm shall refer any decisions that must be made by OCFA to the Contract Officer. Unless otherwise specified herein, any approval of OCFA required hereunder shall mean the approval of the Contract Officer.

### **5.3 Prohibition Against Subcontracting or Assignment**

**5.3.1 No Subcontracting Without Prior Approval.** The experience, knowledge, capability and reputation of Firm, its principals and employees, and the Firm Representative were a substantial inducement for OCFA to enter into this Agreement. Therefore, Firm shall not contract with any other entity to perform in whole or in part the Services required hereunder without the express written approval of OCFA and provided that any subcontractor identified in the Firm's Proposal documents at the time of execution of this Agreement will be deemed as approved.

**5.3.2 Provisions in the Event Subcontractor(s) Are Authorized.** If Firm is authorized to subcontract any part of the Services as provided in Section 5.3.1, Firm shall be responsible to OCFA for the acts and omissions of its subcontractor(s) and subconsultant(s) in the same manner as it is for persons directly employed. For purposes of this Agreement, all persons engaged in the performance of Services will be considered employees of Firm. OCFA will deal directly with and will make all payments to Firm. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and OCFA. Firm shall ensure that all subcontractor insurance requirements set forth in Section 6 below (including its subsections) are complied with prior to commencement of Services by each subcontractor.

**5.3.2.1 Withholding Payment for Non-Authorized Subcontractors.** OCFA shall have the right to withhold payment from Firm for Services performed by any subcontractor or subconsultant performing Services but not authorized in writing by OCFA, or regarding which the insurance or other requirements under this Agreement have not been satisfied.

**5.3.3 Assignments.** Neither this Agreement nor any interest herein may be assigned, transferred, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of OCFA. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Firm, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release Firm or any surety of Firm from any liability hereunder without the express written consent of OCFA.

#### **5.4 Independent Contractor**

**5.4.1** The legal relationship between the Parties is that of an independent contractor, and nothing herein shall be deemed to make Contractor, or any of its personnel, an OCFA employee. During the performance of this Agreement, Firm and its officers, employees, and agents shall act in an independent capacity and shall not act as OCFA officers or employees. Firm will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. The personnel performing the Services under this Agreement on behalf of Firm shall at all times be under Firm's exclusive direction and control. Neither OCFA nor any of its officials, officers, employees, agents or volunteers shall have control over the conduct of Firm or any of its officers, employees, or agents, except as set forth in this Agreement. Firm, its officers, employees or agents, shall not maintain a permanent office or fixed business location at OCFA's offices. OCFA shall have no voice in the selection, discharge, supervision, or control of Firm's officers, employees, representatives or agents or in fixing their number, compensation, or hours of service. Firm shall pay all wages, salaries, and other amounts due its employees in connection with the performance of Services under this Agreement and shall be responsible for all reports and obligations respecting them, including but not limited to social security income tax withholding, unemployment compensation, workers' compensation, and other similar matters. OCFA shall not in any way or for any purpose be deemed to be a partner of Firm in its business or otherwise a joint venturer or a member of any joint enterprise with Firm.

**5.4.2** Firm shall not incur or have the power to incur any debt, obligation, or liability against OCFA, or bind OCFA in any manner.



**5.4.3** No OCFA benefits shall be available to Firm, its officers, employees, or agents, in connection with the performance of any Work or Services under this Agreement. Except for professional fees paid to Firm as provided for in this Agreement, OCFA shall not pay salaries, wages, or other compensation to Firm for the performance of any Work or Services under this Agreement. OCFA shall not be liable for compensation or indemnification to Firm, its officers, employees, or agents, for injury or sickness arising out of performing any Work or Services hereunder. If for any reason any court or governmental agency determines that the OCFA has financial obligations, other than pursuant to Section 2 herein, of any nature relating to salary, taxes, or benefits of Firm's officers, employees, representatives, agents, or subconsultants or subcontractors, Firm shall defend, indemnify, and hold harmless OCFA from and against all such financial obligations.

## **5.6 Employee Retirement System Eligibility Indemnification**

**5.6.1** In the event that Firm or any employee, agent, or subcontractor of Firm providing any Work or Services under this Agreement claims or is determined by a court of competent jurisdiction to be eligible for enrollment in an employee retirement system as an employee of the OCFA, Firm shall indemnify, defend, and hold harmless OCFA against: (1) all such claim(s) and determination(s); (2) for the payment of any employee and/or employer contributions for employee retirement system benefits on behalf of Firm or its employees, agents or subcontractors; and (3) the payment of any penalties and interest on such contributions which would otherwise be the responsibility of the OCFA.

**5.6.2** Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing any Work or Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by OCFA, including but not limited to eligibility to enroll in PERS as an employee of OCFA and entitlement to any contribution to be paid by OCFA for employer contribution and/or employee contributions for PERS benefits.

## **6. INSURANCE AND INDEMNIFICATION**

**6.1 Insurance Requirements.** During the term of this Agreement, Firm will obtain and maintain at its expense all insurance as required below and will provide to OCFA a Certificate of Insurance and all required endorsements that are necessary to indicate compliance with these insurance provisions. In addition, all subcontractors performing work on behalf of Firm pursuant to this Agreement shall obtain and maintain similar insurance as determined by the Firm's Insurance Department, excluding Professional Liability which does not apply to subcontractors. Firm is responsible for all self-insured retentions (SIRs) and deductibles. Firm declares that its deductibles are in an amount in excess of \$25,000. If Firm fails to maintain insurance acceptable to the OCFA as described herein during the term of this

Agreement, the OCFA may terminate this Agreement as provided above in Sections 8.5 and 8.6.

#### **6.1.1 Qualified Insurer**

Minimum insurance company ratings as determined by the most current edition of the Best's Key Rating Guide/Property-Casualty/United States or ambest.com shall be A- (Secure A.M. Best's Rating) and VIII (Financial Size Category).

The policy or policies of insurance must be issued by an insurer licensed to do business in the State of California (California Admitted Carrier). If the carrier is a non-admitted carrier in the state of California and does not meet or exceed an A.M. Best rating of A-/VIII, CEO/Office of Risk Management retains the right to approve or reject carrier after a review of the company's performance and financial ratings. If the non-admitted carrier meets or exceeds the minimum A.M. Best rating of A-/VIII, the agency can accept the insurance.

The policy or policies of insurance maintained by the Contractor shall provide the minimum limits and coverage as set forth below:

Coverage	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence 2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Professional Liability Insurance	\$1,000,000 per claims made or per occurrence

#### **6.1.2 Required Coverage Forms**

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

### **6.1.3 Required Endorsements**

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance and be provided per applicable insurance regulations:

An Additional Insured endorsement using ISO form CG 2010 or CG 2033 or a form at least as broad naming the OCFA, its elected and appointed officials, officers, and employees as Additional Insureds.

The CGL shall be primary and any insurance or self-insurance maintained by the OCFA shall be excess and non-contributing.

The Workers Compensation policy required by this Agreement shall waive all rights of subrogation against the OCFA and members of the Board of Supervisors, its elected and appointed officials, officers, and employees when acting within the scope of their appointment or employment.

The Workers Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the OCFA, and members of the Board of Supervisors, its elected and appointed officials, officers, and employees.

Firm shall give the OCFA 30 days notice in the event of cancellation and 10 days notice for non-payment of premium. If Firm's Professional Liability policy is a "claims made" policy, it shall maintain professional liability coverage for two years following completion of the Agreement.

The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

Insurance certificates should be forwarded to: the OCFA at an address it designates.

Subject to the mutual agreement of the Parties, OCFA expressly retains the right to require Firm to increase or decrease insurance of any of the above insurance types throughout the term of this Contract as deemed by OCFA Risk Manager as appropriate to adequately protect OCFA. OCFA shall notify Motorola in writing of changes in the insurance requirements. If Motorola does not deposit copies of acceptable certificates of insurance and endorsements with OCFA incorporating such changes within thirty days of receipt of such notice, this Agreement (but not pending orders) may be terminated by OCFA for its convenience.

The procuring of such required policies of insurance shall not be construed to limit Firm's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement, nor act in any way to reduce the policy coverage and limits available from the insurer.

## **6.2 Indemnification.**

To the fullest extent permitted by law, Firm shall defend (at Firm's sole cost and expense with legal counsel reasonably acceptable to OCFA), indemnify and hold the OCFA, its board members, officials, officers, employees, agents and volunteers, free and harmless from any and all claims, demands, orders, causes of action, costs, expenses, liabilities, losses, penalties, judgments, arbitration awards, settlements, damages or injuries of any kind, in law or in equity, including but not limited to tangible property or persons, including wrongful death, (collectively "Claims") in any manner to the extent arising out of, pertaining to, related to, or incident to any alleged negligent acts, errors or omissions, or willful misconduct of Firm, its officers, directors, employees, subconsultants, subcontractors, agents or invitees in connection with performance under this Agreement, or in any manner arising out of, pertaining to, related to, or incident to an alleged breach of this Agreement by Firm, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses.

Notwithstanding the foregoing, and only to the extent that the Services performed by Firm are subject to California Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Firm.

Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit Firm's indemnification obligation or other liability hereunder.

## **7. RECORDS AND REPORTS**

### **7.1 Reports**

Firm shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the Services required by this Agreement as the Contract Officer shall require.

### **7.2 Records**

Firm shall keep such books and records as shall be necessary to properly perform the Services required by this Agreement and enable the Contract Officer to evaluate the performance of such Services. Except as provided in Section 7.5, the Contract Officer shall have full and free access to such books and records directly related to the performance of the Services at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from such records. Nothing in this provision will be interpreted as requiring Firm to provide access to the Firm's confidential information including for example the Firm's costs to manufacture the Equipment.

### **7.3 Ownership of Documents**

Except as provided in Section 7.5, all drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of this Agreement shall be the property of OCFA and shall be delivered to OCFA upon request of the Contract Officer or upon the termination of this Agreement, and Firm shall have no claim for further employment or additional compensation as a result of the exercise by OCFA of its full rights or ownership of the documents and materials hereunder. Firm may retain copies of such documents for its own use. Firm shall have an unrestricted right to use the concepts embodied therein.

### **7.4 Release of Documents**

All drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of Services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer.

### **7.5 Confidential Materials**

Notwithstanding anything to the contrary in this Agreement, the Firm shall be the sole owner of Firm's work papers and of any other documents, data or information as set forth in Section 8 of Firm's Proposal and those documents which are required to be maintained confidential from OCFA by one or more rules of professional conduct governing the Firm's profession(s) (collectively, the "Confidential Materials"). Neither the OCFA nor the Contract Officer shall have access to the Confidential Materials except as may otherwise be required by order issued by a court of competent jurisdiction.

## **8. ENFORCEMENT OF AGREEMENT**

### **8.1 California Law**

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such county, and Firm covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

## **8.2 Waiver**

No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of OCFA shall be deemed to waive or render unnecessary OCFA's consent to or approval of any subsequent act of Firm. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

## **8.3 Rights and Remedies are Cumulative**

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

## **8.4 Legal Action**

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, a declaratory judgment, or any other remedy consistent with the purposes of this Agreement.

## **8.5 Termination Prior to Expiration of Term**

OCFA reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to Firm, except that where termination is due to the fault of the Firm and constitutes an immediate danger to health, safety and general welfare, the period of notice shall be such shorter time as may be appropriate. Upon receipt of the notice of termination, Firm shall immediately cease all Services hereunder except such as may be specifically approved by the Contract Officer. Firm shall be entitled to compensation for all Services rendered and Equipment and Software delivered prior to receipt of the notice of termination, for the reasonable and documents costs related to an early termination, and for any Services authorized by the Contract Officer thereafter.

Firm may terminate this Agreement, with or without cause, upon thirty (30) days written notice to OCFA.

## **8.6 Termination for Default of Firm**

If termination is due to the failure of the Firm to fulfill its obligations under this Agreement, OCFA may take over the work and prosecute the same to completion by contract or otherwise, and the Firm shall be liable to the extent that the total cost for

completion of the Services required hereunder exceeds the compensation herein stipulated, provided that OCFA shall use reasonable efforts to mitigate damages, and OCFA may withhold any payments to the Firm for the purpose of set-off or partial payment of the amounts owed to OCFA.

#### **8.7 Attorneys' Fees**

If either party commences an action against the other party arising out of or in connection with this Agreement or its subject matter, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the losing party.

### **9. OCFA OFFICERS AND EMPLOYEES; NON-DISCRIMINATION**

#### **9.1 Non-Liability of OCFA Officers and Employees**

No officer or employee of OCFA shall be personally liable to the Firm, or any successor-in-interest, in the event of any default or breach by OCFA or for any amount which may become due to the Firm or its successor, or for breach of any obligation of the terms of this Agreement.

#### **9.2 Covenant Against Discrimination**

Firm covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry. Firm shall take affirmative action to insure that applicants and employees are treated without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

### **10. MISCELLANEOUS PROVISIONS**

#### **10.1 Confidentiality**

Information obtained by Firm in the performance of this Agreement shall be treated as strictly confidential and shall not be used by Firm for any purpose other than the performance of this Agreement without the written consent of OCFA.

#### **10.2 Notice**

Any notice, demand, request, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by pre-paid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

Orange County Fire Authority  
Attention: Debbie Casper  
1 Fire Authority Road  
Irvine, CA 92602

**WITH COPY TO:**  
David E. Kendig, General Counsel  
Woodruff, Spradlin & Smart  
555 Anton Blvd. Suite 1200  
Costa Mesa, CA 92626

To Firm:

Motorola Solutions, Inc.  
Attention: Kim Caplan  
6450 Sequence Drive  
San Diego, CA 92121

### **10.2 Integrated Agreement**

This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement.

### **10.3 Amendment**

This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

### **10.4 Severability**

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the parties hereunder.

### **10.5 Corporate Authority**

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

**[Signatures on Following Page]**



IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

"OCFA"

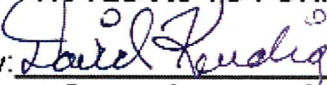
ORANGE COUNTY FIRE AUTHORITY

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

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

Debbie Casper, C.P.M., CPPB  
Purchasing & Materials Manager

APPROVED AS TO FORM.

By:   
DAVID E. KENDIG  
GENERAL COUNSEL

ATTEST:

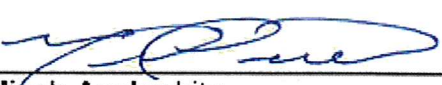
\_\_\_\_\_  
Sherry A.F. Wentz  
Clerk of the Authority

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


"FIRM"

MOTOROLA SOLUTIONS, INC.

Date: 9-19-2018

By:   
Micah Applewhite  
MSSI Vice President

Date: 9-19-2018

By:   
David Little  
Assistant Secretary

## Exhibit “A”

# MCC 7500 P25 DISPATCH MIGRATION



The design, technical, pricing, and other information ("Information") furnished with this submission is proprietary information of Motorola Solutions, Inc. ("Motorola") and is submitted with the restriction that it is to be used for evaluation purposes only. To the fullest extent allowed by applicable law, the Information is not to be disclosed publicly or in any manner to anyone other than those required to evaluate the Information without the express written permission of Motorola.

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# SYSTEM DESCRIPTION

## 1.1 PROJECT OVERVIEW

Motorola is pleased to provide Orange County Fire Authority (OCFA) with a proposal to replace their existing legacy dispatch operator positions with our ASTRO® 25 series MCC 7500 IP Dispatch Consoles. The new MCC 7500 Dispatch Consoles sub-system will connect to the Orange County ASTRO® 25 Master Site through a new Microwave path, which is part of this proposal. The MCC 7500 Dispatch Console will provide OCFA with scalable, flexible system architecture, sophisticated network management and security, and an easy migration to future capabilities. The Microwave hop system will be configured with MHSB radios to provide Ethernet and TDM traffic between Loma Ridge and OCFA and will be in the 11GHz band with a capacity of 237 Mbps in the 40MHz channel bandwidth. The system description section of the proposal expands on the operation, specifications, and equipment of each component of the proposed solution.

## 1.2 MCC 7500 SOLUTION OVERVIEW

Motorola's proposed dispatch solution for OCFA features our MCC 7500 Dispatch Console, offering IP-based seamless connectivity between OCFA's dispatch operators and field personnel.

### **MCC 7500 Console Configuration for OCFA**

The proposed solution includes eighteen (18) MCC 7500 Dispatch Consoles designed to interface with the existing Orange County ASTRO® 25 system. All of the dispatch positions will be located at OCFA's dispatch center. The proposal details the functionality of the following included components.

#### **Licenses:**

- (18) MCC 7500 advanced conventional licenses
- (18) MCC 7500 trunking licenses
- (18) MCC 7500 Over the Ethernet Keying (OTEK) licenses
- (8) UNC device licenses (QTY 10 per license)
- (4) MCC 7500 Console licenses (QTY 5 per license) for Master Site

#### **OCFA MCC 7500-based dispatch site:**

- (18) 19" Touch Monitors
- (18) MCC 7500 Operator PCs
- (18) MCC 7500 Voice Processor Modules (VPM)
- (36) Headset Jacks
- (36) Wired Headsets
- (90) Desktop Speakers
- (6) Motorola GGM 8000 Gateways
- (6) Site Ethernet LAN Switches
- (1) SDM 3000 AUX I/O Terminal Unit
- (1) MKM 7000 Console Alias Manager
- (1) Keyboard/Video/Mouse (KVM)
- (18) KVM Extender Pair
- (3) GCP 8000 Conventional Site Controller

- (12) Enhanced Conventional Channel Gateways (CCGW), 3 are spares but racked
- (12) Flash Upgrades for existing APX 7500 Consolettes to Project 25 Trunking
- (5) VHF APX 7500 P25 Digital Consolettes
- (5) VHF Air band Transceivers
- (4) RF Modems compatible with GenWatch3
- (6) MCD 5000 RGUs

**Spares:**

- (4) MCC 7500 Operator PC
- (5) MCC 7500 Voice Processor Module (VPM)
- (10) Headset Jack
- (10) Desktop Speakers
- (4) Single Pedal 24" Wide Footswitches
- (1) Motorola GGM 8000 Gateway
- (2) Site Ethernet LAN Switch
- (1) FRU: GCP 8000 Conventional Site Controller
- (1) FRU: GCP 8000 Conventional Site Controller Fan Module
- (1) FRU: GCP 8000 Conventional Site Controller Power Supply
- (2) SDM 3000 AUX I/O Terminal Unit
- (2) KVM Extender pair

## 1.2.1 MCC 7500 Dispatch Site High Level Block Diagram

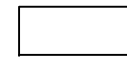
Motorola has provided a MCC 7500 Dispatch Site High Level Block Diagram on the following page.

# ORANGE COUNTY ASTRO 25 MASTER SITE (LOMA RIDGE)

Legend:

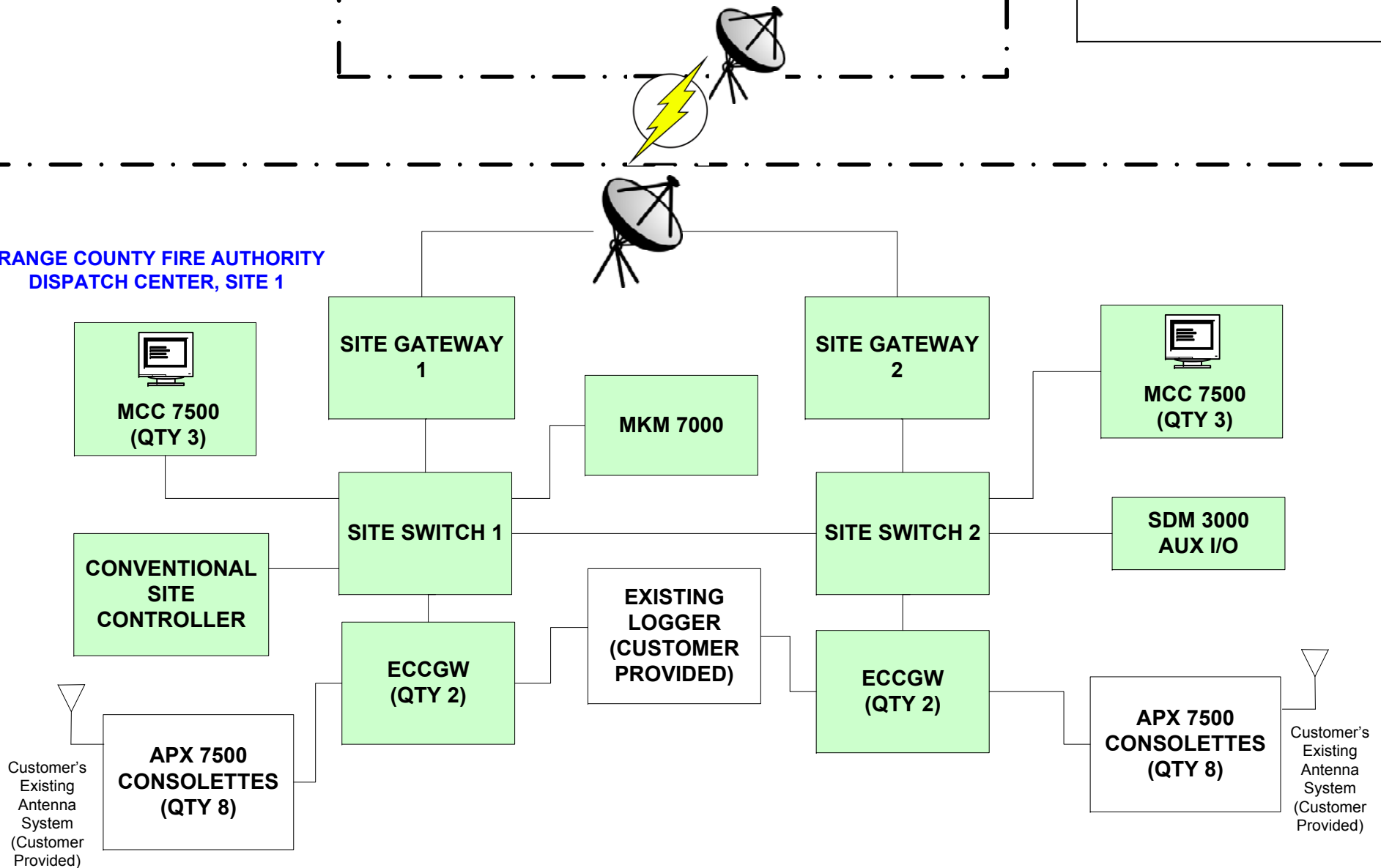


New equipment



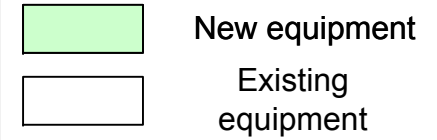
Existing equipment

ORANGE COUNTY FIRE AUTHORITY  
DISPATCH CENTER, SITE 1

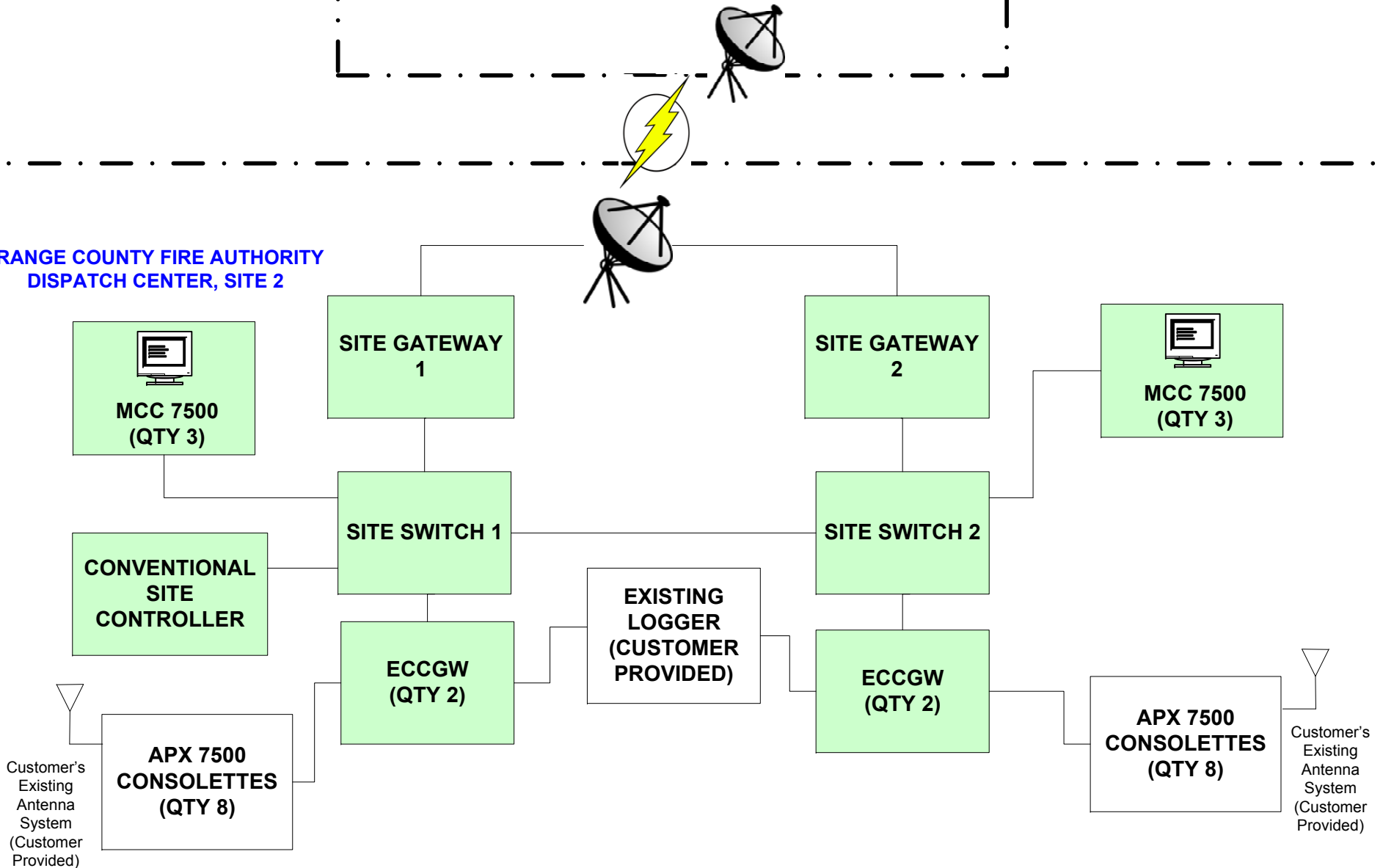


# ORANGE COUNTY ASTRO 25 MASTER SITE (LOMA RIDGE)

Legend:



ORANGE COUNTY FIRE AUTHORITY  
DISPATCH CENTER, SITE 2

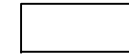


# ORANGE COUNTY ASTRO 25 MASTER SITE (LOMA RIDGE)

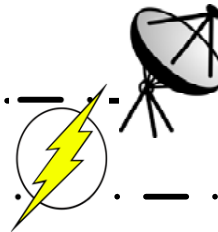
Legend:



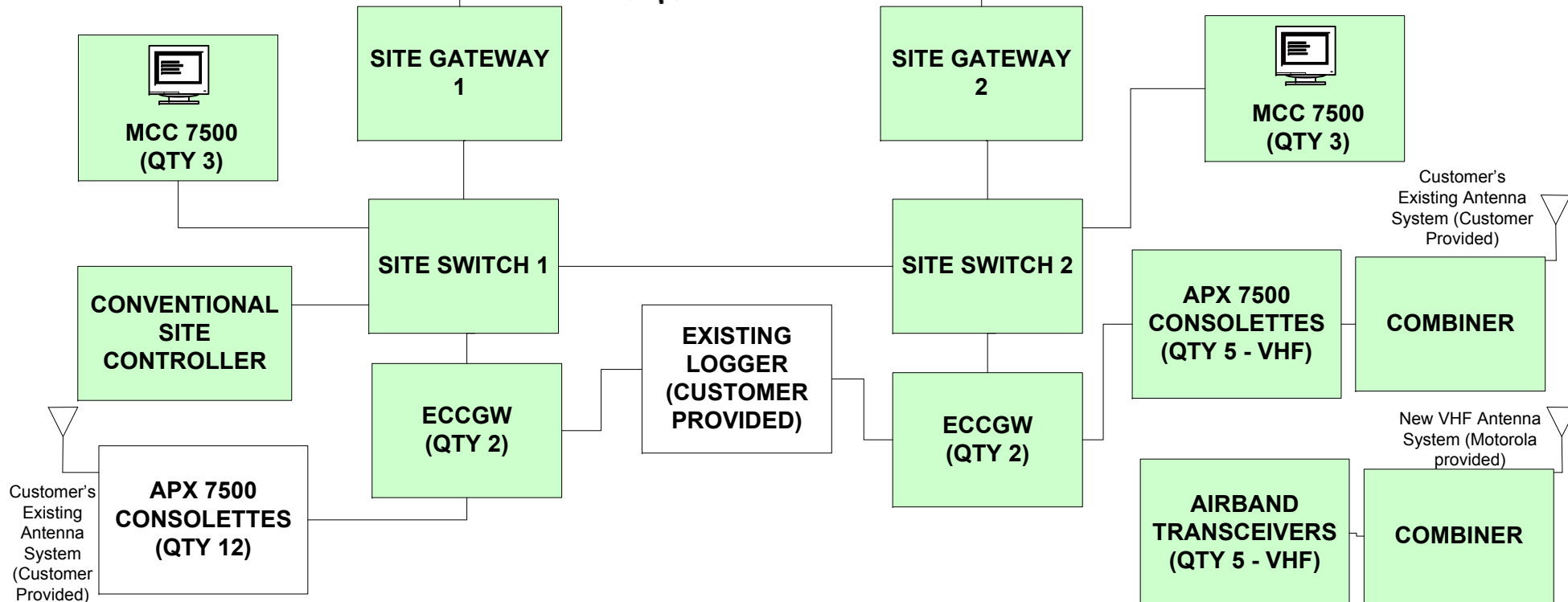
New equipment



Existing  
equipment



ORANGE COUNTY FIRE AUTHORITY  
DISPATCH CENTER, SITE 3



## 1.3 THE MCC 7500 DISPATCH EXPERIENCE

The MCC 7500 dispatch consoles offers OCFA state-of-the-art communications, console management and configuration functionality, dispatch operation, and communications security.

### 1.3.1 Interoperability Features

Motorola's ASTRO® 25 product line is specifically designed around APCO P25 standards. All voice messages are digitized and all Land Mobile Radio (LMR) system features are compliant with P25 standards. As part of ongoing enhancements to this solution, Motorola has joined and actively participated in the P25 interoperability committee to ensure continuously improving interoperability with the radios of other P25 vendors. ASTRO® 25 is also fully Common Air Interface (CAI) compliant.

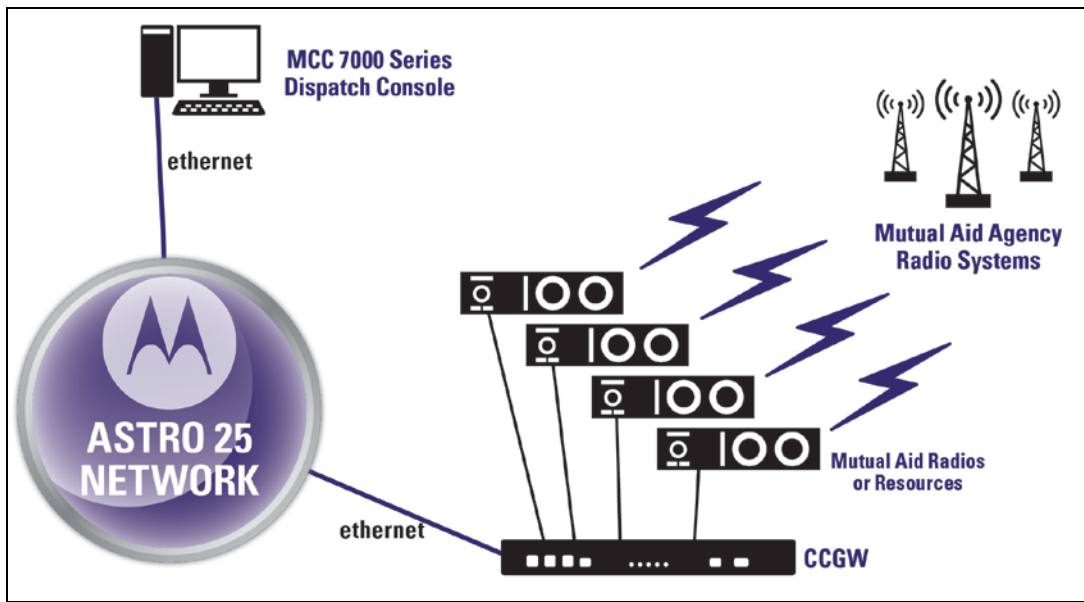
**MUTUAL AID  
INTEROPERABILITY  
OFFERS FLEXIBILITY  
AND FUTURE  
EXPANSION.**

Motorola can use multiple OCFA-furnished interoperability radios to install, configure, and make operational the necessary hardware and software to provide two-way communications between the MCC 7500 dispatch consoles and Mutual Aid channels.

As shown in Figure 1-1, interoperable communications can be provided through a dispatcher-initiated interface (patch) to the Mutual Aid radios. The Motorola Conventional Channel Gateway (CCGW) forms the bridge between the MCC 7500 dispatch console on the ASTRO® 25 radio network and the

Mutual Aid radios. This allows the dispatcher to patch together Mutual Aid radios and required subscribers on the ASTRO® 25 system as situations dictate.

As an incident occurs, local Mutual Aid agencies can initiate a radio conversation to an MCC 7500 dispatch location via a programmed channel. By selecting an icon on the console monitor, the dispatcher can initiate a patch to an RF channel for first responders as necessary. Incident conversations will be seamless from the moment of the patch initiation, and can be recorded like any talk group conversation within the LMR network. The dispatcher will also be able to take part in and monitor conversations for the duration of the incident, as necessary.



**Figure 1-1: Mutual Aid Components**

### 1.3.1.1 Integration with the ASTRO® 25 Network

The MCC 7500 IP Dispatch Console is designed to integrate seamlessly with the Orange County ASTRO® 25 system. This tight union between radio infrastructure and dispatch console equipment has several operational benefits to OCFA.

This modular IP approach substantially reduces the amount of space needed for backroom electronics. All dispatch activity is performed over IP. The physical space needed to accommodate the MCC 7500 console position is comparable to that required for a personal computer.

Both trunked talkgroups and conventional radio channels can be accessed and controlled from one MCC 7500 IP Dispatch Console over the same network. This reduces overall transport costs and the need for duplicate fixed network equipment. Table 1-1 outlines the benefits of the MCC 7500's seamless integration to the ASTRO® 25 network.

**THE MCC 7000 SERIES CONSOLES' IMPROVED USE OF BANDWIDTH ENSURES THAT EMERGENCY CALLS WILL MAKE IT THROUGH TO THE DISPATCH OPERATOR, REGARDLESS OF SYSTEM TRAFFIC.**



**Table 1-1: Benefits of Seamless Integration of the MCC 7500 IP Console with Orange County's ASTRO® 25 Network**

Feature	Benefit to OCFA
Tight coordination between the IP network and IP console eliminates the potential for audio degradation.	Subscribers and console operators will be able to communicate without loss of information.
Emergency calls are prioritized for successful delivery regardless of network traffic.	Console operators will always be able to hear emergency calls from users in the field.
Inherent access to all system resources within the network provides dispatch priority to reach any user when needed.	Console operators will always be able to reach out to users in the field.
Rapid call set up times and quality of service, regardless of the size of the system.	The ability to scale the system to handle future capacity, while maintaining efficient dispatch operations.
True end-to-end encryption capable from the subscriber to the console operator position, enhancing operational security	Assurance that sensitive, private communications will remain secure, from the user in the field to the console dispatch operator.
Improved bandwidth efficiencies reduce transport costs.	Ongoing cost savings for OCFA.

### 1.3.1.2 Connection to ASTRO® 25 System

Details on the connectivity between the MCC 7500 dispatch console and the ASTRO® 25 system are described below.

#### **Dual Site Link**

The MCC 7500 dispatch console site for OCFA is remote from the core site at Loma Ridge and requires redundant site links to provide path diversity. Due to high number of consoles at OCFA, three (3) virtual console sites have been considered in this design, which each site containing six (6) console positions. Each console site has two logical connections to the Orange County Master Site at Loma Ridge, with each connection using a different core router. Each console site gateway provides an interface that handles all of the IP Network Management traffic between the OCFA MCC 7500 dispatch console center and Orange County ASTRO® 25 system's core site.

#### **LAN Switch**

The site LAN switch provides LAN interfaces for dispatch site equipment and a LAN port for the link to the core site. Through the switch, service technicians can access the system's configuration manager and service the equipment. Dual LAN switches have been provided for each virtual dispatch site to ensure dispatch functionality is not completely lost in the event of a LAN switch failure.

### 1.3.1.3 Encrypted Voice Communications

The MCC 7500 provides true end-to-end encryption from the subscriber to the console operator position, enhancing operational security. This assures that sensitive, private communications will remain secure, from the user in the field to the console dispatch operator. AES and DES-XL encryption algorithms have been included in the VPM in this proposal.

#### **Over-the-Ethernet Keying (OTЕК)**

The Key Management via OTEK feature provides the ability to manage the keys for a dispatch console or archiving interface server using only a KMF (key management facility).

In OTEK, the management and distribution aspects of key management are all performed by the KMF. Distribution of the key management information to the dispatch consoles and archiving interface servers is done across the radio system's IP network from the KMF to each dispatch console and archiving interface server.

## 1.3.2 Console Operations

### RELIABLE AUDIO IN REAL TIME

The MCC 7500 dispatch console is designed to provide mission-critical audio between the dispatch console and users in the field. It is optimized for real-time audio, prioritizing emergency calls over other traffic, minimizing voice queuing, and transmitting calls in 450 milliseconds or less.

Using robust error mitigation to maintain call quality even when the system is heavily loaded, the MCC 7500 dispatch console reduces communication errors that may force dispatch console operators to repeat their transmissions.

#### 1.3.2.1 Dispatch Interface

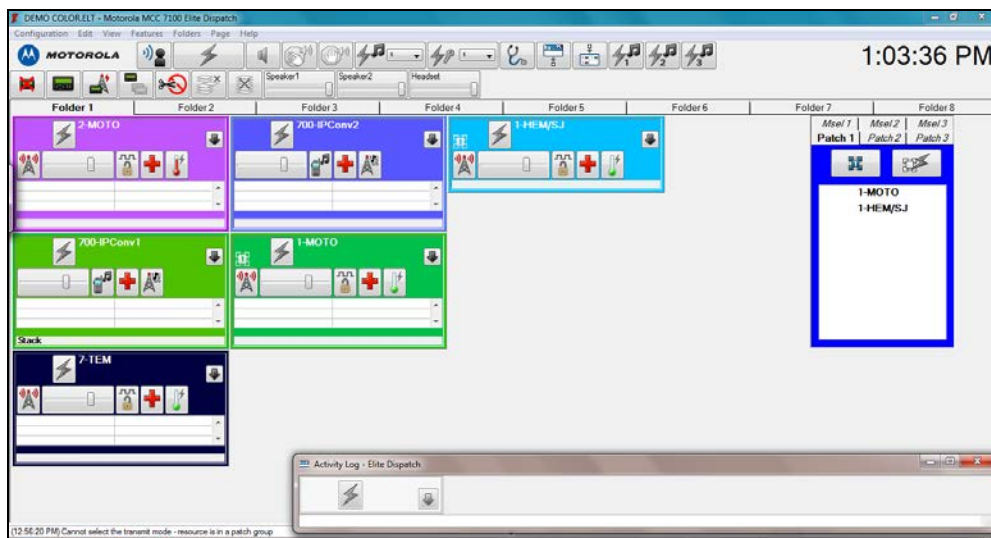
The MCC 7500 dispatch console's graphical user interface (GUI) optimizes user efficiency. It is designed to display the maximum number of resources a dispatch operator is able to easily view and control. OCFA can customize the MCC 7500 dispatch GUI by agency or by individual user to meet their dynamic needs and requirements.

#### Elite Dispatch Graphical User Interface

The MCC 7500 dispatch GUI is an enhanced version of Motorola's Gold Elite Dispatch GUI. For existing Gold Elite users, the GUI allows a smooth transition and minimal training for radio dispatch operators. For new users, the graphical icons and customization options make the MCC 7500 dispatch console GUI easy to learn and operate.

An example of the MCC 7500 dispatch GUI is shown in Figure 1-2.

### EASY TO USE, FLEXIBLE, AND CUSTOMIZABLE USER INTERFACE



**Figure 1-2: The MCC 7500 dispatch GUI delivers critical real-time information to console operators when and where they need it**

Based on operator preference, the MCC 7500 dispatch GUI can be customized to show details of trunked and conventional RF channels on a per-channel basis. Various controls can be highlighted, such as patch status, frequency select, coded/clear select, and individual volume control. Per-channel controls can be fully or partially shown, or hidden to save space on the screen. Busy dispatch operators can respond to a missed call by simply clicking on an entry in the Activity Log. The number of calls and call information displayed in the Activity Log is customizable to suit the needs of the user. The status of auxiliary inputs and outputs can be conveniently interpreted from the GUI with the use of familiar graphical icons, such as a door shown open or closed.

### 1.3.2.2 Standard Radio Transmission and Reception

A typical MCC 7500 dispatch console has two speakers, one for selected audio and the second for all remaining unselected audio. Additional speakers can be added to the console, allowing dispatch operators to configure a specific speaker for a set of designated audio sources. This simplifies multitasking between multiple audio sources, allowing flexibility in the way the audio is presented to the dispatch operator.

#### Receiving Calls from the Field and Other Dispatch Operators

Dispatch operators have great flexibility as to how to hear calls from field radio users and other dispatch operators. Each console dispatch operator can define his or her own audio reception profile. They can select a single audio source, whether conventional or talkgroup, to be heard on a selected speaker (“Single Select”). The dispatcher can also define groups of radio resources that can all be heard on a selected speaker (“Multi-Select”).

#### Initiating Calls to the Field and Other Dispatch Operators

The dispatch operator has several different ways of initiating a call. In most circumstances, a “General Transmit” is appropriate. With the general transmit, the dispatch operator selects a resource on the console and activates the transmission through a footswitch, headset transmit button, or a microphone transmit button.

If the dispatch operator needs to quickly transmit on a resource, they use the “Instant Transmit” function, which activates the resource regardless of whether it is selected. To prevent accidental activation of “Instant Transmit,” it can be limited through an “Instant Transmit Safety Switch,” which must be pressed prior to activation of “Instant Transmit.”

### **Making Calls to the Field and Other Dispatch Operators**

The dispatch operator can transmit audio in different ways, depending on who they need to speak with and how important that communication is. Most basically, they can make calls to all users listening to a specific conventional radio resource or a specific trunking talkgroup. When multiple resources are required, the operator can select additional talkgroups and/or conventional channels as needed for the call using the multi-select feature.

## **1.3.2.3 Dispatch Audio Experience**

### **Emergency Alarms**

The MCC 7500 dispatch console is capable of monitoring radio subscribers for user initiated emergency activations. On subscriber radios that are equipped and programmed to transmit an emergency alarm, the MCC 7500 dispatch console detects that this emergency has occurred and displays the emergency on operator positions that are preprogrammed to receive the emergency notification.

Operator positions can be programmed to either receive the emergency or to completely ignore it. In the event of an emergency condition from a radio user, all programmed consoles will give both an audible and visual indication of the event. The dispatch operator can then silence the emergency leaving the visual indication on the screen indicating information on the initiating radio allowing the call to be handled and dispatched appropriately.

Once an emergency is received all programmed operator positions will give the audible and visual indication of the event. Any one of these operator positions has the ability to silence the emergency at only their position or for all operator positions on the system.

In the event of a system that all channels are busy at the RF site that receives the emergency, that event is automatically given a Priority Level 1. This is the highest priority possible, putting the emergency call at the top of any busy queue. The emergency call will be given the next available voice channel at that site bumping all non-emergency calls in the queue.

### **Desktop Speakers**

Each dispatch console is capable of supporting up to eight audio speakers. In this design, five speakers are included per position. These speakers supply audio for select/unselect, as well as pre-determined audio sources to specific monitor speakers, each of which transmits unique audio—that is, an audio source cannot appear in multiple speakers at a single dispatch console.

Each speaker has individual volume controls, and contains an amplifier that provides a maximum of 2 Watts of power output. Speakers are self-contained units, and can be placed on a desktop, mounted in a rack/furniture, mounted on a wall, or mounted on a computer monitor.

### **Headset Jack**

Each dispatch console is capable of supporting up to two headset jacks. A headset jack allows a dispatch console user to use a headset while operating the dispatch console. Each headset can either be connected to the console for supervisory applications, or to a desk telephone. The equipment design proposed includes two headset jacks per operator.

The headset jack contains two volume controls: one for adjusting the level of received radio audio and one for adjusting the level of received telephone audio.

The headset jack supports headsets which use either PJ7 (6-wire) or PJ327 (4-wire) longframe connectors (6-wire headsets have a PTT button while 4-wire headsets do not have a PTT button).

### **Headset Base**

The Headset Base consists of an audio amplifier, a push-to-talk switch and a long cord with a PJ7 long frame connector at the end.

### **Footswitch**

Each dispatch console is capable of a 24" wide footswitch. The footswitch can be configured to control general transmit function.

## **1.3.2.4 Radio Patch Control**

MCC 7500 console users can patch communication between trunked and/or conventional radios that are normally unable to communicate with each other due to different features, programming, or even different frequency bands. A patch group is a group of linked resources that can both receive messages from a console and transmit to all other members of the patch group. The MCC 7500 supports a maximum of 16 active patch groups.

### **Setting up a Standard Patch**

A dispatch operator can set up a standard patch between trunked resources and/or conventional resources. After the patch is created, the dispatch console transmits all audio on one resource to all other resources in the patch group.

Patched radio users see the ID or alias of the other patched radio(s), as opposed to that of the console, provided that the radio subscriber is capable of displaying IDs. This minimizes confusion and the need for the dispatch operator to intervene in the call. Patches are automatically re-established if interrupted so the MCC 7500 user can concentrate on continuing operations.

### **Pre-Defined Patches**

Patches can also be pre-defined, and be automatically re-initiated each time a dispatch console computer is restarted ("Patch Auto-Start").

### **Using Multi-Select**

The Multi-Select feature allows a dispatch console to define groups of selected radio resources. When a Multi-Select group is opened, all of the resources in the group are simultaneously selected. Resources can be added or removed from a Multi-Select group while it is open or while it is closed.

The Multi-Select feature:

- Selects multiple resources simultaneously.
- Defines and stores groups of resources so that multiple resources can be conveniently selected and deselected.

## **1.3.2.5 Call Management and Control**

### **Automatic Prioritization of Calls**

Calls on the MCC 7500 dispatch console are prioritized through a transmission hierarchy. Calls from primary supervisors take priority over those from secondary supervisors, which in turn take priority

over non-supervisors. Instant Transmit or All-Points Bulletin (APB) transmissions, regardless of whether they are from a supervisor, will take priority over general or patch transmissions.

Multiple dispatch console operators can be designated as primary supervisors on the same system, which is useful when multiple agencies share one system, each with their own primary supervisor.

Console supervisors have the capability to disable and enable operator console functionality as necessary.

### **Manual Prioritization of Calls**

“System Access Priority Select” allows a dispatch operator to prioritize trunked resources on the system as either “normal” or “tactical.” A dispatch operator can change the priority of a trunked resource to tactical in order to give the resource a better chance of gaining communication access on a busy system. Only emergency calls have a higher priority than tactical. When the System Access Priority status of a resource is changed, it is updated at all dispatch consoles in the systems that are monitoring that trunked resource.

### **MKM 7000 Console Alias Manager**

The Motorola MKM 7000 Console Alias Manager (CAM) manages the radio unit ID aliases that are displayed on MCC 7500 consoles. It enables agencies that are sharing a radio system to make changes to the aliases that are displayed on their dispatch positions and logging recorders (if applicable), without affecting the aliases displayed on the dispatch positions and logging recorders of other agencies on the system.

A typical dispatch console uses many types of aliases to make it easier for dispatchers to do their jobs by providing meaningful, descriptive names instead of numeric ID numbers for different resources on the console. For example, aliases are used for:

- Trunking talkgroups and conventional channels
- Aux I/Os
- Frequencies on multi-frequency conventional channels
- PL codes on conventional channels using PL
- Preconfigured pages
- Radio unit IDs (also called radio PTT IDs)

Most of these aliases are defined when the console is first installed and rarely or never change. But, radio unit IDs can change more often and thus need a way to easily make changes. The MKM 7000 Console Alias Manager satisfies this need.

## **1.4 MCC 7500 DISPATCH CONSOLE COMPONENT DESCRIPTION**

A typical MCC 7500 Dispatch IP Console Site consists of the following elements:

- Voice Processing Module (VPM)
  - Headset Jacks
  - Speakers
- Operator Position Personal Computer (PC) with Keyboard and Mouse
- Auxiliary Input/Outputs
- Instant Recall Recording (IRR) – not included in this proposal
- Network equipment
- Conventional Channel Gateways (CCGWs)
- Conventional Site Controller (CSC)



- Console Alias Manager (CAM)

This section discusses the various components that make up the proposed MCC 7500 Dispatch Console system, Figure 1-3. These components are connected together and to the rest of the ASTRO® 25 system on an IP network via console site routers and switches. The MCC 7500 Dispatch Console functions as an integrated component of the total radio system, fully participating in system level features such as end-to-end encryption and agency partitioning.

Since the network is IP-based, the system's interfaces and components can be distributed physically throughout the network. Logging components can be centrally located at the zone core or distributed at console sites. CCGWs can be located at conventional-only RF sites, at trunking RF sites, the master site, or at console sites with conventional stations. Aux I/O Servers can be placed anywhere in the zone, closest to where they are needed.

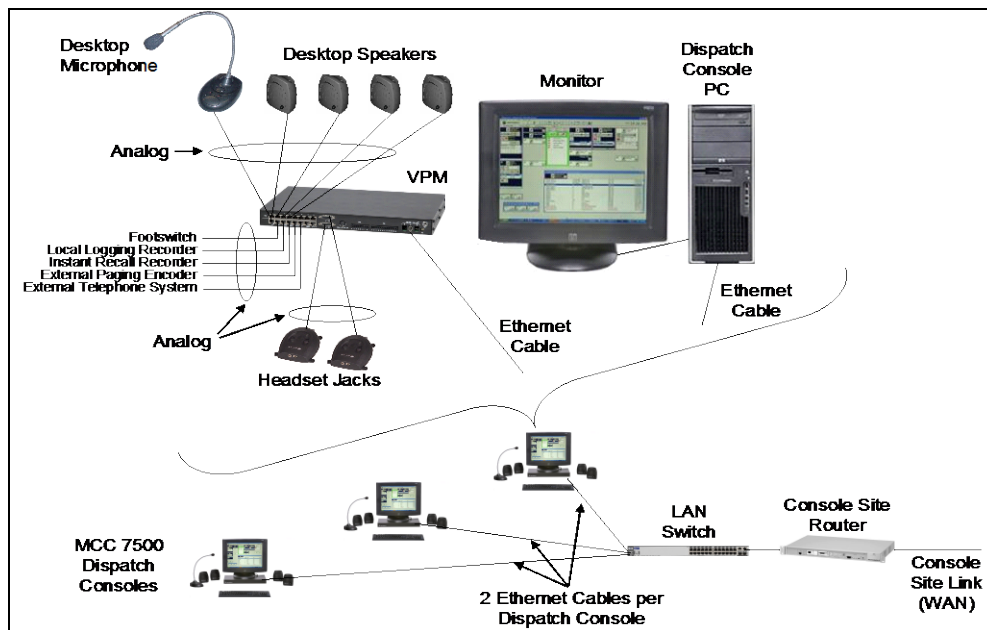


Figure 1-3: Typical Motorola MCC 7500 Dispatch Console Hardware Architecture

## 1.4.1 Operator Position Components

MCC 7500 operator positions connect directly to the radio system's IP transport network without gateways or interface boxes. Audio processing, encryption, and switching intelligence for dispatch are performed within each software-based operator position, without additional centralized electronics.

An MCC 7500 operator position consists of a computer, a Voice Processing Module (VPM), one select speaker, up to seven unselect speakers, a desktop gooseneck microphone (not provided in this proposal per the County's request) and/or headset jack box with in-line PTT amplifier and headset, and footswitch.



Typical MCC 7500 Operator Position Components



## Voice Processing Module (VPM)

The VPM provides vocoding and audio processing services for the dispatch console. It connects to the console site LAN switch and communicates with the dispatch console PC via Ethernet. Each operator position includes a PC and a dedicated VPM. The VPM also provides connections for analog devices to be connected to the digital console.

The VPM has connectors for the following devices:

- One desktop microphone
- Two headset jacks
- Eight desktop speakers
- Logging recorder
- Radio instant recall recorder
- External telephone set
- External paging encoder
- Footswitch
- Generic transmit audio input

Some of the connectors listed above can be used to provide audio inputs and outputs for connecting other types of dispatch consoles to the Motorola radio system in conjunction with the Motorola MCC 7500 Dispatch APIs.

The secure card provides encryption and decryption services for the dispatch console. It is capable of supporting multiple, simultaneous encryption/decryption sessions using multiple algorithms and multiple secure keys.

## Personal Computer (PC)

The dispatch console uses a customized Motorola-certified HP PC running the Microsoft Windows operating system, containing a Motorola-designed voice card and a Motorola-designed secure card. The PCs used in ASTRO® 25 systems have a mini-tower form factor.

The PCs are processed through Motorola factories in Elgin so that the application software, voice cards, and secure cards can be installed and tested to ensure they are operating properly.

## 1.4.2 Auxiliary Inputs and Outputs

Included in the proposed dispatch solution is an Auxiliary Input/Output server. AUX I/O enables console operators to control and monitor external devices, such as doors and lights, from the console user interface. Multiple dispatch consoles anywhere in the network may monitor and control the same relay output and/or external inputs. Changes are indicated across all dispatch consoles simultaneously. Customizable graphic icons are also used to provide a visual indication of both the function and state of external inputs.

The contact closures and input buffers required to interface to these devices are housed in Remote Terminal Units (RTUs). These RTUs can be physically located close to where they are needed, at any console site or RF site. The dispatch consoles and RTUs communicate with each other across the radio system's IP transport network. Individual relay outputs can be configured so that they require a safety switch to be pressed before they respond to any commands from the dispatch console user.

## Supported Aux I/O Configurations

The following Aux I/O configurations are supported.

Aux I/O Configuration	Description
Momentary Input	This is an input where the user interface always shows the true state of the input.
Latched Input	This is an input where the user interface does not necessarily show the true state of the input. When the input goes active, the user interface shows the state as active. The display will continue to show the state as active even if the input changes to the inactive state. A dispatch console user must manually reset the display to return it to the inactive state.
Momentary Output	This output relay is activated when the dispatch console user presses the button on the user interface and deactivated when the dispatch console user releases the button.
Latched Output	This output relay changes state only when the dispatch console user presses the button.
Interlocked Latched Output	This latched output relay is part of a group of latched output relays. Only one of the relays in the group may be active at a time. Interlocked relays work in a “break before make” fashion; that is, the previously active relay is deactivated before the new relay is activated.

### 1.4.3 Conventional Channel Gateway Equipment

Conventional Channel Gateways (CCGWs) are used to interface analog and ASTRO® 25 conventional channels to the ASTRO® 25 radio system infrastructure. CCGWs provide 4-wire analog interfaces for analog channels and V.24 and IP digital interfaces for ASTRO® 25 conventional channels. The platform that is hosting a CCGW may be solely dedicated to that task or it may also be used as a console site router or an RF site router, provided the WAN link is not redundant.

The enhanced GGM 8000-based CCGW is available for interfacing to conventional channels. The enhanced CCGW can support combinations of analog, MDC 1200, ACIM Link, digital and mixed mode channels simultaneously.

#### Conventional Site Controllers

The conventional site controller allows dispatch console users to continue to access and control local conventional channels if connectivity to the radio system’s controller is lost. This mode of operation is often called “fallback operation” or “site conventional operation”. The conventional site controller is comprised of the GCP 8000 site controller hardware with different software to provide the conventional capabilities. When used as a conventional site controller, the GCP 8000 site controller is outfitted with a single site controller module rather than two site controller modules.

Only one conventional site controller is required per console site or conventional subsystem. This single conventional site controller is capable of supporting the full set of dispatch consoles, archiving interface servers and CCGWs that can be placed in a console site or conventional subsystem.

Motorola is providing one (1) Conventional Site Controller per site, for total of three (3), at OCFA.

#### Features Supported in Fallback Operation

While in fallback operation, the dispatch consoles continue to support the vast majority of their capabilities and features. The following general feature groups are supported:

- Station Control Features on Conventional Channels
- Main/Alternate Conventional Channel Interfaces

- Integrated Paging Encoder (analog channels only)
- Channel Marker
- Alert Tones
- RF Cross Mute
- RF Cross Busy
- Acoustic Cross Mute
- Patch
- Select and Multi-Select
- Aux I/Os (that are located at the console site)
- Call Alert (ASTRO® 25 Conventional channels only)
- Emergency Call (ASTRO® 25 Conventional channels only)



## 1.5 DESIGN ASSUMPTIONS

Motorola has made several assumptions in preparing this proposal for OCFA.

- No new logging solution has been included in this proposal. OCFA to provide list and quantity of analog tracks. Motorola will provide analog audio from customer provided consolette radios for each logging track/source. Actual audio recording equipment is the responsibility of OCFA.
- No gooseneck microphones are included in this proposal.
- No solution or API provided to interface MCC/Core to OCFA's CAD for radio ID.
- Motorola to provide five (5) ICOM radios interfaced to CCGWs for conventional analog operation only (TRC control). No IV&D, no data, no ID display functionality.
- No Instant Recall Recorder (IRR) is included in this proposal.
- Motorola has provided one hop of Microwave from OCFA to Loma Master site. Engineering services to integrate new Ethernet into existing MPLS network.
- Motorola does not recommend the use of unlicensed PTP microwave for Public Safety use on the MCC 7500 subsystem.
- OCFA to provide open antenna spaces & mounts to install the proposed ICOM antenna. OCFA to provide capacity and space in the RF feed line conduits from the equipment room to the tower.
- OCFA to provide all electrical circuits at the proposed rack locations. Motorola has not provided any electrical, civil, R56 or site improvement work in this proposal.
- Motorola is providing twelve (12) flash upgrades for existing APX 7500 Consolettes to P25. Motorola will perform the flash upgrades and Orange County will be responsible for programming. These consolettes will continue to use the existing antenna systems.
- Motorola will be installing five (5) new VHF APX 7500 Consolettes and five (5) new VHF Air Band Transceivers that are being provided with this proposal, as well as installation services for six (6) APX 7500 Consolettes that have been ordered separately.
  - Each of the five (5) new VHF APX 7500 Consolettes and five (5) Air Band Transceivers will be connected to one of two new control station combiners (one high band and one low band). The high band VHF control station combiner will be connected to an existing antenna system. The low band VHF control station combiner will utilize a new antenna system, provided by Motorola. There is a possibility of not using a combiner for the Air Band Transceivers and instead just run individual antenna runs, which will be determined during Design Review.
  - The remaining six (6) APX 7500 Consolettes will reuse existing antenna systems.
  - It is assumed that the existing antenna systems are in working condition and available for the new APX 7500 consolettes. OCFA is responsible for the integrity of the existing antenna systems and the resulting coverage/interference.
- Programming of the existing and new APX 7500 consolettes will be performed by Orange County.
- Any required system interconnections not specifically outlined here will be provided by OCFA, including but not limited to dedicated phone circuits or Ethernet.
- Motorola's MCC 7500 design is built with dedicated workstations for each MCC 7500 operator positions. The Motorola provided computers will not be configured to share/support CAD, E911 network or any other third party applications.
- Link fail boxes have not been included in this proposal.

- Motorola has provided four (4) ASTRO 25 RF Modems that are compatible with Genesis's GenWatch3. OCFA is responsible to work with Genesis to upgrade or replace the existing GenWatch equipment to be compatible with the provided ASTRO 25 RF modems and to integrate upgraded or new GenWatch equipment with the provided RF modems. Motorola has not provided the GenWatch upgrades, equipment replacements or services to integrate the provided RF modems.



# EQUIPMENT LIST

## 2.1 ORANGE COUNTY LICENSES FOR ORANGE COUNTY FIRE AUTHORITY

QTY	NOMENCLATURE	DESCRIPTION
1	SQM01SUM0273	MASTER SITE CONFIG UPGRADE
1	CA02629AA	ENH: EXPAND 7.15
8	CA01316AA	ADD: UNC ADDTL DEVICE LIC (QTY 10)
4	UA00156AA	ADD: MCC7500 CONSOLE LICENSES (QTY 5)

## 2.2 ORANGE COUNTY FIRE AUTHORITYDISPATCH POSITIONS

QTY	NOMENCLATURE	DESCRIPTION
1	B1905	MCC 7500 ASTRO 25 SOFTWARE
18	B1933	MOTOROLA VOICE PROCESSOR MODULE
18	CA01642AA	ADD: MCC 7500 BASIC CONSOLE FUNCTIONALITY SOFTWARE LICENSE
18	CA01643AA	ADD: MCC 7500 / MCC 7100 TRUNKING OPERATION
18	CA01644AA	ADD: MCC 7500 /MCC 7100 ADV CONVL OPERATION
18	CA00147AF	ADD: MCC 7500 SECURE OPERATION
18	CA01220AA	ADD: MCC 7500 / MCC 7100 OTEK OPERATION
18	CA00144AC	ADD: DES-XL ALGORITHM
18	CA00182AB	ADD: AES ALGORITHM
18	CA00140AA	ADD: AC LINE CORD, NORTH AMERICAN
18	DSTG191B	TECH GLOBAL EVOLUTION SERIES 19INCH TOUCH SCREEN
18	DSPWR100012	STANDARD IEC AC POWER CORD 12 FOOT
18	TT2833	COMPUTER, Z440 WORKSTATION WINDOWS 7 (NON RETURNABLE)
18	T7449	WINDOWS SUPPLEMENTAL TRANS CONFIG
18	DSRMP615A	SPD, TYPE 3, 120V RACK MOUNT, 15A PLUG-IN W/ (6) 15A NEMA 5-15 OUTLETS
90	B1912	MCC SERIES DESKTOP SPEAKER
36	B1913	MCC SERIES HEADSET JACK
36	RLN6098	HDST MODULE BASE W/PTT, 15' CBL
36	RMN5078B	SUPRAPLUS NC SINGLE MUFF HEADSET
18	T7885	MCAFFEE WINDOWS AV CLIENT
18	DSALIF1002TUS	ADDERLINK INFINITY 1002 KVM EXTENDER
18	DSALIF1002RUS	ADDERLINK INFINITY 1002 USB 2.0 KVM EXTENDER RECEIVE ONLY
6	CLN1856	2620-24 ETHERNET SWITCH
6	SQM01SUM0205	GGM 8000 GATEWAY
6	CA01616AA	ADD: AC POWER
4	TRN7343	SEVEN AND A HALF FOOT RACK
13	DDN9748	19 INCH BLACK SHELF

10	DSRMP615A	SPD, TYPE 3, 120V RACK MOUNT, 15A PLUG-IN W/ (6) 15A NEMA 5-15 OUTLETS
6	DS1101990	SPD, SHIELDED RJ-45 JACK, SINGLE LINE GBE (1000MBPS) R56 COMPLIANT
2	DSTSJADP	RACK MOUNT GROUND BAR, 19 IN FOR TSJ AND WPH SERIES DATA SPDS

## 2.3 AUXILIARY INPUTS/OUTPUTS

QTY	NOMENCLATURE	DESCRIPTION
1	F4543	SITE MANAGER BASIC
1	VA00874	ADD: AUX I-O SERV FW CURR ASTRO REL
1	V266	ADD: 90VAC TO 260VAC PS TO SM
3	V592	AAD TERM BLCK & CONN WI
1	F4547	SM IO EXPANSION BASIC
3	V592	AAD TERM BLCK & CONN WI
2	L3468	MCC SERIES I/O SHELF W/ CONTROLLER & CABLE
2	TT04532AA	ADD: MCC SERIES I / O MODULE II

## 2.4 MKM 7000 CONSOLE ALIAS MANAGER (CAM)

QTY	NOMENCLATURE	DESCRIPTION
1	BVN1013	MKM 7000 Console Alias Manager Software
1	TT2833	COMPUTER, Z440 WORKSTATION WINDOWS 7 (NON RETURNABLE)
1	T7885	MCAFFEE WINDOWS AV CLIENT
1	T7449	WINDOWS SUPPLEMENTAL TRANS CONFIG
1	DSCL5808NCKIT	8 PORT LCD KVM 8 USB-PS 2 COMBO CABLES

## 2.5 CONVENTIONAL FALLBACK SYSTEM

QTY	NOMENCLATURE	DESCRIPTION
3	T7038	GCP 8000 SITE CONTROLLER
3	CA00303AA	ADD: QTY (1) SITE CONTROLLER
3	X153AW	ADD: RACK MOUNT HARDWARE
3	CA01136AA	ADD: MCC 7500 CONVEN SITE OPER
12	SQM01SUM0205	GGM 8000 GATEWAY
12	CA01616AA	ADD: AC POWER
12	CA02086AA	ADD: HIGH DENSITY ENH CONV GATEWAY
6	FKN8695	ETHERNET CABLE 10' WITH RED & BLACK LABELS
6	F7979	MCD 5000 DESKSET RADIO GATEWAY UNIT (RGU)
6	FHN7469	MCD 5000 DESKSET / RGU POWER SUPPLY WITH USA POWER CORD
6	FKN8695	ETHERNET CABLE 10' WITH RED & BLACK LABELS
1	FVN5847	MCD 5000 DESKSET SYSTEM CONFIG TOOL - SYSTEM W/OUT OMC
6	B1943	MCD 5000 LICENSING
6	FTN7490	MCD 5000 DESKSET RGU RACK MOUNT PANEL PLUS SCREWS



## 2.6 APX 7500 CONSOLETTES

QTY	NOMENCLATURE	DESCRIPTION
5	L30KSS9PW1 N	APX7500 SINGLE BAND VHF MID PO
5	CA01598	ADD: AC LINE CORD US
5	G51	ENH: SMARTZONE OPERATION APX
5	G851	ADD: AES/DES-XL/DES-OFB ENCRYPTION
5	W382	ADD: CONTROL STATION DESK GCAI MIC
5	L999	ADD: FULL FP W/05/KEYPAD/CLOCK/VU
5	G996	ENH: OVER THE AIR PROVISIONING
5	G78	ADD: 3 YEAR SERVICE FROM THE START LITE
5	G241	ENH: SW ASTRO READY (ANALOG)
5	G48	ENH: CONVENTIONAL OPERATION
2	HKN6184C	CABLE CH, PROGRAMMING,USB
10	HKN6233C	APX CONSOLETTES RACK MOUNT KIT
1	DQNPDP1953	CONTROL STATION COMBINER 8 CHANNEL, 122-136 MHZ
1	DSBCH11508	8 CHANNEL CONTROL STATION COMBINER PASSIVE, CSCO2 150-174MHZ
5	ICOM A220	Icom Air Band Transceiver   8 Watts

## 2.7 APX 7500 CONSOLETTES FLASH UPGRADE

QTY	NOMENCLATURE	DESCRIPTION
1	T7562	DIGITAL SMARTZONE
2	G361AJ	ENH: ASTRO P25 TRUNK SOFTWARE
2	G996AW	ENH: OVER THE AIR PROVISIONING
1	T7562	DIGITAL SMARTZONE
9	G996AW	ENH: OVER THE AIR PROVISIONING
1	T7562	DIGITAL SMARTZONE
1	G996AW	ENH: OVER THE AIR PROVISIONING
12	CA00182AR	ADD: AES ENCRYPTION SOFTWARE
1	T7936	APX UCM UPGRADE CD

## 2.8 GENWATCH RF MODEM

QTY	NOMENCLATURE	DESCRIPTION
4	L3624	GENESIS APX MODEM 700/800MHZ

## 2.9 AVIAT MICROWAVE HOP

QTY	NOMENCLATURE	DESCRIPTION
1	DSAVIATEQUIPMENT	AVIAT MICROWAVE RADIO EQUIPMENT, SOFTWARE, LICENSING AND INSTALLATION SERVICES

## 2.10 VHF ANTENNA SYSTEM

QTY	NOMENCLATURE	DESCRIPTION
1	DSSG238HF1SNM	GROUND PLANE OMNI, 0 DBD, HD, 118-138 MHZ
300	DSAT012J50	AT012J50, 1/2" TRANSMISSION LINE, 50OHM, BLACK POLYETHYLENE JCKT PER FT
4	DSNMA01250	NMA01250, N MALE FOR 1/2" CABLE
4	DSNFA01250	NFA01250, N FEMALE FOR 1/2" CABLE
3	DSGKS12AC	GK-S12AC, STD GROUND KIT FOR 1/2" AIRCELL COAX
1	DSHG12	HG-12, LACE-UP HOISTING GRIP FOR 1/2" AIRCELL COAX
2	TDN9289	221213 CABLE WRAP WEATHERPROOFING

## 2.11 SPARES

QTY	NOMENCLATURE	DESCRIPTION
2	CLN1856	2620-24 ETHERNET SWITCH
1	SQM01SUM0205	GGM 8000 GATEWAY
1	CA01616AA	ADD: AC POWER
10	B1912	MCC SERIES DESKTOP SPEAKER
10	B1913	MCC SERIES HEADSET JACK
3	RLN6098	HDST MODULE BASE W/PTT, 15' CBL
3	RMN5078B	SUPRAPLUS NC SINGLE MUFF HEADSET
4	DSACM3151	TRANSMIT FOOT SWITCH 24 IN
4	TT2833	COMPUTER, Z440 WORKSTATION WINDOWS 7 (NON RETURNABLE)
5	B1934	MCC 7500 VOICE PROCESSOR MODULE FRU
5	CA00147AF	ADD: MCC 7500 SECURE OPERATION
5	CA00182AB	ADD: AES ALGORITHM
5	CA00144AC	ADD: DES-XL ALGORITHM
1	DLN6966	FRU: GCP 8000/GCM 8000/GPB 8000
1	DLN6898	FRU: FAN MODULE
1	DLN6781	FRU POWER SUPPLY
2	F4543	SITE MANAGER BASIC
2	VA00874	ADD: AUX I-O SERV FW CURR ASTRO REL
2	V266	ADD: 90VAC TO 260VAC PS TO SM
2	DSALIF1002TUS	ADDERLINK INFINITY 1002 KVM EXTENDER
2	DSALIF1002RUS	ADDERLINK INFINITY 1002 USB 2.0 KVM EXTENDER RECEIVE ONLY

# ACCEPTANCE TEST PLAN

## 3.1 MCC 7100/7500 TRUNKED RESOURCES

### 3.1.1 Instant Transmit

#### 1. DESCRIPTION

The instant transmit switch provides immediate operator access to a channel, independent of its select status (selected or unselected). It provides priority over other dispatcher transmit bars or optional footswitches.

#### SETUP

RADIO-1 - TALKGROUP 1  
CONSOLE-1 – TALKGROUP 1 (Selected),  
TALKGROUP 2 (Unselect mode)

#### VERSION #1.010

#### 2. TEST

- Step 1. Using CONSOLE-1, press the Instant Transmit button on TALKGROUP 1.
- Step 2. Verify that the Transmit indicator is lit.
- Step 3. Verify RADIO-1 can monitor and respond to the call on TALKGROUP 1.
- Step 4. On RADIO-1 change to TALKGROUP 2
- Step 5. Using CONSOLE-1, press the Instant Transmit button on the TALKGROUP 2 radio resource.
- Step 6. Verify RADIO-1 can monitor and respond to the call on TALKGROUP 2.

Pass\_\_\_\_ Fail\_\_\_\_



## MCC 7100/7500 Trunked Resources

## 2. TEST

### 3.1.2 Talkgroup Selection and Call

#### 1. DESCRIPTION

The Talkgroup Call is the primary level of organization for communications on a trunked radio system. Dispatchers with Talkgroup Call capability will be able to communicate with other members of the same talkgroup. This provides the effect of an assigned channel down to the talkgroup level. When a Talkgroup Call is initiated from a subscriber unit, the call is indicated on each dispatch operator position that has a channel control resource associated with the unit's channel/talkgroup.

#### SETUP

RADIO-1 - TALKGROUP 1  
RADIO-2 - TALKGROUP 2  
RADIO-3 - TALKGROUP 1  
RADIO-4 - TALKGROUP 2  
CONSOLE-1 - TALKGROUP 1  
CONSOLE-2 - TALKGROUP 2

**VERSION #1.010**

- Step 1. Initiate a wide area call from CONSOLE-1 on TALKGROUP 1.
- Step 2. Observe that RADIO-1 and RADIO-3 will be able to monitor the call. Dekey the console and have either radio respond to the call.
- Step 3. Observe that all consoles with TALKGROUP 1 can monitor both sides of the conversation.
- Step 4. Initiate a wide area call from CONSOLE-2 on TALKGROUP 2.
- Step 5. Observe that RADIO-2 and RADIO-4 will be able to monitor the call. Dekey the console and have either radio respond to the call.
- Step 6. Observe that all consoles with TALKGROUP 2 can monitor both sides of the conversation.

**Pass\_\_\_\_\_ Fail\_\_\_\_\_**



## MCC 7100/7500 Trunked Resources

## 2. TEST

### 3.1.3 Emergency Alarm and Call Display Description

#### 1. DESCRIPTION

Users in life threatening situations can use the emergency button on the radio to send an audible alarm and a visual alarm signal to a console operator in order to request immediate system access to a voice channel for an emergency call. An emergency alarm begins after the radio user presses the radio's emergency button. Pressing the emergency button places the radio in "emergency mode". To begin an emergency call, the radio user must press the radio's PTT button while in "emergency mode." The assigned voice channel will be dedicated to the emergency caller's talkgroup for an extended period of time, equal to the Message Hang Time plus the Emergency Hang Time. As with other call types, emergency calls can operate across sites as well as within the same site.

#### SETUP

RADIO-1 - TALKGROUP 1  
CONSOLE-1 - TALKGROUP 1  
CONSOLE-2 - TALKGROUP 1

#### VERSION #1.010

- Step 1. Initiate an Emergency Alarm from RADIO-1.
- Step 2. Observe the Emergency from RADIO-1 is received at CONSOLE-1 for TALKGROUP 1.
- Step 3. Acknowledge the Emergency at the operator position. Verify CONSOLE-2 receives notification that the call has been acknowledged.
- Step 4. Initiate a call with RADIO-1 to initiate an Emergency call.
- Step 5. Observe CONSOLE-1 and CONSOLE-2 can monitor RADIO-1
- Step 6. Clear the Emergency from CONSOLE-1 on TALKGROUP 1.
- Step 7. End the Emergency Alarm from RADIO-1.

Pass\_\_\_\_ Fail\_\_\_\_



## MCC 7100/7500 Trunked Resources

## 2. TEST

### 3.1.4 Multigroup Call

#### 1. DESCRIPTION

This trunking feature allows an equipped console operator position to transmit an announcement to several different talkgroups simultaneously. As with Talkgroup Calls, multigroup calls operate across sites as well as within the same site.

#### SETUP

RADIO-1 - TALKGROUP 1  
RADIO-2 - TALKGROUP 2  
RADIO-3 - RANDOM  
CONSOLE-1 - ATG 1

Note: TALKGROUP 1 and TALKGROUP 2 are members of ATG 1. RANDOM is any talkgroup not a member of ATG 1.

#### VERSION #1.010

- Step 1. Using CONSOLE-1, select the ATG 1 resource.
- Step 2. Initiate the Multigroup Call from CONSOLE-1.
- Step 3. Observe that RADIO-1 and RADIO-2 receive the Multigroup Call.
- Step 4. Verify that RADIO-3 does not receive the Multigroup Call because it is not a member of ATG 1.
- Step 5. Answer the Multigroup Call using RADIO-1 and observe CONSOLE-1 receives the response.
- Step 6. Verify that if the call is answered within the repeater hang time, the console will receive the call on the ATG 1 resource tile, otherwise the console will receive the call on the TALKGROUP 1 tile.
- Step 7. Verify that if the call is answered within the repeater hang time, RADIO-2 will monitor the call.

Pass\_\_\_\_ Fail\_\_\_\_



## MCC 7100/7500 Trunked Resources

## 2. TEST

### 3.1.5 Multi-Select Operation

#### 1. DESCRIPTION

Multi-Select (Msel) allows the console operator to group a number of channels/talkgroups together such that when the general transmit bar is depressed, all of the multi-selected channels/talkgroups will transmit at the same time with the same information. Multi-Select is one way communication call. If a radio user responds to a Multi-Select call the talkgroup the user is affiliated to will be the only one to hear the call. There is no super-group formed, so radio communication is still at the single talkgroup level. Multi-Select is utilized to send an APB to several channels/talkgroups. A Multi-Select has a limit of twenty (20) trunking/conventional resources

#### SETUP

RADIO-1 - TALKGROUP 1  
RADIO-2 - TALKGROUP 2  
CONSOLE-1 - TALKGROUP 1, TALKGROUP 2

#### VERSION #1.010

- Step 1. From CONSOLE-1, create an Msel group with TALKGROUP 1 and TALKGROUP 2.
- Step 2. Transmit on the Msel using the Msel instant transmit button.
- Step 3. Verify that RADIO-1 and RADIO-2 hear the call.
- Step 4. Initiate a call with RADIO-1.
- Step 5. Verify the call is heard on CONSOLE-1 but not on RADIO-2.
- Step 6. Initiate a call with RADIO-2.
- Step 7. Verify the call is heard on CONSOLE-1 but not on RADIO-1.
- Step 8. On CONSOLE-1 dissolve the Msel.

Pass\_\_\_\_ Fail\_\_\_\_





## MCC 7100/7500 Trunked Resources

## 2. TEST

### 3.1.6 Talkgroup Patch

#### 1. DESCRIPTION

Talkgroup Patch allows a dispatcher to merge several talkgroups together on one voice channel to participate in a single conversation. This can be used for situations involving two or more talkgroups that need to communicate with each other.

Using the Patch feature, the console operator can talk and listen to all of the selected talkgroups grouped; in addition, the members of the individual talkgroups can also talk or listen to members of other talkgroups. Patched talkgroups can communicate with the console dispatcher and other members of different talkgroups because of the "supergroup" nature of the Patch feature.

NOTE : If "secure" and "clear" resources are patched together, one repeater for each mode may be assigned per site.

- Step 1. Using CONSOLE-1 create a patch between TALKGROUP 1 and TALKGROUP 2.
- Step 2. Initiate a patch call from CONSOLE-1.
- Step 3. Verify RADIO-1, RADIO-2, RADIO-3, and RADIO-4 can monitor the call.
- Step 4. Initiate several calls between the radios and verify successful communication.
- Step 5. Dissolve the patch created in step 1.

Pass\_\_\_\_\_ Fail\_\_\_\_\_

#### SETUP

RADIO-1 - TALKGROUP 1  
RADIO-2 - TALKGROUP 2  
RADIO-3 - TALKGROUP 1  
RADIO-4 - TALKGROUP 2  
CONSOLE-1 - TALKGROUP 1 and TALKGROUP 2

Note: All 4 Radios must have the same home zone.

#### VERSION #1.010



## MCC 7100/7500 Trunked Resources

## 2. TEST

### 3.1.7 Console Priority

#### 1. DESCRIPTION

Console Operator Positions have ultimate control of transmitted audio on an assigned voice channel resource. The Console Position has the capability to take control of an assigned voice channel for a talkgroup call so that the operator's audio overrides any subscriber audio. Console priority is a feature that enables dispatchers to gain immediate access to an assigned voice channel so that a central point of audio control exists.

#### SETUP

RADIO-1 - TALKGROUP 1  
RADIO-2 - TALKGROUP 1  
CONSOLE-1 - TALKGROUP 1

#### VERSION #1.020

- Step 1. Initiate a Talkgroup call from RADIO-1 on TALKGROUP 1. Keep this call in progress until the test has completed.
- Step 2. Observe that RADIO-2 receives the call
- Step 3. While the call is in progress, key up CONSOLE-1 on TALKGROUP 1.
- Step 4. Observe that RADIO-2 is now receiving audio from CONSOLE-1 on TALKGROUP 1.
- Step 5. De-key CONSOLE-1.
- Step 6. Verify RADIO-2 now receives RADIO-1 audio.
- Step 7. End the TALKGROUP 1 call from RADIO-1.

Pass\_\_\_\_ Fail\_\_\_\_



## MCC 7100/7500 Trunked Resources

## 2. TEST

### 3.1.8 Channel Marker

#### 1. DESCRIPTION

A Channel Marker is a distinct, short duration, audible tone over radio and Console speakers. The tone is initiated and cancelled by a console operator.

The tone can be initiated only for the talkgroups or conventional channels. On initiation, it is generated periodically when there is no voice activity. The tone can be used for various purposes. The primary purpose of the tone is to inform radio users that the conventional channel or the trunked talkgroup is currently involved in a high priority situation and they should stay off the channel unless they are involved in the high priority situation. The tone also informs the users that a console operator is actively monitoring the talkgroup.

Note that the Channel Marker tone will only start when there is no voice activity for the selected Talkgroup or conventional channel. The channel Marker tone is sent in a current transmission mode of the Console user.

#### SETUP

RADIO-1 - TALKGROUP 1  
RADIO-2 - TALKGROUP 1  
CONSOLE-1 - TALKGROUP 1  
CONSOLE-2 - TALKGROUP 1

#### VERSION #1.010

- Step 1. Initiate a Channel Marker tone on TALKGROUP 1 from CONSOLE-1.
- Step 2. Verify RADIO-1 and RADIO-2 can monitor the Channel Marker tone on TALKGROUP 1.
- Step 3. Verify CONSOLE-1 and CONSOLE-2 also monitor the Channel Marker tone on TALKGROUP 1.
- Step 4. Initiate a call from RADIO-1 and continue to key longer than the preset Channel Marker tone period for TALKGROUP 1.
- Step 5. Verify while RADIO-1 is keyed, the Channel Marker tone is suppressed.
- Step 6. Verify after RADIO-1 de-keys, the periodic Channel Marker tone continues to be transmitted on TALKGROUP 1.
- Step 7. Cancel the Channel Marker on TALKGROUP 1 from CONSOLE-1.
- Step 8. Verify the Channel Marker is no longer monitored on TALKGROUP 1.

Pass\_\_\_\_ Fail\_\_\_\_



## MCC 7100/7500 Trunked Resources

## 2. TEST

### 3.1.9 Alarm Input / Outputs - Aux I/O Option

#### 1. DESCRIPTION

A dispatch console user can simultaneously view the status of all Aux I/O instances pertaining to the AUX I/O object. Change to one AUX I/O instance is simultaneously viewable by all other instances.

#### SETUP

CONSOLE-1 - TALKGROUP 1  
CONSOLE-1 - SITE - CONSITE-1  
CONSOLE-2 - TALKGROUP 1  
CONSOLE-2 - SITE - CONSITE-1

For this test-

An instance of AUXIO\_1 has been created and is assigned as a standalone tile on CONSOLE-1 and CONSOLE-2.

#### VERSION #1.020

- Step 1. Assign an instance of AUXIO\_1 to CONSOLE-1 to a talk resource tile on TALKGROUP 1
- Step 2. Assign instance of AUXIO\_1 to CONSOLE-2 to a talk resource tile on TALKGROUP 1.
- Step 3. Change the status of AUXIO\_1 on CONSOLE-1.
- Step 4. Verify the standalone tile as well as the talk resource instance on CONSOLE-1 and CONSOLE-2 change and display the same state for AUXIO\_1.
- Step 5. Change the status of AUXIO\_1 on CONSOLE-2.
- Step 6. Verify the standalone tile as well as the talk resource instance on CONSOLE-1 and CONSOLE-2 change and display the same state for AUXIO\_1.

Pass\_\_\_\_ Fail\_\_\_\_



## 3.2 MKM 7000 CONSOLE ALIAS MANAGER (CAM)

### 3.2.1 Alias Display When Using the MKM 7000

#### 1. DESCRIPTION

This test will demonstrate that a Provisioning Manager (PM) defined alias still works on incoming calls when MKM 7000 solution is installed, although the locally defined ones take precedence, i.e. centrally defined ones will only be used if there is no locally defined alias for the radio that is making an incoming call.

#### SETUP

RADIO-1 - TALKGROUP 1

RADIO-2 - TALKGROUP 1

CONSOLE-1 - TALKGROUP 1

A standalone or cohab'ed MKM 7000 server is connected and communicating normally with an MCC 7100/7500 Console.

CONSOLE-1 user is configured to use local alias service.

#### 2. TEST

- Step 1. Log into MKM 7000 GUI and configure an alias for RADIO-1.
- Step 2. Verify that RADIO-2 does not have any alias defined in MKM 7000.
- Step 3. Verify both RADIO-1 and RADIO-2 have their own PM defined aliases. Also verify the PM defined alias for RADIO-1 is different from the one defined by MKM 7000.
- Step 4. Key up RADIO-1 and verify that its locally defined alias shows up on CONSOLE-1, not the PM defined alias.
- Step 5. Key up RADIO-2 and verify that its PM defined alias shows up.

Pass\_\_\_\_\_ Fail\_\_\_\_\_

**VERSION #1.030**



## MKM 7000 Console Alias Manager (CAM)

### 3.2.2 Create a new Subscriber Unit ID to Subscriber Unit Alias Mapping - Trunking

#### 1. DESCRIPTION

This test will demonstrate the capability to create a Subscriber Unit (SU) alias for an SU ID via the MKM 7000 GUI and have it show up on MCC 7100/7500 Console automatically.

The test will work on either a trunked or conventional system. This test will also demonstrate the capability to monitor connection status between MKM 7000 and MCC 7100/7500 Console.

#### SETUP

A standalone (not cohab) MKM 7000 server is connected and communicating normally with CONSOLE-1.

RADIO-1 - TALKGROUP 1

CONSOLE-1 - TALKGROUP 1

CONSOLE-1 user is configured to use the local alias service.

**VERSION #1.040**

#### 2. TEST

- Step 1. CONSOLE-1 user logs into the MCC 7100/7500 console and verifies that the consoles synchronization status with Localized Aliasing is OK, as indicated by a green check mark on the "status screen".
- Step 2. Local Alias Admin logs into MKM 7000 GUI, verify under Connected Consoles tab that the MCC 7100/7500 console is connected to MKM7000.
- Step 3. Create a new SU ID that matches RADIO-1 to be used for this test.
- Step 4. Create a new SU Alias for the SU ID (new mapping between SU ID and SU Alias).
- Step 5. Submit the change.
- Step 6. Wait (up to) 30 seconds, initiate a call using RADIO-1 ON TALKGROUP 1, verify the defined SU Alias shows up on CONSOLE-1's TALKGROUP 1 resource.

**Pass\_\_\_\_\_ Fail\_\_\_\_\_**



## MKM 7000 Console Alias Manager (CAM)

### 3.2.3 Fault Management of MKM 7000 and MCC 7100/7500 Link

#### 1. DESCRIPTION

This test will demonstrate that the link status between MKM 7000 and MCC 7100/7500 is monitored and fault managed by the Unified Event Manager (UEM).

This test will also demonstrate that the MKM 7000 and MCC 7100/7500 both monitor the link status between them.

#### SETUP

A standalone (not cohabed) MKM 7000 server is connected and communicating normally with an MCC 7100/7500 Console.

The console user is configured to use local alias service.

#### VERSION #1.050

#### 2. TEST

- Step 1. The console user logs into CONSOLE-1 and verifies that MCC 7100/7500's synchronization status with MKM 7000 server is OK, as indicated by a green check mark on the "system status" screen.
- Step 2. Log into the MKM 7000 GUI and verify the connection to MCC 7100/7500 is up and running under Connected Consoles tab.
- Step 3. Unplug the connection cable between MKM 7000 and MCC 7100/7500 and verify that the UEM shows link failure between MKM 7000 and MCC 7100/7500. Also verify the change of link status shows up on MKM 7000 GUI's Connected Consoles tab and MCC 7100/7500's "system status" screen.
- Step 4. Restore the connection cable between MKM 7000 and MCC 7100/7500 and verify that the UEM shows link failure between MKM 7000 and MCC 7100/7500 has recovered. Also verify the change of link status shows up on MKM 7000 GUI's Connected Consoles tab and MCC 7100/7500's "system status" screen.
- Step 5. Log the console user out of CONSOLE-1 and verify that UEM shows link status is now "unconfigured user logout".

Pass\_\_\_\_ Fail\_\_\_\_





## MKM 7000 Console Alias Manager (CAM)

### 3.2.4 Create Subscriber Unit ID to Subscriber Unit Alias Mapping

#### 1. DESCRIPTION

This test will demonstrate the capability to create a Subscriber Unit (SU) alias for an SU ID via MKM 7000 GUI and have it show up on MCC 7100/7500 Console automatically.

The test will work on either a trunked or conventional system. For this test, we'll assume this will be done on a trunked system.

This test will also demonstrate the capability to monitor connection status between MKM 7000 and MCC 7100/7500 Console.

#### SETUP

RADIO-1 - TALKGROUP 1

CONSOLE-1 - TALKGROUP 1

A standalone (not cohab) MKM 7000 server is connected and communicating normally with an MCC 7100/7500 Console.

Console user is configured to use local alias service.

**VERSION #1.020**

#### 2. TEST

- Step 1. The console user logs into CONSOLE-1 and verifies that the synchronization status with Localized Aliasing is OK, as indicated by a green check mark on the "status screen".
- Step 2. The Local Alias Admin logs into the MKM 7000 GUI, verify under Connected Consoles tab that CONSOLE-1 is connected to the MKM7000.
- Step 3. Create a new SU ID that matches RADIO-1.
- Step 4. Create a new SU Alias for the SU ID (new mapping between SU ID and SU Alias)
- Step 5. Submit the change.
- Step 6. Wait (up to) 30 seconds, then key up RADIO-1. Verify the defined SU Alias shows up on the TALKGROUP 1 resource of CONSOLE-1.

Pass\_\_\_\_ Fail\_\_\_\_

## 3.3 MCC 7100/7500 CONVENTIONAL RESOURCES

### 3.3.1 Enhanced CCGW Analog Audio Logging

#### 1. DESCRIPTION

This test will demonstrate recording of the audio from the analog channel interface on the conventional channel gateway (CCGW). The enhanced CCGW will sum receive and transmit audio received on an analog conventional channel and deliver the summed audio to the audio logging output pins 3 and 6 of the second analog connector (9A to 9D or 13A to 13D) of the same analog conventional channel.

#### SETUP

The CCGW is either a Low Density Enhanced Conventional Gateway or a High Density Enhanced Conventional Gateway.

A conventional channel, CONVCH-1, with an analog interface has been configured (analog, MDC 1200, mixed mode, or ACIM).

The customer's audio recording device has been connected to the audio recording output pins 3 and 6 of the second analog connector for CONVCH-1 on the enhanced CCGW.

Conventional RADIO-1 - CONVCH-1

CONSOLE-1 - CONVCH-1

#### VERSION #1.030

#### 2. TEST

- Step 1. Key RADIO-1 on CONVCH-1. Communicate with CONSOLE-1.
- Step 2. Key CONSOLE-1 on CONVCH-1. Communicate with RADIO-1.
- Step 3. Verify the audio from the previous two steps at the audio recording device.

Pass\_\_\_\_ Fail\_\_\_\_



## 3.4 SIGNOFF CERTIFICATE

By their signatures below, the following witnesses certify they have observed the system Acceptance Test Procedures.

### Signatures

WITNESS:

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

Please Print Name: \_\_\_\_\_

\_\_\_\_\_

Initials:

Please Print Title: \_\_\_\_\_

WITNESS:

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

Please Print Name: \_\_\_\_\_

\_\_\_\_\_

Initials:

Please Print Title: \_\_\_\_\_



# STATEMENT OF WORK

## 4.1 OVERVIEW

This Statement of Work (SOW) describes the deliverables to be furnished to OCFA.

The tasks described herein will be performed by Motorola, its subcontractors, and OCFA to implement the solution described in the System Description. This SOW describes the actual work involved in installation; identifies the installation standards to be followed; and clarifies the responsibilities for both Motorola and Customer during the project implementation. Specifically, this SOW provides:

- A summary of the phases and tasks to be completed within the project lifecycle.
- A list of the deliverables associated with the project.
- A description of the responsibilities for both Motorola and Customer.
- The qualifications and assumptions taken into consideration during the development of this project.

This SOW provides the most current understanding of the work required by both parties to ensure a successful project implementation. Motorola has identified the equipment locations to be used for the new system. Should any of the locations change, a revision to the SOW and associated pricing will be required. It is understood that this SOW is a working document, and that it will be revised as needed to incorporate any changes associated with contract negotiations, Contract Design Review (CDR), and any other change orders that may occur during the execution of the project.

The proposed solution will provide OCFA eighteen (18) MCC 7500 Dispatch Consoles to interface with the Orange County ASTRO® 25 CCCS. Included are twelve (12) flash upgrades for existing APX 7500 Consolettes. Motorola has provided a new antenna system with control station combiner for the five (5) new Air Band Transceivers. Motorola has provided a control station combiner for the five (5) new high band VHF APX 7500 Consolettes, that will reuse an existing antenna system.

OCFA's new console subsystem will connect to the Orange County ASTRO® 25 CCCS Master Site at Loma Ridge through a one hop Microwave system. The hop will be configured with MHSB Radios to provide Ethernet and TDM traffic between the 2 locations. All equipment to be used including radios and antennas is quoted as new; there will be no reuse of equipment.

OCFA will continue to log talkgroups via consolettes, which now be interfaced to CCGWs instead of the Base Interface Modules (BIMs) of the Central Electronics Bank (CEB), that will be replaced as part of the proposed project.

Motorola is providing a demarcation point at the auxiliary input/output (AUX I/O) chassis for OCFA to connect its door and other controls.

## 4.2 ASSUMPTIONS

Motorola has based the system design on information provided by OCFA and an analysis of their system requirements. All assumptions have been listed below for review. Should Motorola's assumptions be deemed incorrect or not agreeable to OCFA, a revised proposal with the necessary

changes and adjusted costs may be required. Changes to the equipment or scope of the project after contract may require a change order.

- All work is to be performed during normal work hours, Monday through Friday 8:00 a.m. to 5:00 p.m.
- All existing sites or equipment locations will have sufficient space available for the system described.
  - This includes available space for proposed racks, cabinets, MCC 7500 dispatch positions, cables, and cable entry ports.
  - Motorola will install dispatch computers in OCFA provided server cabinets in the equipment room.
- All existing sites or equipment locations will have adequate electrical power and site grounding suitable to support the requirements of the system described.
  - It is assumed that OCFA will provide AC and/or DC power distribution units. OCFA is responsible to provide enough circuits to support both the existing Gold Elite consoles and the replacement MCC 7500 console during the transition process.
  - OCFA is responsible for providing open conduit space for Motorola to route and install CAT6, RF and ground cables.
- Any site/location upgrades or modifications are the responsibility of OCFA.
- Where applicable, approved FCC licensing will be provided by OCFA.
- Where applicable, approved local, State, or Federal permits as may be required for the installation and operation of the proposed equipment, are the responsibility of OCFA.
- Motorola will create, support and provide a custom headset interface device that allows the user to switch to a backup consolette (Green 1 TG only) in the event of a temporary Microwave link loss. This solution will mitigate the temporary downtime by providing the dispatcher the ability to immediately switch to a back up consolette and maintain radio communication with the users in the event when both primary and secondary connection links are lost. The custom headset interface device does not support telephone operation.
  - OCFA is responsible for providing an installed APX 7500 Consolette and antenna to support the custom headset interface devices. Per the County's request, we have not included this consolette and antenna system in this proposal.
  - Orange County Engineering will be responsible to provide all end user training on the MCC 7500 console equipment and the custom headset interface operation.
- Where necessary, OCFA will provide a dedicated delivery point, such as a warehouse, for receipt, inventory, and storage of equipment prior to delivery to the site(s).
- OCFA is responsible for transporting and disposal of existing third party console racks and equipment.

## 4.3 CONTRACT

### 4.3.1 Contract Award (Milestone)

- OCFA and Motorola execute the contract and both parties receive all the necessary documentation.

## 4.3.2 Contract Administration

### **Motorola Responsibilities:**

- Assign a Project Manager, as the single point of contact with authority to make project decisions.
- Assign resources necessary for project implementation.
- Set up the project in the Motorola information system.
- Schedule the project kickoff meeting with OCFA.

### **Customer Responsibilities:**

- Assign a Project Manager, as the single point of contact responsible for OCFA signed approvals.
- Assign other resources necessary to ensure completion of project tasks for which OCFA is responsible.

### **Completion Criteria:**

- Motorola internal processes are set up for project management.
- Both Motorola and OCFA assign all required resources.
- Project kickoff meeting is scheduled.

## 4.3.3 Project Kickoff

### **Motorola Responsibilities:**

- Conduct a project kickoff meeting during the CDR phase of the project.
- Ensure key project team participants attend the meeting.
- Introduce all project participants attending the meeting.
- Review the roles of the project participants to identify communication flows and decision-making authority between project participants.
- Review the overall project scope and objectives with OCFA.
- Review the resource and scheduling requirements with OCFA.
- Review the Project Schedule with OCFA to address upcoming milestones and/or events.
- Review the teams' interactions (Motorola and OCFA), meetings, reports, milestone acceptance, and OCFA's participation in particular phases.

### **Customer Responsibilities:**

- OCFA's key project team participants attend the meeting.
- Review Motorola and OCFA responsibilities.

### **Completion Criteria:**

- Project kickoff meeting completed.
- Meeting notes identify the next action items.

## 4.4 CONTRACT DESIGN REVIEW

### 4.4.1 Review Contract Design

#### **Motorola Responsibilities:**

- Meet with OCFA project team.
- Review the operational requirements and the impact of those requirements on various equipment configurations.

- Establish a defined baseline for the system design and identify any special product requirements and their impact on system implementation.
- Review the System Design, Statement of Work, Project Schedule, and Acceptance Test Plans, and update the contract documents accordingly.
- Discuss the proposed Cutover Plan and methods to document a detailed procedure.
- Submit design documents to OCFA for approval. These documents form the basis of the system, which Motorola will manufacture, assemble, stage, and install.
- Prepare equipment layout plans for staging.
- Provide minimum acceptable performance specifications for microwave, fiber, or copper links.
- Establish demarcation point (supplied by the Motorola system engineer) to define the connection point between the Motorola-supplied equipment and OCFA-supplied link(s) and external interfaces.
- Finalize site readiness plan.
  - Conduct site evaluations to capture site details of the system design and to determine site readiness.
  - Determine each site's ability to accommodate proposed equipment based upon physical capacity.

#### **Customer Responsibilities:**

- OCFA's key project team participants attend the meeting.
- Make timely decisions, according to the Project Schedule.
- Frequency Licensing and Interference:
  - As mandated by the FCC, OCFA, as the licensee, has the ultimate responsibility for providing all required radio licensing or licensing modifications for the system prior to system staging. This responsibility includes paying for FCC licensing and frequency coordination fees.
  - Provide the FCC "call sign" station identifier for each site prior to system staging.

#### **Completion Criteria:**

- Complete Design Documentation, which may include updated System Description, Equipment List, system drawings, or other documents applicable to the project.
- Incorporate any deviations from the proposed system into the contract documents accordingly.
- The system design is "frozen" in preparation for subsequent project phases such as Order Processing and Manufacturing.
- A Change Order is executed in accordance with all material changes resulting from the Design Review to the contract.

## **4.4.2 Design Approval (Milestone)**

- OCFA executes a Design Approval milestone document.

## **4.5 ORDER PROCESSING**

### **4.5.1 Process Equipment List**

#### **Motorola Responsibilities:**

- Validate Equipment List by checking for valid model numbers, versions, compatible options to main equipment, and delivery data.
- Enter order into Motorola's Customer Order Fulfillment (COF) system.



- Create Ship Views, to confirm with OCFA the secure storage location(s) to which the equipment will ship. Ship Views are the mailing labels that carry complete equipment shipping information, which direct the timing, method of shipment, and ship path for ultimate destination receipt.
- Create equipment orders.
- Reconcile the equipment list(s) to the Contract.
- Procure third-party equipment if applicable.

**Customer Responsibilities:**

- Approve shipping location(s).
- Complete and provide Tax Certificate information verifying tax status of shipping location.

**Completion Criteria:**

- Verify that the Equipment List contains the correct model numbers, version, options, and delivery data.
- Trial validation completed.
- Bridge the equipment order to the manufacturing facility.

## 4.6 MANUFACTURING AND STAGING

### 4.6.1 Manufacture Motorola Fixed Network Equipment

**Motorola Responsibilities:**

- Manufacture the Fixed Network Equipment (FNE) necessary for the system based on the equipment order.

**Customer Responsibilities:**

- None.

**Completion Criteria:**

- FNE shipped to the staging facility.

### 4.6.2 Manufacture Non-Motorola Equipment

**Motorola Responsibilities:**

- Procure non-Motorola equipment necessary for the system based on the equipment order.

**Customer Responsibilities:**

- None.

**Completion Criteria:**

- Ship non-Motorola manufactured equipment to the field or to the staging facility.

### 4.6.3 Ship to Staging (Milestone)

- Ship all equipment needed for staging to the Customer Center for Solutions Integration (CCSi), Motorola's factory staging facility in Elgin, Illinois.

## 4.6.4 Stage System

### **Motorola Responsibilities:**

- Set up and rack the system equipment on a site-by-site basis, as it will be configured in the field.
- Cut and label cables according to the approved CDR documentation.
- Label the cables with to/from information to specify interconnection for field installation and future servicing needs.
- Complete the cabling/connecting of the subsystems to each other (“connectorization” of the subsystems).
- Assemble required subsystems to assure system functionality.
- Power up, program, and test all staged equipment.
- Confirm system configuration and software compatibility to the existing system.
- Load application parameters on all equipment according to input from Systems Engineering.
- Complete programming of the Fixed Network Equipment.
- Program the approved templates into a radio-programming template tool.
- Inventory the equipment with serial numbers and installation references.
- Complete system documentation.
- Third party subsystems may be staged at the manufacturer’s facilities and integrated in the field.

### **Customer Responsibilities:**

- Provide information on existing system interfaces as may be required.
- Provide information on room layouts or other information necessary for the assembly to meet field conditions.

### **Completion Criteria:**

- System staging completed and ready for testing.

## 4.6.5 Perform Staging Acceptance Test Procedures

### **Motorola Responsibilities:**

- Test and validate system software and features.
- Functional testing of standard system features.
- Conduct site and system level testing.
- Power-up site equipment and perform standardized functionality tests.
- Perform system burn-in 24 hours a day during staging to isolate and capture any defects.

### **Customer Responsibilities:**

- None.

## 4.6.6 Ship Equipment to Field

### **Motorola Responsibilities:**

- Pack system for shipment to final destination.
- Arrange for shipment to the field.

### **Customer Responsibilities:**

- None.

**Completion Criteria:**

- Equipment ready for shipment to the field.

## 4.6.7 CCSi Ship Acceptance (Milestone)

- All equipment shipped to the field.

## 4.6.8 Develop Templates

**Motorola Responsibilities:**

- Motorola assists OCFA in defining each radio/console template. Up to four templates will be included.
- Motorola participates in a meeting to finalize any changes among user groups.
- Program the approved templates into a radio-programming template tool.
- Program sample radios with approved templates and deliver for OCFA's evaluation.

**Customer Responsibilities:**

- User groups create templates.
- Forward electronic copies of the spreadsheets to the committee members for their review and comment.
- Approve templates.

**Completion Criteria:**

- Templates completed and approved by OCFA.

## 4.7 CIVIL WORK FOR THE CUSTOMER-PROVIDED FACILITIES

**Motorola Responsibilities:**

- Provide electrical requirements for each equipment rack to be installed in OCFA-provided facilities.
- Provide heat load for each equipment rack to be installed in OCFA-provided facilities.
- Relocate existing equipment, if needed, to provide required space for the installation of Motorola-supplied equipment.

**Customer Responsibilities:**

- If applicable and based on local jurisdictional authority, OCFA will be responsible for any installation or upgrades of the Critical Operation Power Systems in order to comply with NFPA 70, Article 708.
- Secure site lease/ownership, zoning, permits, regulatory approvals, easements, power, and Telco connections.
- Provide clear and stable access to the sites for transporting electronics and other materials. Sufficient site access must be available for trucks to deliver materials under their own power and for personnel to move materials to the facility without assistance from special equipment.
- Design and construct facilities for housing communications equipment such as shelters, towers, generators, fuel tanks, fenced compounds, etc.
- Supply adequately sized electrical service, backup power (UPS, generator, batteries, etc.) including the installation of conduit, circuit breakers, outlets, etc., at each backroom equipment location.

- Provide AC power to the demarcation point(s) indicated in the documentation, including the associated electrical service and wiring (conduit, circuit breakers, etc.).
- Extend electrical to Motorola equipment and terminate at the OP6 or Cabinet electric panel.
- Provide adequate HVAC, grounding, lighting, cable routing, and surge protection (also, among existing and Motorola-provided equipment) based upon Motorola's Standards and Guidelines for Communication Sites. Ceiling (minimum 9 feet) and cable tray heights (minimum 8 feet) in the equipment rooms need to accommodate 7-foot, 6-inch equipment racks.
- Provide floor space and desk space for the system equipment at OCFA-provided facilities. Each rack shall be provided a minimum of 24-inch x 24-inch footprint with 36-inch clearance in the front and back. This activity includes moving the supply cabinet and arranging to have cameras moved in the last rack in the equipment room to make space.
- Bring grounding system up to Motorola's standards and supply a single point system ground, of 5 ohms or less, to be used on all FNE supplied under the Contract. Supply grounding tie point within 10 feet from the Motorola-supplied equipment.
- Provide all necessary wall or roof penetrations on existing buildings for antenna coax and microwave waveguide (if applicable) for main transmitter antennas, microwave radios, and control station Yagi antennas.
- Provide obstruction-free area for the cable run between the demarcation point and the communications equipment.
- Resolve any environmental issues including, but not limited to, asbestos, structural integrity (rooftop, water tank, tower, etc.) of the site, and any other building risks. (Resolve environmental or hazardous material issues).
- Arrange for space on the tower for installation of new antennas at the proposed heights, as applicable.
- Perform structural analysis of existing tower and rooftops as required to confirm that the structure is capable of supporting proposed and future antenna loads, as applicable.
- Supply all permits as contractually required.
- Supply interior building cable trays, raceways, conduits, and wire supports.
- Supply engineering and drafting as required for modifications to existing building drawings for site construction.
- Pay for usage costs of power and generator fueling, both during the construction and installation effort, and on an ongoing basis.
- Complete all customer deliverables in accordance within the approved project schedule.

#### **Completion Criteria:**

- All sites are ready for equipment installations in compliance with Motorola's standards.

## **4.8 SYSTEM INSTALLATION**

### **4.8.1 Install Fixed Network Equipment**

#### **Motorola Responsibilities:**

- Motorola will be responsible for the installation of all fixed equipment contained in the equipment list and outlined in the System Description based upon the agreed to floor plans, at the sites where the physical facility improvement is complete and the site is ready for installation. All equipment will be properly secured to the floor and installed in a neat and professional manner, employing a standard of workmanship consistent with its own R-56 installation standards and in compliance with applicable National Electrical Code (NEC), EIA, Federal

Aviation Administration (FAA)/Transport Canada, and FCC standards and regulations/Industry Canada.

- For installation of the fixed equipment at the various sites, Motorola will furnish all cables for power, audio, control, and radio transmission to connect the Motorola supplied equipment to the power panels or receptacles and the audio/control line connection point.
- During field installation of the equipment, any required changes to the installation will be noted and assembled per the final 'as-built' documentation of the system.
- Receive and inventory all equipment.
- Bond the supplied equipment to the site ground system in accordance with Motorola's standards.
- Provide demarcation points to the following network connections:
  - Ethernet interface
- Remove existing intercom system to make room for new equipment.
- Remove existing Motorola console equipment and Motorola cables.
- Dispose of existing equipment as part of the trade in.

**Customer Responsibilities:**

- Provide secure storage for the Motorola-provided equipment, at a location central to the sites. Motorola will coordinate the receipt of the equipment with OCFA's designated contact, and inventory all equipment.
- Provide access to the sites, as necessary.

**Completion Criteria:**

- Fixed Network Equipment installation completed and ready for optimization.

## 4.8.2 Fixed Network Equipment Installation Complete

- All fixed network equipment installed and accepted by OCFA.

## 4.8.3 Console Installation

**Motorola Responsibilities:**

- Install the consoles in the space provided by OCFA.
- Connect OCFA -supplied, previously-identified circuits into the console, to a demarcation point located within 25 feet of the console interface.
- Terminate the audio outputs for the logged talkgroups onto a punchblock, and then terminate these outputs into the logging recorder.
- Install a dedicated Local Area Network (LAN) at each dispatch center to connect the proposed console positions.
- Connect the appropriate equipment to OCFA-supplied ground system in accordance with Motorola's Site Installation standards.
- Perform the console programming, based on the console templates designed during the fleetmapping process.
- Configure current method of operation for the telephone and radio headset on the proposed console positions.

**Customer Responsibilities:**

- Provide demarcation point located within 25 feet of the console interface.
- Provide console furniture.
- Provide space in server cabinets for dispatch computers and interface hardware.

**Completion Criteria:**

- Console installation is complete.

#### 4.8.4 Console Installation Complete

- Console installation completed and accepted by OCFA.

#### 4.8.5 Control Station Flash Upgrade

**Motorola Responsibilities:**

- Perform the Flash Upgrade for twelve (12) existing APX 7500 Consolettes.

**Customer Responsibilities:**

- Program all consolettes.

**Completion Criteria:**

- Completion of all the control station flash upgrades, and approval by OCFA.

#### 4.8.6 Control Station Complete

- Control Station flash upgrades completed and accepted by OCFA.

#### 4.8.7 System Installation Acceptance (Milestone)

- All equipment installations are completed and accepted by OCFA.

### 4.9 SYSTEM OPTIMIZATION

#### 4.9.1 Optimize System FNE

**Motorola Responsibilities:**

- Motorola and its subcontractors optimize each subsystem.
- Verify that all equipment is operating properly and that all electrical and signal levels are set accurately.
- Verify that all audio and data levels are at factory settings.
- Verify communication interfaces between devices for proper operation.
- Test features and functionality are in accordance with manufacturers' specifications and that they comply with the final configuration established during the CDR/system staging.
- Set up the consoles on the radio system to perform the dispatching operation.

**Customer Responsibilities:**

- Provide access/escort to the sites.
- Provide required radio ID and alias information to enable alias database setup for interface to console.
- Configure existing logging recorder to accept analog audio inputs.
- Dispatchers to use the existing conventional system icons for dispatching until cutover

**Completion Criteria:**

- System FNE optimization is complete.

## 4.9.2 Link Verification

**Motorola Responsibilities:**

- Perform test to verify site link performance, prior to the interconnection of the Motorola-supplied equipment to the link equipment.

**Customer Responsibilities:**

- Make available the required links which meet the specifications supplied by Motorola at the CDR.

## 4.9.3 Completion Criteria:

- Link verification successfully completed.

## 4.9.4 Optimization Complete

- System optimization is completed. Motorola and OCFA agree that the equipment is ready for acceptance testing.

## 4.10 TRAINING

### 4.10.1 Perform Training

Training is not included.

## 4.11 AUDIT AND ACCEPTANCE TESTING

### 4.11.1 Perform Installation Audit

**Motorola Responsibilities:**

- Perform site-installation quality audits, verifying proper physical installation and operational configurations.
- Create site evaluation report to verify site meets or exceeds requirements, as defined in Motorola's [Standards and Guidelines for Communication Sites](#).

**Customer Responsibilities:**

- Provide access/escort to the sites.
- Witness tests (if desired).

**Completion Criteria:**

- All installation audits completed successfully.



## 4.11.2 Perform Equipment Testing

### **Motorola Responsibilities:**

- Test individual components of the system to verify compliance to the equipment specifications.
- Repeat any failed test(s) once Motorola (or OCFA) has completed the corrective action(s).
- Prepare documentation of component tests to be delivered as part of the final documentation package.

### **Customer Responsibilities:**

- Witness tests if desired.

### **Completion Criteria:**

- Successful completion of equipment testing.

## 4.11.3 Perform Functional Testing

### **Motorola Responsibilities:**

- Verify the operational functionality and features of the individual subsystems and the system supplied by Motorola, as contracted.
- If any major task as contractually described fails, repeat that particular task after Motorola determines that corrective action has been taken.
- Document all issues that arise during the acceptance tests.
- Document the results of the acceptance tests and present to OCFA for review.
- Resolve any minor task failures before Final System Acceptance.

### **Customer Responsibilities:**

- Witness the functional testing.

### **Completion Criteria:**

- Successful completion of the functional testing.
- Customer approval of the functional testing.

## 4.11.4 System Acceptance Test Procedures (Milestone)

- OCFA approves the completion of all the required tests.

## 4.12 FINALIZE

### 4.12.1 Cutover

#### **Motorola Responsibilities:**

- Motorola and OCFA develop a mutually agreed upon cutover plan based upon discussions held during the CDR.
- During cutover, follow the written plan and implement the defined contingencies, as required.
- Conduct cutover meeting(s) with user group representatives to address both how to mitigate technical and communication problem impact to the users during cutover and during the general operation of the system.



**Customer Responsibilities:**

- Attend cutover meetings and approve the cutover plan.
- Notify the user group(s) affected by the cutover (date and time).
- Conduct a roll call of all users working during the cutover, in an organized and methodical manner.
- Ensure that all subscriber users and console users are trained.
- Provide Motorola with the subscriber information for input into the system database, for activation.

**Completion Criteria:**

- Successful migration from the old system to the new system.

## 4.12.2 Resolve Punchlist

**Motorola Responsibilities:**

- Work with OCFA to resolve punchlist items, documented during the Acceptance Testing phase, in order to meet all the criteria for final system acceptance.

**Customer Responsibilities:**

- Assist Motorola with resolution of identified punchlist items by providing support, such as access to the sites, equipment and system, and approval of the resolved punchlist item(s).

**Completion Criteria:**

- All punchlist items resolved and approved by OCFA.

## 4.12.3 Transition to Service/Project Transition Certificate

**Motorola Responsibilities:**

- Review the items necessary for transitioning the project to warranty support and service.
- Provide a Customer Support Plan detailing the warranty and post-warranty support, if applicable, associated with the Contract equipment.

**Customer Responsibilities:**

- Participate in the Transition Service/Project Transition Certificate (PTC) process.

**Completion Criteria:**

- All service information has been delivered and approved by OCFA.

## 4.12.4 Finalize Documentation

**Motorola Responsibilities:**

- Provide an electronic as-built system manual on a Compact Disc (CD). The documentation will include the following:
  - System-Level Diagram
  - Site Floor Plans
  - Site Equipment Rack Configurations
  - ATP Test Checklists
  - Functional Acceptance Test Plan Test Sheets and Results
  - Equipment Inventory List

- Console Programming Template
- Maintenance Manuals (where applicable)
- Technical Service Manuals (where applicable)

Drawings are created utilizing AutoCAD design software and will be delivered in Adobe PDF format. All other system manual documents will be converted from native format to Adobe PDF format to be included on the System Manual CD.

- Provide two console operator manuals at every dispatch center

**Customer Responsibilities:**

- Receive and approve all documentation provided by Motorola.

**Completion Criteria:**

- All required documentation is provided and approved by OCFA.

## 4.12.5 Final Acceptance (Milestone)

- All deliverables completed, as contractually required.
- Final System Acceptance received from OCFA.

## 4.13 PROJECT ADMINISTRATION

### 4.13.1 Project Status Meetings

**Motorola Responsibilities:**

- Once a month, Motorola Project Manager, or designee, will attend all project status meetings with OCFA, as determined during the CDR.
- Record the meeting minutes and supply the report.
- The agenda will include the following:
  - Overall project status compared to the Project Schedule.
  - Product or service related issues that may affect the Project Schedule.
  - Status of the action items and the responsibilities associated with them, in accordance with the Project Schedule.
  - Any miscellaneous concerns of either OCFA or Motorola.

**Customer Responsibilities:**

- Attend meetings.
- Respond to issues in a timely manner.

**Completion Criteria:**

- Completion of the meetings and submission of meeting minutes.

### 4.13.2 Progress Milestone Submittal

**Motorola Responsibilities:**

- Submit progress (non-payment) milestone completion certificate/documentation.

**Customer Responsibilities:**

- Approve milestone, which will signify confirmation of completion of the work associated with the scheduled task.

**Completion Criteria:**

- OCFA approval of the Milestone Completion document(s).

### 4.13.3 Change Order Process

- Either Party may request changes within the general scope of this Agreement. If a requested change causes an increase or decrease in the cost, change in system configuration or adds time to the project's timeline required to perform this Agreement, the Parties will agree to an equitable adjustment of the Contract Price, Performance Schedule, or both, and will reflect the adjustment in a change order. Neither Party is obligated to perform requested changes unless both Parties execute a written change order.



# WARRANTY SERVICES

Motorola has over 85 years of experience supporting mission critical communications for public safety and public service agencies. Motorola's technical and service professionals use a structured approach to life cycle service delivery and provide comprehensive maintenance and support throughout the life of the system. The value of support is measured by system availability, which is optimized through the use of proactive processes, such as preventive maintenance, fault monitoring and active response management. System availability is a function of having in place a support plan delivered by highly skilled support professionals, backed by proven processes, tools, and continuous training.

## 5.1 THE MOTOROLA SERVICE DELIVERY TEAM

### 5.1.1 Account Services Manager

Your Motorola Account Services Manager provides coordination of support resources to enhance the quality of service delivery and to ensure your satisfaction. The Account Services Manager (ASM) is responsible to oversee the execution of the Warranty and Service Agreement and ensure that Motorola meets its response and restoration cycle time commitments. The ASM will supervise and manage the Motorola Authorized Servicer's functions.

### 5.1.2 Motorola System Technologists

The Motorola System Technologists (ST) are available to assist Motorola's Authorized Servicers when needed for network health and operations.

### 5.1.3 Motorola System Support Center

Located in Illinois, the System Support Center (SSC) is a key component to the overall management and system maintenance. As detailed in this Customer Support Plan, the following services are provided by the System Support Center:

- Dispatch Service
- Technical Support.
- Infrastructure Repair with Advanced Replacement.
- OnSite Support Regular (four hour response time).
- Network Preventative Maintenance.
- Security Update Service (SUS).

### 5.1.4 Motorola Local Service Provider

Motorola's authorized service centers are staffed with trained and qualified technicians. They provide rapid response, repair, restoration, installations, removals, programming, and scheduled preventive maintenance tasks for site standards compliance and RF operability. Motorola's authorized service centers are assessed annually for technical and administrative competency.

Motorola places great emphasis on ensuring that communications systems, such as the one proposed for OCFA, meet high standards for design, manufacture, and performance. To enhance the value of the communications system being acquired, Motorola offers customized warranty and post-warranty services as outlined in this section.

## 5.2 WARRANTY SERVICES

Motorola will provide warranty services per our standard warranty terms and conditions as outlined within the Communication Systems Agreement within this proposal. In addition to the Standard Commercial Warranty, the service products that comprise the Custom Warranty package mirror those delivered to OCFA and are listed below along with a brief description.

- Dispatch Service.
- Technical Support.
- Infrastructure Repair with Advanced Replacement.
- OnSite Support Regular (four hour response time).
- Network Preventative Maintenance.
- Security Update Service (SUS).

### 5.2.1 Dispatch Service

Motorola's Dispatch Service ensures that trained and qualified technicians are dispatched to diagnose and restore your communications network. Following proven response and restoration processes, the local authorized service center in your area is contacted and a qualified technician is sent to your site. An automated escalation and case management process is followed to ensure that technician site arrival and system restoration comply with contracted response and restore times. Once the issue has been resolved, the System Support Center verifies resolution and with your approval, closes the case. Activity records are also available to provide a comprehensive history of site performance, issues, and resolution.

### 5.2.2 On-Site Infrastructure Response

Motorola On-Site Infrastructure Response provides local, trained and qualified technicians who arrive at your location to diagnose and restore your communications network. Following proven response and restore processes, Motorola Dispatch contacts the local authorized service center in your area and dispatches a qualified technician to your site. An automated escalation and case management process ensures that technician site arrival and system restoration comply with contracted response times. The field technician restores the system by performing first level troubleshooting on site. If the technician is unable to resolve the issue, the case is escalated to the System Support Center or product engineering teams as needed.

### 5.2.3 Network Preventative Maintenance

Network Preventative Maintenance provides an operational test and alignment on your infrastructure or fixed network equipment to ensure that it meets original manufacturer's specifications. Trained technicians:

- Physically inspect equipment.
- Remove dust and foreign substances.
- Clean filters.
- Measure, record, align and adjust equipment to meet original manufacturer's specifications.

This service is performed based on a schedule agreed upon between you and Motorola. Network Preventative Maintenance proactively detects issues that may result in system malfunctions and operational interruptions.

## 5.2.4 Infrastructure Repair

Infrastructure Repair service provides for the repair of all Motorola-manufactured equipment, as well as equipment from third-party infrastructure vendors. All repair management is handled through a central location eliminating your need to send equipment to multiple locations.

Comprehensive test labs replicate your network in order to reproduce and analyze the issue. State-of-the-art, industry-standard repair tools enable our technicians to troubleshoot, analyze, test, and repair your equipment. Our ISO9001 and TL9000-certified processes and methodologies ensure that your equipment is quickly returned maintaining the highest quality standards.

Service agreements allow you to budget your maintenance costs on an annual basis. Equipment covered under service agreements also receives higher service priority, which results in quicker repair times.

## 5.2.5 Infrastructure Repair with Advanced Replacement

Infrastructure Repair with our Advanced Replacement upgrade supplements your spares inventory with Motorola's centralized inventory of critical equipment. In advance of Motorola repairing the malfunctioning unit, a replacement unit is sent to you within 24 hours to ensure a spare unit is available. Upon receipt of the malfunctioning unit, Motorola repairs the unit and replace it in our centralized inventory.

## 5.2.6 Technical Support Service

Motorola Technical Support service provides an additional layer of support through centralized, telephone consultation for issues that require a high level of communications network expertise and troubleshooting capabilities. Technical Support is delivered by the System Support Center (SSC). The SSC is staffed with trained, skilled technologists specializing in the diagnosis and swift resolution of network performance issues. These technologists have access to a solutions database as well as in house test labs and development engineers. Technical Support cases are continuously monitored against stringent inbound call management and case management standards to ensure rapid and consistent issue resolution. Technical Support service translates into measurable, customer-specific metrics for assured network performance and system availability.

## 5.2.7 Security Update Service (SUS)

Commercial security software updates are often designed without RF systems in mind and could cause inadvertent harm to your radio network, disrupting mission-critical communications and putting your first responders and citizens at risk. The Motorola Security Update Service assures that commercial anti-virus definitions, operating system software patches, and Intrusion Detection Sensor signature files are compatible with your ASTRO 25 network and do not interfere with network functionality. Our expert network security technologists analyze, perform testing, and validate the latest security software updates in a dedicated test lab and provide continuous monitoring of updates to provide you regular electronic updates upon completion of successful testing. See Table 5-1 for details.

**Table 5-1: Security Update Services**

	SUS
Anti-virus Definition Update	✓
Minor Release (patch release)	✓

- Anti-virus definitions and intrusion detection sensor updates for Motorola supplied equipment from applicable original equipment manufacturer.
- Minor releases may include commercial OS and application security updates, patches and service pack updates for Microsoft Windows and Server OS, Red Hat Linux, Sun Solaris and any Motorola software service packs that may be available.

## 5.2.8 Service from the Start (SfS)–LITE (Included)

Service from the Start (SfS) gives you the support you need to help you keep your subscriber radios operating in peak condition. When repair is required, the Motorola Depot tests, repairs, and returns the radio to original factory specifications. Firmware is also upgraded to the latest version. SfS adheres to a proven process of analysis and restoration, backed by a 90-day warranty. Service agreements allow you to budget your maintenance costs on an annual basis. Equipment covered under service agreements also receives higher service priority, which results in quicker repair times.

## 5.2.9 Service from the Start (SfS) Comprehensive (Available, but Not Proposed)

Service from the Start Comprehensive offers all the protection of a SfS—LITE support plan with even more coverage that includes chemical, liquid, and other physical damage on your Motorola portable and mobile subscriber radios. SfS Comprehensive gives you the support you need to help you keep your subscriber radios operating in peak condition. When repair is required, the Motorola Depot tests, repairs, and returns the radio to original factory specifications. Firmware is also upgraded to the latest version. SfS adheres to a proven process of analysis and restoration, backed by a 90-day warranty. Service agreements allow you to budget your maintenance costs on an annual basis. Equipment covered under service agreements also receives higher service priority, which results in quicker repair times. Currently, SfS Comprehensive is available on most MOTOTRBO™, XTS™, XTL™ and APX™ radio product lines.

## 5.3 POST WARRANTY SERVICES

As Motorola's continuing commitment to supporting your system, warranty services can be extended after the first year to provide maintenance and service support in future years. Any of the services that we identify can be customized in future years, and are available for purchase either in "System Support Services" packages or as individual service offerings. These system support services significantly benefit OCFA because the system can be effectively supported after the warranty period, thereby maximizing the operational capabilities and useful life of the system and protecting your investment in the system.

Post-warranty support has not been included with this offering but can be provided upon request.

## 5.4 SUMMARY

Whether it's a routine service call, or a disaster situation, Motorola understands its responsibility and takes pride in its commitment to deliver proven response service to the public safety community. Motorola has the capability to provide the technical, administrative, consultative, and maintenance repair services needed to support, enhance, and maintain the effectiveness of your communications network. Motorola's goal is to provide OCFA with the qualified resources, to maintain and improve system operation and availability, and to deliver world-class service support.

Warranty and Post Warranty Service support services to be delivered are outlined in Table 5-2.

**Table 5-2: Warranty and Post Warranty Service Overview**

Warranty and Post Warranty Service Overview	Warranty Year	Post Warranty Year
Dispatch Service	✓	
On Site Infrastructure Response	✓	
Network Preventative Maintenance	✓	
Infrastructure Repair	✓	
Infrastructure Repair with Advanced Replacement	✓	
Technical Support Service	✓	
Security Update Service (SUS)	✓	
Service from the Start – LITE	✓	
Service from the Start Comprehensive	<b>Not proposed</b>	





# PROJECT SCHEDULE

The project schedule is will be determined and mutually agreed upon at the Project Kick Off/Detail Design Review Meeting which will take place after contract execution



# PRICING SUMMARY

The proposed pricing is shown below:

Equipment and Services Description	Price (\$)
Equipment	\$1,645,651
Equipment Discount- Pricing per Orange County Price Book Agreement # MA-060-15011560	<b>-\$214,844</b>
<b>Equipment Total with OC Price Book Discount</b>	<b>\$1,430,807</b>
System Integration and Services	\$746,830
<b>Equipment and Services Total</b>	<b>\$2,177,637</b>
Shipping	\$4,834
<b>System Subtotal</b>	<b>\$2,182,471</b>
System Discount if contract and PO signed and received by September 28 <sup>th</sup> , 2018 and ordered and Shipped in 2018.	<b>-\$82,934</b>
Estimated Tax (Based on 8% of equipment after discount)	\$110,115
<b>System Total with Tax and Shipping</b>	<b>\$2,209,652</b>

Except for a payment that is due on the Effective Date, Customer will make payments to Motorola within thirty (30) days after the date of each invoice. Customer will make payments when due in the form of a check, cashier's check, or wire transfer drawn on a U.S. financial institution and in accordance with the following milestones.

- A. 25% of the Contract Price due upon contract execution.
- B. 60% of the Contract Price due upon shipment of equipment.
- C. 5% of the Contract Price due upon installation of equipment.
- D. 5% of the Contract Price due upon system acceptance or start of beneficial use.
- E. 5% of the Contract Price due upon Final Acceptance.

Motorola reserves the right to make partial shipments of equipment and to request payment upon shipment of such equipment. In addition, Motorola reserves the right to invoice for installations or civil work completed on a site-by-site basis, when applicable.



# TERMS AND CONDITIONS

The terms and conditions are included on the following pages.



## 8.1.1 Communications System Agreement

Motorola Solutions, Inc. ("Motorola") and Orange County Fire Authority ("Customer") enter into this "Agreement," pursuant to which Customer will purchase and Motorola will sell the System, as described below. Motorola and Customer may be referred to individually as a "Party" and collectively as the "Parties." For good and valuable consideration, the Parties agree as follows:

### Section 1 EXHIBITS

The exhibits listed below are incorporated into and made a part of this Agreement. In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement takes precedence over the exhibits and any inconsistency between Exhibits A through E will be resolved in their listed order.

Exhibit A	Motorola "Software License Agreement"
Exhibit B	"Payment Schedule"
Exhibit C	"Technical and Implementation Documents" "System Description" "Equipment List" "Statement of Work" "Acceptance Test Plan" or "ATP" "Performance Schedule"
Exhibit D	Service Statement(s) of Work and "Service Terms and Conditions" (if applicable)

### Section 2 DEFINITIONS

Capitalized terms used in this Agreement have the following meanings:

- 2.1. "Acceptance Tests" means those tests described in the Acceptance Test Plan.
- 2.2. "Administrative User Credentials" means an account that has total access over the operating system, files, end user accounts and passwords at either the System level or box level. Customer's personnel with access to the Administrative User Credentials may be referred to as the Administrative User.
- 2.3. "Beneficial Use" means when Customer first uses the System or a Subsystem for operational purposes (excluding training or testing).
- 2.4. "Confidential Information" means any information that is disclosed in written, graphic, verbal, or machine-recognizable form, and is marked, designated, or identified at the time of disclosure as being confidential or its equivalent; or if the information is in verbal form, it is identified as confidential at the time of disclosure and is confirmed in writing within thirty (30) days of the disclosure. Confidential Information does not include any information that: is or becomes publicly known through no wrongful act of the receiving Party; is already known to the receiving Party without restriction when it is disclosed; is or becomes, rightfully and without breach of this Agreement, in the receiving Party's possession without any obligation restricting disclosure; is independently developed by the receiving Party without breach of this Agreement; or is explicitly approved for release by written authorization of the disclosing Party.
- 2.5. "Contract Price" means the price for the System, excluding applicable sales or similar taxes and freight charges.
- 2.6. "Effective Date" means that date upon which the last Party executes this Agreement.
- 2.7. "Equipment" means the equipment that Customer purchases from Motorola under this Agreement. Equipment that is part of the System is described in the Equipment List.



2.8. "Force Majeure" means an event, circumstance, or act of a third party that is beyond a Party's reasonable control (e.g., an act of God, an act of the public enemy, an act of a government entity, strikes or other labor disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, and riots).

2.9. "Infringement Claim" means a third party claim alleging that the Equipment manufactured by Motorola or the Motorola Software directly infringes a United States patent or copyright.

2.10. "Motorola Software" means Software that Motorola or its affiliated company owns.

2.11. "Non-Motorola Software" means Software that another party owns.

2.12. "Open Source Software" (also called "freeware" or "shareware") means software with either freely obtainable source code, license for modification, or permission for free distribution.

2.13. "Proprietary Rights" means the patents, patent applications, inventions, copyrights, trade secrets, trademarks, trade names, mask works, know-how, and other intellectual property rights in and to the Equipment and Software, including those created or produced by Motorola under this Agreement and any corrections, bug fixes, enhancements, updates or modifications to or derivative works from the Software whether made by Motorola or another party.

2.14. "Software" means the Motorola Software and Non-Motorola Software, in object code format that is furnished with the System or Equipment.

2.15. "Specifications" means the functionality and performance requirements that are described in the Technical and Implementation Documents.

2.16. "Subsystem" means a major part of the System that performs specific functions or operations. Subsystems are described in the Technical and Implementation Documents.

2.17. "System" means the Equipment, Software, and incidental hardware and materials that are combined together into an integrated system; the System is described in the Technical and Implementation Documents.

2.18. "System Acceptance" means the Acceptance Tests have been successfully completed.

2.19. "Warranty Period" means one (1) year from the date of System Acceptance or Beneficial Use, whichever occurs first. For non-system purchase and sale transactions (such as the purchase and sale of products only or products plus incidental services), the "Warranty Period" means one (1) year from the date of shipment.

### **SECTION 3 SCOPE OF AGREEMENT AND TERM**

3.1. **SCOPE OF WORK.** Motorola will provide, install and test the System, and perform its other contractual responsibilities, all in accordance with this Agreement. Customer will perform its contractual responsibilities in accordance with this Agreement.

3.2. **CHANGE ORDERS.** Either Party may request changes within the general scope of this Agreement. If a requested change causes an increase or decrease in the cost or time required to perform this Agreement, the Parties will agree to an equitable adjustment of the Contract Price, Performance Schedule, or both, and will reflect the adjustment in a change order. Neither Party is obligated to perform requested changes unless both Parties execute a written change order.

3.3. **TERM.** Unless terminated in accordance with other provisions of this Agreement or extended by mutual agreement of the Parties, the term of this Agreement begins on the Effective Date and continues until the date of expiration of (i) the Warranty Period or (ii) the rights under Section 3.4 below, whichever occurs last.

3.4. **ADDITIONAL EQUIPMENT OR SOFTWARE.** For three (3) years after the Effective Date, Customer may order additional Equipment or Software if it is then available and related services. Each order must refer to this Agreement and must specify the pricing and delivery terms. Notwithstanding any additional or contrary terms in



the order, the applicable provisions of this Agreement (except for pricing, delivery, passage of title and risk of loss to Equipment, warranty commencement, and payment terms) will govern the purchase and sale of the additional Equipment or Software. Title and risk of loss to additional Equipment will pass at shipment, warranty will commence upon delivery, and payment is due within thirty (30) days after the invoice date. Motorola will send Customer an invoice as the additional Equipment is shipped or Software is licensed. Alternatively, Customer may register with and place orders through Motorola Online ("MOL"), and this Agreement will be the "Underlying Agreement" for those MOL transactions rather than the MOL On-Line Terms and Conditions of Sale. MOL information may be found at <https://businessonline.motorolasolutions.com> and the MOL telephone number is (800) 814-0601.

3.5. **MAINTENANCE SERVICE.** During the Warranty Period, in addition to warranty services, Motorola will provide maintenance services for the Equipment and support for the Motorola Software pursuant to the Statement of Work set forth in Exhibit D. Those services and support are included in the Contract Price. If Customer wishes to purchase additional maintenance and support services for the Equipment during the Warranty Period, or any maintenance and support services for the Equipment either during the Warranty Period or after the Warranty Period, the description of and pricing for the services will be set forth in a separate document. If Customer wishes to purchase extended support for the Motorola Software after the Warranty Period, it may do so by ordering software maintenance or upgrade services. Unless otherwise agreed by the Parties in writing, the terms and conditions applicable to the maintenance, support or software services will be Motorola's standard Service Terms and Conditions, together with the appropriate statements of work.

3.6. **MOTOROLA SOFTWARE.** Any Motorola Software, including subsequent releases, is licensed to Customer solely in accordance with the Software License Agreement. Customer hereby accepts and agrees to abide by all of the terms and restrictions of the Software License Agreement.

3.7. **NON-MOTOROLA SOFTWARE.** Any Non-Motorola Software is licensed to Customer in accordance with the standard license, terms, and restrictions of the copyright owner on the Effective Date unless the copyright owner has granted to Motorola the right to sublicense the Non-Motorola Software pursuant to the Software License Agreement, in which case it applies and the copyright owner will have all of Licensor's rights and protections under the Software License Agreement. Motorola makes no representations or warranties of any kind regarding Non-Motorola Software. Non-Motorola Software may include Open Source Software. All Open Source Software is licensed to Customer in accordance with, and Customer agrees to abide by, the provisions of the standard license of the copyright owner and not the Software License Agreement.

3.8. **SUBSTITUTIONS.** At no additional cost to Customer, Motorola may substitute any Equipment, Software, or services to be provided by Motorola, if the substitute meets or exceeds the Specifications and is of equivalent or better quality to the Customer. Any substitution will be reflected in a change order.

#### **Section 4      PERFORMANCE SCHEDULE**

The Parties will perform their respective responsibilities in accordance with the Performance Schedule. By executing this Agreement, Customer authorizes Motorola to proceed with contract performance.

#### **Section 5      CONTRACT PRICE, PAYMENT AND INVOICING**

5.1. **CONTRACT PRICE.** The Contract Price in U.S. dollars is \$ 2,209,652. Motorola has priced the services, Software, and Equipment as an integrated system. A reduction in Software or Equipment quantities, or services, may affect the overall Contract Price, including discounts if applicable.

5.2. **INVOICING AND PAYMENT.** Motorola will submit invoices to Customer according to the Payment Schedule. Except for a payment that is due on the Effective Date, Customer will make payments to Motorola within thirty (30) days after the date of each invoice. Customer will make payments when due in the form of a wire transfer, check, or cashier's check from a U.S. financial institution. Overdue invoices will bear simple interest at the maximum allowable rate. For reference, the Federal Tax Identification Number for Motorola Solutions, Inc. is 36-1115800.



5.3. FREIGHT, TITLE, AND RISK OF LOSS. Motorola will pre-pay and add all freight charges to the invoices. Title to the Equipment will pass to Customer upon shipment. Title to Software will not pass to Customer at any time. Risk of loss will pass to Customer upon delivery of the Equipment to the Customer. Motorola will pack and ship all Equipment in accordance with good commercial practices.

5.4. INVOICING AND SHIPPING ADDRESSES. Invoices will be sent to the Customer at the following address: \_\_\_\_\_

The address which is the ultimate destination where the Equipment will be delivered to Customer is: \_\_\_\_\_

The Equipment will be shipped to the Customer at the following address (insert if this information is known): \_\_\_\_\_

Customer may change this information by giving written notice to Motorola.

## **Section 6 SITES AND SITE CONDITIONS**

6.1. ACCESS TO SITES. Customer will provide a designated project manager; all necessary construction and building permits, zoning variances, licenses, and any other approvals that are necessary to develop or use the sites and mounting locations; and access to the work sites or vehicles identified in the Technical and Implementation Documents as reasonably requested by Motorola so that it may perform its duties in accordance with the Performance Schedule and Statement of Work. Motorola may assist Customer in the local building permit process.

6.2. SITE CONDITIONS. Customer will ensure that all work sites it provides will be safe, secure, and in compliance with all applicable industry and OSHA standards. To the extent applicable and unless the Statement of Work states to the contrary, Customer will ensure that these work sites have adequate: physical space; air conditioning and other environmental conditions; adequate and appropriate electrical power outlets, distribution, equipment and connections; and adequate telephone or other communication lines (including modem access and adequate interfacing networking capabilities), all for the installation, use and maintenance of the System. Before installing the Equipment or Software at a work site, Motorola may inspect the work site and advise Customer of any apparent deficiencies or non-conformities with the requirements of this Section. This Agreement is predicated upon normal soil conditions as defined by the version of E.I.A. standard RS-222 in effect on the Effective Date.

6.3. SITE ISSUES. If a Party determines that the sites identified in the Technical and Implementation Documents are no longer available or desired, or if subsurface, structural, adverse environmental or latent conditions at any site differ from those indicated in the Technical and Implementation Documents, the Parties will promptly investigate the conditions and will select replacement sites or adjust the installation plans and Specifications as necessary. If change in sites or adjustment to the installation plans and Specifications causes a change in the cost or time to perform, the Parties will equitably amend the Contract Price, Performance Schedule, or both, by a change order.

## **Section 7 TRAINING**

Any training to be provided by Motorola to Customer will be described in the Statement of Work. Customer will notify Motorola immediately if a date change for a scheduled training program is required. If Motorola incurs additional costs because Customer reschedules a training program less than thirty (30) days before its scheduled start date, Motorola may recover these additional costs.





## **Section 8      SYSTEM ACCEPTANCE**

8.1.      **COMMENCEMENT OF ACCEPTANCE TESTING.** Motorola will provide to Customer at least ten (10) days notice before the Acceptance Tests commence. System testing will occur only in accordance with the Acceptance Test Plan.

8.2.      **SYSTEM ACCEPTANCE.** System Acceptance will occur upon successful completion of the Acceptance Tests. Upon System Acceptance, the Parties will memorialize this event by promptly executing a System Acceptance Certificate. If the Acceptance Test Plan includes separate tests for individual Subsystems or phases of the System, acceptance of the individual Subsystem or phase will occur upon the successful completion of the Acceptance Tests for the Subsystem or phase, and the Parties will promptly execute an acceptance certificate for the Subsystem or phase. If Customer believes the System has failed the completed Acceptance Tests, Customer will provide to Motorola a written notice that includes the specific details of the failure. If Customer does not provide to Motorola a failure notice within thirty (30) days after completion of the Acceptance Tests, System Acceptance will be deemed to have occurred as of the completion of the Acceptance Tests. Minor omissions or variances in the System that do not materially impair the operation of the System will not postpone System Acceptance or Subsystem Acceptance, but will be corrected according to a mutually agreed punch list schedule.

8.3.      **BENEFICIAL USE.** Motorola's ability to perform its implementation and testing responsibilities may be impeded if Customer begins using the System before System Acceptance. Therefore, Customer will not commence Beneficial Use before System Acceptance without Motorola's prior written authorization, which will not be unreasonably withheld. Motorola is not responsible for System performance deficiencies that occur during unauthorized Beneficial Use. Upon commencement of Beneficial Use, Customer assumes responsibility for the use and operation of the System.

8.4      **FINAL PROJECT ACCEPTANCE.** Final Project Acceptance will occur after System Acceptance when all deliverables and other work have been completed. When Final Project Acceptance occurs, the Parties will promptly memorialize this final event by means of a Final Project Acceptance Certificate.

## **Section 9      REPRESENTATIONS AND WARRANTIES**

9.1.      **SYSTEM FUNCTIONALITY.** Motorola represents that the System will perform in accordance with the Specifications in all material respects. Upon System Acceptance or Beneficial Use, whichever occurs first, this System functionality representation is fulfilled. Motorola is not responsible for System performance deficiencies that are caused by ancillary equipment not furnished by Motorola which is attached to or used in connection with the System or for reasons or parties beyond Motorola's control, such as natural causes; the construction of a building that adversely affects the microwave path reliability or radio frequency (RF) coverage; the addition of frequencies at System sites that cause RF interference or intermodulation; or Customer changes to load usage or configuration outside the Specifications.

9.2.      **EQUIPMENT WARRANTY.** During the Warranty Period, Motorola warrants that the Equipment under normal use and service will be free from material defects in materials and workmanship. If System Acceptance is delayed beyond six (6) months after shipment of the Equipment by events or causes within Customer's control, this warranty expires eighteen (18) months after the shipment of the Equipment.

9.3.      **MOTOROLA SOFTWARE WARRANTY.** Unless otherwise stated in the Software License Agreement, during the Warranty Period, Motorola warrants the Motorola Software in accordance with the terms of the Software License Agreement and the provisions of this Section 9 that are applicable to the Motorola Software. If System Acceptance is delayed beyond six (6) months after shipment of the Motorola Software by events or causes within Customer's control, this warranty expires eighteen (18) months after the shipment of the Motorola Software.

9.4.      **EXCLUSIONS TO EQUIPMENT AND MOTOROLA SOFTWARE WARRANTIES.** These warranties do not apply to: (i) defects or damage resulting from: use of the Equipment or Motorola Software in other than its normal, customary, and authorized manner; accident, liquids, neglect, or acts of God; testing, maintenance,





disassembly, repair, installation, alteration, modification, or adjustment not provided or authorized in writing by Motorola; Customer's failure to comply with all applicable industry and OSHA standards; (ii) breakage of or damage to antennas unless caused directly by defects in material or workmanship; (iii) Equipment that has had the serial number removed or made illegible; (iv) batteries (because they carry their own separate limited warranty) or consumables; (v) freight costs to ship Equipment to the repair depot; (vi) scratches or other cosmetic damage to Equipment surfaces that does not affect the operation of the Equipment; and (vii) normal or customary wear and tear.

9.5. **WARRANTY CLAIMS.** To assert a warranty claim, Customer must notify Motorola in writing of the claim before the expiration of the Warranty Period. Upon receipt of this notice, Motorola will investigate the warranty claim. If this investigation confirms a valid warranty claim, Motorola will (at its option and at no additional charge to Customer) repair the defective Equipment or Motorola Software, replace it with the same or equivalent product, or refund the price of the defective Equipment or Motorola Software. That action will be the full extent of Motorola's liability for the warranty claim. Repaired or replaced product is warranted for the balance of the original applicable warranty period. All replaced products or parts will become the property of Motorola.

9.6. **ORIGINAL END USER IS COVERED.** These express limited warranties are extended by Motorola to the original user purchasing the System for commercial, industrial, or governmental use only, and are not assignable or transferable.

9.7. **DISCLAIMER OF OTHER WARRANTIES.** THESE WARRANTIES ARE THE COMPLETE WARRANTIES FOR THE EQUIPMENT AND MOTOROLA SOFTWARE PROVIDED UNDER THIS AGREEMENT AND ARE GIVEN IN LIEU OF ALL OTHER WARRANTIES. MOTOROLA DISCLAIMS ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

## **SECTION 10 DELAYS**

10.1. **FORCE MAJEURE.** Neither Party will be liable for its non-performance or delayed performance if caused by a Force Majeure. A Party that becomes aware of a Force Majeure that will significantly delay performance will notify the other Party promptly (but in no event later than fifteen days) after it discovers the Force Majeure. If a Force Majeure occurs, the Parties will execute a change order to extend the Performance Schedule for a time period that is reasonable under the circumstances.

10.2. **PERFORMANCE SCHEDULE DELAYS CAUSED BY CUSTOMER.** If Customer (including its other contractors) delays the Performance Schedule, it will make the promised payments according to the Payment Schedule as if no delay occurred; and the Parties will execute a change order to extend the Performance Schedule and, if requested, compensate Motorola for all reasonable charges incurred because of the delay. Delay charges may include costs incurred by Motorola or its subcontractors for additional freight, warehousing and handling of Equipment; extension of the warranties; travel; suspending and re-mobilizing the work; additional engineering, project management, and standby time calculated at then current rates; and preparing and implementing an alternative implementation plan.

## **SECTION 11 DISPUTES**

The Parties will use the following procedure to address any dispute arising under this Agreement (a "Dispute").

11.1. **GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the State in which the System is installed.

11.2. **NEGOTIATION.** Either Party may initiate the Dispute resolution procedures by sending a notice of Dispute ("Notice of Dispute"). The Parties will attempt to resolve the Dispute promptly through good faith negotiations, including timely escalation of the Dispute to executives who have authority to settle the Dispute and who are at a higher level of management than the persons with direct responsibility for the matter and direct communication between the executives. If the Dispute has not been resolved within ten (10) days from the Notice of Dispute, the Parties will proceed to mediation.



11.3 **MEDIATION.** The Parties will choose an independent mediator within thirty (30) days of a notice to mediate from either Party ("Notice of Mediation"). A Party may not unreasonably withhold consent to the mediator selection. If the Parties are unable to agree upon a mediator, either Party may request that American Arbitration Association nominate a mediator. Each Party will bear its own costs of mediation, but the Parties will share the cost of the mediator equally. Each Party will participate in the mediation in good faith and will be represented at the mediation by an executive with authority to settle the Dispute.

11.4. **LITIGATION, VENUE AND JURISDICTION.** If a Dispute remains unresolved for sixty (60) days after the Notice of Mediation, either Party may submit the Dispute to a court of competent jurisdiction in the state in which the System is installed. Each Party agrees to submit to the exclusive jurisdiction of the courts in such state over any claim or matter arising under or in connection with this Agreement.

11.5. **CONFIDENTIALITY.** All communications pursuant to subsections 11.2 and 11.3 will be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any additional confidentiality protections provided by applicable law. The use of these Dispute resolution procedures will not be construed under the doctrines of laches, waiver or estoppel to affect adversely the rights of either Party.

## **SECTION 12 DEFAULT AND TERMINATION**

12.1 **DEFAULT BY A PARTY.** If either Party fails to perform a material obligation under this Agreement, the other Party may consider the non-performing Party to be in default (unless a Force Majeure causes the failure) and may assert a default claim by giving the non-performing Party a written and detailed notice of default. Except for a default by Customer for failing to pay any amount when due under this Agreement which must be cured immediately, the defaulting Party will have thirty (30) days after receipt of the notice of default to either cure the default or, if the default is not curable within thirty (30) days, provide a written cure plan. The defaulting Party will begin implementing the cure plan immediately after receipt of notice by the other Party that it approves the plan. If Customer is the defaulting Party, Motorola may stop work on the project until it approves the Customer's cure plan.

12.2. **FAILURE TO CURE.** If a defaulting Party fails to cure the default as provided above in Section 12.1, unless otherwise agreed in writing, the non-defaulting Party may terminate any unfulfilled portion of this Agreement. In the event of termination for default, the defaulting Party will promptly return to the non-defaulting Party any of its Confidential Information. If Customer is the non-defaulting Party, terminates this Agreement as permitted by this Section, and completes the System through a third Party, Customer may as its exclusive remedy recover from Motorola reasonable costs incurred to complete the System to a capability not exceeding that specified in this Agreement less the unpaid portion of the Contract Price. Customer will mitigate damages and provide Motorola with detailed invoices substantiating the charges.

## **SECTION 13 INDEMNIFICATION**

13.1. **GENERAL INDEMNITY BY MOTOROLA.** Motorola will indemnify and hold Customer harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Customer to the extent it is caused by the negligence of Motorola, its subcontractors, or their employees or agents, while performing their duties under this Agreement, if Customer gives Motorola prompt, written notice of any the claim or suit. Customer will cooperate with Motorola in its defense or settlement of the claim or suit. This section sets forth the full extent of Motorola's general indemnification of Customer from liabilities that are in any way related to Motorola's performance under this Agreement.

13.2. **GENERAL INDEMNITY BY CUSTOMER.** Customer will indemnify and hold Motorola harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Motorola to the extent it is caused by the negligence of Customer, its other contractors, or their employees or agents, while performing their duties under this Agreement, if Motorola gives Customer prompt, written notice of any the claim or suit. Motorola will cooperate with Customer in its defense or settlement of the claim or suit. This section sets forth the full extent of Customer's general indemnification of Motorola from liabilities that are in any way related to Customer's performance under this Agreement.



### 13.3. PATENT AND COPYRIGHT INFRINGEMENT.

13.3.1. Motorola will defend at its expense any suit brought against Customer to the extent it is based on a third-party claim alleging that the Equipment manufactured by Motorola or the Motorola Software ("Motorola Product") directly infringes a United States patent or copyright ("Infringement Claim"). Motorola's duties to defend and indemnify are conditioned upon: Customer promptly notifying Motorola in writing of the Infringement Claim; Motorola having sole control of the defense of the suit and all negotiations for its settlement or compromise; and Customer providing to Motorola cooperation and, if requested by Motorola, reasonable assistance in the defense of the Infringement Claim. In addition to Motorola's obligation to defend, and subject to the same conditions, Motorola will pay all damages finally awarded against Customer by a court of competent jurisdiction for an Infringement Claim or agreed to, in writing, by Motorola in settlement of an Infringement Claim.

13.3.2. If an Infringement Claim occurs, or in Motorola's opinion is likely to occur, Motorola may at its option and expense: (a) procure for Customer the right to continue using the Motorola Product; (b) replace or modify the Motorola Product so that it becomes non-infringing while providing functionally equivalent performance; or (c) accept the return of the Motorola Product and grant Customer a credit for the Motorola Product, less a reasonable charge for depreciation. The depreciation amount will be calculated based upon generally accepted accounting standards.

13.3.3. Motorola will have no duty to defend or indemnify for any Infringement Claim that is based upon: (a) the combination of the Motorola Product with any software, apparatus or device not furnished by Motorola; (b) the use of ancillary equipment or software not furnished by Motorola and that is attached to or used in connection with the Motorola Product; (c) Motorola Product designed or manufactured in accordance with Customer's designs, specifications, guidelines or instructions, if the alleged infringement would not have occurred without such designs, specifications, guidelines or instructions; (d) a modification of the Motorola Product by a party other than Motorola; (e) use of the Motorola Product in a manner for which the Motorola Product was not designed or that is inconsistent with the terms of this Agreement; or (f) the failure by Customer to install an enhancement release to the Motorola Software that is intended to correct the claimed infringement. In no event will Motorola's liability resulting from its indemnity obligation to Customer extend in any way to royalties payable on a per use basis or the Customer's revenues, or any royalty basis other than a reasonable royalty based upon revenue derived by Motorola from Customer from sales or license of the infringing Motorola Product.

13.3.4. This Section 13 provides Customer's sole and exclusive remedies and Motorola's entire liability in the event of an Infringement Claim. Customer has no right to recover and Motorola has no obligation to provide any other or further remedies, whether under another provision of this Agreement or any other legal theory or principle, in connection with an Infringement Claim. In addition, the rights and remedies provided in this Section 13 are subject to and limited by the restrictions set forth in Section 14.

## SECTION 14 LIMITATION OF LIABILITY

Except for personal injury or death, Motorola's total liability, whether for breach of contract, warranty, negligence, strict liability in tort, indemnification, or otherwise, will be limited to the direct damages recoverable under law, but not to exceed the price of the Equipment, Software, or services with respect to which losses or damages are claimed. **ALTHOUGH THE PARTIES ACKNOWLEDGE THE POSSIBILITY OF SUCH LOSSES OR DAMAGES, THEY AGREE THAT MOTOROLA WILL NOT BE LIABLE FOR ANY COMMERCIAL LOSS; INCONVENIENCE; LOSS OF USE, TIME, DATA, GOOD WILL, REVENUES, PROFITS OR SAVINGS; OR OTHER SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES IN ANY WAY RELATED TO OR ARISING FROM THIS AGREEMENT, THE SALE OR USE OF THE EQUIPMENT OR SOFTWARE, OR THE PERFORMANCE OF SERVICES BY MOTOROLA PURSUANT TO THIS AGREEMENT.** This limitation of liability provision survives the expiration or termination of the Agreement and applies notwithstanding any contrary provision. No action for contract breach or otherwise relating to the transactions contemplated by this Agreement may be brought more than one (1) year after the accrual of the cause of action, except for money due upon an open account.



## **SECTION 15 CONFIDENTIALITY AND PROPRIETARY RIGHTS**

15.1. **CONFIDENTIAL INFORMATION.** During the term of this Agreement, the Parties may provide each other with Confidential Information. Subject to the requirements of any applicable public records law, each Party will: maintain the confidentiality of the other Party's Confidential Information and not disclose it to any third party, except as authorized by the disclosing Party in writing or as required by a court of competent jurisdiction; restrict disclosure of the Confidential Information to its employees who have a "need to know" and not copy or reproduce the Confidential Information; take necessary and appropriate precautions to guard the confidentiality of the Confidential Information, including informing its employees who handle the Confidential Information that it is confidential and is not to be disclosed to others, but these precautions will be at least the same degree of care that the receiving Party applies to its own confidential information and will not be less than reasonable care; and use the Confidential Information only in furtherance of the performance of this Agreement. Confidential Information is and will at all times remain the property of the disclosing Party, and no grant of any proprietary rights in the Confidential Information is given or intended, including any express or implied license, other than the limited right of the recipient to use the Confidential Information in the manner and to the extent permitted by this Agreement.

15.2. **PRESERVATION OF MOTOROLA'S PROPRIETARY RIGHTS.** Motorola, the third party manufacturer of any Equipment, and the copyright owner of any Non-Motorola Software own and retain all of their respective Proprietary Rights in the Equipment and Software, and nothing in this Agreement is intended to restrict their Proprietary Rights. All intellectual property developed, originated, or prepared by Motorola in connection with providing to Customer the Equipment, Software, or related services remain vested exclusively in Motorola, and this Agreement does not grant to Customer any shared development rights of intellectual property. Except as explicitly provided in the Software License Agreement, Motorola does not grant to Customer, either directly or by implication, estoppel, or otherwise, any right, title or interest in Motorola's Proprietary Rights. Customer will not modify, disassemble, peel components, decompile, otherwise reverse engineer or attempt to reverse engineer, derive source code or create derivative works from, adapt, translate, merge with other software, reproduce, distribute, sublicense, sell or export the Software, or permit or encourage any third party to do so. The preceding sentence does not apply to Open Source Software which is governed by the standard license of the copyright owner.

## **Section 16 GENERAL**

16.1. **TAXES.** The Contract Price does not include any excise, sales, lease, use, property, or other taxes, assessments or duties, all of which will be paid by Customer except as exempt by law. If Motorola is required to pay any of these taxes, Motorola will send an invoice to Customer and Customer will pay to Motorola the amount of the taxes (including any interest and penalties) within twenty (20) days after the date of the invoice. Customer will be solely responsible for reporting the Equipment for personal property tax purposes, and Motorola will be solely responsible for reporting taxes on its income or net worth.

16.2. **ASSIGNABILITY AND SUBCONTRACTING.** Except as provided herein, neither Party may assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other Party, which consent will not be unreasonably withheld. Any attempted assignment, delegation, or transfer without the necessary consent will be void. Notwithstanding the foregoing, Motorola may assign this Agreement to any of its affiliates or its right to receive payment without the prior consent of Customer. In addition, in the event Motorola separates one or more of its businesses (each a "Separated Business"), whether by way of a sale, establishment of a joint venture, spin-off or otherwise (each a "Separation Event"), Motorola may, without the prior written consent of the other Party and at no additional cost to Motorola, assign this Agreement such that it will continue to benefit the Separated Business and its affiliates (and Motorola and its affiliates, to the extent applicable) following the Separation Event. Motorola may subcontract any of the work, but subcontracting will not relieve Motorola of its duties under this Agreement.

16.3 **WAIVER.** Failure or delay by either Party to exercise a right or power under this Agreement will not be a waiver of the right or power. For a waiver of a right or power to be effective, it must be in a writing signed by the waiving Party. An effective waiver of a right or power will not be construed as either a future or continuing waiver of that same right or power, or the waiver of any other right or power.



16.4. SEVERABILITY. If a court having jurisdiction finds any part of this Agreement to be invalid or unenforceable, that part will be severed and the remainder will continue in full force and effect.

16.5. INDEPENDENT CONTRACTORS. Each Party will perform its duties under this Agreement as an independent contractor. The Parties and their personnel will not be considered to be employees or agents of the other Party. Nothing in this Agreement will be interpreted as granting either Party the right or authority to make commitments of any kind for the other. This Agreement will not constitute, create, or be interpreted as a joint venture, partnership or formal business organization of any kind.

16.6. HEADINGS AND SECTION REFERENCES. The section headings in this Agreement are inserted only for convenience and are not to be construed as part of this Agreement or as a limitation of the scope of the particular section to which the heading refers. This Agreement will be fairly interpreted in accordance with its terms and conditions and not for or against either Party.

16.7. ENTIRE AGREEMENT. This Agreement, including all Exhibits, constitutes the entire agreement of the Parties regarding the subject matter of the Agreement and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to this subject matter. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which shall constitute one and the same instrument. A facsimile copy or computer image, such as a PDF or tiff image, or a signature shall be treated as and shall have the same effect as an original signature. In addition, a true and correct facsimile copy or computer image of this Agreement shall be treated as and shall have the same effect as an original signed copy of this document. This Agreement may be amended or modified only by a written instrument signed by authorized representatives of both Parties. The preprinted terms and conditions found on any Customer purchase order, acknowledgment or other form will not be considered an amendment or modification of this Agreement, even if a representative of each Party signs that document.

16.8. NOTICES. Notices required under this Agreement to be given by one Party to the other must be in writing and either personally delivered or sent to the address shown below by certified mail, return receipt requested and postage prepaid (or by a recognized courier service, such as Federal Express or UPS), or by facsimile with correct answerback received, and will be effective upon receipt:

Motorola Solutions, Inc.

Attn: \_\_\_\_\_

fax: \_\_\_\_\_

Customer

Attn: \_\_\_\_\_

fax: \_\_\_\_\_

16.9. COMPLIANCE WITH APPLICABLE LAWS. Each Party will comply with all applicable federal, state, and local laws, regulations and rules concerning the performance of this Agreement or use of the System. Customer will obtain and comply with all Federal Communications Commission ("FCC") licenses and authorizations required for the installation, operation and use of the System before the scheduled installation of the Equipment. Although Motorola might assist Customer in the preparation of its FCC license applications, neither Motorola nor any of its employees is an agent or representative of Customer in FCC or other matters.

16.10. AUTHORITY TO EXECUTE AGREEMENT. Each Party represents that it has obtained all necessary approvals, consents and authorizations to enter into this Agreement and to perform its duties under this Agreement; the person executing this Agreement on its behalf has the authority to do so; upon execution and delivery of this Agreement by the Parties, it is a valid and binding contract, enforceable in accordance with its terms; and the execution, delivery, and performance of this Agreement does not violate any bylaw, charter, regulation, law or any other governing authority of the Party.

16.11. ADMINISTRATOR LEVEL ACCOUNT ACCESS. Motorola will provide Customer with Administrative User Credentials. Customer agrees to only grant Administrative User Credentials to those personnel with the training or experience to correctly use the access. Customer is responsible for protecting Administrative User Credentials from disclosure and maintaining Credential validity by, among other things, updating passwords when required. Customer may be asked to provide valid Administrative User Credentials when in contact with Motorola System support. Customer understands that changes made as the Administrative User can significantly impact the performance of the System. Customer agrees that it will be solely responsible for any negative impact on the





System or its users by any such changes. System issues occurring as a result of changes made by an Administrative User may impact Motorola's ability to perform its obligations under the Agreement or its Maintenance and Support Agreement. In such cases, a revision to the appropriate provisions of the Agreement, including the Statement of Work, may be necessary. To the extent Motorola provides assistance to correct any issues caused by or arising out of the use of or failure to maintain Administrative User Credentials, Motorola will be entitled to bill Customer and Customer will pay Motorola on a time and materials basis for resolving the issue.

16.12. SURVIVAL OF TERMS. The following provisions will survive the expiration or termination of this Agreement for any reason: Section 3.6 (Motorola Software); Section 3.7 (Non-Motorola Software); if any payment obligations exist, Sections 5.1 and 5.2 (Contract Price and Invoicing and Payment); Subsection 9.7 (Disclaimer of Implied Warranties); Section 11 (Disputes); Section 14 (Limitation of Liability); and Section 15 (Confidentiality and Proprietary Rights); and all of the General provisions in Section 16.



## SOFTWARE LICENSE AGREEMENT

This Exhibit A Software License Agreement ("Agreement") is between Motorola Solutions, Inc., ("Motorola"), and Orange County Fire Authority ("Licensee").

For good and valuable consideration, the parties agree as follows:

### Section 1 DEFINITIONS

1.1 "Designated Products" means products provided by Motorola to Licensee with which or for which the Software and Documentation is licensed for use.

1.2 "Documentation" means product and software documentation that specifies technical and performance features and capabilities, and the user, operation and training manuals for the Software (including all physical or electronic media upon which such information is provided).

1.3 "Open Source Software" means software with either freely obtainable source code, license for modification, or permission for free distribution.

1.4 "Open Source Software License" means the terms or conditions under which the Open Source Software is licensed.

1.5 "Primary Agreement" means the agreement to which this exhibit is attached.

1.6 "Security Vulnerability" means a flaw or weakness in system security procedures, design, implementation, or internal controls that could be exercised (accidentally triggered or intentionally exploited) and result in a security breach such that data is compromised, manipulated or stolen or the system damaged.

1.7 "Software" (i) means proprietary software in object code format, and adaptations, translations, de-compilations, disassemblies, emulations, or derivative works of such software; (ii) means any modifications, enhancements, new versions and new releases of the software provided by Motorola; and (iii) may contain one or more items of software owned by a third party supplier. The term "Software" does not include any third party software provided under separate license or third party software not licensable under the terms of this Agreement.

### Section 2 SCOPE

Motorola and Licensee enter into this Agreement in connection with Motorola's delivery of certain proprietary Software or products containing embedded or pre-loaded proprietary Software, or both. This Agreement contains the terms and conditions of the license Motorola is providing to Licensee, and Licensee's use of the Software and Documentation.

### Section 3 GRANT OF LICENSE

3.1. Subject to the provisions of this Agreement and the payment of applicable license fees, Motorola grants to Licensee a personal, limited, non-transferable (except as permitted in Section 7) and non-exclusive license under Motorola's copyrights and Confidential Information (as defined in the Primary Agreement) embodied in the Software to use the Software, in object code form, and the Documentation solely in connection with Licensee's use of the Designated Products. This Agreement does not grant any rights to source code.



3.2. If the Software licensed under this Agreement contains or is derived from Open Source Software, the terms and conditions governing the use of such Open Source Software are in the Open Source Software Licenses of the copyright owner and not this Agreement. If there is a conflict between the terms and conditions of this Agreement and the terms and conditions of the Open Source Software Licenses governing Licensee's use of the Open Source Software, the terms and conditions of the license grant of the applicable Open Source Software Licenses will take precedence over the license grants in this Agreement. If requested by Licensee, Motorola will use commercially reasonable efforts to: (i) determine whether any Open Source Software is provided under this Agreement; (ii) identify the Open Source Software and provide Licensee a copy of the applicable Open Source Software License (or specify where that license may be found); and, (iii) provide Licensee a copy of the Open Source Software source code, without charge, if it is publicly available (although distribution fees may be applicable).

#### Section 4 LIMITATIONS ON USE

4.1. Licensee may use the Software only for Licensee's internal business purposes and only in accordance with the Documentation. Any other use of the Software is strictly prohibited. Without limiting the general nature of these restrictions, Licensee will not make the Software available for use by third parties on a "time sharing," "application service provider," or "service bureau" basis or for any other similar commercial rental or sharing arrangement.

4.2. Licensee will not, and will not allow or enable any third party to: (i) reverse engineer, disassemble, peel components, decompile, reprogram or otherwise reduce the Software or any portion to a human perceptible form or otherwise attempt to recreate the source code; (ii) modify, adapt, create derivative works of, or merge the Software; (iii) copy, reproduce, distribute, lend, or lease the Software or Documentation to any third party, grant any sublicense or other rights in the Software or Documentation to any third party, or take any action that would cause the Software or Documentation to be placed in the public domain; (iv) remove, or in any way alter or obscure, any copyright notice or other notice of Motorola's proprietary rights; (v) provide, copy, transmit, disclose, divulge or make the Software or Documentation available to, or permit the use of the Software by any third party or on any machine except as expressly authorized by this Agreement; or (vi) use, or permit the use of, the Software in a manner that would result in the production of a copy of the Software solely by activating a machine containing the Software. Licensee may make one copy of Software to be used solely for archival, back-up, or disaster recovery purposes; *provided* that Licensee may not operate that copy of the Software at the same time as the original Software is being operated. Licensee may make as many copies of the Documentation as it may reasonably require for the internal use of the Software.

4.3. Unless otherwise authorized by Motorola in writing, Licensee will not, and will not enable or allow any third party to: (i) install a licensed copy of the Software on more than one unit of a Designated Product; or (ii) copy onto or transfer Software installed in one unit of a Designated Product onto one other device. Licensee may temporarily transfer Software installed on a Designated Product to another device if the Designated Product is inoperable or malfunctioning, if Licensee provides written notice to Motorola of the temporary transfer and identifies the device on which the Software is transferred. Temporary transfer of the Software to another device must be discontinued when the original Designated Product is returned to operation and the Software must be removed from the other device. Licensee must provide prompt written notice to Motorola at the time temporary transfer is discontinued.

4.4. When using Motorola's Radio Service Software ("RSS"), Licensee must purchase a separate license for each location at which Licensee uses RSS. Licensee's use of RSS at a licensed location does not entitle Licensee to use or access RSS remotely. Licensee may make one copy of RSS for each licensed location. Licensee shall provide Motorola with a list of all locations at which Licensee uses or intends to use RSS upon Motorola's request.

4.5. Licensee will maintain, during the term of this Agreement and for a period of two years thereafter, accurate records relating to this license grant to verify compliance with this Agreement. Motorola or an independent third party ("Auditor") may inspect Licensee's premises, books and records, upon reasonable prior





notice to Licensee, during Licensee's normal business hours and subject to Licensee's facility and security regulations. Motorola is responsible for the payment of all expenses and costs of the Auditor. Any information obtained by Motorola and the Auditor will be kept in strict confidence by Motorola and the Auditor and used solely for the purpose of verifying Licensee's compliance with the terms of this Agreement.

## Section 5 OWNERSHIP AND TITLE

Motorola, its licensors, and its suppliers retain all of their proprietary rights in any form in and to the Software and Documentation, including, but not limited to, all rights in patents, patent applications, inventions, copyrights, trademarks, trade secrets, trade names, and other proprietary rights in or relating to the Software and Documentation (including any corrections, bug fixes, enhancements, updates, modifications, adaptations, translations, de-compilations, disassemblies, emulations to or derivative works from the Software or Documentation, whether made by Motorola or another party, or any improvements that result from Motorola's processes or, provision of information services). No rights are granted to Licensee under this Agreement by implication, estoppel or otherwise, except for those rights which are expressly granted to Licensee in this Agreement. All intellectual property developed, originated, or prepared by Motorola in connection with providing the Software, Designated Products, Documentation or related services, remains vested exclusively in Motorola, and Licensee will not have any shared development or other intellectual property rights.

## Section 6 LIMITED WARRANTY; DISCLAIMER OF WARRANTY

6.1. The commencement date and the term of the Software warranty will be a period of ninety (90) days from Motorola's shipment of the Software (the "Warranty Period"). If Licensee is not in breach of any of its obligations under this Agreement, Motorola warrants that the unmodified Software, when used properly and in accordance with the Documentation and this Agreement, will be free from a reproducible defect that eliminates the functionality or successful operation of a feature critical to the primary functionality or successful operation of the Software. Whether a defect occurs will be determined by Motorola solely with reference to the Documentation. Motorola does not warrant that Licensee's use of the Software or the Designated Products will be uninterrupted, error-free, completely free of Security Vulnerabilities, or that the Software or the Designated Products will meet Licensee's particular requirements. Motorola makes no representations or warranties with respect to any third party software included in the Software.

6.2 Motorola's sole obligation to Licensee and Licensee's exclusive remedy under this warranty is to use reasonable efforts to remedy any material Software defect covered by this warranty. These efforts will involve either replacing the media or attempting to correct significant, demonstrable program or documentation errors or Security Vulnerabilities. If Motorola cannot correct the defect within a reasonable time, then at Motorola's option, Motorola will replace the defective Software with functionally-equivalent Software, license to Licensee substitute Software which will accomplish the same objective, or terminate the license and refund the Licensee's paid license fee.

6.3. Warranty claims are described in the Primary Agreement.

6.4. The express warranties set forth in this Section 6 are in lieu of, and Motorola disclaims, any and all other warranties (express or implied, oral or written) with respect to the Software or Documentation, including, without limitation, any and all implied warranties of condition, title, non-infringement, merchantability, or fitness for a particular purpose or use by Licensee (whether or not Motorola knows, has reason to know, has been advised, or is otherwise aware of any such purpose or use), whether arising by law, by reason of custom or usage of trade, or by course of dealing. In addition, Motorola disclaims any warranty to any person other than Licensee with respect to the Software or Documentation.





**Orange County Fire Authority**  
**AGENDA STAFF REPORT**

**Executive Committee Meeting**  
**September 27, 2018**

**Agenda Item No. 3F**  
**Consent Calendar**

**Cooperative Contract for Information Technology**  
**Staff Augmentation Services**

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**Contact(s) for Further Information**

Dave Anderson, Deputy Chief Emergency Operations Bureau	<a href="mailto:daveanderson@ocfa.org">daveanderson@ocfa.org</a>	714.573.6006
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Joel Brodowski, IT Manager Logistics Department	<a href="mailto:joelbrodowski@ocfa.org">joelbrodowski@ocfa.org</a>	714.573.6421
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**Summary**

This agenda item is submitted for approval to award a contract to Computer Aid, Inc. to provide Information Technology (IT) staff augmentation services utilizing the National Joint Powers Alliance cooperative contract.

**Prior Board/Committee Action**

On March 22, 2017, the Executive Committee approved a two-year contract with Computer Aid, Inc. for information technology staff augmentation services (based on a cooperative contract) for the Public Safety Systems Replacement project for the not to exceed amount of \$1,257,412.

**RECOMMENDED ACTIONS:**

Approve and authorize the Purchasing Manager to execute the proposed Professional Services Agreement with Computer Aid, Inc. for project management services for the Critical Infrastructure Improvement project for a two-year term in an amount not to exceed \$423,302.40.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Funding for the Critical Infrastructure Improvement project has been approved in the adopted FY 2018/19 Capital Improvement Program (CIP) Budget, specifically in Fund 123 (Fire Stations & Facilities) and Fund 124 (Communications & IT Infrastructure). The FY 2018/19 funds are supplemented by carry-over unspent funds in the FY 2017/18 CIP budget for a total project budget of \$2,963,000. The proposed \$423,302.40 contract with CAI will be expended over a two-year term and is needed to provide additional support for staff to ensure project completion.

**Background**

The OCFA IT Section is responsible for the management and implementation of a large number and variety of technology projects including the Critical Infrastructure Improvement project (see Attachment 1 for additional detailed project information).

The Critical Infrastructure Improvement project has five major categories including: co-location of Data Center and Emergency 9-1-1 systems, cybersecurity upgrade, physical security upgrade, disaster recovery; and fire suppression upgrade.

Due to the extensive scope of the Critical Infrastructure Improvement projects and need for personnel with specialized knowledge and experience, staff published a Request for Information (RFI R02281) for Critical Infrastructure Consulting Services on April 18, 2018. Five vendors responded to the RFI. After a Question/Answer meeting with participating RFI respondents and reviewing the RFI responses, staff determined that existing staffing levels are inadequate and staff augmentation services are needed to ensure successful project completion.

### ***Staff Augmentation***

OCFA utilizes technology service providers to augment existing staff resources to support ongoing and increasingly complex OCFA technology needs. This approach has been successful because it allows OCFA to obtain qualified resources at a reasonable rate with the flexibility to adjust the type and quantity of resources to the ever-changing needs of the organization. The Critical Infrastructure Improvement project will require a dedicated, experienced Project Manager to coordinate communications, necessary resources and vendors with appropriate OCFA staff to ensure project goals and milestones are achieved.

### ***Computer Aid, Inc. (CAI)***

CAI has managed over \$2 billion in public agency spending and assumes all administrative tasks involved with the provision of staff augmentation services. CAI is able to provide specialized contractors and/or add new suppliers specialized in the market to meet OCFA's supplemental staffing needs. CAI's services include the initial prescreening of candidates, a consolidated invoicing process, and analytics to provide oversight on assigned personnel.

### ***National Joint Powers Alliance (NJPA) Cooperative Contract***

The Sourcwell (formerly NJPA) cooperative contract awarded to Computer Aid, Inc. (CAI) resulted from a competitive solicitation, RFP #020817, and Contract #020817. Use of this contract entitles OCFA to the same discounted rates for Information Technology (IT) staff augmentation that other government agency members receive. The discounted rates are due to the large number of participating agencies in need of these services. Additionally, use of this contract allows OCFA IT the flexibility to select from a variety of positions at different levels and the ability to cap billing rates to meet budgetary constraints. The OCFA is currently using CAI to provide software development professionals who supplement staff resources to custom develop replacement systems for the Records Management Systems that are part of the Public Safety Systems replacement project.

Below is the general description of the position anticipated for the Critical Infrastructure Improvement project as described in Attachment 1 with the estimated number of hours and estimated contracted hourly billing rate. The proposed hourly bill rate is competitive with current established bill rates for other IT professional services contracts such as Westnet, Inc., Sixth Street Consulting, and TriTech Software Systems.

<b>Position</b>	<b>Hours</b>	<b>Bill Rate</b>	<b>Total</b>
<i>Project Manager</i>	2,880	\$146.98	<b>\$423,302.40</b>

*The Project Manager will assist in the development, management, and implementation of a Master Plan of Implementation for the Critical Infrastructure Improvement project. The Project Manager will create and maintain communication plans and all project documentation, coordinate tasks with vendors, staff, and other professional services providers, establish timelines with defined milestones and goals, and ensure satisfactory completion of all work.*

### ***Conclusion***

Based on the additional staffing required to complete the Critical Infrastructure Improvement project, staff is requesting approval and authorization for the Purchasing Manager to execute the proposed Professional Services Agreement with CAI for project management services specific to the Critical Infrastructure Improvement project for a two-year term in an amount not to exceed \$423,302.40.

### **Attachment(s)**

1. Executive Summary – Critical Infrastructure Improvement Projects
2. Professional Services Agreement

## EXECUTIVE SUMMARY

### CRITICAL INFRASTRUCTURE IMPROVEMENT PROJECTS

#### **PROJECT BACKGROUND**

The Orange County Fire Authority (OCFA) is developing a wide-ranging Master Plan of Improvement (MPI) for Critical Infrastructure Improvement and is seeking qualified Project Manager (PM) professional services for the estimated 18 – 24 month period to complete the anticipated Scope of Work (SOW). Staff has identified opportunities for improvement in each category of the Critical Infrastructure Improvement projects listed below which upon completion will significantly strengthen and improve the ability of the OCFA to deliver critical emergency services during major incidents or disaster situations. The PM will assist in the development, management, and implementation of the MPI for the anticipated five (5) categories of Critical Infrastructure Improvement as described in the SOW. It is anticipated that some of the projects may be implemented simultaneously.

#### **SCOPE OF WORK**

##### **(1) CO-LOCATION of DATA CENTER and EMERGENCY 9-1-1 SYSTEMS**

- Establish an in-county, and out-of-county Co-Lo data center facilities including:
  - Assist OCFA to identify and establish in-county and out-of-county Co-Lo data center facilities.
  - Develop budgets, contracts, Service Level Agreements (SLA), Request for Proposals (RFP) and other project documents.
  - Move emergency backup public safety and 9-1-1 phone systems to in-county (local) Co-Lo data center facility
  - Devise transition and go-live plan for new Co-Lo data centers
- Other actionable items not identified in this list

##### **(2) CYBERSECURITY UPGRADES**

- Develop a comprehensive IT Cybersecurity assessment and Cybersecurity gap analysis, prepare reports of findings of Cybersecurity infrastructure, processes and procedures.
- Identify specific steps necessary to bring any infrastructure, processes and procedures into compliance with applicable state and federal regulations.
- Develop vulnerability mitigation plan, and a prioritized road map of activities to enhance the OCFA's future Cybersecurity position. The ideal approach will utilize industry best practice methodologies to ensure a standardized risk mitigation approach that will offer the highest risk reduction potential. The approach will complement the 'Framework for Improving Critical Infrastructure Cybersecurity' (developed by the National Institute for Standards and Technology (NIST)).
- Test for Advanced Persistent Threats (APTs) such as viruses, malware, ransomware, Trojan horses, botnets and other targeted attack exploits, and evaluate the OCFA's current threat posture including antivirus and Intrusion Detection and Prevention (IDP) capabilities.
- Other actionable items not identified in this list

##### **(3) PHYSICAL SECURITY UPGRADES**

*As relating to Regional Fire Operations Training Center (RFOTC), OCFA fire stations, specialty facilities including US&R warehouse, HAZMAT, Airport*

- Conduct a Risk Assessment & mitigation planning gap analysis and provide a recommendation of available technology and system requirements with an emphasis on

open architecture and non-proprietary systems and communications upgrades (radio, MRTI, emergency call boxes and telephones), as it affects overall facilities safety and security.

- Comprehensive assessment of existing security policies, procedures and staffing with specific recommendations to improve existing security policies, procedures, staffing, architectural and physical Security.
- Provide subject matter expertise (SME) for technology systems including digital video management, access control, intrusion, panic/distress and fire alarms including integration with other systems.
- Other actionable items not identified in this list.

#### (4) DISASTER RECOVERY

- Conduct a business impact assessment (BIA) and Risk Assessment (RA) of the current Continuity of Operations Plan (COOP), identify and resolve any gaps or weaknesses.
- Conduct an assessment of the OCFA technology infrastructure(s), systems architecture, backup procedures, system redundancy, and make recommendations to improve fault-tolerance of key systems.
- Map the emergency 9-1-1 public safety and critical business processes.
- Other actionable items not identified in this list.

#### (5) FIRE SUPPRESSION SYSTEM UPGRADES for RFOTC DATA CENTER

- Assess current data center fire suppression systems, determine upgrade options to add clean-agent suppression systems.
- Assess current data center rooms, determine structural upgrades required for clean-agent suppression systems including sealing floor, walls, ceiling, outlets, etc.
- Assess current data center HVAC water supply and other domestic water lines that are currently located in data center ceiling, and develop a plan to relocate the water pipes under raised floor, or other routing plan necessary to separate protected computers, radios, network, and other electronic equipment from potential water leaks.
- Other actionable items not identified in this list.

### **DESIREABLE QUALIFICATIONS, PREFERRED KNOWLEDGE, EXPERIENCE, AND SKILLS**

1. Candidate must be in the business of providing Information Technology project management services for clients with similar functions and complexity as the OCFA for at least five years.
2. Candidate must have experience and be familiar with public works type projects.
3. Candidate must possess all licenses and professional credentials necessary to perform services required such as PMP certification, and must be experienced with a core group of business programs including: Microsoft Office Suite, Outlook, MSProject.
4. Candidate must have experience performing assessments, gap analyses, interviews, preparing reports of findings and specific recommendations, developing Scope of Work (SOW) documents.
5. Successfully completed at least three projects similar in size and scope within the past five years. A successful project is defined as a project that was completed to the satisfaction of the client, on time, within budget, and with minimal change orders.

6. Candidate must provide a client history and references to demonstrate experience managing large, complex, software development and implementation projects on time and on budget.
7. Candidate must be supportive of working in a team environment and have experience developing highly detailed documentation including Request for Proposals (RFP), Statement of Work (SOW), requirements gathering, functional needs analysis, task prioritizations, detailed cost analysis, creating regular status reports, training documents, and scheduling.
8. Candidate must demonstrate strong executive and Board of Director presentation skills, excellent verbal and written communications.

#### **PARTIAL LIST OF PROJECT MANAGER RESPONSIBILITIES:**

1. Provide full-cycle project management support and software development resources for the five (5) categories of the Critical Infrastructure Improvement project.
2. Act as the primary point of contact as a Project Lead (additional persons may be assigned the project, however only one may act as a primary to serve as the lead.)
3. Organize and hold weekly onsite meetings with Executives, IT, Operations, Property Management, and Risk Management personnel to conduct needs assessment studies, develop comprehensive SOWs, prepare detailed budget estimates, define project milestones, develop and execute a comprehensive communication plan, identify project risks and mitigations, create and maintain project documents including minutes, charts, training materials, and correspondences.
4. Define the need for additional professional services for development and implementation, estimating costs, developing the RFP, and assisting in the selection of the resources.
5. Assist OCFA in reviewing proposals received by prospective vendors interested in one or more of the categories of the Critical Infrastructure Improvement project.
6. Act as the liaison between the development and implementation vendor and other parties and stakeholders to ensure that the vendor performs high quality work per OCFA needs.
7. Ensure fulfillment of the project within budget and schedule. The selected firm will be expected to provide continuous quality assurance and quality control of the development activities including preparation of the initial project schedule outlining all tasks, durations, and milestone dates.
8. Check on progress, quality of workmanship and keeping the project on schedule and within budget.
9. Report to the OCFA Executive Management team, and provide regular in-person written and verbal updates. OCFA's expectation is that this project will require weekly stakeholder status meetings.

#### **OCFA RESPONSIBILITIES**

1. Provide all relevant policies, procedures, and expected conduct in either verbal and/or written format.
2. DOJ screening of any individual is to be coordinated by the Firm with the OCFA Human Resources Department prior to start of work with OCFA.
3. An OCFA representative will be designated to support the awarded firm.
4. The OCFA will be responsible for providing the vendor with the specific information needed as it relates to the project.
5. A project team, made up of OCFA departmental representatives is available as necessary to answer questions and provide resources.

**OWNERSHIP AND INTELLECTUAL PROPERTY**

1. All intellectual property developed in connection with the project will be owned solely by the OCFA.
2. In providing these services, the vendor will not infringe or violate the copyright and other intellectual property rights of third parties.
3. The vendor is responsible for securing various rights, licenses, clearances and other permissions related to works, graphics or other copyrighted materials to be used or otherwise incorporated in the project.



**ORANGE COUNTY FIRE AUTHORITY  
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and entered into this \_\_\_\_ day of September, 2018, by and between the Orange County Fire Authority, a public agency, hereinafter referred to as "OCFA", and Computer Aid, Inc., a Corporation, hereinafter referred to as "Firm". OCFA and Firm are sometimes individually referred to herein as a "Party" and collectively as the "Parties".

**RECITALS**

WHEREAS, OCFA requires the services of a qualified firm to provide Staff Augmentation Services for the OCFA Critical Infrastructure Project, hereinafter referred to as "Project"; and

WHEREAS, Firm has submitted to OCFA a Scope of Services, which is incorporated herein by this reference ("Scope of Services"); and

WHEREAS, based on its experience and reputation, Firm is qualified to provide the necessary services for the Project and desires to provide such services; and

WHEREAS, OCFA desires to retain the services of Firm for the Project;

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein, OCFA agrees to employ and does hereby employ Firm and Firm agrees to provide professional services as follows:

**AGREEMENT**

**1. PROFESSIONAL SERVICES**

**1.1 Scope of Services**

In compliance with all terms and conditions of this Agreement, Firm shall provide those services specified in the Scope of Services, attached hereto as Exhibit "A," which includes by reference and by addendum: (1) Firm's Scope of Services, and (2) any amendments, addendums, change orders, or modifications mutually agreed upon by the parties hereto ("Services" or "Work"). Firm warrants that all Services shall be performed in a competent, professional and satisfactory manner in accordance with all standards prevalent in the same profession in the State of California. Firm represents and warrants that it and all employees, subconsultants and subcontractors providing any Services pursuant to this Agreement shall have a sufficient skill and experience to perform the Services. All Services shall be completed to the reasonable satisfaction of the OCFA. In the event of any inconsistency between the terms contained in the Scope of Services,

and/or the terms set forth in the main body of this Agreement, the terms set forth in the main body of this Agreement and then the Scope of Services shall govern, in that order.

### **1.2 Compliance with Law**

All Services rendered hereunder shall be provided in accordance with all laws, ordinances, resolutions, statutes, rules, and regulations of OCFA and any federal, state or local governmental agency of competent jurisdiction.

### **1.3 Licenses and Permits**

Firm shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the Services required by this Agreement.

### **1.4 Familiarity with Work**

By executing this Agreement, Firm warrants that Firm (a) has thoroughly investigated and considered the Work to be performed, (b) has investigated the site of the Work and become fully acquainted with the conditions there existing, (c) has carefully considered how the Work should be performed, and (d) fully understands the facilities, difficulties and restrictions attending performance of the Work under this Agreement. Should the Firm discover any latent or unknown conditions materially differing from those inherent in the Work or as represented by OCFA, Firm shall immediately inform OCFA of such fact and shall not proceed with any Work except at Firm's risk until written instructions are received from the Contract Officer.

### **1.5 Care of Work**

Firm shall adopt and follow reasonable procedures and methods during the term of the Agreement to prevent loss or damage to materials, papers or other components of the work, and shall be responsible for all such damage until acceptance of the work by OCFA, except such loss or damages as may be caused by OCFA's own negligence.

### **1.6 Additional Services**

Firm shall perform services in addition to those specified in the Scope of Services when directed to do so in writing by the OCFA Purchasing Manager, provided that Firm shall not be required to perform any additional services without compensation. Any additional compensation not exceeding fifty thousand dollars (\$50,000.00) must be approved in writing by the OCFA Purchasing Manager. Any additional compensation exceeding this amount must be approved in writing by the Executive Committee of the OCFA Board of Directors.

## **2. TIME FOR COMPLETION**

The time for completion of the Services to be performed by Firm is an essential condition of this Agreement. Firm shall prosecute regularly and diligently the work of this Agreement according to the schedules set forth in Firm's Scope of Services. Firm shall not be accountable for delays in the progress of its work caused by any condition beyond its control and without the fault or negligence of Firm. Delays shall not entitle Firm to any additional compensation regardless of the party responsible for the delay.

### **3. COMPENSATION OF FIRM**

#### **3.1 Compensation of Firm**

For the Services rendered pursuant to this Agreement, Firm shall be compensated and reimbursed, in accordance with the terms set forth in Exhibit "A", in an amount not to exceed \$423,302.40 (Four Hundred Twenty-Three Thousand, Three Hundred Two Dollars and Forty Cents).

#### **3.2 Method of Payment**

In any month in which Firm wishes to receive payment, Firm shall no later than the first working day of such month, submit to OCFA in the form approved by OCFA's Director of Finance, an invoice for Services rendered prior to the date of the invoice. OCFA shall pay Firm for all expenses stated thereon which are approved by OCFA consistent with this Agreement, within thirty (30) days of receipt of Firm's invoice.

#### **3.3 Changes**

In the event any change or changes in the work is requested by OCFA, the parties hereto shall execute an addendum to this Agreement, setting forth with particularity all terms of such addendum, including, but not limited to, any additional fees. Addenda may be entered into:

A. To provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product or work;

B. To provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Firm's profession.

### **3.4 Appropriations**

This Agreement is subject to and contingent upon funds being appropriated therefore by the OCFA Board of Directors for each fiscal year covered by the Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to OCFA.

## **4. PERFORMANCE SCHEDULE**

### **4.1 Time of Essence**

Time is of the essence in the performance of this Agreement.

### **4.2 Schedule of Performance**

All Services rendered pursuant to this Agreement shall be performed within the time periods prescribed in the Scope of Services, attached hereto as Exhibit "A". The extension of any time period specified in Exhibit "A" must be approved in writing by the Contract Officer.

### **4.3 Force Majeure**

The time for performance of Services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Firm, including, but not restricted to, acts of God or of a public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, and unusually severe weather if the Firm shall within ten (10) days of the commencement of such condition notify the Contract Officer who shall thereupon ascertain the facts and the extent of any necessary delay, and extend the time for performing the Services for the period of the enforced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

### **4.4 Term**

This agreement shall continue in full force and effect for fifteen months (initial term) unless earlier terminated in accordance with Sections 8.5 or 8.6 of this Agreement. The contract may be extended upon mutual agreement between OCFA and the Firm.

## **5. COORDINATION OF WORK**

### **5.1 Representative of Firm**

The following principal of the Firm is hereby designated as being the principal and representative of Firm authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith: Timothy Nau.

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principal is a substantial inducement for OCFA to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Firm and devoting sufficient time to personally supervise the Services hereunder. The foregoing principal may not be changed by Firm without the express written approval of OCFA.

### **5.2 Contract Officer**

The Contract Officer shall be Joel Brodowski, unless otherwise designated in writing by OCFA. It shall be the Firm's responsibility to keep the Contract Officer fully informed of the progress of the performance of the Services and Firm shall refer any decisions that must be made by OCFA to the Contract Officer. Unless otherwise specified herein, any approval of OCFA required hereunder shall mean the approval of the Contract Officer.

### **5.3 Prohibition Against Subcontracting or Assignment**

**5.3.1 No Subcontracting Without Prior Approval.** The experience, knowledge, capability and reputation of Firm, its principals and employees, and the Firm Representative were a substantial inducement for OCFA to enter into this Agreement. Therefore, Firm shall not contract with any other entity to perform in whole or in part the Services required hereunder without the express written approval of OCFA.

**5.3.2 Provisions in the Event Subcontractor(s) Are Authorized.** If Firm is authorized to subcontract any part of the Services as provided in Section 5.3.1, Firm shall be responsible to OCFA for the acts and omissions of its subcontractor(s) and subconsultant(s) in the same manner as it is for persons directly employed. For purposes of this Agreement, all persons engaged in the performance of Services will be considered employees of Firm. OCFA will deal directly with and will make all payments to Firm. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and OCFA. Firm shall ensure that all subcontractor insurance requirements set forth in Section 6 below (including its subsections) are complied with prior to commencement of Services by each subcontractor.

**5.3.2.1 Withholding Payment for Non-Authorized Subcontractors.** OCFA shall have the right to withhold payment from Firm

for Services performed by any subcontractor or subconsultant performing Services but not authorized in writing by OCFA, or regarding which the insurance or other requirements under this Agreement have not been satisfied.

**5.3.3 Assignments.** Neither this Agreement nor any interest herein may be assigned, transferred, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of OCFA. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Firm, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release Firm or any surety of Firm from any liability hereunder without the express written consent of OCFA.

#### **5.4 Independent Contractor**

**5.4.1** The legal relationship between the Parties is that of an independent contractor, and nothing herein shall be deemed to make Contractor, or any of its personnel, an OCFA employee. During the performance of this Agreement, Firm and its officers, employees, and agents shall act in an independent capacity and shall not act as OCFA officers or employees. Firm will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. The personnel performing the Services under this Agreement on behalf of Firm shall at all times be under Firm's exclusive direction and control. Neither OCFA nor any of its officials, officers, employees, agents or volunteers shall have control over the conduct of Firm or any of its officers, employees, or agents, except as set forth in this Agreement. Firm, its officers, employees or agents, shall not maintain a permanent office or fixed business location at OCFA's offices. OCFA shall have no voice in the selection, discharge, supervision, or control of Firm's officers, employees, representatives or agents or in fixing their number, compensation, or hours of service. Firm shall pay all wages, salaries, and other amounts due its employees in connection with the performance of Services under this Agreement and shall be responsible for all reports and obligations respecting them, including but not limited to social security income tax withholding, unemployment compensation, workers' compensation, and other similar matters. OCFA shall not in any way or for any purpose be deemed to be a partner of Firm in its business or otherwise a joint venturer or a member of any joint enterprise with Firm.

**5.4.2** Firm shall not incur or have the power to incur any debt, obligation, or liability against OCFA, or bind OCFA in any manner.

**5.4.3** No OCFA benefits shall be available to Firm, its officers, employees, or agents, in connection with the performance of any Work or Services under this Agreement. Except for professional fees paid to Firm as provided for in this Agreement, OCFA shall not pay salaries, wages, or other compensation to Firm for the performance of any Work or Services under this Agreement. OCFA shall not be liable for



compensation or indemnification to Firm, its officers, employees, or agents, for injury or sickness arising out of performing any Work or Services hereunder. If for any reason any court or governmental agency determines that the OCFA has financial obligations, other than pursuant to Section 2 herein, of any nature relating to salary, taxes, or benefits of Firm's officers, employees, representatives, agents, or subconsultants or subcontractors, Firm shall defend, indemnify, and hold harmless OCFA from and against all such financial obligations.

## **5.6 Employee Retirement System Eligibility Indemnification**

**5.6.1** In the event that Firm or any employee, agent, or subcontractor of Firm providing any Work or Services under this Agreement claims or is determined by a court of competent jurisdiction to be eligible for enrollment in an employee retirement system as an employee of the OCFA, Firm shall indemnify, defend, and hold harmless OCFA against: (1) all such claim(s) and determination(s); (2) for the payment of any employee and/or employer contributions for employee retirement system benefits on behalf of Firm or its employees, agents or subcontractors; and (3) the payment of any penalties and interest on such contributions which would otherwise be the responsibility of the OCFA.

**5.6.2** Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing any Work or Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by OCFA, including but not limited to eligibility to enroll in PERS as an employee of OCFA and entitlement to any contribution to be paid by OCFA for employer contribution and/or employee contributions for PERS benefits.

## **6. INSURANCE AND INDEMNIFICATION**

**6.1 Compliance with Insurance Requirements.** Firm shall obtain, maintain, and keep in full force and effect during the term of this Agreement, at its sole cost and expense, and in a form and content satisfactory to OCFA, all insurance required under this section. Firm shall not commence any Services under this Agreement unless and until it has provided evidence satisfactory to OCFA that it has secured all insurance required under this section. If Firm's existing insurance policies do not meet the insurance requirements set forth herein, Firm agrees to amend, supplement or endorse the policies to meet all requirements herein.

**6.2 Types of Insurance Required.** Without limiting the indemnity provisions set forth in this Agreement, Firm shall obtain and maintain in full force and effect during the term of this Agreement, including any extension thereof, the following policies of insurance:

**6.2.1 Professional Liability/Errors and Omissions Insurance ("PLI").** Firm shall obtain and maintain PLI insurance applicable to each licensed profession practiced by Firm. Firm shall maintain PLI insurance with per-claim and aggregate limits no lower than one million dollars (\$1,000,000.00) each occurrence and two million dollars (\$2,000,000.00) aggregate. Covered professional services shall specifically include all Services to be performed under the Agreement and the policy shall be endorsed to delete any exclusions that may exclude coverage for claims within the minimum PLI Limits for the Services to be performed under this Agreement.

**6.2.1.1** The PLI policy shall be endorsed to delete any Contractual Liability Exclusion. The PLI shall include contractual liability coverage applicable to this Agreement. The policy must "pay on behalf of" the insured, and include a provision establishing the insurer's duty to defend the insured.

**6.2.1.2** If the PLI policy of insurance is written on a "claims-made" basis, the policy shall be continued in full force and effect at all times during the term of this Agreement, and for a period of three (3) years from the date of the completion of all Services provided hereunder (the "PLI Coverage Period"). If any PLI policy is replaced, cancelled, non-renewed, discontinued, or otherwise terminated, or if the limits of a PLI policy are reduced or the available coverage depleted below the required minimum coverage amounts for any reason during the PLI Coverage Period, Firm shall immediately obtain replacement PLI coverage meeting the requirements of this Section 6.2.1. Such replacement coverage shall satisfy all requirements herein, and shall include coverage for the prior acts or omissions of Firm during the time period during which any Services were performed. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier or other insurance arrangements providing for complete coverage, either of which shall be subject to the written approval by the OCFA.

**6.2.1.3** If the PLI policy is written on an "occurrence" basis, the policy shall be continued in full force and effect during the term of this Agreement, or until completion of the Services provided for in this Agreement, whichever is later. In the event of termination of the PLI policy during this period, new coverage shall immediately be obtained, and written evidence of the policy shall be immediately provided to OCFA, to ensure PLI coverage during the entire course of performing the Services.

**6.2.1.4** Firm shall not perform any Services at any time during which required types or amounts of PLI insurance are not in effect, and OCFA shall have no obligation to pay Firm for Services performed while required PLI insurance is not in effect.

**6.2.2 Commercial General Liability Insurance.** Firm shall obtain and maintain, in full force and effect throughout the term of this Agreement, Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than one million dollars (\$1,000,000.00) per



occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit. CGL insurance shall be provided on an occurrence-based coverage form; a "claims made" CGL policy is not acceptable. Firm shall maintain CGL insurance with per-claim, aggregate and products and operations completed limits no lower than the minimum CGL coverage limits set forth above. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions limiting coverage for any of the following: (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) any other exclusion contrary to this Agreement.

**6.2.3 Automobile Liability Insurance.** Firm shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Automobile liability insurance written on a per occurrence basis with limits of at least one million dollars (\$1,000,000.00) combined limit for each occurrence covering bodily injury, disease and property damage. Defense costs shall be paid in addition to the policy limits. The policy shall specifically include coverage for owned, non-owned, leased, and hired automobiles, and be endorsed to eliminate any exclusion applicable to any of them.

**6.2.4 Workers' Compensation Insurance.** Firm shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Workers' Compensation Insurance in at least the minimum statutory amounts, and in compliance with all other statutory requirements applicable in the State of California. Firm hereby waives on its own behalf, and shall obtain an endorsement from its workers' compensation insurer waiving on the insurance company's behalf, all rights of subrogation against the OCFA, its board members, officials, officers, employees, agents and volunteers.

**6.2.4.1** If subconsultants or subcontractors are used, Firm shall require each of its subconsultants and subcontractors, if any, to waive all rights of subrogation, and to obtain endorsements from the subconsultants'/subcontractors' workers' compensation insurers waiving all rights of subrogation, against the OCFA, its board members, officials, officers, employees, agents and volunteers.

**6.2.4.2** Firm and each of its subconsultants and subcontractors shall also maintain, in full force and effect throughout the term of this Agreement, Employer's Liability Insurance with limits of at least one million dollars (\$1,000,000.00) per injury or illness.

**6.3 Acceptability of Insurers.** Each insurance policy required by this section shall be issued by a licensed company authorized to transact business by the Department of Insurance for the State of California with a current rating of A:VII or better (if an admitted carrier), or a current rating of A:X or better (if offered by a non-admitted insurer listed on the State of California List of Approved Surplus Line Insurers (LASLI)), by the latest edition of A.M. Best's Key Rating Guide, except that the OCFA will accept workers' compensation insurance from the State Compensation Fund. In the event the

OCFA determines that the Services to be performed under this Agreement creates an increased or decreased risk of loss to the OCFA, the Firm agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the OCFA.

**6.3.1** Firm shall immediately replace any insurer whose A.M. Best rating drops below the levels specified herein with an insurer that meets the minimum requirements herein.

**6.4 Specific Insurance Provisions and Endorsements.** Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the OCFA for written approval. Required insurance policies shall contain the following provisions, or Firm shall provide endorsements on forms approved by the OCFA to add the following provisions to the insurance policies:

**6.4.1 CGL and Auto Liability Endorsements.** The policy or policies of insurance required by this Agreement for CGL and Automobile Liability Insurance shall be endorsed as follows:

**6.4.1.1 Additional Insured:** The OCFA, its board members, officials, officers, employees, agents and volunteers, shall be additional insureds; and

**6.4.1.1.1 Additional Insured Endorsements:** Additional insured endorsements shall not (1) be restricted to "ongoing operations", (2) exclude "contractual liability", (3) restrict coverage to "sole" liability of Firm, (4) contain any other exclusions contrary to the Agreement; or (5) contain special limitations on the scope of protection afforded to additional insureds.

**6.4.1.2 Primary, Non-Contributing.** Each CGL and Auto Liability insurance policy shall be endorsed to be primary and any other insurance, deductible, or self-insurance maintained by the OCFA, its board members, officials, officers, employees, agents or volunteers, shall not contribute with the primary insurance.

**6.4.2 Notice of Cancellation:** Each policy of any type shall be endorsed to provide that coverage shall not be suspended, voided, cancelled, or modified, or reduced in coverage or in limits, except after thirty (30) days prior written notice has been provided to the OCFA. Notwithstanding the foregoing, if coverage is to be suspended, voided, or cancelled because of Firm's failure to pay the insurance premium, the notice provided by the insurer to OCFA shall be by not less than ten (10) days prior written notice. (A statement that notice will be provided "in accordance with the policy terms" or words to that effect is inadequate to meet the requirements of this Section).

**6.4.2.1 Pre-Payment of Policy Premium.** If for any reason an insurer declines to issue an endorsement certifying that it will notify OCFA in accordance with section 6.4.2, Firm shall either obtain insurance from another insurer who will provide the required notice endorsement or shall provide evidence satisfactory to OCFA that the entire policy premium for the full term of that policy has been pre-paid such that the risk of non-payment of premiums during the term of the policy has been eliminated.

**6.4.3 ACORD Forms Will Not Be Accepted in Lieu of Endorsements.** By executing this Agreement, Firm certifies that it has – prior to execution of this Agreement - confirmed that its insurance company will issue each of the endorsements required by this Agreement. Firm also certifies that it understands that "ACORD" Certificate of Liability Insurance forms will not be accepted in lieu of required endorsements.

**6.5 Deductibles and Self-Insured Retentions.** Any deductible or self-insured retention must be approved in writing by the OCFA in advance. The decision whether to approve or withhold approval of a deductible or self-insured retention shall be made by the OCFA in the OCFA's sole and absolute discretion. (Firm may request pre-approval from OCFA of a deductible or self-insured retention prior to submitting Firm's Scope of Services).

**6.6 Waiver of Subrogation.** All policies of Commercial General Liability and Automobile Liability Insurance shall contain or be endorsed to waive subrogation against the OCFA, its officials, officers, employees, agents and volunteers, or shall specifically allow Firm or others providing insurance evidence in compliance with the requirements set forth in this section to waive their right to recovery prior to a loss. Firm hereby agrees to waive its own right of subrogation against the OCFA, its officials, officers, employees, agents and volunteers.

**6.6.1 Waivers of Subrogation: Subconsultants and Subcontractors.** If OCFA approves the use of subconsultants or subcontractors for the performance of any portion of the Services, then Firm shall obtain from each subconsultant and subcontractor, and make available to OCFA upon request, written express waivers by each subconsultant and subcontractor of the right of subrogation against the OCFA, its officials, officers, employees, agents and volunteers, and policy endorsements of each of its subconsultants' and subcontractors' insurance policies waiving any rights of subrogation against the OCFA, its officials, officers, employees, agents and volunteers insurer. All such waivers and endorsements shall be obtained prior to commencement of any Services by each subconsultant or subcontractor.

**6.7 Evidence of Coverage.** Concurrently with the execution of the Agreement, Firm shall deliver certificates of insurance together with original endorsements affecting each of the insurance policies required to be maintained by Firm by this Section 5. Firm shall promptly furnish, at OCFA's request, copies of actual policies

including all declaration pages, endorsements, exclusions and any other policy documents OCFA requires to verify coverage.

**6.7.1** Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the OCFA for written approval.

**6.7.2 Authorized Signatures.** The certificates of insurance and original endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf.

**6.7.3 Renewal/Replacement Policies.** At least fifteen (15) days prior to the expiration of any policy required by this Agreement, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the OCFA. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Firm shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the OCFA evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies meeting all requirements of this Agreement.

**6.8 Requirements Not Limiting.** Requirement of specific coverage or minimum limits contained in this section are not intended as a limitation on coverage, limits, or other requirements, or a waiver of any coverage normally provided by any insurance. Nothing in this section shall be construed as limiting in any way the indemnification provision contained in this Agreement, or the extent to which Firm may be held responsible for losses of any type or amount.

**6.9 Enforcement of Agreement (Non-Estoppel).** Firm acknowledges and agrees that actual or alleged failure on the part of the OCFA to inform Firm of any non-compliance with any of the insurance requirements set forth in this Agreement imposes no additional obligation on the OCFA nor does it waive any rights hereunder.

**6.10 Insurance for Subconsultants.** If OCFA approves the use of subconsultants or subcontractors for the performance of any portion of the Services, then Firm shall be responsible for causing each approved subconsultant and subcontractor to procure and maintain insurance in the same types and amounts required for Firm, and in full compliance with the insurance requirements set forth in this Agreement, except as otherwise authorized in writing by the Contract Manager.

**6.10.1 Delivery of Evidence of Subcontractor Insurance.** Upon request of OCFA, Firm shall deliver to OCFA all certificates of insurance and endorsements required from subcontractors and subconsultants. (Note: Firm's duty to obtain all required insurance for subcontractors and subconsultants required under this Agreement applies whether or not OCFA requests delivery of evidence of such coverage.)



**6.11 Other Insurance Requirements.** The following terms and conditions shall apply to the insurance policies required of Firm and its subconsultants and subcontractors, if any, pursuant to this Agreement:

**6.11.1** Firm shall provide immediate written notice to OCFA if (1) any of the insurance policies required herein are terminated, cancelled, suspended, or non-renewed (2) the limits of any of the insurance coverages required herein are reduced; (3) any required insurance coverage is reduced below the required minimum limits through claims or otherwise, or (4) the deductible or self-insured retention is increased.

**6.11.2** All insurance coverage and limits required under this Agreement are intended to apply to each insured, including additional insureds, against whom a claim is made or suit is brought to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the OCFA or its operations shall limit the application of such insurance coverage.

**6.11.3** None of the insurance coverages required herein will be in compliance with the requirements of this section if they include any limiting endorsement which substantially impairs the coverages set forth herein (e.g., elimination of contractual liability or reduction of discovery period), unless the endorsement has first been submitted to the OCFA and approved in writing.

**6.11.4** Certificates of insurance will not be accepted in lieu of required endorsements, and submittal of certificates without required endorsements may delay the Project. It is Firm's obligation to ensure timely compliance with all insurance submittal requirements as provided herein and Firm agrees to reimburse OCFA for any losses resulting from its failure, or its subconsultants' or subcontractors' failure, to timely comply with the requirements of this Agreement.

**6.11.5** Firm agrees to ensure that subconsultants and subcontractors, if any, and any other parties involved with the Project who are brought onto or involved in the Project by Firm, provide the same minimum insurance coverage required of Firm. Firm agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Firm agrees that upon request, all agreements with, and evidence of insurance from, subconsultants and subcontractors and others engaged in performing any Services will be submitted to the OCFA for review.

**6.11.6** Firm agrees to provide immediate written notice to OCFA of any claim, demand or loss arising out of the Services performed under this Agreement and for any other claim, demand or loss which may reduce the insurance available to an amount less than required by this Agreement.

## **6.12 Indemnification.**

To the fullest extent permitted by law, Firm shall defend (at Firm's sole cost and expense with legal counsel reasonably acceptable to OCFA), indemnify and hold the OCFA, its board members, officials, officers, employees, agents and volunteers, free and harmless from any and all claims, demands, orders, causes of action, costs, expenses, liabilities, losses, penalties, judgments, arbitration awards, settlements, damages or injuries of any kind, in law or in equity, including but not limited to property or persons, including wrongful death, (collectively "Claims") in any manner arising out of, pertaining to, related to, or incident to any alleged acts, errors or omissions, or willful misconduct of Firm, its officers, directors, employees, subconsultants, subcontractors, agents or invitees in connection with performance under this Agreement, or in any manner arising out of, pertaining to, related to, or incident to an alleged breach of this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses.

Notwithstanding the foregoing, and only to the extent that the Services performed by Firm are subject to California Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Firm.

Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit Firm's indemnification obligation or other liability hereunder. Notwithstanding the foregoing, such obligation to defend, hold harmless and indemnify the OCFA, its board members officials, officers, employees, agents and volunteers, shall not apply to the extent that such Claims are caused by the sole negligence or willful misconduct of that indemnified party.

## **7. RECORDS AND REPORTS**

### **7.1 Reports**

Firm shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the Services required by this Agreement as the Contract Officer shall require.

### **7.2 Records**

Firm shall keep such books and records as shall be necessary to properly perform the Services required by this Agreement and enable the Contract Officer to evaluate the performance of such Services. Except as provided in Section 7.5, the Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from such records.

### **7.3 Ownership of Documents**

Except as provided in Section 7.5, all drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of this Agreement shall be the property of OCFA and shall be delivered to OCFA upon request of the Contract Officer or upon the termination of this Agreement, and Firm shall have no claim for further employment or additional compensation as a result of the exercise by OCFA of its full rights or ownership of the documents and materials hereunder. Firm may retain copies of such documents for its own use. Firm shall have an unrestricted right to use the concepts embodied therein.

### **7.4 Release of Documents**

All drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of Services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer.

### **7.5 Confidential Materials**

Notwithstanding anything to the contrary in this Agreement, the Firm shall be the sole owner of Firm's work papers and of any other documents, data or information which are required to be maintained confidential from OCFA by one or more rules of professional conduct governing the Firm's profession(s) (collectively, the "Confidential Materials"). Neither the OCFA nor the Contract Officer shall have access to the Confidential Materials except as may otherwise be required by order issued by a court of competent jurisdiction.

## **8. ENFORCEMENT OF AGREEMENT**

### **8.1 California Law**

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such county, and Firm covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

### **8.2 Waiver**

No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of OCFA shall be deemed to waiver or render unnecessary OCFA's consent to or approval of any subsequent act of Firm. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

### **8.3 Rights and Remedies are Cumulative**

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

### **8.4 Legal Action**

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, a declaratory judgment, or any other remedy consistent with the purposes of this Agreement.

### **8.5 Termination Prior to Expiration of Term**

OCFA reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to Firm, except that where termination is due to the fault of the Firm and constitutes an immediate danger to health, safety and general welfare, the period of notice shall be such shorter time as may be appropriate. Upon receipt of the notice of termination, Firm shall immediately cease all Services hereunder except such as may be specifically approved by the Contract Officer. Firm shall be entitled to compensation for all Services rendered prior to receipt of the notice of termination and for any Services authorized by the Contract Officer thereafter.

Firm may terminate this Agreement, with or without cause, upon thirty (30) days written notice to OCFA.

### **8.6 Termination for Default of Firm**

If termination is due to the failure of the Firm to fulfill its obligations under this Agreement, OCFA may take over the work and prosecute the same to completion by contract or otherwise, and the Firm shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the compensation herein stipulated, provided that OCFA shall use reasonable efforts to mitigate damages, and OCFA may withhold any payments to the Firm for the purpose of set-off or partial payment of the amounts owed to OCFA.

### **8.7 Attorneys' Fees**

If either party commences an action against the other party arising out of or in connection with this Agreement or its subject matter, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the losing party.



**9. OCFA OFFICERS AND EMPLOYEES; NON-DISCRIMINATION**

**9.1 Non-Liability of OCFA Officers and Employees**

No officer or employee of OCFA shall be personally liable to the Firm, or any successor-in-interest, in the event of any default or breach by OCFA or for any amount which may become due to the Firm or its successor, or for breach of any obligation of the terms of this Agreement.

**9.2 Covenant Against Discrimination**

Firm covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry. Firm shall take affirmative action to insure that applicants and employees are treated without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

**10. MISCELLANEOUS PROVISIONS**

**10.1 Confidentiality**

Information obtained by Firm in the performance of this Agreement shall be treated as strictly confidential and shall not be used by Firm for any purpose other than the performance of this Agreement without the written consent of OCFA.

**10.2 Notice**

Any notice, demand, request, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by pre-paid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

Orange County Fire Authority  
Attention: Debbie Casper  
1 Fire Authority Road  
Irvine, CA 92602

**WITH COPY TO:**  
David E. Kendig, General Counsel  
Woodruff, Spradlin & Smart  
555 Anton Blvd. Suite 1200  
Costa Mesa, CA 92626

To Firm:

Computer Aid, Inc.  
Attention: Timothy Nau  
1390 Ridgeview Dr.  
Allentown, PA 18104

#### **10.2 Integrated Agreement**

This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement.

#### **10.3 Amendment**

This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

#### **10.4 Severability**

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the parties hereunder.

#### **10.5 Corporate Authority**

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

**[Signatures on Following Page]**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

**"OCFA"**

**ORANGE COUNTY FIRE AUTHORITY**

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

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

Debbie Casper, C.P.M., CPPB  
Purchasing & Materials Manager

**APPROVED AS TO FORM.**

**ATTEST:**

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

  
DAVID E. KENDIG  
GENERAL COUNSEL

\_\_\_\_\_  
Sherry A.F. Wentz  
Clerk of the Authority

Date: 9/20/18

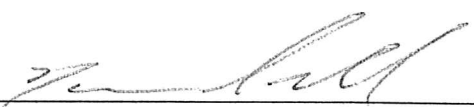
**"FIRM"**

**COMPUTER AID, INC.**

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

9/10/18

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

  
James Gooney Damien Groeff  
Executive Vice President

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

9/10/18

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

  
Ellen Sigl  
Vice President

## Exhibit "A"

CAI Proposal to Orange County Fire Authority (OCFA) utilizing The National Joint Powers Alliance "NJPA" contract pricing as detailed in the IT Staff Augmentation award #020817-CAI

### Scope of Services

This proposal is offered in response to the request from OCFA Information Technology (IT) Section to supply supplemental IT staff to support multiple projects as detailed by OCFA IT.

Computer Aid, Inc. (CAI) will provide through its network any requested supplemental IT Staff as to OCFA to work under the direction of OCFA IT Staff. The types of additional staff needed will depend on the project demands and timeline as determined by OCFA IT Staff. CAI will coordinate the requests, provide OCFA IT Staff with screened candidates for selection, and coordinate payment and benefits to that supplemental staff through its network / existing system. The details, methods and terms and conditions are mutually agreed to by CAI and OCFA as set forth in this agreement and the NJPA Contract #020817-CAI, which is incorporated herein by reference. Any inconsistency existing between the terms of this Agreement and the NJPA Contract #020817-CAI shall be resolved in favor of this Agreement.

The positions that may be potentially used to meet the request include:

Program Manager/ (PREM1)                      \$146.98/HR

The projects that the Program Manager will be supporting for OCFA include:

- (1) **Co-Location facility** The OCFA currently has no Co-Location data-center facility. The OCFA does store copies of all Computer backups offsite with a 3<sup>rd</sup> party vendor specializing in computer data backup storage.
- (2) **Cyber security** – The OCFA utilizes numerous anti-virus/malware scanning tools and software on all OCFA personal computers and servers as well as scanning at the OCFA Email server, firewall, monitoring internet traffic and blocking known spam/malware, or web-sites otherwise deemed inappropriate for the workplace.
- (3) **Physical security** – The OCFA has 24/7 security guards, utilizes an employee I.D. card-scanning system for controlling access at the main parking lot entrance and fleet entrance, rear gates, outside doors, and in sensitive areas (Data Center, ECC, Investigations, EMS, etc.). The OCFA also has CCTV cameras monitoring parking lots, and other areas. OCFA fire stations have key-code security gates for entering the fire station parking lots.
- (4) **Disaster recovery (DR)** The OCFA has a Continuity of Operations (COOP) plan for all internal departments to use in the event of a business disrupting event. The OCFA also partners with local law enforcement for training and simulating active shooter incidents, and also partners with the Orange County Intelligence Center (OCIAC), and has numerous IT and Operations personnel who have completed the OCIAC Terrorism Liaison Officer training course.
- (5) **Fire suppression system** - The OCFA's data-center located at the RFOTC was designed and built as an earth-quake resistant facility with independent power generation capabilities. It has structural fire suppression protection, but is lacking a 'clean-agent' type fire suppression capability which the OCFA desires to add.

OCFA is requesting assistance in supplementing their existing IT staff resources in order to accomplish this effort. These resource needs are subject to change throughout the project life-cycle, but project timeline estimates the following based on CAI rates:

Position	Hours	Bill Rate	Total
Project Manager	2880	\$146.98	\$423,302.40



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Executive Committee Meeting  
September 27, 2018

Agenda Item No. 3G  
Consent Calendar

**Request for Special Procurement For  
Custom Design and Metal Fabrication Services**

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**Contact(s) for Further Information**

Dave Anderson, Deputy Chief  
Emergency Operations Bureau

[daveanderson@ocfa.org](mailto:daveanderson@ocfa.org)

714.573.6006

David Johnson, Assistant IT Manager  
Logistics Department

[davidjohnson@ocfa.org](mailto:davidjohnson@ocfa.org)

714.573.6422

**Summary**

This agenda item is submitted for approval to utilize the special procurement provision under Article III (Section 1-23) in the Purchasing Ordinance for the custom design and metal fabrication of mounts, brackets, and small accessories required for mounting 800MHz and VHF radios, intercoms, battery chargers, and mobile data computers in OCFA emergency apparatus and vehicles from Stein Industries.

**Prior Board/Committee Action(s)**

Not Applicable.

**RECOMMENDED ACTION(S)**

Approve and authorize the Purchasing Manager to increase and extend a previously issued blanket order with Stein Industries utilizing the special procurement provision in the Purchasing Ordinance for custom design and metal fabrication services for a three-year term at an amount not to exceed \$60,000 (\$20,000 annually).

**Impact to Cities/County**

Not Applicable.

**Background**

***Previously awarded contract***

On September 28, 2011, an Invitation for Bid was issued to solicit bids from vendors providing custom design and metal fabrication services; 11 vendors were notified with four vendors submitting responsive bids. Stein Industries (formerly Bench-Craft Workstations) was awarded a one-year contract with the option of four additional renewals on February 28, 2012, as the lowest responsive, responsible bidder.

***Special Procurement Justification***

A "special procurement" contract is recommended (per the Purchasing Ordinance and Roles/Responsibilities Matrix) when it is in the best interest of OCFA to award a contract without bidding requirements and the procurement does not meet the definition of a sole source.

Since the original contract was awarded in 2012, OCFA IT/Communications staff has worked with Stein Industries to design and build numerous custom designed mounts, brackets, and small accessories necessary to safely and securely mount Mobile Data Computers (MDC), 800MHz and VHF mobile and portable radios, battery chargers, and other communications equipment inside OCFA emergency apparatus and vehicles. A new contract was awarded to Stein Industries February 2018 for a one-year term at an annual amount not to exceed \$10,000, which did not require Executive Committee approval to accommodate new equipment installations.

Currently, the OCFA has an unusually large number of new emergency apparatus and vehicles including 35 new Type-1 fire engines, Tractor Drawn Apparatus fire trucks, command staff vehicles, and other light-duty vehicles that have been delivered to OCFA or will be delivered soon that need communications equipment installed. Staff is also replacing MDCs in approximately 300 OCFA emergency apparatus and vehicles. To keep up with the unusually high volume of work, additional resources are needed to complete communications equipment installations and ensure that new vehicles are put in service as quickly as possible.

Universal-type mounts and brackets are not acceptable to ensure safe and secure mounting of certain expensive and often heavy equipment that could present a danger to crews if it came loose in emergency apparatus and vehicles. Re-engineering and designing mounts and brackets with another vendor would be cost-prohibitive and time-consuming. As a result of the many templates already developed, Stein Industries is able to quickly manufacture necessary mounts and brackets to mount communications equipment in existing OCFA emergency apparatus and vehicles. This company can also quickly manufacture in bulk the precision manufactured mounts and brackets for large communications installation projects like radio or MDC replacements.

***Recommendation***

Staff is recommending approval to authorize the Purchasing Manager to extend and increase the previously issued blanket order with Stein Industries for a three-year term at an amount not to exceed \$60,000 (\$20,000 annually).

***Attachment(s)***

Special Procurement Justification Form



## OCFA Special Procurement Justification Form

*The Purchasing Ordinance of the Orange County Fire Authority requires competitive bids and proposals for service and commodity contracts. A special procurement is defined as a purchase, where due to unusual or special circumstances, it would be in the best interest of the OCFA to accomplish the procurement without compliance with the competitive bidding requirements. Special Procurements are not applicable to construction services. The using department requesting a special procurement shall provide written evidence to support a special procurement determination. This form is to be submitted with the purchase requisition to Purchasing with any special procurement requests.*

### SECTION I - INSTRUCTIONS

1. Written justification on this form will be completed by the requesting department and submitted with the purchase requisition.
2. The request must be approved by the section manager and assistant chief prior to submitting the request to the purchasing manager.
3. All special procurement forms must be submitted to the Purchasing Manager and then reviewed and approved by the Assistance Chief, Business Services.
4. All special procurements exceeding \$50,000 (life of contract) require Executive Committee approval. In this case, the special procurement form must be submitted to the Executive Committee as an attachment to the staff report.
5. The approved special procurement justification form will be included in the contract file.

### SECTION II – REQUEST INFORMATION

<b>Department/Section:</b> Information Technology / Communications	<b>Requested By:</b> Craig Nowak	<b>Date:</b> 9/12/2018
<b>Recommended Vendor:</b> Stein Industries	<b>Vendor Contact:</b> Rudi Steinhilber	<b>Vendor's E-mail Address:</b> steinind@earthlink.net
<b>Vendor Address:</b> 4005 West Artesia Ave., Fullerton, CA. 92833		<b>Vendor's Telephone #:</b> 714-522-4560
<b>Type of Contract:</b> <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Multi-Year <input checked="" type="checkbox"/> Renewal <input type="checkbox"/> Amendment <input checked="" type="checkbox"/> Increase	<b>Contract Term (Dates):</b> 03/01/2019 - 02/28/2022	
<b>Contract Amount:</b> \$20,000.00/annual		<b>Attachments:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<i>If the contract type is a Renewal, Amendment or Increase, please provide previous contract information with this request (PO, BO, previous approval date, Chief approval or EC approval, and dollar amount).</i>		

### SECTION III – JUSTIFICATION

1. **Provide a detailed description of the product or service requested. Describe what it is. Attach additional sheet if necessary.**

Design and build custom designed mounts, brackets, and small accessories necessary to safely and securely mount Mobile Data Computers (MDC), 800MHz and VHF mobile and portable radios, battery chargers, and other communications equipment inside OCFA emergency apparatus and vehicles.

2. **Please state the reasoning for the special procurement and the special circumstances of why it would be in the best interest of OCFA to accomplish the procurement without a competitive bidding process. Provide a summary of findings (research and analysis) including any supporting documentation which validates your recommendation and demonstrates the nature of this request. Attach additional sheet if necessary.**

As a result of the many different custom mounts, brackets, and accessories (equipment) STEIN has designed and manufactured for OCFA since 2011, they can quickly fabricate new equipment faster and more accurately than other firms who would have

## SECTION III – JUSTIFICATION (continued)

to design the new equipment when STEIN can quickly reproduce from previously completed templates, thus saving engineering and design expense.

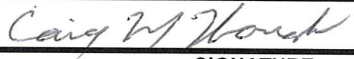


3. Pricing - What efforts were made to get the best pricing (e.g., did you simply request a quote, negotiate a better price with the vendor, did the vendor provide a discount)? Please provide the quote with your special procurement request.

Cost savings for OCFA will be the lower cost to produce components from previously designed templates and much lower than if OCFA pays an hourly rate to redesign with another firm.


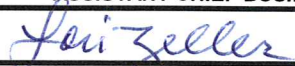
4. Will this purchase obligate the OCFA to future purchases (maintenance, licensing or continuing needs)? (If yes, please explain how and what the future costs will be.)

No. There are no maintenance costs, licensing costs, or minimum required purchases.

## Special Procurement Request Submitted by:

REQUESTORS NAME	SIGNATURE	DATE
Craig Nowak		12-Sept.-2018
DIVISION CHIEF/SECTION MANAGER NAME	SIGNATURE	DATE
David Johnson		12-Sept-2018
ASSISTANT CHIEF NAME	SIGNATURE	DATE
David Anderson		12-Sept-2018

## Purchasing Manager's Comments:

PURCHASING MANAGER'S APPROVAL	DATE
	9/13/18
ASSISTANT CHIEF BUSINESS SERVICES APPROVAL	DATE
	9/13/18

Executive Committee Approval Required ☒ Yes ☐ No Special Procurement over \$50,000

Executive Committee Approved: ☐ Yes ☐ No Date approved \_\_\_\_\_