

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 AGREEMENT

2 **33472**

3 THIS AGREEMENT is made and entered, in duplicate, as of March 3, 2014,  
4 pursuant to a minute order adopted by the City Council of the City of Long Beach at its  
5 meeting on January 21, 2014, by and between SOLNOVO, INC., a California corporation,  
6 located at 2828 Cochran Street, # 256, Simi Valley, CA 93065 ("Contractor"), and the  
7 CITY OF LONG BEACH, a municipal corporation ("City").

8 WHEREAS, the City requires specialized services requiring unique skills to  
9 be performed on an as-needed basis in connection with professional and technical  
10 services for information technology projects and systems ("Project"); and

11 WHEREAS, City has selected Contractor in accordance with City's  
12 administrative procedures using a Request for Proposals ("RFP"), attached hereto as  
13 Exhibit "A", and incorporated by this reference, and City has determined that Contractor  
14 and its employees are qualified, licensed, if so required, and experienced in performing  
15 these specialized services; and

16 WHEREAS, City desires to have Contractor perform these specialized  
17 services, and Contractor is willing and able to do so on the terms and conditions in this  
18 Agreement;

19 NOW, THEREFORE, in consideration of the mutual terms, covenants, and  
20 conditions in this Agreement, the parties agree as follows:

21 1. SCOPE OF WORK OR SERVICES.

22 A. Contractor shall furnish specialized services more particularly  
23 described in Exhibit "A", attached to this Agreement and incorporated by this  
24 reference, in accordance with the standards of the profession, and City shall pay  
25 for these services in the manner described below, not to exceed One Hundred  
26 Fifty Thousand Dollars (\$150,000.00), at the rates or charges shown in Exhibit "A".

27 B. City shall pay Contractor in due course of payments following  
28 receipt from Contractor and approval by City of invoices showing the services or

1 task performed, the time expended (if billing is hourly), and the name of the  
2 Project. Contractor shall certify on the invoices that Contractor has performed the  
3 services in full conformance with this Agreement and is entitled to receive  
4 payment. Each invoice shall be accompanied by a progress report indicating the  
5 progress to date of services performed and covered by the invoice, including a  
6 brief statement of any Project problems and potential causes of delay in  
7 performance, and listing those services that are projected for performance by  
8 Contractor during the next invoice cycle. Where billing is done and payment is  
9 made on an hourly basis, the parties acknowledge that this arrangement is either  
10 customary practice for Contractor's profession, industry or business, or is  
11 necessary to satisfy audit and legal requirements which may arise due to the fact  
12 that City is a municipality.

13 C. Contractor represents that Contractor has obtained all  
14 necessary information on conditions and circumstances that may affect its  
15 performance and has conducted site visits, if necessary.

16 D. By executing this Agreement, Contractor warrants that  
17 Contractor (a) has thoroughly investigated and considered the scope of services to  
18 be performed, (b) has carefully considered how the services should be performed,  
19 and (c) fully understands the facilities, difficulties and restrictions attending  
20 performance of the services under this Agreement. It the services involve work  
21 upon any site, Contractor warrants that Contractor has or will investigate the site  
22 and is or will be fully acquainted with the conditions there existing, prior to  
23 commencement of services set forth in this Agreement. Should Contractor  
24 discover any latent or unknown conditions that will materially affect the  
25 performance of the services set forth in this Agreement, Contractor must  
26 immediately inform the City of that fact and may not proceed except at  
27 Contractor's risk until written instructions are received from the City.

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1 E. Contractor must adopt reasonable methods during the life of  
2 the Agreement to furnish continuous protection to the work, and the equipment,  
3 materials, papers, documents, plans, studies and other components to prevent  
4 losses or damages, and will be responsible for all damages, to persons or  
5 property, until acceptance of the work by the City, except those losses or damages  
6 as may be caused by the City's own negligence.

7 F. CAUTION: Contractor shall not begin work until this  
8 Agreement has been signed by both parties and until Contractor's evidence of  
9 insurance has been delivered to and approved by City.

10 2. TERM. The term of this Agreement shall commence on March 1,  
11 2014, and shall terminate on January 22, 2016, unless sooner terminated as provided in  
12 this Agreement, or unless the services or the Project is completed sooner. The term of  
13 this Agreement may be extended for up to two (2), one (1) year terms at the discretion of  
14 the City Manager or his designee.

15 3. COORDINATION AND ORGANIZATION.

16 A. Contractor shall coordinate its performance with City's  
17 representative. Contractor shall advise and inform City's representative of the  
18 work in progress on the Project in sufficient detail so as to assist City's  
19 representative in making presentations and in holding meetings on the Project.

20 B. The parties acknowledge that a substantial inducement to City  
21 for entering this Agreement was and is the reputation and skill of Contractor's key  
22 employee Kevin England. City shall have the right to approve any person  
23 proposed by Contractor to replace that key employee.

24 4. INDEPENDENT CONTRACTOR. In performing its services,  
25 Contractor is and shall act as an independent contractor and not an employee,  
26 representative or agent of City. Contractor shall have control of Contractor's work and  
27 the manner in which it is performed. Contractor shall be free to contract for similar  
28 services to be performed for others during this Agreement; provided, however, that

1 Contractor acts in accordance with Section 9 and Section 11 of this Agreement.  
2 Contractor acknowledges and agrees that (a) City will not withhold taxes of any kind from  
3 Contractor's compensation; (b) City will not secure workers' compensation or pay  
4 unemployment insurance to, for or on Contractor's behalf; and (c) City will not provide  
5 and Contractor is not entitled to any of the usual and customary rights, benefits or  
6 privileges of City employees. Contractor expressly warrants that neither Contractor nor  
7 any of Contractor's employees or agents shall represent themselves to be employees or  
8 agents of City.

9 5. INSURANCE.

10 A. As a condition precedent to the effectiveness of this  
11 Agreement, Contractor shall procure and maintain, at Contractor's expense for the  
12 duration of this Agreement, from insurance companies that are admitted to write  
13 insurance in California and have ratings of or equivalent to A:V by A.M. Best  
14 Company or from authorized non-admitted insurance companies subject to  
15 Section 1763 of the California Insurance Code and that have ratings of or  
16 equivalent to A:VIII by A.M. Best Company, the following insurance:

17 (a) Commercial general liability insurance (equivalent in scope to  
18 ISO form CG 00 01 11 85 or CG 00 01 10 93) in an amount not less than  
19 \$1,000,000 per each occurrence and \$2,000,000 general aggregate. This  
20 coverage shall include but not be limited to broad form contractual liability,  
21 cross liability, independent contractors liability, and products and  
22 completed operations liability. City, its boards and commissions, and their  
23 officials, employees and agents shall be named as additional insureds by  
24 endorsement (on City's endorsement form or on an endorsement  
25 equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85), and  
26 this insurance shall contain no special limitations on the scope of  
27 protection given to City, its boards and commissions, and their officials,  
28 employees and agents. This policy shall be endorsed to state that the

1 insurer waives its right of subrogation against City, its boards and  
2 commissions, and their officials, employees and agents.

3 (b) Workers' Compensation insurance as required by the California  
4 Labor Code and employer's liability insurance in an amount not less than  
5 \$1,000,000. This policy shall be endorsed to state that the insurer waives  
6 its right of subrogation against City, its boards and commissions, and their  
7 officials, employees and agents.

8 (c) Professional liability or errors and omissions insurance in an  
9 amount not less than \$1,000,000 per claim.

10 (d) Commercial automobile liability insurance (equivalent in scope  
11 to ISO form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto) in an  
12 amount not less than \$500,000 combined single limit per accident.

13 B. Any self-insurance program, self-insured retention, or  
14 deductible must be separately approved in writing by City's Risk Manager or  
15 designee and shall protect City, its officials, employees and agents in the same  
16 manner and to the same extent as they would have been protected had the policy  
17 or policies not contained retention or deductible provisions.

18 C. Each insurance policy shall be endorsed to state that  
19 coverage shall not be reduced, non-renewed or canceled except after thirty (30)  
20 days prior written notice to City, shall be primary and not contributing to any other  
21 insurance or self-insurance maintained by City, and shall be endorsed to state that  
22 coverage maintained by City shall be excess to and shall not contribute to  
23 insurance or self-insurance maintained by Contractor. Contractor shall notify City  
24 in writing within five (5) days after any insurance has been voided by the insurer or  
25 cancelled by the insured.

26 D. If this coverage is written on a "claims made" basis, it must  
27 provide for an extended reporting period of not less than one hundred eighty (180)  
28 days, commencing on the date this Agreement expires or is terminated, unless

1 Contractor guarantees that Contractor will provide to City evidence of  
2 uninterrupted, continuing coverage for a period of not less than three (3) years,  
3 commencing on the date this Agreement expires or is terminated.

4 E. Contractor shall require that all sub-contractors or contractors  
5 that Contractor uses in the performance of these services maintain insurance in  
6 compliance with this Section unless otherwise agreed in writing by City's Risk  
7 Manager or designee.

8 F. Prior to the start of performance, Contractor shall deliver to  
9 City certificates of insurance and the endorsements for approval as to sufficiency  
10 and form. In addition, Contractor shall, within thirty (30) days prior to expiration of  
11 the insurance, furnish to City certificates of insurance and endorsements  
12 evidencing renewal of the insurance. City reserves the right to require complete  
13 certified copies of all policies of Contractor and Contractor's sub-Contractors and  
14 contractors, at any time. Contractor shall make available to City's Risk Manager or  
15 designee all books, records and other information relating to this insurance, during  
16 normal business hours.

17 G. Any modification or waiver of these insurance requirements  
18 shall only be made with the approval of City's Risk Manager or designee. Not  
19 more frequently than once a year, City's Risk Manager or designee may require  
20 that Contractor, Contractor's sub-Contractors and contractors change the amount,  
21 scope or types of coverages required in this Section if, in his or her sole opinion,  
22 the amount, scope or types of coverages are not adequate.

23 H. The procuring or existence of insurance shall not be  
24 construed or deemed as a limitation on liability relating to Contractor's  
25 performance or as full performance of or compliance with the indemnification  
26 provisions of this Agreement.

27 6. ASSIGNMENT AND SUBCONTRACTING. This Agreement  
28 contemplates the personal services of Contractor and Contractor's employees, and the

1 parties acknowledge that a substantial inducement to City for entering this Agreement  
2 was and is the professional reputation and competence of Contractor and Contractor's  
3 employees. Contractor shall not assign its rights or delegate its duties under this  
4 Agreement, or any interest in this Agreement, or any portion of it, without the prior  
5 approval of City, except that Contractor may with the prior approval of the City Manager  
6 of City, assign any moneys due or to become due Contractor under this Agreement. Any  
7 attempted assignment or delegation shall be void, and any assignee or delegate shall  
8 acquire no right or interest by reason of an attempted assignment or delegation.  
9 Furthermore, Contractor shall not subcontract any portion of its performance without the  
10 prior approval of the City Manager or designee, or substitute an approved sub-Contractor  
11 or contractor without approval prior to the substitution. Nothing stated in this Section  
12 shall prevent Contractor from employing as many employees as Contractor deems  
13 necessary for performance of this Agreement.

14 7. CONFLICT OF INTEREST. Contractor, by executing this  
15 Agreement, certifies that, at the time Contractor executes this Agreement and for its  
16 duration, Contractor does not and will not perform services for any other client which  
17 would create a conflict, whether monetary or otherwise, as between the interests of City  
18 and the interests of that other client. And, Contractor shall obtain similar certifications  
19 from Contractor's employees, sub-Contractors and contractors.

20 8. MATERIALS. Contractor shall furnish all labor and supervision,  
21 supplies, materials, tools, machinery, equipment, appliances, transportation and services  
22 necessary to or used in the performance of Contractor's obligations under this  
23 Agreement.

24 9. OWNERSHIP OF DATA. All materials, information and data  
25 prepared, developed or assembled by Contractor or furnished to Contractor in connection  
26 with this Agreement, including but not limited to documents, estimates, calculations,  
27 studies, maps, graphs, charts, computer disks, computer source documentation,  
28 samples, models, reports, summaries, drawings, designs, notes, plans, information,

1 material and memoranda ("Data") shall be the exclusive property of City. Data shall be  
2 given to City, and City shall have the unrestricted right to use and disclose the Data in  
3 any manner and for any purpose without payment of further compensation to Contractor.  
4 Copies of Data may be retained by Contractor but Contractor warrants that Data shall not  
5 be made available to any person or entity for use without the prior approval of City. This  
6 warranty shall survive termination of this Agreement for five (5) years.

7 10. TERMINATION. Either party shall have the right to terminate this  
8 Agreement for any reason or no reason at any time by giving fifteen (15) calendar days  
9 prior notice to the other party. In the event of termination under this Section, City shall  
10 pay Contractor for services satisfactorily performed and costs incurred up to the effective  
11 date of termination for which Contractor has not been previously paid. The procedures  
12 for payment in Section 1.B. with regard to invoices shall apply. On the effective date of  
13 termination, Contractor shall deliver to City all Data developed or accumulated in the  
14 performance of this Agreement, whether in draft or final form, or in process. And,  
15 Contractor acknowledges and agrees that City's obligation to make final payment is  
16 conditioned on Contractor's delivery of the Data to City.

17 11. CONFIDENTIALITY. Contractor shall keep all Data confidential and  
18 shall not disclose the Data or use the Data directly or indirectly, other than in the course  
19 of performing its services, during the term of this Agreement and for five (5) years  
20 following expiration or termination of this Agreement. In addition, Contractor shall keep  
21 confidential all information, whether written, oral or visual, obtained by any means  
22 whatsoever in the course of performing its services for the same period of time.  
23 Contractor shall not disclose any or all of the Data to any third party, or use it for  
24 Contractor's own benefit or the benefit of others except for the purpose of this  
25 Agreement.

26 12. BREACH OF CONFIDENTIALITY. Contractor shall not be liable for  
27 a breach of confidentiality with respect to Data that: (a) Contractor demonstrates  
28 Contractor knew prior to the time City disclosed it; or (b) is or becomes publicly available



1 without breach of this Agreement by Contractor; or (c) a third party who has a right to  
2 disclose does so to Contractor without restrictions on further disclosure; or (d) must be  
3 disclosed pursuant to subpoena or court order.

4           13. ADDITIONAL SERVICES. The City has the right at any time during  
5 the performance of the services, without invalidating this Agreement, to order extra work  
6 beyond that specified in the RFP or make changes by altering, adding to or deducting  
7 from the work. No extra work may be undertaken unless a written order is first given by  
8 the City, incorporating any adjustment in the Agreement Sum, or the time to perform this  
9 Agreement. Any increase in compensation of ten percent (10%) or less of the Agreement  
10 Sum, or in the time to perform of One Hundred Eighty (180) days or less, may be  
11 approved by the City Representative. Any greater increases, taken either separately or  
12 cumulatively, must be approved by the City Council. It is expressly understood by  
13 Contractor that the provisions of this paragraph do not apply to services specifically set  
14 forth in the RFP or reasonably contemplated in the RFP. Contractor acknowledges that it  
15 accepts the risk that the services to be provided pursuant to the RFP may be more costly  
16 or time consuming than Contractor anticipates and that Contractor will not be entitled to  
17 additional compensation for the services set forth in the RFP.

18           14. AMENDMENT. This Agreement, including all Exhibits, shall not be  
19 amended, nor any provision or breach waived, except in writing signed by the parties  
20 which expressly refers to this Agreement.

21           15. RETENTION OF FUNDS. Contractor authorizes the City to deduct  
22 from any amount payable to Contractor (whether or not arising out of this Agreement) any  
23 amounts the payment of which may be in dispute or that are necessary to compensate  
24 the City for any losses, costs, liabilities or damages suffered by the City, and all amounts  
25 for which the City may be liable to third parties, by reason of Contractor's acts or  
26 omissions in performing or failing to perform Contractor's obligations under this  
27 Agreement. In the event that any claim is made by a third party, the amount or validity of  
28 which is disputed by Contractor, or any indebtedness exists that appears to be the basis

1 for a claim of lien, the City may withhold from any payment due, without liability for  
2 interest because of the withholding, an amount sufficient to cover the claim. The failure  
3 of the City to exercise the right to deduct or to withhold will not, however, affect the  
4 obligations of Contractor to insure, indemnify and protect the City as elsewhere provided  
5 in this Agreement.

6 16. AMENDMENT. This Agreement, including all Exhibits, shall not be  
7 amended, nor any provision or breach waived, except in writing signed by the parties  
8 which expressly refers to this Agreement.

9 17. LAW. This Agreement shall be construed in accordance with the  
10 laws of the State of California, and the venue for any legal actions brought by any party  
11 with respect to this Agreement shall be the County of Los Angeles, State of California for  
12 state actions and the Central District of California for any federal actions. Contractor  
13 shall cause all work performed in connection with construction of the Project to be  
14 performed in compliance with (1) all applicable laws, ordinances, rules and regulations of  
15 federal, state, county or municipal governments or agencies (including, without limitation,  
16 all applicable federal and state labor standards, including the prevailing wage provisions  
17 of sections 1770 *et seq.* of the California Labor Code); and (2) all directions, rules and  
18 regulations of any fire marshal, health officer, building inspector, or other officer of every  
19 governmental agency now having or hereafter acquiring jurisdiction. If any part of this  
20 Agreement is found to be in conflict with applicable laws, that part will be inoperative, null  
21 and void insofar as it is in conflict with any applicable laws, but the remainder of the  
22 Agreement will remain in full force and effect.

23 18. PREVAILING WAGES.

24 A. Contractor agrees that all public work (as defined in California  
25 Labor Code section 1720) performed pursuant to this Agreement (the "Public  
26 Work"), if any, shall comply with the requirements of California Labor Code  
27 sections 1770 *et seq.* City makes no representation or statement that the Project,  
28 or any portion thereof, is or is not a "public work" as defined in California Labor

1 Code section 1720.

2 B. In all bid specifications, contracts and subcontracts for any  
3 such Public Work, Contractor shall obtain the general prevailing rate of per diem  
4 wages and the general prevailing rate for holiday and overtime work in this locality  
5 for each craft, classification or type of worker needed to perform the Public Work,  
6 and shall include such rates in the bid specifications, contract or subcontract.  
7 Such bid specifications, contract or subcontract must contain the following  
8 provision: "It shall be mandatory for the contractor to pay not less than the said  
9 prevailing rate of wages to all workers employed by the contractor in the execution  
10 of this contract. The contractor expressly agrees to comply with the penalty  
11 provisions of California Labor Code section 1775 and the payroll record keeping  
12 requirements of California Labor Code section 1771."

13 19. ENTIRE AGREEMENT. This Agreement, including all Exhibits,  
14 constitutes the entire understanding between the parties and supersedes all other  
15 agreements, oral or written, with respect to the subject matter in this Agreement.

16 20. INDEMNITY.

17 A. Contractor shall indemnify, protect and hold harmless City, its  
18 Boards, Commissions, and their officials, employees and agents ("Indemnified  
19 Parties"), from and against any and all liability, claims, demands, damage, loss,  
20 obligations, causes of action, proceedings, awards, fines, judgments, penalties,  
21 costs and expenses, including attorneys' fees, court costs, expert and witness  
22 fees, and other costs and fees of litigation, arising or alleged to have arisen, in  
23 whole or in part, out of or in connection with (1) Contractor's breach or failure to  
24 comply with any of its obligations contained in this Agreement, including all  
25 applicable federal and state labor requirements including, without limitation, the  
26 requirements of California Labor Code section 1770 *et seq.* or (2) negligent or  
27 willful acts, errors, omissions or misrepresentations committed by Contractor, its  
28 officers, employees, agents, subcontractors, or anyone under Contractor's control,

1 in the performance of work or services under this Agreement (collectively "Claims"  
2 or individually "Claim").

3 B. In addition to Contractor's duty to indemnify, Contractor shall  
4 have a separate and wholly independent duty to defend Indemnified Parties at  
5 Contractor's expense by legal counsel approved by City, from and against all  
6 Claims, and shall continue this defense until the Claims are resolved, whether by  
7 settlement, judgment or otherwise. No finding or judgment of negligence, fault,  
8 breach, or the like on the part of Contractor shall be required for the duty to defend  
9 to arise. City shall notify Contractor of any Claim, shall tender the defense of the  
10 Claim to Contractor, and shall assist Contractor, as may be reasonably requested,  
11 in the defense.

12 C. If a court of competent jurisdiction determines that a Claim  
13 was caused by the sole negligence or willful misconduct of Indemnified Parties,  
14 Contractor's costs of defense and indemnity shall be (1) reimbursed in full if the  
15 court determines sole negligence by the Indemnified Parties, or (2) reduced by the  
16 percentage of willful misconduct attributed by the court to the Indemnified Parties.

17 D. The provisions of this Section shall survive the expiration or  
18 termination of this Agreement.

19 21. FORCE MAJEURE. If any party fails to perform its obligations  
20 because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain  
21 labor or materials or reasonable substitutes for labor materials, governmental restrictions,  
22 governmental regulations, governmental controls, judicial orders, enemy or hostile  
23 governmental action, civil commotion, fire or other casualty, or other causes beyond the  
24 reasonable control of the party obligated to perform, then that party's performance will be  
25 excused for a period equal to the period of such cause for failure to perform.

26 22. AMBIGUITY. In the event of any conflict or ambiguity between this  
27 Agreement and any Exhibit, the provisions of this Agreement shall govern.

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1                   23.    NONDISCRIMINATION.

2                   A.     In connection with performance of this Agreement and subject  
3 to applicable rules and regulations, Contractor shall not discriminate against any  
4 employee or applicant for employment because of race, religion, national origin,  
5 color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap or  
6 disability. Contractor shall ensure that applicants are employed, and that  
7 employees are treated during their employment, without regard to these bases.  
8 These actions shall include, but not be limited to, the following: employment,  
9 upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or  
10 termination; rates of pay or other forms of compensation; and selection for training,  
11 including apprenticeship.

12                  24.    EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in  
13 accordance with the provisions of the Ordinance, this Agreement is subject to the  
14 applicable provisions of the Equal Benefits Ordinance (EBO), section 2.73 et seq. of the  
15 Long Beach Municipal Code, as amended from time to time.

16                  A.     During the performance of this Agreement, the Contractor  
17 certifies and represents that the Contractor will comply with the EBO. The  
18 Contractor agrees to post the following statement in conspicuous places at its  
19 place of business available to employees and applicants for employment:

20                         “During the performance of a contract with the City of Long Beach,  
21 the Contractor will provide equal benefits to employees with spouses and its  
22 employees with domestic partners. Additional information about the City of  
23 Long Beach’s Equal Benefits Ordinance may be obtained from the City of  
24 Long Beach Business Services Division at 562-570-6200.”

25                  B.     The failure of the Contractor to comply with the EBO will be  
26 deemed to be a material breach of the Agreement by the City.

27                  C.     If the Contractor fails to comply with the EBO, the City may  
28 cancel, terminate or suspend the Agreement, in whole or in part, and monies due

1 or to become due under the Agreement may be retained by the City. The City  
2 may also pursue any and all other remedies at law or in equity for any breach.

3 D. Failure to comply with the EBO may be used as evidence  
4 against the Contractor in actions taken pursuant to the provisions of Long Beach  
5 Municipal Code 2.93 et seq., Contractor Responsibility.

6 E. If the City determines that the Contractor has set up or used  
7 its contracting entity for the purpose of evading the intent of the EBO, the City may  
8 terminate the Agreement on behalf of the City. Violation of this provision may be  
9 used as evidence against the Contractor in actions taken pursuant to the  
10 provisions of Long Beach Municipal Code Section 2.93 et seq., Contractor  
11 Responsibility.

12 25. NOTICES. Any notice or approval required by this Agreement shall  
13 be in writing and personally delivered or deposited in the U.S. Postal Service, first class,  
14 postage prepaid, addressed to Contractor at the address first stated above, and to City at  
15 333 West Ocean Boulevard, Long Beach, California 90802, Attn: City Manager, with a  
16 copy to the City Clerk at the same address. Notice of change of address shall be given in  
17 the same manner as stated for other notices. Notice shall be deemed given on the date  
18 deposited in the mail or on the date personal delivery is made, whichever occurs first.

19 26. COVENANT AGAINST CONTINGENT FEES. Contractor warrants  
20 that Contractor has not employed or retained any entity or person to solicit or obtain this  
21 Agreement and that Contractor has not paid or agreed to pay any entity or person any  
22 fee, commission or other monies based on or from the award of this Agreement. If  
23 Contractor breaches this warranty, City shall have the right to terminate this Agreement  
24 immediately notwithstanding the provisions of Section 10 or, in its discretion, to deduct  
25 from payments due under this Agreement or otherwise recover the full amount of the fee,  
26 commission or other monies.

27 27. WAIVER. The acceptance of any services or the payment of any  
28 money by City shall not operate as a waiver of any provision of this Agreement or of any

1 right to damages or indemnity stated in this Agreement. The waiver of any breach of this  
2 Agreement shall not constitute a waiver of any other or subsequent breach of this  
3 Agreement.

4 28. CONTINUATION. Termination or expiration of this Agreement shall  
5 not affect rights or liabilities of the parties which accrued pursuant to Sections 7, 10, 11,  
6 18, 21 and 28 prior to termination or expiration of this Agreement.

7 29. TAX REPORTING. As required by federal and state law, City is  
8 obligated to and will report the payment of compensation to Contractor on Form 1099-  
9 Misc. Contractor shall be solely responsible for payment of all federal and state taxes  
10 resulting from payments under this Agreement. Contractor shall submit Contractor's  
11 Employer Identification Number (EIN), or Contractor's Social Security Number if  
12 Contractor does not have an EIN, in writing to City's Accounts Payable, Department of  
13 Financial Management. Contractor acknowledges and agrees that City has no obligation  
14 to pay Contractor until Contractor provides one of these numbers.

15 30. ADVERTISING. Contractor shall not use the name of City, its  
16 officials or employees in any advertising or solicitation for business or as a reference,  
17 without the prior approval of the City Manager or designee.

18 31. AUDIT. City shall have the right at all reasonable times during the  
19 term of this Agreement and for a period of five (5) years after termination or expiration of  
20 this Agreement to examine, audit, inspect, review, extract information from and copy all  
21 books, records, accounts and other documents of Contractor relating to this Agreement.

22 32. THIRD PARTY BENEFICIARY. This Agreement is not intended or  
23 designed to or entered for the purpose of creating any benefit or right for any person or  
24 entity of any kind that is not a party to this Agreement.

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OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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IN WITNESS WHEREOF, the parties have caused this document to be duly executed with all formalities required by law as of the date first stated above.

SOLNOVO, INC., a California corporation

6/25/14, 2014

By [Signature]  
President  
Type or Print Name  
Kevin Berglund

6/25/14, 2014

By [Signature]  
Secretary  
Type or Print Name  
Shirley Roman

"Contractor"

CITY OF LONG BEACH, a municipal corporation

7.22, 2014

By [Signature] Assistant City Manager  
City Manager

"City"

EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.

This Agreement is approved as to form on July 2, 2014.

CHARLES PARKIN, City Attorney

By [Signature]  
Deputy

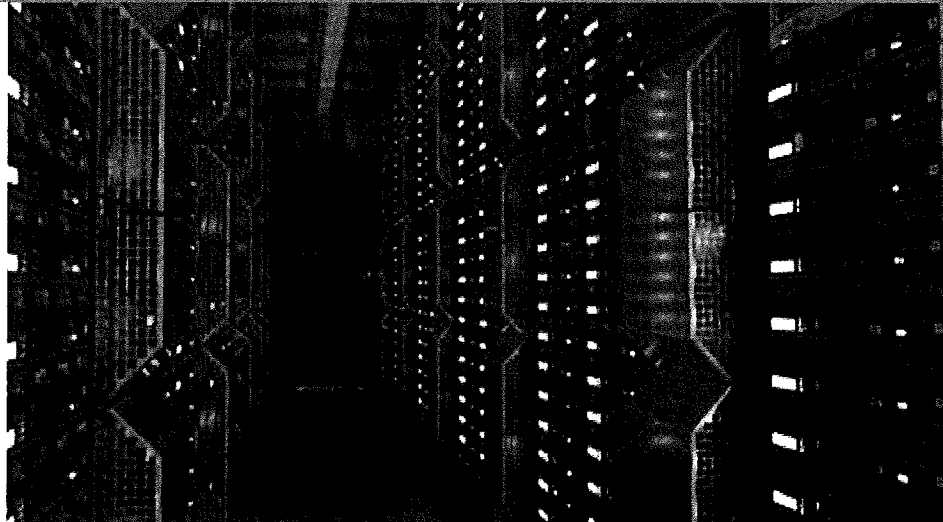


# Narrative/Technical Proposal

EXHIBIT A

# 2013

## Information Technology Professional Services



**Proposal Delivered to:**

City of Long Beach  
City Clerk - Michelle King  
333 W Ocean Blvd/Plaza Level  
Long Beach, CA 90802

RFP # TS 14-011

**RFP Response Provide By:**

**Solnovo, Inc.**  
**2828 Cochran Street**  
**Suite 256**  
**Simi Valley, CA 93065**  
**(800) SOL-NOVO**

**November 25, 2013**

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## 2 Why Solnovo

Solnovo is a proven leader in providing intelligent, full-lifecycle technology solutions for corporate, government, and industry. The company leverages premier products and advanced expertise through a highly collaborative engagement model that helps customers design, acquire and build solutions targeted to solve specific business challenges.

Solnovo possesses long-standing strategic partnerships with top-tier IT security, data center, unified communications, network infrastructure and computing manufacturers. The company's skilled staff and specialized technology experts collaborate with customers from pre-sales through implementation and training, ensuring that solutions leverage industry innovations and optimize current investments. Driven by a customer-focused culture and supported by mature global logistics, customers can count on reliable services worldwide.

To ensure our solutions are on-target, Solnovo focuses the power of strong, highly-qualified resources and collaborative customer engagement to design solutions that solve the unique needs of each customer.

## 3 Corporate Facts

- Founded in 1989 as the IT Group, in 1999 as SAS Network Solutions, and rebranded as Solnovo in 2006 as a California Corporation.
- Privately held with headquarters in Simi Valley, CA
- 16 full time employees w/hundreds of independent contractors focused on a variety of technology certifications
- National sales and engineer presence, global distribution
- Over 90% of engineering staff possess Cisco certifications
- Cisco certified trainers on staff (National Training Program - PearsonVue Certified)

## 4 Competitive Edge

### Strong, Highly Qualified Resources

- Strategic top tier manufacturer partnerships
- Certifications and advanced specializations
- Major contract vehicles
- Skilled, talented employees

### Collaborative engagement and agile customer service

- Interactive, vendor agnostic approach
- Agile, customer-focused organization
- National sales and engineering presence

### Solutions innovation proven to target and solve specific challenges

- Customized solutions
- Relevant technology focus
- Pre and post sales engineering
- Disciplined PMI-based delivery model
- Customer domain knowledge
- Track record of innovation

## 5 Business Leadership



### Kevin England - Senior Vice President

Kevin England is known for his entrepreneurial point of view, as an innovator, a visionary, and as a leader of extraordinary talent. He offers his clients the many benefits of his unique blend of experience in business, technology, and salesmanship. Kevin has had a successful career of developing startups, enabling turnarounds, and underwriting several successful business ventures, ranging from direct technology resellers and service consultants to Solnovo, where he continues to put his leadership and vision to work in technology. Solnovo, Inc. is a premier partner for Cisco Systems and is considered one of their leading Unified Communications and Network Integration providers in the State of California. Under his leadership, Solnovo has received Cisco's top honors in Customer Satisfaction, advanced specialization, and many other awards from a variety of industry leaders.

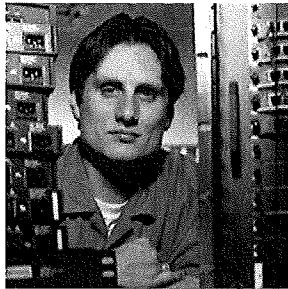
From September of 1989 through February of 2005, Kevin was CEO/President of the IT Group. An industry-leading provider of IP communications, computer networking solutions, advanced server technologies, and IT outsourcing support to small, medium, & enterprise businesses and public sector organizations across the State of California. The IT Group was the # 1 reseller and provider of implementation services for Gateway Computer Corporation.

A native of California, Kevin graduated from the University of Santa Barbara with a bachelor's degree in Computer Science. He has served as an invited speaker at dozens of business leadership and sales events. He is also a member of a variety of organizations that focus on the promotion of young entrepreneurs and in the development of the small business.

#### Point of Contact:

Kevin England  
2828 Cochran Street  
Suite 256  
Simi Valley, CA 93063  
(818) 357-5432  
[kbengland@solnovo.com](mailto:kbengland@solnovo.com)

## 6 Engineering Leadership



### Scott Smith - Executive Vice President

Scott A. Smith is Executive Vice President of Engineering Services for Solnovo. Since founding SAS Network Solutions, Inc., (later becoming Solnovo, Inc.) in May of 2001, he has developed an engineering focused firm, earning a reputation in the technology community as one of the top specialized advanced technology consulting firms in California.

Smith has been extolled by Cisco Systems as a Cisco Technology Solution Specialist (TSS). Smith was one of the first engineers in the West Region to be recognized for this achievement. TSS Engineers are considered to be better qualified to prepare, plan and design Cisco solutions, especially in the areas of Unified Communications and Security; having a deep understanding of product features, implementation best practices, and reference architectures.

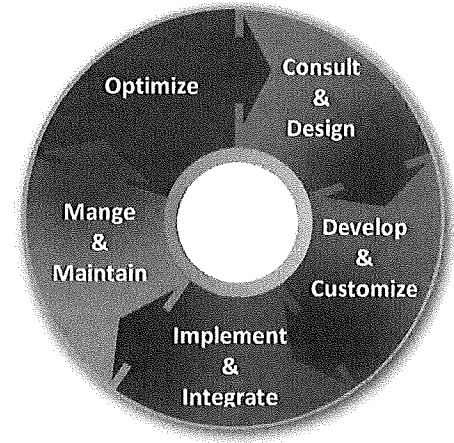
Smith has a distinguished career in the information technology arena. He earned his Bachelor's Degree in Engineering from Texas Tech University honored by faculty and the Industrial Advisory Board as the most outstanding student of his graduating class. He then went on to work as a network systems engineer at NASA's Jet Propulsion Labs, quickly advancing to the role of Director of Information Technology before moving on to a position with Cisco Systems as a systems engineer. Finally, in 2001 Smith left Cisco and founded SAS Network Solutions, Inc., which was re-branded as Solnovo, Inc. in 2006.

Since assuming the role of Executive Vice President of Engineering Services with Solnovo, Smith has developed the engineering group into one of the most specialized advanced technology Cisco partners. Additionally, Solnovo has been recognized through the TSS program for its success in advanced technology implementations the Western Region.

In addition to Smith's work with Solnovo, he currently holds a position on the Texas Tech University College of Engineering Dean's Council, assisting the dean with strategic planning, external relations and enhancing the educational and research mission of the College of Engineering.

## 7 Solnovo Services Life Cycle

As a premier vendor to a variety of small to medium sized business, fortune 1000 corporations, and government municipalities, Solnovo wholeheartedly and intimately understands the challenges that the City of Long Beach faces on daily basis to manage and coordinate the replacement of their city wide computer inventory. As a recognized leader in the State of California in providing desktop implementation solutions, the Solnovo technicians have an overwhelming knowledge of the city's facilities and the expertise to provide a seamless integration solution for the City of Long Beach that is unmatched in the industry and cannot be duplicated by any other vendor. Partnering with Solnovo for the cities computer replacement/installation services is the absolute right step towards ensuring that the city's CIP replacements will be completed on-time, in an efficient manner, and with utmost in customer service & satisfaction.



Solnovo is a leading provider and integrator of IT business solutions. With extensive knowledge of implementation services dating back 20 years and strategic partnerships with Microsoft®, Hewlett Packard®, Dell®, and Cisco Systems®, Solnovo's implementation services will enable the City of Long Beach to integrate their new desktops and applications into their business operations and throughout their workforce community.

When selecting an the right information technology company, businesses need a partner that is able to help them not only look at their immediate business requirements, but also their strategic initiatives. Solnovo employs a five-phased services lifecycle approach, which combines industry leading consulting and design services with the right mix of custom development, communications, and integration capabilities. This ensures that the business pain points for the City are clearly understood, and solutions provided are designed to meet business needs for now and in the future.

*"I am writing this letter to commend Wesley Garrison and Brody Maughan for the levels of service they provide to staff as part of their contractual services under the Department of Technology Services.*

*Wesley and Brody have been extremely responsive to the needs of our staff, and have consistently provided excellent customer service. They are prompt and efficient in the completion of their duties, flexible in scheduling their work around the needs of our staff, and positive and helpful in responding to questions.*

*We sincerely appreciate their hard work, and ability to make our transition to our new computers as efficient as possible."*

*Dennis A. Keith ---*

**8 Solnovo Project Team**

**8.1 Scott Smith**

Senior Engineer, Vice President Engineering  
 Design Engineer, & Technical Trainer  
 (818) 357-5420  
[sasmith@solnovo.com](mailto:sasmith@solnovo.com)

**Certifications:**

Cisco Certified Network Associate (CCNA) Cisco Certified Network Associate Service Provider Ops (CCNA SPO) Cisco Certified Network Associate Security (CCNA S) Cisco Certified Network Associate Voice (CCNA V) Cisco Certified Network Associate Wireless (CCNA W) Cisco Certified Design Associate (CCDA) Cisco Certified Network Professional (CCNP) Cisco Certified Design Professional (CCDP) Cisco Certified Internetwork Professional (CCIP) Cisco Certified Network Professional Voice (CCNP V) Cisco Certified Network Professional Security (CCNP S) Cisco Data Center Architecture Design Specialist Cisco Data Center Networking Infrastructure Design Cisco Data Center Storage Networking Design Cisco Data Center Unified Computing Design Specialist Cisco Unified Computing Technology Design Specialist Cisco Unified Fabric Technology Design Specialist Cisco Express Foundation Design Specialist Cisco IP Communications Express Specialist Cisco Certified Internetworking Expert Qualified (CCIE R&S)	Cisco IP Contact Center Express Specialist Cisco IP Telephony Design Specialist Cisco Unity Design Specialist Cisco Unity Support Specialist Cisco ASA Specialist Cisco Firewall Security Specialist Cisco IOS Security Specialist Cisco IPS Specialist Cisco Security Solutions and Design Specialist Cisco Advanced Security Field Specialist Information Systems Security (INFOSEC) Professional Cisco Rich Media Communications Specialist Cisco Content Security Solutions Specialist Unified Call Center Enterprise Support Specialist Unified Contact Center Enterprise Design Specialist Unified Contact Center Enterprise Implementation PBX Fundamentals SMB Engineer NSA 4011 Recognition NSA 4013 Recognition Cisco Certified Internetworking Expert Qualified (CCIE VOICE)
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## 8.2 Kevin England

Vice President, Business Development  
(818) 357-5432  
[kbengland@solnovo.com](mailto:kbengland@solnovo.com)

### Certifications:

Cisco Certified Network Associate ("CCNA")  
CQS - Cisco Advanced IP Communications Sales Specialist  
CQS-Cisco Security Sales Specialist  
Cisco Sales Expert ("CSE")  
GSM, GPRS, and UMTS Fundamentals  
**Advanced IP Communications Project Management Specialist**  
IPC Specialization Steps to Success Certified  
Cisco SMARTcare Certified

## 8.3 Dave Sharma

Solutions Architect  
Managed & Outsourced Services & Core Services  
(818) 357-5428  
[dsharma@solnovo.com](mailto:dsharma@solnovo.com)

### Work Experience:

#### **Solutions Architect (January 2008 – Present)** **Managed & Outsourced Services & Core Services**

- Install various Cisco VoIP, Routing and Switching and Security projects in the region utilizing Cisco Unified Communications Manager, Cisco Unified Communications Express and Cisco Unity, Cisco ASA, Cisco Integrated Services Routers using Cisco IOS and Cisco Catalyst Switches using CatOS and IOS.
- Design of managed and dedicated Data Centres throughout the United States & Caribbean
- Creation of Cisco Voice, Security, Physical Security, LAN/WAN and Video designs throughout the region using Cisco Operations Manager, Cisco media Servers, Cisco Surveillance Virtual Matrix, Cisco Unified Communications Manager, Cisco Unified Communications Express and Cisco Unity, Cisco Unified Videoconferencing Manager, Cisco MARs, Cisco NAC, Cisco ASA, Cisco IPS, Cisco Integrated Services Routers using Cisco IOS, Cisco Catalyst Switches using CatOS and IOS, etc.,
- Design and implementation of CA network management systems in the United States & Caribbean.
- Design of WAN Acceleration across the enterprise network using Riverbed technology.
- Managed small teams of implementers in the various Cisco security, voice, data and video projects across the region.

#### **Rizon**

#### **ICT Consultants**

#### **Security and Networking Consultant**

**2004 September - 2007 December**



- Administered security for Cisco LAN/WAN environments, specifically the hardening of Cisco routers and switches against vulnerabilities such as man-in-the-middle attacks or turning off unnecessary services (e.g. Telnet or unused interfaces) running on the routers and switches, using encryption where necessary and digitally signing users where possible and preventing users from hacking into networks by using DOS attacks that for example took advantage of spanning tree protocol weaknesses or validating the acceptable port states on a Cisco switch.
- Worked with and managed a small team to help implement and design various client LANs and their DMZ's that utilized Cisco Pix/ASA Firewalls, specifically using Cisco Pix®501, 505 and 515 series and ASA® 5505 configured with ACLs and other logical security methods.
- After analyzing the client's network traffic using Cisco's nbar tool or MRTG I helped integrate QOS into clients network allowing only certain necessary types of traffic to pass and other traffic to be denied or limited (e.g. p2p client traffic) via Cisco priority and bandwidth allocations.
- Used Cisco ACS v3.0 on Windows® 2000, which was utilised to manage the various Cisco devices on certain client LANs and I trained personnel on how to use the Cisco ACS Software to manage Cisco devices via a GUI.
- Maintained and monitored Syslog servers (usually Kiwi-Syslog) and RADIUS (freeRADIUS) for various clients and trained their IT personnel to use, freeRADIUS and Kiwi-Syslog server software.
- Worked with a team that helped develop for clients their security policies. I also worked with certain clients risk analysis teams to construct qualitative risk analysis (using Delphi techniques) and quantitative risk analysis. I also helped design and implement disaster recovery plans to help remit the effects of catastrophes, disasters or interruptions – typically with the view of implementing UPS protection, secondary facility relocations, redundant computers/equipment, RAID or data backups all implemented within a Change Control Environment.
- Used various software tools/methods including packet sniffers (Ethereal), IP/port scanners (Angry IP scanner) brute force hackers (Cain and Abel), auditing tools (Nessus, nmap, Windows event viewer and performance tools) for penetration-testing client's networks.
- Advised on the deployment and implementation of website security to prevent intrusions into the webpage and website and validating input forms on the webpage, for example how to design web pages for data validation and protecting against keyloggers.
- Implementing SSO technologies such as Kerberos and cryptography technology within a network such as IPSec.
- Conducted staff security-awareness training.

**Certifications:**

Cisco Systems	Microsoft
<ul style="list-style-type: none"> <li>• CCNA Cisco Certified Network Associate</li> <li>• CCNP Cisco Certified Network Professional</li> <li>• CCSP Cisco Certified Security Professional</li> <li>• <b>CCVP Cisco Certified Voice Professional</b></li> <li>• CCIP Cisco Certified Internet Professional</li> <li>• CCDA Cisco Certified Design Associate</li> <li>• Cisco IPS Specialist</li> <li>• Cisco Firewall Specialist® (PIX and ASA)</li> <li>• Cisco Security Specialist®</li> <li>• Cisco (642-642) Quality of Service (QOS)</li> </ul>	<ul style="list-style-type: none"> <li>• MCP Windows ® NT 4.0 Server</li> <li>• MCP Windows ® NT Workstation</li> <li>• MCP Windows ® NT4.0 Server in the Enterprise</li> <li>• MCP Windows ® 2000 Professional</li> <li>• MCP Windows ® 2000 Server</li> </ul>

**Education:**

**B-Sc Electrical and Computer Engineering (1995-1999)**

University of the West Indies

**Powergen/TTEC scholarship for energy systems 1998-1999.**

Awarded to the best three students at the energy systems department of engineering at UWI.

**8.4 JA Wesley Garrison**

CLB Project Manager & On-Site Lead Engineer

(818) 357-5424

[wgarrison@solnovo.com](mailto:wgarrison@solnovo.com)

**Overview:**

Extensive operational leadership experience across diverse business operations. Strong background in conducting skills assessments needs analysis and system wide training programs. Full range of knowledge in technology support services, including installation, configuration and troubleshooting hardware, software, networks and applications within a centralized IT organization. Strong interpersonal communications skills, self-motivated, work independently and within, new or established teams, to help achieve operational objectives. CompTia A+ Hardware and Software certified, and graduate of Cisco Networking Academy.

**Work Experience:**

**CITY OF LONG BEACH**

Contractor: Solnovo, Inc./Vonazon, Inc. 2828 Cochran Street, Suite 256, Simi Valley, CA. 93063

October 2006 to Present

Lead CIP Technician with City of Long Beach's Technology Services Department. Document user technical and functional requirements for new systems and system enhancements following established procedures within City Manager's Office, City Clerk, Civil Service, Public Works, Fire and Police Departments, and Emergency Operations. Complete change management documentation, coordinate approvals according to departmental procedures. Develop and maintain project plans and coordinate project reporting. Maintain and support existing applications according to established methodology. Install software in support of business applications and assist in the analysis and resolution of application problems. Monitor contract performance. Analyze problems related to applications, desktop, network and apply corrective actions.

**SAN DIEGO COMMUNITY COLLEGE DISTRICT**

4343 Ocean View Blvd., San Diego, CA 92113-1915

July 2005 to September 2006

Cisco Certified Network Associate (CCNA) graduate August 2006. A+ Hardware/Software Graduate September 2006. Instructional Aid during Fall 2005 and Spring/Summer 2006 Semesters: Install, configure, and test computer hardware, software and peripheral equipment. Technical resource to instructor and students, troubleshoot, diagnose and resolve complex hardware, software and network connectivity problems. Review,

tests and finalized instructions, conducted student training and developed technical training materials.

**AMERICAN EXPRESS BUSINESS TRAVEL TRAINING**

5120 Gold Leaf Circle, Suite 310, Los Angeles, CA 90056  
September 2004 to May 2005

System Wide Training Specialist, Western Region

**ROSENBLUTH INTERNATIONAL**

300 N. Continental, El Segundo, CA 90245  
March 2000 to September 2004

TRAINING MANAGER, WESTERN REGION - Responsible for development and implementation of corporate training program. Perform workflow analysis and develop scope and objectives of training classes and participate in design sessions. Develop conversion implementation plans and implement training and tests plans. Prepare systems documentation and user manuals. Assist in development and maintenance of project plans and coordination of project reporting. Act as technical resource and identify trends in problem calls and implement improvements. Analyze and make recommendations regarding support needs in improving customer satisfaction. Review, test and finalize user instructions and procedures, conduct formal training and develop orientation and technical training materials. Participated in large project upgrade teams with general direction.

June 1999 to July 2000

TEAM LEADER/ACCOUNT MANAGER - UCLA Travel Center, On Site – Responsibilities included daily operations, CMS monitoring and programming, associate development, and client/account management. Analyze and make recommendations regarding customer support needs and improving customer satisfaction. Identify trends in call center calls and implement improvements

**Education & Certifications:**

**B.S., Business Administration and Management**

University of Redlands, Redlands, CA GPA: 3.7

CompTia A+ Hardware and Software Certified, August 2006, Career ID Number COMP001004629085

Cisco Network Academy, Graduated August 2006, Cisco Certified Network Associate (CCNA)

Certified International and Corporate Orientation Trainer, 1998

Diploma, Travel & Tourism, Travel & Trade Career Institute, Long Beach, CA, December 1993. GPA: 93.8

*"Thanks for everything that you do Wesley. You're a great representative for TSD"*

*Stephan P. Scott ---*

## 9 Testimonials, Case Studies, & References

Solnovo, Inc. has extensive experience and service delivery excellence in IT solutions. Solnovo is well known for unmatched innovation, experience and reach, uniquely positioned to deliver a proven, cost-effective solution that brings added choice and convenience to Solnovo clients.

The Senior Vice President and Co-Founders have over 25 years worth of experience in deploying and integrating desktop computers, peripherals, and devices with a variety of complex software applications for a multitude of customers throughout the State of California. He is well respected in the industry and is highly recommended his peers, partners, and clients.

*"I would like to commend the actions of two Information Technology contractors. They are Wesley Garrison and Brody Maughan. In my encounters with them I have found them to be courteous, professional, and efficient. Their technical knowledge met or exceeded all expectations.*

*During the CIP process they displayed a very high level of knowledge and expertise that from my experience with other IT Techs met or exceeded those of other individuals. They are extremely good assets to the city's repertoire. Not only did they do their job but they were able to answer any and all questions put to them by the recipients of the new CPU's. If they did not have the answer at the time they found the answer and returned with various solutions to choose from.*

*Never in my almost 30 years at the city of which I have been working closely with IT Professionals, both within the city and in private industry, have there been more pleasant, professional or knowledgeable individuals to work.*

*Thank you for this opportunity to express my gratitude to outstanding fellow employees."*

*Timothy R. Brix ---*



## 9.1 City of Long Beach

333 W. Ocean Blvd/Lower Level  
Long Beach, CA 90802

James Allen  
(562) 570-6127  
[James.Allen@longbeach.gov](mailto:James.Allen@longbeach.gov)

### About:

The City of Long Beach Technology Services Department, Customer Services Bureau, is responsible for maintaining over 10,000 personal computing assets. For the last six years, the City has maintained a four-year replacement cycle for its personal computer (both desktop and laptop) assets. The City replaces between 600-900 computers per year, depending upon the actual deployment dates.

The City's PC's and laptops are purchased from one manufacturer (Dell Computers). The computers being deployed require connection to the City's network and any new or existing peripherals. Peripherals refer to devices such as Flat Panel monitors, wireless or wired keyboards and mice, PC speakers, PDA devices, multi-function devices/printers, etc.

**Project Timeline:** December 2005 - Present

### Project Description:

The onsite CIP Technician's for Solnovo/Vonazon bring a combined 11 years of experience in desktop software and hardware, implementation and support, which includes over seven years worth of experience working with the City of Long Beach's Technology Services Department in performing CIP PC Replacements.

Over the past many years in working with the City of Long Beach, the Solnovo/Vonazon Technicians have developed a keen understanding of department specific applications. The understanding of these types of applications have created efficiencies within the CIP PC replacement process that has resulted in a high level of quality and competence. Listed below are a few examples of the mission critical applications implemented by our technicians.

- M/LAB and NextGen at the Health Department
- Forensic related applications at LBPD Crime Lab
- Dispatch, Meter Truing and AutoCAD applications at Gas and Oil
- Telestaff at the Fire Department
- Timeslips at the Auditor's Office
- Chameleon at Animal Control

Solnovo/Vonazon Technicians have an attention to detail that enables them to review complex data, applications and peripherals to determine relevant information to the CIP process. In order to ensure consistency in CIP process, our technicians have developed a checklist for each step of the CIP process, which follows the CIP Interview sheets provided by the City. This checklist provides the on-site Technicians a quick reference to ensure that all elements of the CIP process have been completed.

The needs of the specific customer and/or departments are routinely assessed as they relate to the CIP process. Any plausible impacts to the day to day function of a department are communicated to the Technology Services Departments PC Replacement/Asset Management Supervisor, and a plan is developed to eliminate potential impacts to business productivity. This level of oversight and quality by the Solnovo/Vonazon technicians has

resulted in fewer follow up calls from users upon the completion of their PC replacements and thus increased the productivity of the IT department as a whole.

As a preferred partner of the City of Long Beach we continue to develop enhancements and efficiencies within the CIP process, our goal is to provide the highest level of quality and customer service that meets or exceeds the requirements of the City of Long Beach. On numerous occasions throughout the many CIP PC replacements that we have completed, the biggest single compliment we receive is when a user comments to our technicians, after we have completed their PC replacement, that it looks like we didn't do anything. This lets us know, that we have accomplished our task without any interruption to the user's ability to perform their day to day function efficiently and effectively.

*"I want to commend the two technicians, Wesley and Brody, for their professionalism, pleasant nature, and sense of humor. I met them this week when they were verifying PCs to be replaced. They were very positive in the way they did their job and any inconveniences did not seem to affect their pleasant disposition. It was nice to have people from tech services who didn't seem to mind dealing with non-technical people. I commend their work and the spirit in which it was done. I also love my new computer"*

*Norma Hamilton ---*

*"It's always a pleasure to work with Mike and his crew (Wesley, Brody and Stacie J. in particular). They are always so helpful and provide great customer service by coming up with solutions to challenges that works best for all those involved."*

*Nerissa Mojica ---*

*"Wesley and Brody, Great Job at Health! They love you out there ... I have been receiving comments from many users throughout the City praising your work and I wish to thank the both of you for all your hard work!"*

*Mike McNerney ---*



## 9.2 AT&T Interactive

611 N Brand Blvd.  
Glendale, CA 91203

Roger Oliver  
(818) 519-0345  
[roliver@attinteractive.com](mailto:roliver@attinteractive.com)

### About:

Following nearly a decade of mergers, technological enhancements and enormous industry growth, the three leading local search websites -- SMARTpages.com (SBC Communications Inc.), RealPages.com (BellSouth Corporation) and YellowPages.com (independently owned) -- were combined between 1997 and 2005 to create a new leading local search site --- YELLOWPAGES.COM, which eventually evolved to become AT&T Interactive's flagship web property.

Located in 75 major cities across the country, AT&T Interactive provides customers counsel and guidance on what information to include on their YELLOWPAGES.COM ad as well as on their own business online placement websites, their YELLOWPAGES.COM ads and SEM programs.

AT&T Interactive, a subsidiary of AT&T Inc, is an industry leader in creating local search products and services that empower consumers to discover, find, connect and transact with businesses across the devices and interactive platforms they use most including online, mobile and IPTV.

**Project Timeline:** May 2007 - July 2012

### Project Technical Description:

Solnovo was contracted to provide professional engineering services to plan, design, implement and optimize a redundant Unified Communication architecture, including Cisco Unified Communications Manager, Unity Unified Messaging integrated with the Customer Exchange message store and IPCC Express Enhanced Contact Center with custom scripts and skills based workforce management. Additionally, Solnovo engineers reconfigured the Customer LAN and WAN to support converged applications. The overall scope included over forty CSR agents, data center integration of UC applications, over ten remote sites integrated in a centralized call processing model over an MPLS VPN WAN and redundant a Unified Communications Manager cluster. Solnovo provided end-user training and basic administrative training as well as "go-live" day one and day two support. Finally, Solnovo was responsible for completing Unified Communications system wide upgrades from legacy versions to more recent 7.x versions. These upgrades included Unified Call Manager, Contact Center Express and Unity as well as all voice gateways and telephony user endpoints.

Solnovo was initially responsible for planning, designing, implementing and operating the systems for the Yellowpages.com corporate offices in Glendale, California. These systems included routing and switching infrastructure, voice gateways, Unified Communications servers and the Yellowpages.com national call center. This responsibility grew into implementing Cisco Unified Communications nationally for Yellowpages.com. When completed, the solution included three major regional offices, two regional data centers and several sales and marketing offices throughout the United States. Solnovo was recognized by Cisco region wide for excellence in the lifecycle of this project.



### 9.3 TUV Rheinland

12 Commerce Road  
Newtown, CT 06470

Michael Kerpen  
(203) 426-0888  
[MKerpen@us.tuv.com](mailto:MKerpen@us.tuv.com)

#### About:

TUV was established in 1872 by Gustav Schlieper. TUV has over 13,300 employees in 60 countries with over 340 offices. TUV Rheinland is a global leader in such business fields as industry services, mobility and transportation, product safety, IT services, innovation, education and consulting for domestic and foreign markets.

TUV Rheinland's first North American office was established in 1980 in New York City. The business was incorporated in 1983 and expanded to today's respectable size. TUV Rheinland offers a broad range of services reflecting the rapid technical developments of the past few years. TUV Rheinland appraises, tests and certifies technical equipment and products according to international quality standards and then registers those in compliance.

**Project Timeline:**        **October 2007 - April 2010**

#### Project Technical Description:

Solnovo has an active relationship with TUV Rheinland of North America in developing, designing, deploying and operating the LAN and WAN infrastructure, network security systems and unified communications systems. These solutions encompass over twenty locations in North, Central and South America. Solnovo is currently working with TUV to build a redundant operations center on the West Coast to support their Corporate Offices on the East Coast. The Unified Communications architecture includes and MPLS VPN WAN, remote SRST and CME locations, Unified Communications Manager Clusters in a distributed environment and Cisco Unity High Availability Clusters.





#### 9.4 Signature Consultants

2101 W. Commercial Blvd  
Suite #3000  
Fort Lauderdale, FL 33309

Jorge Rivera  
(954) 302-5032  
[jrivera@sigservco.com](mailto:jrivera@sigservco.com)

#### About:

Signature Consultants was established in 1996 with a singular focus: Provide our clients and consultants with superior staffing solutions. Whether your staffing need revolves around information technology or finance and accounting, Signature is the company for you. Signature's clients can expect to receive staffing solutions founded on quality, service and results.

Signature's operations span the continental United States and beyond. No matter where your need exists, Signature has a solution for you. Whether your need is in a large metropolitan area or in adjacent markets, Signature is equipped to deliver the resources you require. Combining our National Service Center in Boston, Massachusetts and our Regional Service Centers in Charlotte, NC; Orlando, FL; Fort Lauderdale, FL; and Boston, MA; Signature Consultants has developed a nationwide network of professionals that allows us to meet your needs.

**Project Timeline:** November 2009 - Present

#### Project Technical Description:

Solnovo was hired to upgrade the current combination of Avaya PBX- and multi-line Key Telephone solutions and include an upgrade of the existing Cisco Call Manager. The solution was designed to be scalable to satisfy future growth across a variety of locations.

The installed project included the replacement of the wide area network routing equipment at approximately 14 locations, including remote centers, and the replacement of all phone systems with Cisco-based products. The new system was based upon Cisco Unified Communications products, including Cisco Integrated Services Routers with T-1 voice and data connections, Cisco Unified Communications Manager servers for call processing, and a Cisco Unity voicemail server, Cisco Analog Terminal Adapters for Fax Machines, Analog Phones, and other devices such as RAS/modems. Analog Gateways for multiple analog phones and fax machines connectivity, and IP Phones at all locations.

## 10 Overview of Project

### 10.1 Purpose

Solnovo is to provide IT Professional Services to the City of Long Beach's Technology Services Department (TSD). The purpose is for a pre-qualification of Solnovo's IT Professional Services for providing consulting services for the enhancement and support of various application systems, and to provide qualified consultants on an hourly basis for IT projects. Solnovo could also be tasked to provide a fixed-cost estimate for future technology initiatives.

### 10.2 Questions & Answers

#### Pursuant to Section 7.4:

**7.4.1 Please provide a description of your candidate screening process.**

Solnovo is very unique in that we are a certified training and testing facility through Personvue which means that we currently provide certifications to variety of engineers looking to increase their technical abilities. With the thousands of engineers that come through our offices on a yearly bases we have access to their information and testing scores. In addition, our screening process includes first a skype interview, and then two on-site meetings. A test is administered on the second interview.

**7.4.2 Do you have a minimum term commitment when placing consultants (e.g. 1 month, 6 months, or no minimums)?**

Solnovo requires a minimum of 1 month for all other services except for a Communications Network Specialist, Voice Communications Specialist (VoIP), Wireless Communications Specialist (RF&WiFi), of which we require only a 1 week minimum.

**7.4.3 Are there any penalties to the City or the consultant if the consultant applies for and is hired for an internal City position? If so, are these penalties eliminated after a certain amount of time on contract (e.g. 3 mos., 6mos.)?**

There are no penalties but a staffing fee of 20% of the yearly salary is expected.

**7.4.4 Are you able to provide contractors that are local Long Beach Residents?**

Yes

**7.4.5 If a Project arose that required a fixed bid, would you be able to provide the bid based on requirements supplied?**

Yes

**7.4.6 Are there additional "value added" services that your company can provide to support technical projects?**

Yes. Solnovo can provide consulting services on large multi-location roll-outs and we are Cisco Certified Trainers which will help to keep your engineering staff up to date on all Cisco Certifications.

## 11 Costs

### General & Project Specific IT Services:

Resource Type	On-Site Hourly Rate	Off-Site Hourly Rate
Business Analyst	\$ 55.00 to \$ 75.00	\$ 52.00 to \$ 72.00
Project Manager	\$ 50.00 to \$ 70.00	\$ 47.00 to \$ 67.00
Legacy System Programmer	\$ 75.00 to \$ 105.00	\$ 70.00 to \$ 100.00
Application Web Developer	\$ 55.00 to \$ 75.00	\$ 52.00 to \$ 72.00
Website/Graphic Designer	\$ 55.00 to \$ 75.00	\$ 52.00 to \$ 72.00
Database Administrator	\$ 75.00 to \$ 105.00	\$ 70.00 to \$ 100.00
Systems & Production Support	\$ 60.00 to \$ 80.00	\$ 57.00 to \$ 77.00
iPhone Developer	\$ 75.00 to \$ 105.00	\$ 70.00 to \$ 100.00
Windows Server Administrator	\$ 60.00 to \$ 80.00	\$ 57.00 to \$ 77.00
Communications Network Spec.	\$ 75.00 to \$ 105.00	\$ 70.00 to \$ 100.00
Voice Communications Spec.	\$ 75.00 to \$ 105.00	\$ 70.00 to \$ 100.00
Wireless Communications Spec.	\$ 70.00 to \$ 100.00	\$ 65.00 to \$ 95.00
Desktop Support Technician	\$ 50.00 to \$ 70.00	\$ 47.00 to \$ 67.00

- A percentage markup on pass through staff is between 25% and 35%.

## 12 Professional Services Agreement

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement"), dated as of September 1, 2010 (the "Effective Date"), is entered by and between the City of Long Beach, with an office at 333 W Ocean Blvd, 7<sup>th</sup> Floor, Long Beach, CA 90802 ("CLB") and Solnovo, Inc. a California corporation ("Solnovo"), with offices at 2828 Cochran Street, Suite 256, Simi Valley, CA 93065 (each of Solnovo and CLB, a "Party" and together, the "Parties").

### RECITALS

- A. Solnovo provides consulting, technical, and other professional services.
- B. CLB desires to engage Solnovo to perform certain consulting, technical, and/or other professional services.

For and in consideration of, and conditioned on, the covenants stated herein, and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties agree as follows:

### 1. DEFINED TERMS.

In addition to the terms defined above and elsewhere in this Agreement, the following terms as used in this Agreement shall have the meanings set forth below:

1.1 "Change Order" shall mean a written order signed by both parties that refers both to this Agreement and to the associated Statement of Work, which shall be substantially in the form of Exhibit B.

1.2 "Confidential Information" shall mean: (a) any and all Intellectual Property and Proprietary Rights that are owned or acquired by CLB, and any and all confidential information of the CLB (including, without limitation, any and all confidential or proprietary information, data, trade secrets, processes, ideas, technological know-how and other technical information, business, financial, customer information, and product development and marketing plans, forecasts, strategies and opportunities); and (b) the terms and existence of this Agreement as set forth in Section 6.2; provided, however, that Confidential Information shall not include information that: (i) is or becomes part of the public domain through no act or omission of Solnovo; (ii) was in Solnovo's possession prior to the disclosure, provided that such Confidential Information was not previously obtained by Solnovo either directly or indirectly from CLB; (iii) is lawfully disclosed to Solnovo by a third party who is not in breach of any obligation not to disclose the information; or (iv) Solnovo proves is independently developed by Solnovo without reference to CLB's Confidential Information.

1.3 "Solnovo Property" shall mean, collectively or individually, all technology, software or other Intellectual Property that: (a) is owned by or licensed to Solnovo; (b) is in existence prior to the Effective Date; (c) Solnovo intends to use in performing the Services.

1.4 "Deliverables" shall mean the deliverables set forth in the applicable Statement of Work.

1.5 "Documentation" shall mean the written user manuals, instructions or guides, if any, that Solnovo provides to CLB in connection with the Deliverables.

1.6 “Foreign Jurisdictions” shall mean all jurisdictions other than the federal and state governments of the United States of America.

1.7 “Intellectual Property” shall mean all intangibles, including but not limited to, inventions, works of authorship, documents (whether in draft or final, complete or incomplete form), utility models, trade secrets, software, subroutines, codes, databases, algorithms, designs, know-how, processes, procedures, methodologies, ideas, marks, names, symbols, logos, industrial designs of any kind, text, translations, and any similar intangibles, as well as the prototypes, samples, copies, and other materialized forms or representations of such intangibles.

1.8 “Project Manager” shall mean the representative of each Party who shall coordinate such Party’s performance and be such Party’s primary contact with respect to a Statement of Work.

1.9 “Proprietary Rights” shall mean copyrights, patent rights, rights to patent applications, trademarks, trade names, service marks, trade secrets, and designs of any kind, or any other proprietary rights to Intellectual Property, recognized in any country of the world, whether or not currently perfected.

1.10 “Services” shall mean the consulting, technical, and/or other professional services Solnovo provides hereunder, which are more fully described in the Statement(s) of Work.

1.11 “Specifications” shall mean the Documentation, if any, and the specific specifications, features, functions, and capabilities of Deliverables expressly described in a Statement of Work.

1.12 “Statement of Work” shall mean a mutually executed statement describing the Services and Deliverables that Solnovo will provide hereunder, as may be amended from time to time by written agreement of the Parties.

1.13 “Work” shall mean all of the Deliverables and all other work product produced by Solnovo for the benefit of CLB in connection with providing the Services, including but not limited to all forms of Intellectual Property such as inventions, copyrightable materials and/or material protected by patent, trademark and/or other trade secret laws.

## 2. SCOPE OF SERVICES.

2.1 Services. Solnovo shall provide the Services described in the initial Statement of Work. If CLB requests additional services outside the scope of the Services stated in the initial Statement of Work, the parties will mutually agree upon the scope and terms of such additional services in a subsequent Statement of Work, and the services described therein will become part of the Services. A Statement of Work may be modified only by a Change Order substantially in the form of Exhibit B hereto. Any reference to a Statement of Work in this Agreement will be also be deemed to refer to all Change Orders related to such Statement of Work. Each Statement of Work shall identify each Party’s Project Manager.

2.2 Delivery of Services. Solnovo shall complete the Services and deliver the Deliverables in a timely manner in accordance with the applicable Statement of Work. CLB acknowledges and agrees that Solnovo’s timely performance of the Services is dependent in part on CLB’s reasonable cooperation under this Agreement and any applicable Statement of Work.



2.3 Acceptance of Services and Deliverables. Unless otherwise set forth in a Statement of Work, upon Solnovo's submission of a Deliverable to CLB, CLB shall have ten (10) days in which to accept the Deliverable. If CLB rejects any Deliverable, CLB shall specify in writing the manner in which the Deliverable does not materially conform to the Specifications. Solnovo shall then have an additional fifteen (15) days, or such other period set forth in the Statement of Work, to implement such changes as shall be reasonably required to bring the Deliverable in material conformity with the Specifications. Solnovo shall notify CLB of all corrections it made to the Deliverable and submit the revised Deliverable to CLB for CLB's acceptance. In the event CLB determines the Deliverable continues not to conform materially to the Specifications, CLB, in its sole discretion, may: (a) accept the defective Deliverable at a discount negotiated between the Parties; (b) require that Solnovo make additional corrections to the Deliverable according to a schedule mutually agreed upon by the Parties; or (c) terminate this Agreement and/or the applicable Statement of Work and receive a full refund for all pre-paid amounts corresponding to the defective Deliverable and any other Deliverable rendered useless as a consequence of the defective Deliverable.

2.4 Personnel and Subcontractors. Solnovo shall not subcontract any or all of its obligations and rights under this Agreement without the prior written consent of CLB. Solnovo shall cause any permitted subcontractors to comply fully with all terms and conditions of this Agreement and Solnovo shall be liable to CLB for any breach of this Agreement by Solnovo's permitted subcontractors. As between Solnovo and CLB, Solnovo shall be fully and solely responsible for the compensation of all of its employees and permitted subcontractors, if any, who perform the Services hereunder and the filing of any and all returns and reports and the withholding and payment of all applicable federal, state, and local wage tax, or employment related taxes, including, but not limited to, income taxes, gross receipt taxes, taxes measured by gross income, Social Security taxes, and unemployment taxes for Solnovo and Solnovo's employees and permitted subcontractors.

2.5 Additional Obligations of Solnovo. Solnovo shall take all necessary precautions to prevent injury to any persons (including employees of CLB) and damage to property (including CLB's property) during the term of this Agreement. Should CLB permit Solnovo to use any of CLB's equipment, tools, or facilities during the term of this Agreement, such permission shall be gratuitous and Solnovo shall be responsible for any injury to any person (including death) and damage to property (including CLB's property) arising out of Solnovo's use of such equipment, tools, or facilities, whether or not such claim is based upon its condition or on the alleged negligence of CLB permitting its use.

2.6 CLB's Duties and Responsibilities. Subject to Section 6, CLB shall make available to Solnovo all data, facilities, documentation or other information and resources reasonably requested by Solnovo to enable Solnovo to perform the Services.

### 3. FEES AND PAYMENTS.

3.1 Fees. CLB shall pay Solnovo for the Services in accordance with this Agreement and the applicable Statement of Work. Unless otherwise specified in the Statement of Work, Solnovo shall invoice CLB for Services and expenses chargeable hereunder monthly. For Statements of Work specifying a fixed fee, Solnovo shall invoice CLB in accordance with the payment schedule listed on the applicable Statement of Work. Solnovo shall not have any right to increase the fees or rates for the Services or Deliverables set forth in the Statement of



Work without CLB's prior written consent. CLB shall pay all such invoices within thirty (30) days of the date of invoice. All invoiced amounts shall be expressed in U.S. Dollars, and CLB shall make all payments hereunder in U.S. Dollars within 30 days of receipt of invoices.

3.2 Taxes. All amounts payable by CLB to Solnovo under this Agreement are exclusive of any tax, levy, or similar governmental charge that may be assessed by any jurisdiction, whether based on the delivery, possession or use of the Deliverables, the provision of Services, the execution or performance of this Agreement or otherwise, and including without limitation all sales, use, excise, import or export, value-added, governmental permit fees, license fees, and customs; provided, however, that CLB shall have no liability for income or franchise taxes assessed to Solnovo by the United States or any state thereof.

3.3 Expenses. CLB shall reimburse Solnovo for all reasonable out-of-pocket expenses necessarily and actually incurred by Solnovo in connection with providing the Services, provided that the expenses are itemized either on the Statement of Work and pre-approved in writing, or by email, by CLB.

#### 4. OWNERSHIP AND TRADEMARKS.

4.1 Work for Hire. Subject to Section 4.4, all Work shall be specifically commissioned as a work made for hire by CLB, as that term is used in the United States copyright laws. Subject to Section 4.4, all materials prepared by Solnovo in performing and producing the Work, whether or not furnished to or used by CLB, shall be deemed the property of CLB when prepared. Without limiting the foregoing, CLB shall exclusively own in perpetuity on a worldwide basis all right, title and interest in and to the Work and all elements thereof that may be created, designed, developed or provided by or for Solnovo in the course of performing the Work, and any Intellectual Property and Proprietary Rights embodied therein or pertaining thereto, whether or not accruing during the term of this Agreement, for any and all uses in any media without any compensation except as set forth in this Agreement. CLB shall have the right to adapt, change, revise, delete from, add to or rearrange the results and proceeds of the Work, and Solnovo expressly waives the benefit of any law, doctrine or principle known as "droit moral," moral rights, rights of artistic integrity or any similar law, doctrine or principle, however denominated.

4.2 Assignment. If any of the Work is determined not to be a work made for hire, Solnovo hereby assigns to CLB, worldwide and in perpetuity, all rights, including Proprietary Rights and related rights, and all extensions and renewals thereof, in and to the Work. If Solnovo has any rights to the Work that cannot be assigned to CLB, Solnovo unconditionally and irrevocably waives the enforcement of such rights and irrevocably grants to CLB during the term of such rights an exclusive, irrevocable, perpetual, transferable, worldwide, fully paid and royalty-free license, with rights to sublicense through multiple levels of sublicenses, to reproduce, make, have made, create derivative works of, distribute, publicly perform and publicly display by all means now known or later developed, such rights. Solnovo shall ensure that all of its employees performing the Work have executed an invention assignment and nondisclosure agreement that is consistent with Solnovo's obligations to CLB under this Agreement. Without limiting the foregoing, Solnovo shall obtain any assignment and/or waiver of all "droit moral," moral rights, rights of artistic integrity, or similar rights from any and all individuals involved in the creation, development or authorship of the Work, or part thereof, to the extent such individuals own and are capable of assigning or waiving such rights, and/or such assignment or waiver is permitted by applicable law.



4.3 Procurement and Enforcement of Rights. Solnovo agrees to cooperate with CLB or its designee(s), both during and after the term of this Agreement, in the procurement and maintenance of CLB's rights in the Work and to execute, when requested, any other documents deemed necessary by CLB to carry out the purpose of this Agreement. Upon request of CLB, Solnovo shall execute and deliver any and all assignments of right, title and interest in and to the Work, including all Proprietary Rights thereto, and/or any other documents as may be necessary to effect such assignment to CLB. In the event CLB is unable for any reason after reasonable effort, to secure Solnovo's signature on any document needed in connection with the actions specified in this Section 4.3, Solnovo hereby irrevocably designates and appoints CLB and its duly authorized officers and agents as its agent and attorney in fact, which appointment is coupled with an interest, to act for and in its behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section 4 with the same legal force and effect as if executed by Solnovo.

4.4 Exclusions. Solnovo represents that Exhibit C lists all Solnovo Property to be used in the performance of the Services. Subject to the license set forth in this Section 4.4, Solnovo shall continue to own all right, title and interest in and to the Solnovo Property. Solnovo hereby grants CLB a non-exclusive, worldwide, fully paid, royalty-free, perpetual, irrevocable, transferable right and license, with rights to sublicense through multiple levels of sublicenses, to use, reproduce, make, have made, prepare derivative works of, publicly perform and publicly display by all means now known or later developed, and distribute all Solnovo Property necessary for CLB fully to exercise and exploit all of CLB's rights in all Work (including any modifications, improvements and derivatives thereof).

## 5. TERM AND TERMINATION.

5.1 Term. This Agreement will take effect on the Effective Date and will remain in effect, unless earlier terminated in accordance with Section 5.2 or 5.3, until all of the Services have been completed in accordance with each Statement of Work.

### 5.2 Termination for Cause.

(A) If either Party fails to observe or perform any material obligation under this Agreement, the non-defaulting Party may give written notice to the defaulting Party specifying the material failure. If the material failure is not corrected within thirty (30) days after the date of such notice, the non-defaulting Party may terminate this Agreement upon written notice to the defaulting Party. The right of the non-defaulting Party to terminate this Agreement under this Section 5.2 is in addition to all other rights that are available to it under this Agreement, at law or in equity. In the event of a claim of intellectual property infringement by any third party relating to the Deliverables, the Services or Documentation, the Parties may mutually agree to terminate certain rights granted hereunder. In such event, Solnovo shall refund a reasonable pro-rata portion of pre-paid fees corresponding to such Deliverables, Services or Documentation.

(B) CLB may terminate this Agreement for any reason at any time upon ten (10) day written notice.

5.3 Bankruptcy. Either Party may terminate this Agreement upon written notice if the other Party experiences a Bankruptcy Event. "Bankruptcy Event" means: either Party (a) files a petition for bankruptcy; (b) has an involuntary petition in bankruptcy filed against it that is not challenged within five (5) days and dismissed





within thirty (30) days; (c) becomes or is declared insolvent; (d) admits in writing its inability to pay its debts as they come due; (e) is the subject of any other voluntary or involuntary proceeding related to its liquidation, administration, provisional liquidation, insolvency, or the appointment of a receiver or similar officer for it; (f) passes a resolution for its voluntary liquidation; (g) has a receiver, manager, or similar person appointed over all or substantially all of its assets; (h) makes a general assignment for the benefit of all or substantially all of its creditors; (i) enters into an agreement or arrangement for the composition, extension, or readjustment of substantially all of its obligations or any class of such obligations; (j) has any significant portion of its assets attached; or (k) experiences an event analogous to any of the foregoing in any jurisdiction in which any of its assets are situated.

5.4 Effect of Termination. Termination or expiration of this Agreement or any Statement of Work hereunder by either Party shall not limit either Party from pursuing any other remedies available to it, including injunctive relief. Upon any termination of this Agreement, CLB shall pay to Solnovo, within thirty (30) days of such termination, all amounts then accrued and payable under any Statement of Work. In the event of termination by either Party in accordance with any of the provisions of this Agreement, neither Party shall be liable to the other, because of such termination, for compensation, reimbursement or damages on account of the loss of prospective profits or anticipated sales, expenditures, inventory, investments, leases or commitments, or loss of goodwill of such Party. Upon expiration or termination of this Agreement for any reason, each Party shall promptly return to the other Party all Confidential Information of such other Party.

5.5 Survival. The rights and obligations under Sections 1, 2.5, 4, 5.4, 5.5, 6, 7, 8.1(d)-(h), 8.4, 9 and 11 and Exhibit C will survive expiration or termination of this Agreement for any reason.

## 6. CONFIDENTIAL INFORMATION.

6.1 Confidentiality. Each Party shall maintain in strict confidence all Confidential Information (as defined below) it has obtained or shall obtain from the other Party. Each Party shall use the same degree of care to protect the Confidential Information of the other that it uses to protect its own Confidential Information, but in no event less than a reasonable degree of care and shall not disclose to any third party or use the other Party's Confidential Information for its own benefit or the benefit of any other person or party, except as may be specifically permitted in this Agreement. Neither Party shall use the Confidential Information of the other Party except for the purposes expressly contemplated by this Agreement. This Section 6.1 will not apply to any Confidential Information that is required to be disclosed by law or judicial order, provided that prior written notice of such required disclosure is furnished to the disclosing Party as soon as practicable in order to afford the disclosing Party an opportunity to seek a protective order and that if such order cannot be obtained disclosure may be made without liability.

6.2 Confidentiality of Agreement. The terms and conditions of this Agreement, and the existence hereof, shall be each Party's Confidential Information, provided that either Party may disclose such Confidential Information: (a) as required by any court or other governmental body; (b) as otherwise required by law; (c) to legal counsel of such Party; (d) in connection with the requirements of an initial public offering or securities filing; (e) in confidence, to accountants, banks, and financing sources and their advisors; (f) in confidence, in



connection with the enforcement of this Agreement or rights under this Agreement; or (g) in confidence, in connection with a merger or acquisition or proposed merger or acquisition, or the like.

6.3 Enforcement. Each Party acknowledges that the unauthorized disclosure or use of such Confidential Information would cause irreparable harm to the Party whose Confidential Information is so disclosed, which harm cannot be compensated by damages alone. Therefore, in addition to all other rights and remedies at law and in equity, a Party may seek an injunction to prevent a violation of the obligations of confidentiality.

## 7. INDEMNIFICATION.

7.1 Solnovo Indemnification. Except as provided below, Solnovo will, at its own expense, defend, indemnify and hold harmless CLB, its affiliates and their respective directors, employees, agents, investors and customers from and against any claims, actions, damages, losses, liabilities, fines, costs and expenses (including, without limitation, court and attorney fees) arising in connection with: (a) any breach or purported breach by Solnovo of any covenant, representation or warranty set forth in this Agreement; or (b) any physical injury to persons or damage to property resulting from any act or omission of Solnovo. CLB shall comply with the requirements of Section 7.2 in asserting any claim for indemnification hereunder. In addition to the indemnity obligations set forth above, in the event the Services, Deliverables or Documentation, or any part thereof, are held, or in Solnovo's sole opinion, may be held, to constitute an infringement, Solnovo, upon the mutual determination of the Parties, will: (i) procure for CLB a right to continue using the Services, Deliverables or Documentation as set forth in this Agreement; (ii) modify the Services, Deliverables or Documentation to make them non-infringing; (iii) procure for CLB the right to use a substitute product with similar functionality, which substitute shall be reasonably acceptable to CLB; or (iv) terminate the relevant rights and refund to CLB the fees paid to Solnovo by CLB with respect thereto.

7.2 Indemnification Procedure. In the event that CLB seeks indemnification pursuant to Section 7.1, CLB shall: (a) give the Solnovo prompt written notice of each such claim; (b) tender to Solnovo control of the defense or settlement of each such claim at Solnovo's expense; and (c) cooperate with Solnovo, at the Solnovo's expense, in defending or settling each such claim. Subject to the foregoing, CLB shall have the right to participate at its own expense in any indemnification action or related settlement negotiations using counsel of its own choice.

## 8. REPRESENTATIONS AND WARRANTIES.

8.1 Solnovo Representations. Solnovo represents and warrants that:

(a) Solnovo has the requisite professional and technical knowledge, skills and experience to perform the Services in accordance with the highest professional and technical standards applicable to the Services, as well as the Project;

(b) Solnovo's performance of the Services and all terms of this Agreement do not, and will not, breach any agreement that Solnovo has, or will have during the term of the Agreement, with another party, and there is no other contract or duty on the part of Solnovo now in existence inconsistent with this Agreement;



- (c) all Work shall be original work product of Solnovo, and any third parties have executed, or will execute, all necessary assignments of rights reasonably acceptable to CLB;
- (d) neither the Work nor any element thereof infringes, or will infringe, the Proprietary Rights or any rights of privacy or publicity of any third party;
- (e) neither the Work nor any element thereof shall be subject to any restrictions or to any mortgages, liens, pledges, security interests, encumbrances or encroachments, and Solnovo shall not grant, directly or indirectly, any rights or interest whatsoever in the Work to third parties;
- (f) in performing Services hereunder, Solnovo has not used, and will not use, any confidential or proprietary information of a third party, nor will Solnovo disclose to CLB, or bring onto CLB's premises, or induce CLB to use, any confidential information that belongs to any party other than CLB or Solnovo; and
- (g) Solnovo has obtained, and will obtain, non-disclosure, assignment of rights and other appropriate agreements with its employees and Solnovos sufficient to protect CLB's Confidential Information and sufficient to allow it to provide CLB with the assignments and licenses provided for herein, such agreements to contain terms and conditions no less restrictive than the terms and conditions set forth in this Agreement

8.2 Deliverables Limited Warranty. Solnovo warrants that the Deliverables will conform to the Specifications in all respects. For any breach of such warranty, without limiting any other remedy available to CLB, Solnovo shall: (i) modify the Deliverables such that the foregoing warranty is true; or (ii) if Solnovo is unable to do so, provide CLB with a full refund of all fees and expenses paid by CLB in connection with such defective Deliverables and any other Deliverables affected thereby.

8.3 Services Limited Warranty. Solnovo warrants that any Services will be performed in a professional manner, consistent with generally accepted industry standards. For any breach of the foregoing warranty, without limiting any other remedy available to CLB, Solnovo shall re-perform the applicable Services.

8.4 Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN SECTIONS 8.1, 8.2 AND 8.3, SOLNOVO MAKES NO ADDITIONAL WARRANTIES, EXPRESS, IMPLIED, ARISING FROM COURSE OF DEALING OR USAGE OF TRADE OR STATUTORY, AS TO THE SOLNOVO PROPERTY, SERVICES, DELIVERABLES OR DOCUMENTATION OR ANY MATTER WHATSOEVER. EXCEPT AS EXPRESSLY PROVIDED HEREIN, SOLNOVO HEREBY DISCLAIMS ANY AND ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

## 9. LIMITATION OF LIABILITY.

CLB'S LIABILITY UNDER THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION, WILL NOT EXCEED THE AMOUNTS PAID BY CLB TO SOLNOVO UNDER THIS AGREEMENT AS OF THE DATE OF THE EVENT GIVING RISE TO THE CLAIM OF LIABILITY. SOLELY TO THE EXTENT PERMITTED BY APPLICABLE LAWS AND REGULATIONS, CLB WILL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES ARISING OUT OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, SAVINGS, REVENUE, USE, DAMAGED FILES OR DATA, OR BUSINESS INTERRUPTION, REGARDLESS OF WHETHER SUCH CLAIMS ARE BASED OR REMEDIES ARE SOUGHT IN CONTRACT OR TORT, INCLUDING NEGLIGENCE, WHETHER OR NOT CLB



HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

#### 10. INSURANCE.

Solnovo shall maintain, during the term of this Agreement and any Statement of Work, all insurance and/or bonds required by law or as may be reasonably required by CLB, including: (a) Workers' Compensation Insurance as required by each of the state(s) in which Solnovo provides the Services; (b) Employer's Liability Insurance with limits of not less than \$500,000 per occurrence or any amount required by applicable law whichever is greater; (c) Comprehensive General Liability Insurance, on an occurrence basis, including but not limited to (premises-operations, broad form property damage, contractual liability, independent contractors, personal injury, with limits of at least \$1,000,000 combined single limit for each occurrence; and (d) Professional Liability, Errors and Omissions Insurance, with limits of not less than \$1,000,000 per occurrence.

#### 11. GENERAL TERMS.

11.1 Relationship of the Parties. In performing this Agreement, Solnovo shall have the status of, and operate as, an independent contractor. This Agreement does not create any agency, employment, partnership, joint venture, franchise or other similar or special relationship between the parties. CLB is interested only in the results to be achieved. Neither CLB nor Solnovo (or any of Solnovo's representatives) shall have the right or authority to assume or create any obligations or to make any representations, warranties or commitments on behalf of the other party, whether express or implied, or to bind the other party in any respect whatsoever. Without limiting the foregoing, Solnovo shall be solely responsible for paying when due all taxes, including estimated taxes, incurred as a result of the compensation paid by CLB to Solnovo for the Services under this Agreement.

11.2 Language. This Agreement is in the English language only, which language shall be controlling in all respects, and all versions hereof in any other language shall not be binding on the Parties hereto. All communications and notices to be made or given pursuant to this Agreement shall be in the English language.

#### 11.3 Construction.

(a) All references in this Agreement to "Sections" and "Exhibits" refer to the sections and exhibits of this Agreement.

(b) As used in this Agreement, neutral pronouns and any variations thereof shall be deemed to include the feminine and masculine and all terms used in the singular shall be deemed to include the plural, and vice versa, as the context may require.

(c) The words "hereof," "herein" and "hereunder" and other words of similar import refer to this Agreement as a whole, as the same may from time to time be amended or supplemented, and not to any subdivision contained in this Agreement.

(d) The word "including" when used herein is not intended to be exclusive and means "including, without limitation."



(e) Each of the Parties and their counsel have carefully reviewed this Agreement, and, accordingly, no rule of construction to the effect that any ambiguities in this Agreement are to be construed against the drafting Party shall apply in the interpretation of this Agreement.

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

(g) All references to “dollars”, “US\$” or “\$” shall mean United States dollars.

11.4 Assignment. Solnovo shall not assign, delegate, or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of CLB. Any purported assignment in violation of this section shall be void. CLB may assign this Agreement and its rights and obligations hereunder in its sole discretion. Subject to the preceding sentences, this Agreement will inure to the benefit of the Parties’ successors and assigns.

11.5 Nonsolicitation. During the term of this Agreement and for one (1) year thereafter, neither Party will solicit for employment any employee of the other. A general advertisement or a request for employment that is initiated exclusively by an employee of the other shall not be considered a solicitation pursuant to this section.

11.6 No Waiver. The failure of each Party to insist upon the strict observance and performance of the terms of this Agreement shall not be deemed a waiver of other obligations hereunder, nor shall it be considered a future or continuing waiver of the same terms.

11.7 Notices. All notices and other communications under the Agreement shall be in writing and in English, shall be delivered by facsimile transmission (being followed by a confirmation copy by mail), overnight courier service, in person or by registered or certified mail with return receipt requested, and shall be deemed to have been duly given on the date of any receipt or record maintained by the service or person making delivery. Delivery shall be to the facsimile number set forth below or the address set forth in the first paragraph of this Agreement or such other facsimile number or address as may hereafter be furnished in writing by either Party to the other:

If to Solnovo:

ATT: Business Development  
Solnovo, Inc.  
2828 Cochran Street, STE 256  
Simi Valley, CA 93065  
email: legal@solnovo.com  
818-357-5432

If to CLB:

ATT: General Counsel  
City of Long Beach  
333 W Ocean Blvd  
7<sup>th</sup> Floor  
Long Beach, CA 90802

11.8 Governing Law. This Agreement will be governed by the laws of the State of California without regard to its conflicts of law’s provisions. The Parties agree that the U.N. Convention on Contracts for the International



Sale of Goods shall not apply to this Agreement. The state and federal courts within Los Angeles, California will have non-exclusive jurisdiction over all disputes arising out of this Agreement.

11.9 Legal Expenses. In the event legal action is taken by either Party to enforce its rights under this Agreement, all costs and expenses, including without limitation reasonable attorneys' fees, incurred by the prevailing Party, shall be paid by the other Party.

11.10 Local Compliance. Solnovo shall, at its sole expense, obtain and maintain the governmental authorizations, registrations and filings. Solnovo shall comply with all laws, regulations and other legal requirements within any Foreign Jurisdictions that apply to this Agreement.

11.11 Integration. This Agreement, together with the Exhibits hereto, which are hereby incorporated by this reference, completely and exclusively state the agreement of the Parties regarding their subject matter. This Agreement supersedes, and its terms govern, all prior proposals, offers, agreements, or other communications between the Parties, oral or written, regarding the subject matter herein.

11.12 Force Majeure. Except with respect to confidentiality obligations and obligations to protect proprietary items, a delay or nonperformance of any provisions of this Agreement caused by conditions beyond the reasonable control of the performing Party shall not constitute a breach of this Agreement during the period of time such conditions persist, provided that the delayed Party has notified the other of the delay in writing. Conditions beyond a Party's reasonable control include, but are not limited to: natural disasters, acts of government, power failure, fire, flood, force majeure, riots, bombs, bomb threats, acts of war or terrorism and epidemics.

11.13 Amendments. This Agreement may only be amended by an agreement signed by the duly authorized representatives of Solnovo and CLB. The terms contained herein may not be altered, supplemented or interpreted by any course of dealing or trade practices.

11.14 Public Statements. Except as required in the exercise of reasonable judgment under law, rule or regulation, administrative or court order or the rules of a securities exchange, Solnovo will not advertise or make any public statement, representation or announcement about CLB, its business or services or the relationship established in this Agreement without CLB's prior written permission. Solnovo will not make any untrue statement or representation concerning CLB or its business or services. Solnovo will not perform any act, public or private, legal or illegal, that would tend to dishonor or embarrass CLB or its officers, directors or employees, or discredit, reflect adversely upon or in any manner injure the reputation of CLB, its officers, directors or employees, or its services or subject CLB to potential liability.

11.15 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which shall be deemed to be one agreement. A signature received via facsimile or electronically via e-mail shall be as legally binding for all purposes as an original signature.

11.16 Severability. If any portion of this Agreement is held to be unenforceable, the remainder of this Agreement will remain valid.



IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by duly authorized officers or representatives as of the Effective Date.

City of Long Beach

Solnovo, Inc.

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

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

Name: \_\_\_\_\_

Name: Kevin England

Title: \_\_\_\_\_

Title: Senior Vice President

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

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