

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

1 FIRST AMENDMENT TO AGREEMENT NO. 32941

2 **32941**

3 THIS FIRST AMENDMENT TO AGREEMENT NO. 32941 is made and
4 entered, in duplicate, as of September 22, 2014 for reference purposes only, pursuant to
5 a minute order adopted by the City Council of the City of Long Beach at its meeting on
6 June 10, 2014 by and between ERNST & YOUNG LLP, a limited liability partnership,
7 located at 200 Plaza Drive, Secaucus, New Jersey 07094, ("Consultant"), and the CITY
8 OF LONG BEACH, a municipal corporation ("City").

9 WHEREAS, the parties entered into Agreement No. 32941 on December 21,
10 2012 ("Agreement"), wherein EP2M, LLC agreed to provide maintenance, operational
11 support, end user support, enhancements, and upgrades for the Oracle based CIS Solution
12 for utilities providing gas, water, wastewater, and solid waste services to the City in the
13 amount of \$3,525,000;

14 WHEREAS, Ernst & Young LLP is the valid successor in interest to EP2M
15 under the Agreement; and

16 WHEREAS, in connection with the City's adoption of a new utility customer
17 information system, the parties wish to increase the authorized amount of City expenditures
18 under the Agreement;

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

21 1. In addition to the Statement of Work attached as Exhibit 5 to the
22 Agreement or otherwise as provided in the Agreement, Consultant shall provide the
23 services as described in the Scope of Work attached to this Amendment as Exhibit "A"
24 ("Additional Services").

25 2. City shall pay Consultant for the Additional Services in accordance
26 with the terms and conditions of the Agreement in an amount not to exceed Three Hundred
27 Thirty Thousand Dollars (\$330,000).

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

ERNST & YOUNG LLP, a limited liability
partnership

October 24, 2014

By [Signature]
Name Kurt A. Buch
Title Principal

_____, 2014

By _____
Name _____
Title _____

"Consultant"

CITY OF LONG BEACH, a municipal
corporation

11/19/14, 2014

By [Signature]
City Manager
Assistant City Manager

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

"City"

This First Amendment to Agreement No. 32941 is approved as to form on

November 5, 2014.

CHARLES PARKIN, City Attorney

By [Signature]
Deputy

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

EXHIBIT "A"

Scope of Work

Additional Services to Agreement No. 32941

Exhibit A: Additional Services - Statement of Work

This Statement of Work, dated September 22, 2014 (this "SOW"), is made between City of Long Beach, ("CLB" or "Client"), and Ernst & Young LLP ("EY" or "Contractor"). The SOW is subject to the terms and conditions of the Managed Services Agreement which was entered into between CLB and EP²M as of the effective date of November 12, 2012 (the "Agreement"), and assigned to and assumed by Five Point Partners, LLC ("Five Point") then subsequently assigned and assumed by EY.

Except as otherwise specifically set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Agreement. The additional terms and conditions of this SOW shall apply only to the Services covered by this SOW and not to Services covered under any other SOW pursuant to the Agreement.

Definitions

Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings in the Agreement, and references in the Agreement to "you" or "Client" shall be deemed to be references to you. Otherwise, the following terms, as used in this SOW, shall have the following meanings:

- a. "Change Control Procedures" means the documentation describing the procedural process EY and Client will use to manage Changes.
- b. "Change Order" means a mutually-agreed document signed by authorized representatives of both parties in accordance with the Change Control Procedures to document a Change.
- c. "Change" means a revision, substitution, addition, installation, de-installation or other modification in the Detailed Design, the Services or the nature, scope or operations of the Software or the hardware, software, or networks in which the Software will be integrated.
- d. "Deliverables" mean any materials to be developed by EY that are designated in this SOW as being subject to a formal acceptance process upon delivery to Client. Deliverables may be either Written Deliverables or Functional Deliverables. "Functional Deliverables" mean Deliverables that are either: (i) testable configurations made by EY to the Software, such as process workflows, or (ii) software components developed by EY, such as interfaces and report formats. "Written Deliverables" mean Deliverables that are documents, such as system designs or documentation.
- e. "Detailed Design" means (as accepted by Client) an integration strategy for the Software and, if applicable, the associated detailed technical designs for software components to be developed by EY, such as interfaces and report formats.
- f. "Project Plan" means a document that states in detail the responsibilities of and tasks for each party under this SOW.
- g. "Software" means Oracle's Customer Care & Billing (CC&B) or Mobile Workforce Management ("MWM").

- h. The word "including" and its derivatives (such as "include" and "includes") mean "including without limitation;" this term is as defined, whether or not capitalized in this SOW.

Scope of Services

EY will assist CLB with its AMI and MDM implementation by performing data integration work related to the Oracle CC&B application. This will involve designing, developing, unit testing, and defect remediation for code and configuration for the Oracle CC&B application to support the CC&B integration for the AMI project.

EY's project responsibilities will include assisting CLB with the following tasks:

- a. Manage EY engagement implementation tasks for completeness and timeliness.
- b. Review the completed business process documentation to confirm and document requirements for application configuration and interfaces.
- c. Write detailed designs for the interfaces that address the business context, data mapping, technology, and supporting application and customization design for the interface,
- d. EY will rely on the Detailed Design to develop the interfaces for the Software. If Client modifies or Changes the Detailed Design after delivery, EY will be entitled to an equitable adjustment in the schedule for performance and/or compensation otherwise payable to it for the Services under this SOW. Client and EY will agree upon a Change Order documenting any adjustment in the schedule for performance and/or compensation payable to EY as a result of a Change to the Detailed Design.
- e. Develop and unit test the interfaces to validate they meet the design specifications.
- f. Develop and unit test the supporting configuration and required customizations to validate they meet the design specifications.
- g. Support Long Beach's System / Application test of all components (configuration, interface, customizations) for each interface. This support would be in the form of advice and correction of code and configuration for agreed upon defects. Long Beach would be responsible for performing testing of the multiple interfaces in the planned business process sequence to validate the application solution works as designed and performing regression testing to ensure the major functions of the application still work as designed with the new application changes.
- h. Assist in planning and execution of the engagement Integration Testing with the AMI and MDM applications by performing a technical "string" testing of each interface to validate each application's piece of the data integration is exchanging the information correctly.

- i. Correct agreed upon defects in the code and configuration identified during integration functional testing of each interface to validate is working correctly to support the new business processes.
- j. Correct agreed upon defects in the interfaces and related CC&B configuration and code during the initial start of the meter deployment.

Interface Listing

In engagement scoping sessions, all known possible data integration points related to Oracle CC&B and MWM were reviewed and interfaces that will be in EY's scope for the project were identified. These interfaces are listed below and are the defined scope for this work.

#	Name	Description / Purpose
1	CC&B Meter Inventory Load	Load of Meter Data into CC&B upon purchase and inventory of meters from Meter Manufacturers
2	Meter Change Out CC&B Load	Load of Meter Change Out data from Installer Daily Change Out File into CC&B upon installation of meter in the field
3	Index/Register/Comm Module Change Out CC&B Load	Load of Index/Register/Comm Module Change Out data from Installer Daily Change Out File into CC&B upon retrofitting existing meter with new module.
4	Meter Change Out Flexnet RNI Load from CC&B	Extract and Load of Meter Installation data from CC&B for Flexnet RNI upon installation of meter in the field. This will be used both for the mass deployment and single meter change outs. It will also be used for both meter changes outs and retro fitting of existing meters with new indexes/comm modules.
5	Meter Read Upload	This will pull all meter read data from Meters read by the new AMI. May be able to pull the latest meter read for all eligible meters from MDM via query rather than perform download/read/upload process.
6	Location	Daily load of all Location data via Database view.

#	Name	Description / Purpose
7	Meters	Daily load of all Meter data via Database view.
8	Meter / Location Cross Reference	Daily load of all Meter / Location Cross Reference data via Database view.
9	Meter Alias	Daily load of all Meter Alias data via Database view.
10	Billing Schedule	Daily load of all Billing Schedule data via Database view.
11	Meter Coordinates	Daily load of all Meter Coordinates data via Database view.
12	Account	Daily load of all Account data via Database view.
13	Account Services	Daily load of all Account Services data via Database view.
14	Customers	Daily load of all Customer data via Database view.
15	Customers/Account Cross Reference	Daily load of all Customer/Account Cross Reference data via Database view.
16	Single Meter Change Out	Field Activity configuration for an AMI Single Meter Change Out
17	Single Meter AMI Retro Fit	Field Activity configuration for an AMI Single Meter AMI Retro Fit of an index and Sensus FlexNet communication module.
18	Installer Meter Active Deployment File	Installer will need a list of all service point data for the meters for the upcoming change outs with the latest attributes.

#	Name	Description / Purpose
19	Population File to Installer	Long Beach provides information requested by Installer to plan deployment. Includes location information on all meters to be changed out.

Limitations on scope

We will not identify, address or correct any errors or defects in your computer systems, other devices or components thereof (“Systems”), whether or not due to imprecise or ambiguous entry, storage, interpretation or processing or reporting of data. We will not be responsible for any defect or problem arising out of or related to data processing in any Systems. In addition, the following activities are out of scope and are not included in the Services:

- 1) Correction of, and/or providing work-arounds for, any failure of the Software or any other third-party hardware or software to perform in accordance with its specifications.
- 2) Integration of subsequent versions of the Software or modification of any Deliverables under this SOW to interoperate with subsequent versions of the Software.
- 3) All production-related migration and “go live” activities including:
 - a) Source-code migration and archival mechanisms;
 - b) Runtime code distribution;
 - c) Production support and operations; and
 - d) Backup and recovery.
- 4) Perform any test planning or execution beyond developer unit test and technical formatting testing with the interfacing system to validate the data can be processed in the initial step by the receiving system.

Your specific obligations

Our ability to perform the Services in accordance with the Project Plan and our estimate of our fees for the Services is dependent upon the following assumptions and upon Client’s performance of its responsibilities under this SOW and the Agreement:

- a. Client shall complete all process and organizational changes required to support the Services in accordance with the Project Plan and schedule. Except to the extent expressly provided in this

SOW, EY shall not provide process analysis, process design or process reengineering as part of the Services.

- b. i. Client shall provide the following resources and have the following responsibilities (collectively, "Client Resources") to support the Services:
 - A. Services or support: Client will provide business process documentation to define how the interfaces defined by EY will be used by the client. Client will also provide individuals representing the interfacing systems to aid in the development of the interface Detailed Designs.
 - B. Facilities and Equipment: Client will provide onsite and/or remote access to EY personnel as needed to complete the agreed upon work items.
 - D. Client will confirm with EY that the Client has the license rights necessary to provide EY access to third-party software.
 - E. Proprietary Materials: Client will provide access to any third party software documentation and resources required for the completion of the scope of services.
- ii. The ongoing support and/or replacement of the Client Resources listed in Section (b) above will be the responsibility of Client. The Client Resources must be stable and available during normal working hours and outside of normal working hours as may be necessary to allow EY to meet the Project Plan and schedule for the Services. Client shall promptly make any changes to the Client Resources necessary to be compatible with EY requirements.
- iii. EY will not be responsible for any delays in the performance of the Services caused by changes to the Client Resources requested or otherwise made by Client.
- c. Client is responsible for the performance of the Software, all Client Resources and all other hardware, third-party software, communications networks (including access for internal and external users) and database configuration and tuning.
- d. All hardware and software provided by the Client, including the Software, will perform in accordance with their respective specifications (but EY will not be responsible for any failure of any thereof).
- e. Client is responsible for all aspects of hardware sizing, procurement, roll-out and end user support.
- f. Client is responsible for any security features associated with the Software. EY will deliver the Software and Deliverables without the implementation of security, and will not be responsible for any delay or increase in expense resulting from the inclusion of security functionality.

- g. Client is responsible for the results of using the Software and Deliverables in its business operations. Client is also responsible for independent verification and testing of such results prior to using them in its business.
- h. EY will have no liability to Client for any nonperformance, delayed performance or increased fees resulting from Client's breach of its obligations under this SOW or the Agreement. Client shall cooperate fully with EY in the provision of the Services and assign personnel with relevant training and experience to work with EY. In order to enable EY to perform the Services, Client will meet its assigned milestones defined in the Project Plan. If Client is unable to meet any of its assigned milestones, EY will evaluate the cost and schedule impact to the Services and communicate them to Client.
- i. Client shall identify and comply with all legal and other requirements applicable to the conduct of its business and other activities.
- j. Client shall assign a qualified person to oversee the Services. Client is responsible for all management decisions relating to the Services, the use or implementation of the output of the Services and for determining whether the Services are appropriate for your purposes.

Specific additional terms and conditions

The Services are advisory in nature. EY will not render an assurance report or opinion under the Agreement, nor will the Services constitute an audit, review, examination, or other form of attestation as those terms are defined by the American Institute of Certified Public Accountants. None of the Services or any Reports will constitute any legal opinion or advice. We will not conduct a review to detect fraud or illegal acts.

We will base any comments or recommendations as to the functional or technical capabilities of any products in use or being considered by you solely on information provided by your vendors, directly or through you. We are not responsible for the completeness or accuracy of any such information or for confirming any of it.

Unless prohibited by applicable law, we may provide Client Information to other EY Firms, EY Persons and external third parties, who may collect, use, transfer, store or otherwise process such information in various jurisdictions in which they operate in order to provide support services to any EY Firm and/or assist in the performance of the Services.

After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

In performing the Services, EY will not take any action that EY reasonably believes could impair its independence with respect to any of its audit clients or those of other EY Firms. For example, EY will

not instruct, supervise or contract with an entity, without having first determined in its sole discretion that such action would not impair our independence.

We may retain, disclose and use Client Information that we collect in connection with any services we perform for you for research and thought leadership purposes, as well as for the purpose of providing services to other clients, as long as we identify you only in general terms in connection with such information (e.g., "a large municipality in the western United States").

Timetable

Unless otherwise agreed, and subject to the General Terms and Conditions of the Agreement, we expect to perform the Services during the period from September 15, 2014 to July 30, 2015.

EY estimate this to be a seven (7) month effort to define, design, develop, and test the integration between CC&B and other applications. The engagement phases and estimated durations are below. Due to the relatively compressed timeframe there is some overlap of the phases. While this does introduce some risk into the project, it is a typical approach.

Phase	2014				2015			
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Business Process and Requirement Definition	█	█	█					
Development and Unit Testing								
System / Application Testing			█	█	█			
Integration Testing				█	█	█		
End User Training					█	█		
Deployment Support						█	█	█

Please note that EY does not have full responsibility for any of these phases. EY is reliant on the outputs of the Business Process and Requirement Definition phase. EY's only deliverables in the System/Application Testing, Integration testing, and Deployment Support phases will be defect resolution documentation and corrected code and configuration. EY has no deliverables associated with the End User Training. This timetable represents EY's expectations for the overall AMI program to ensure our expectations match Long Beach's expectations. It included in the proposal to enable Long Beach to compare with the AMI program's overall timetable.

Contacts

You have identified Jack Ciulla as your contact with whom we should communicate about these Services. Your contact at EY for these Services will be Chad Hamilton.

Fees

The General Terms and Conditions of the Agreement address our fees and expenses generally. Our fees for the Services will be on a Time & Materials basis.

The table below describes the service fees included in this proposal:

Role	FTE	Months	Remote Hours	On Site Hours	Total Hours	Remote Rate	On Site Rate	Estimated Total Labor Fees
Engagement Quality Assurance	0.10	7.0	32	80	112	225.00	270.00	\$ 28,800.00
Functional Architect	0.75	6.5	460	320	780	185.00	222.00	\$ 156,140.00
Technical Architect	0.50	4.0	240	80	320	185.00	222.00	\$ 62,160.00
Designer (offshore)	1.00	6.0	960	0	960	85.00	102.00	\$ 81,600.00
Totals:			1,692.00	480.00	2,172.00			\$ 328,700.00

Travel and other expenses are inclusive of the fees listed above. It is anticipated that personnel will be onsite at Long Beach for work as detailed above in the estimate. Fees will be invoiced based on EY's monthly calendar which uses a 4 week-4 week-5 week model.

The Engagement Partner will monitor the cumulative fees for the engagement and report that to the City of Long Beach on a monthly basis. EY will notify Client as soon as practicable if this estimate will be exceeded.