

1 FIRST AMENDMENT TO AGREEMENT NO. 32316

2 **32316**

3 THIS FIRST AMENDMENT TO AGREEMENT NO. 32316 is made and
4 entered, in duplicate, as of March 18, 2014 for reference purposes only, pursuant to a
5 minute order adopted by the City Council of the City of Long Beach at its meeting on July
6 5, 2011 by and between EP2M, LLC a New Jersey Limited Liability Company ("EP2M")
7 located at 2 Farmstead Court, Flanders, New Jersey, 07836, and the CITY OF LONG
8 BEACH, a municipal corporation ("City").

9 WHEREAS, the parties entered Agreement No. 32316 on September 16,
10 2011, wherein "EP2M" agreed to provide professional computer services to City in the
11 amount of Six Million Five Hundred Forty-Six Thousand Seven Hundred Thirty-Seven
12 Dollars (\$6,546,737.00) ; and

13 WHEREAS, the parties executed Change Order No. 003 on April 3, 2012 to
14 increase the Contract by One Hundred Thousand Dollars (\$100,000.00), Change Order
15 No. 005 on October 9, 2012 to decrease the Contract by Seventy Thousand Eight
16 Hundred Fifteen Dollars (\$70,815.00), Change Order No. 006 on November 1, 2012 to
17 increase the Contract by Two Hundred Thousand Dollars (\$200,000.00), Change Order
18 No. 008 on January 11, 2013 to increase the Contract by Fourteen Thousand Five
19 Hundred Twenty Dollars (\$14,520.00) and Change Order No. 009 on June 14, 2013 to
20 increase the Contract by Five Hundred Fifty Thousand Three Hundred Forty-Three
21 Dollars (\$550,343.00) for a new and revised total amount of Seven Million Three Hundred
22 Forty Thousand Seven Hundred Eighty-Five Dollars (\$7,340,785.00); and

23 WHEREAS, in December of 2012, EP2M was purchased by FIVE POINT
24 PARTNERS, LLC (hereinafter "Five Point"), located at 200 Galleria Parkway, Suite 1475,
25 Atlanta, GA 30339 and as a result, Agreement No. 32316 was assigned to Five Point;
26 and

27 WHEREAS, the City and Five Point now desire to amend the Contract
28 amount of said Agreement by Seven Hundred Ninety Four Thousand Forty-Eight Dollars

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

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1 (\$794,048.00) to reflect a revised total amount of the Contract;

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

4 1. Section 5.1 of Exhibit 4 to Agreement No. 32316 is amended to
5 reflect an increase of Seven Hundred Ninety Four Thousand Forty-Eight Dollars
6 (\$794,048.00) paid by City to Five Point to reflect a revised Contract amount of Seven
7 Million Three Hundred Forty Thousand Seven Hundred Eighty-Five Dollars
8 (\$7,340,785.00).

9 2. Except as expressly amended herein, all of the terms, covenants,
10 and conditions of Agreement No. 32316, as amended and to the extent not contrary to
11 this First Amendment, shall remain unchanged and in full force and effect.

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

FIVE POINT PARTNERS, LLC
a Georgia limited liability company

14
15
16 MARCH 28, 2014

By [Signature]
Officer's Title CFO

17
18 MARCH 31, 2014

By [Signature]
Officer's Title CEO

"FIVE POINT"

CITY OF LONG BEACH, a municipal
corporation

19
20
21
22 4.22, 2014

By [Signature] Assistant City Manager
City Manager
"Client"

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

23 This Agreement is approved as to form on April 8, 2014

24 CHARLES PARKIN, City Attorney

25
26
27 By [Signature]
Deputy

EP2M/Five Point Contract

Original CC&B and MWM Implementation		\$6,546,737
Change Orders:		
Change Order # 003	100,000	
Change Order # 005	(70,815)	
Change Order # 006	200,000	
Change Order # 008	14,520	
Change Order # 009	550,343	

Amendment Amount		794,048

New Amount		\$7,340,785
		=====



Change Request Form

Project Name	CC&B and MWM Implementation	Change Ref No. 003
Phase Name	Phase 2a&b CC&B/MWM Analysis	

Raised By: Geoff Evans	Date Raised: 3/05/2012	Date Required By: 03/26/2012, See revised MWM Analysis Agenda
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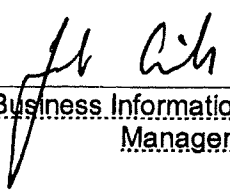
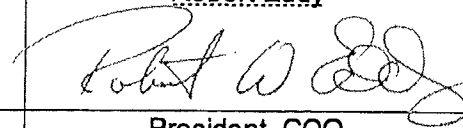
Summary Description:
 The City of Long Beach (CLB) has requested that EP2M add Water Department Field Activities to the scope of the MWM implementation.

Detailed Description:
 EP2M has prepared and reviewed with CLB the attached document *MWM For Water – Recommended Scope and Proposal v7* document. This document serves as the detailed description and scope definition for this change request.

Change Request Analysis Approved: (Yes/No) Yes, Performed through the preparation of <i>MWM For Water – Recommended Scope and Proposal v7</i>		Priority: (Critical/High/Low) High
Estimated Effort: See Effort and Cost Analysis below	Estimated Cost: See Effort and Cost Analysis below	Planned Delivery Date: To be included in the overall MWM Implementation.

Actions Required to Implement: As defined by <i>MWM For Water – Recommended Scope and Proposal v7</i> .	
Preferred Course of Action: Approve as soon as possible	
Resource Assignment: Work to be performed by currently assigned EP2M MWM Project Team.	Project Plan Updated: To be updated by the Project Managers



Change Approval	CLB	EP2M
Signature	Jack Ciulla 	Robert Eddy 
Title	Business Information Services Manager	President, COO
Date	4/2/2012	April 3, 2012



MWM for Water Effort, Cost Analysis and Final Pricing

The following table outlines the effort and costs associated with implementing MWM for the Water Dept. as defined in *MWM For Water – Recommended Scope and Proposal v7*.

Activity	Units	Rate	Total
Analysis/Design	148	\$168	\$24,864
Configuration	276	\$157	\$43,332
Testing	128	\$157	\$20,096
End User Training	24	\$180	\$4,320
Rollout	44	\$157	\$6,908
Total Services	620		\$99,520
FPI @ 10%			\$9,952
Total Services w/FPI			\$109,472
Travel (additional trips)	10	\$1,500	\$15,000
Total MWM for Water Dept.			\$124,472

The following table outlines exchanged value of effort continuing with the current solution using CC&B as defined in *MWM For Water – Recommended Scope and Proposal v7*.

Activity	Hours	Exchange Rate	Exchange Value
Analysis	16 (Done)	\$168	\$0
Configuration	16	\$157	\$2,512
Development – Interface	20	\$80	\$1,600
Development – Report	20	\$108	\$2,160
Testing	20	\$157	\$3,140
End User Training	4	\$180	\$0
Rollout	0	\$0	\$0
Travel (additional trips)	0	\$1,500	\$0
Total Value for Exchange	80		\$9,412

Final Fixed Price

Total MWM for Water Dept.	\$124,472
Total Value Exchanged	(\$9,412)
Additional Goodwill Discount	(\$15,060)



Total Fixed Price Change Request

\$100,000

The value of this Change Request is subject to the Analysis Scope Reconciliation process defined in the SOW. It is anticipated that some part of this Change Request cost may be exchanged for other unused scope items, such as the Reports scope defined in Appendix D of the SOW.

Since some costs will be incurred prior to the completion of the reconciliation process, an initial payment of \$25,000 will be due upon completion and acceptance of MWM Payment Milestones M9 as defined in SOW.

- a. Deliverable – MWM Functional Design Specification
- b. Anticipated Invoice June 2012

The payment schedule for remaining \$75,000 will be determined at the completion of the reconciliation process. In the situation where no exchange is made, the following payment schedule will be in force.

1. \$25,000 upon completion and acceptance of MWM Payment Milestone M12 as defined in the SOW.
 - a. Deliverable – Design, Develop and Unit Test MWM and ORS per the MWM and ORS Design Specification
 - b. Anticipated Invoice Sept 2012
2. \$25,000 upon completion and acceptance of MWM Payment Milestone M16 as defined in the SOW
 - a. Deliverable – EP2M Project Team Testing Support– Month 3
 - b. Deliverable – End User Training Materials – Final Draft
 - c. Anticipated Invoice Jan 2013
3. \$25,000 upon completion and acceptance of MWM Payment Milestone M18 as defined in the SOW.
 - a. Deliverable – EP2M Project Team Testing Support – Month 5
 - b. Deliverable – Completion of End User Training
 - c. Anticipated Invoice March 2013



Change Request Form

Project Name	CC&B and MWM Implementation	Change Ref No. 005
Phase Name	Phase 2 Analysis	

Raised By: Aya Zucker	Date Raised: 9/27/2012	Date Required By: 10/15/2012 or as soon as practical
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Summary Description:	Scope reconciliation
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Detailed Description:			
1. Scope of the project has changed as follows:			
a. CLB and EP2M agree that EP2M will develop only 25 specified reports and not 109 as was originally stated in the SOW.			
b. CLB and EP2M agree that EP2M will develop 22 extensions rather than 11 as originally specified in the SOW			
c. CLB and EP2M agree that EP2M will develop and deliver MWM End-User Training rather than using Oracle University. EP2M has agreed to credit the value of this training and in lieu of this cost savings, CLB agrees to actively participate by providing formal, constructive feedback to EP2M during the courseware development and training delivery. This includes but not limited to courseware and training delivery reviews or walkthroughs.			
2. The cost of the contract will be adjusted as follows:			
Scope Reconciliation			
Reports	Hours	Rate	Dollars
Contracted	3,040	\$63	\$191,520
Revised Estimate	1,080	\$63	\$68,040
Net Reports	-1,960		(\$123,480)
Decision Sheets			
Contracted Available	2,665	\$105	\$279,825
Revised Estimate	3,450	\$105	\$362,250
Net Decision Sheets	785		\$82,425
Other			
MWM for water CO (less invoiced)			\$75,000
MWM end user training	-96	\$310	(\$29,760)
Change to Original Contract (Including MWM for water)			\$4,185



The additional cost to the contract will be added to the amount of the next payment milestone occur after this change order is signed.

List of Reports to be built by EP2M:

	Ref #	Report Requirement Description	Estimated Hrs
1	10.13.27	Collection Agency Validation Errors	20
2	10.13.43	Daily Statistics Merge Totals	20
3	10.13.59	Mail Address Audit List	40
4	10.13.62	Monthly Statistics Merge Totals	40
5	10.13.79	Service Order Transaction Audit SOA	40
6	10.13.87	Transaction Merge Totals	40
7	10.13.108	Web Interface Service Order Transaction Errors	40
8	NSOW.012	EasyPayReports DRs / Cash Sources Balancing	20
9	NSOW.013	LBWD_Financial_Reports - Accumulative - KPI	40
10	NSOW.017	UB_Water_Sales_Report - Accumulative - KPI	40
11	NSOW.043	EIR 320	40
12	NSOW.049	Utility Billing Master File Stats Audit List Informational Audit Report	40
13	NSOW.050	Utility Billing Master File Stats Audit List Warning Audit Report	40
14	NSOW.051	Refuse Activity Performance Data Report	40
15	NSOW.052	LBWD Activity Performance Data Reports	40
16	NSOW.054	Turn On to Backflow Protected WTR SVC_EIR 282	120
17	NSOW.055	Consumption on Fireline Account-EIR 035-015	120
18	NSOW.056	"Missing Refuse" EIR Report	120
19	NSOW.060	Utility Rate Audit Listing	20
20	NSOW.061	Who See-If-Using Transaction Audit	40
21	NSOW.063	Service Address Audit List	20
22	NSOW.064	Error and Investigation Register	20
23	NSOW.065	Utility Billing Master File Stats Audit List Error Audit Report	40
24	NSOW.068	CMR Meter Re-Read Report	40
25	NSOW.069	Remittance Processor DR report	20



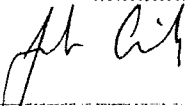
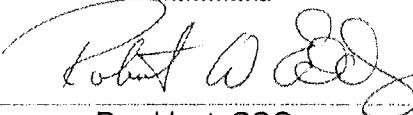
List of Extensions to be built by EP2M:

ID	Name	Solution Chosen By CLB	Work Estimation in Hours
1	AJ.001	Adjustments for Failed Outmeters - Gas will come back on	2 90
2	AJ.002	Create a new "LEVY NSF CHARGE" algorithm type	2 80
3	AJ.003	Minimum Late Payment Charges	1 200
4	BI.001	Bill Message By Specific Criteria	1 160
5	CI.001	Display Collection Agency Commission in CC&B	1 200
6	CC.002	Letter to Customer when Low Income Discount Ready to Expire	1 160
7	DP.002	Custom algorithm for deposit recommendation	2 90
8	DP.003	Automatically add or increase deposit	2 160
9	FW.002	FA Remark Action Algorithm - Create Future Dated FA	2 120
10	FW.004	Use scheduled MR for Read FA	1 120
11	FW.005	FA Completion Algorithm to Apply Adjustment based on SA Status Priority	1 180
12	FW.006	FA Completion Algorithm to Create To Do's	1 90
13	PA.001	Change Checkbox Default on Payment Arrangement Screen	2 80
14	PY.002	New Payment Distribution Algorithm	2 200
15	PY.003	HEAP Payment Distribution	2 160
16	RT.001	Annual Sewer Factor calculation	1 200
17	RT.002	Annual Update Small vs. Large Com Gas Rates	1 160
18	SS.001	Date warning message when starting or stopping service	1 90
19	SV.001	Property Posting When Account has Different Mailing Address	1 160
20	WO.003	Create Collection Fee	1 120
21	WO.004	WO Control - Transfer Debt Based on Service Type	1 120
22	WO.005	Collection Agency - Calculate Agency Commission	1 180

Change Request Analysis Approved: (Yes/No) Not Required		Priority: (Critical/High/Low) High
Estimated Effort: None	Estimated Cost: \$4,185	Planned Delivery Date: Not Applicable

Actions Required to Implement:	
Preferred Course of Action: Approve as soon as possible	
Resource Assignment: Not Required	Project Plan Updated: To be updated by the Project Managers



Change Approval	CLB	EP2M
Signature	Jack Ciulla 	Robert Eddy 
Title	Manager, Business Information Services	President, COO
Date	10/8/2012	October 9, 2012



Change Request Form

Project Name	CC&B and MWM Implementation	Change Ref No. 006
Phase Name	Phase 3 Testing	

Raised By: Aya Zucker	Date Raised: 10/31/2012	Date Required By: 11/2/2012 or as soon as practical
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Summary Description:	Testing support
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Detailed Description:

The City of Long Beach is asking to add one support person with CC&B knowledge to the project for the purpose of supporting the Project's Core Team and SMEs in their test scripts development and test execution.

Start date: November 12, 2012.

Duration: 6 months to project Go-Live (currently estimated to be end of May 2013)

T&E Rate \$173 per hour, 40 hours a week. Expenses should be estimated 3 trips per months @ \$1,500 a trip.

Services and Expenses will be specified in the Monthly Certificates of Acceptance.

Based on the availability of the selected resource, during November he will be on the project for only 1 week (the week of November 12). Due to short notice for start date, air fare will be higher than normally expected.

Expense guidelines are:

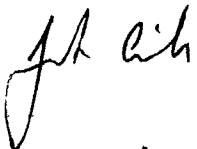
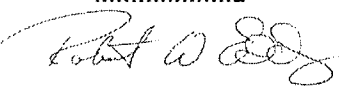
- Air Travel
 - Coach Class
 - Minimum 14-Day advance purchase unless approved in advance.
 - Maximum of two flights booked in advance unless approved by Company.
 - Reimbursement of non-refundable tickets and/or ticket change fees is allowed if the fees were incurred as a result of change to the schedule for travel.
- Lodging Accommodations
 - Standard accommodations. Currently Government rate if available.
- Automobile Rental
 - Mid-size vehicle
- Personal Privately-Owned Vehicle
 - Airport parking, short term or long term as appropriate
 - Mileage reimbursement in accordance with the current IRS standard mileage rate.
- Daily Expense Allowance (Per Diem)

EP²M

- The prevailing GSA rate for M&IE for Long Beach, CA will be used for full 24-hour day of travel. As of Sept. 13, 2011, the prevailing rate is \$71.
- For partial travel days (day of departure and day of return), the per diem allowance is 75% of the standard allowance (\$53.25).
- Per Diem Covers:
 - Meals, traveler only - excluding meals purchased directly by CLB
 - Tips for meals, lodging, or airport services
- 6. Other Allowable Expenditures
 - Business telephone calls, including hotel internet access charges needed for the completion of the services specified in the SOW
 - Computer communication line to utilize CLB sites
 - Taxi Fare including tips, except when Automobile Rental acquired
 - Airport shuttle service, obtain no charge courtesy service when available

Change Request Analysis Approved: (Yes/No) Not Required		Priority: (Critical/High/Low) High
Estimated Effort: 1 week in November 2012 and 6 months starting December 2012.	Estimated Cost: \$200,000 for 6 months	Planned Delivery Date: Not Applicable

Actions Required to Implement: EP2M to sign contract with contractor.	
Preferred Course of Action: Approve as soon as possible	
Resource Assignment: Support core team in test scripts development and execution.	Project Plan Updated: To be updated by the Project Managers

Change Approval	CLB	EP2M
Signature		Robert Eddy 
Title	Business Information Services mgr.	President, COO
Date	11/1/12	11/1/2012



Change Request Form

Project Name	CC&B and MWM Implementation	Change Ref No. 008
Phase Name	Phase 3 Testing	

Raised By: Aya Zucker	Date Raised: 12/13/2012	Date Required By: End of March 2013
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Summary Description:	FW.007 - FA Remark Algorithm
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Detailed Description:
CLB decided to have EP2M develop solution number 1 in the attached decision sheet (FW.007 – FA Remark Algorithm) with the additional cost of \$14,520. Payment will be added to payment milestone C19.

Change Request Analysis Approved: Yes	Priority: Medium	
Estimated Effort: 165 Development hours	Estimated Cost: \$14,520	Planned Delivery Date: End of March 2013

Actions Required to Implement: Sign this Change Request so EP2M will schedule the development.	
Preferred Course of Action: Approved by the Steering Committee	
Resource Assignment: N/A	Project Plan Updated: To be updated by the Project Managers

Change Approval	CLB	EP2M
Signature	<i>Jack Ciulla</i> <i>ft. lib</i>	Robert Eddy
Title	<i>Manager, Business Info Services</i>	President, COO

EP²M

Date	1-11-13	

Change Request Form

Project Name	CC&B and MWM Implementation	Change Ref No. 009
Phase Name	Phase 3a&b, 4a&b, 5a&b, and 6 of the CIS Solution Implementation Project	

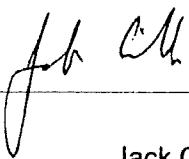
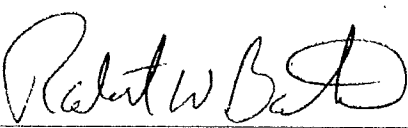
Raised By: Robert Batson	Date Raised: 4/18/2013	Date Required By: Effective upon execution
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Summary Description:
 Five Point has proposed to take over project management responsibility as defined in Attachment A and thus, assume primary responsibility for driving project activities toward an October 1, 2013 Go-Live date. CLB is in agreement with this proposal subject to the terms and conditions of this change order as stated herein.

Detailed Description:
 All terms, conditions, technical, functional and service requirements as stated in the executed Contract No. 32316 between the parties shall remain the same unless otherwise specifically addressed herein. Attachment A to this Change Order further defines the associated detailed requirements and understanding between the parties.

Change Request Analysis Approved: TBD Identification of outstanding deliverables and services and inclusion of all in a new proposed project plan		Priority: (Critical/High/Low) High
Estimated Effort: N/A	Estimated Cost: TBD	Planned Delivery Date: Starting upon execution of this change order.

Actions Required to Implement: Executed change order	
Preferred Course of Action: Approve as soon as possible	
Resource Assignment: Work to be performed by currently assigned Five Point CC&B and MWM Project Team as well as other Five Point staff.	Project Plan Updated: Attached hereto.

Change Approval	CLB	Five Point
Signature		
Name	Jack Ciulla	Robert W. Batson
Title	Business Information Services Manager	CTO
Date	June 14, 2013	June 11, 2013

Attachment A - Change Order Detail

1. Five Point shall remove the current Five Point Project Manager, Aya Zucker, from the project effective not later than the execution date of this Change Order May 24, 2013.
2. CLB shall remove the current CLB Project Manager, Jeanne Takano, from the project effective not later than the execution date of this Change Order. Jeanne Takano may be involved in back office, administrative activities related to the project, however she will not direct or interact with CLB staff, Five Point staff or project related 3rd party staff in project execution or delivery related activities.
3. CLB shall not re-assign or change CLB staff or CLB's 3rd party contractors. CLB staff and CLB's 3rd party contractors assigned to the project will take direction from Five Point. CLB will ensure CLB staff or CLB's 3rd party contractors provide accurate and timely progress status and percent complete on tasks defined in the project schedule. Five Point will promptly notify CLB in the event accurate and timely status and/or percent complete is not provided. Third party contractor exceptions to this clause are as follows: Sandra Frankyl from Meridan, Helena Arroyo and Krystle DeBorja from C3G, Tim Almond from Langham Consulting, interns and other temp agency staffing and the City Contract Manager.
4. Five Point shall replace Aya Zucker with David Poulin, an experienced CC&B Project Manager. David shall serve as the overall Project Manager for both the CC&B and MWM implementations and all project workstreams shall be overseen by David.
5. Any and all instances and references to CLB or CITY Project Manager occurring in the PSA, the SOW, Change Orders, contract amendments or project artifacts, hereafter referred to as Project Documents, shall be changed to Five Point or CONTRACTOR Project Manager and all associated tasks and activities of the CITY Project Manager will become the sole responsibility of the Five Point /CONTRACTOR Project Manager.
6. Any and all instances and references to activities and/or responsibilities in the Project Documents that were originally jointly shared between the CLB/CITY PM and the Five Point/CONTRACTOR PM, shall now be the sole responsibility of the Five Point/CONTRACTOR PM.
7. By virtue of the above changes, CONTRACTOR is accepting all project management activities and responsibilities previously assigned to or shared with the CLB PM, as well as continuing to perform all PM activities and responsibilities assigned to CONTRACTOR. While Five Point's PM will oversee all project workstreams, the CITY project team, working at the direction of Five Point's PM,

will remain responsible for all project delivery responsibilities originally defined in the PSA and SOW.

8. Given the resulting increase in the CONTRACTOR Project Management duties identified in the Project Documents as a result of this Change Order, the CONTRACTOR shall also provide/assign, by the date of execution of this Change Order, a CLB Project Team Lead acceptable to CLB that is responsible for communicating and directing the project activities of all CLB project team members. It is further acknowledged by the parties that in the absence of the CLB Project Team Lead, the CLB Team may receive project instructions directly from the CONTRACTOR Project Manager.
9. Since the coordination, scheduling, and directing of all CLB testing activities is on the critical path to Go-Live, the CLB Test Lead will take direction from and be responsible to the CONTRACTOR Project Manager. CLB will continue to provide all existing assigned testing staff, at their current level of involvement (full or part-time), to perform and execute their duties under the direction of Five Point during regularly scheduled project work hours and, as may reasonably be expected, outside of normal work hours as required to complete their duties and deliverables according to schedule. Five Point agrees to work collaboratively with CLB to develop a revised testing schedule that allows for appropriate time for all testing activities to be executed.
10. CITY shall assign a CITY Contract Manager to monitor CONTRACTOR performance, CITY project team assignments/performance, and overall project team performance. Since the CITY team will now be under the direction of the CONTRACTOR, the CITY Contract Manager shall report directly to the CITY Project Director to provide "as needed" project updates, but not less than once a week, and does not assume any Project Management, CITY staff management, or third party management responsibilities. These project updates will be in addition to but not at the replacement of Contractor Project Management updates. The CITY Contract Manager shall be considered a key member of the project team and shall be included in all CITY team meetings conducted internally or by the CONTRACTOR's PM and is responsible for monitoring all CITY interests in this project.
11. Five Point and CLB mutually agree that this Change Order and all remaining project implementation services/deliverables will be executed by Five Point for the additional Fixed Price of \$550,343. This Change Order fee is for the completion of all Project Services as now defined in the PSA, the SOW, and any valid Change Orders up to and including the execution date of this Change Order. Any further changes in project schedule or Go-Live date shall not cause an additional change in price except for 1) material delays in City deliverables and such delays were due to the City's action or inaction or 2) additional scope is added to the project by the CITY. Five Point is responsible for notifying the City immediately if a pending issue could result in a costed Change Order. In the

event of a missed go-live date, both parties shall work diligently to establish a new go-live date and continue all staff and work efforts on the project without interruption. Additionally, Five Point shall not engage in a reduction of the remaining scope of work without consent of the CITY. Neither Five Point nor the CITY shall reduce their overall quality of work in order to meet the obligations under the CONTRACT.

12. This Change Order amount is \$550,343 of which 10% (\$55,034) will be held back. The remaining Change Order amount (total payment less the holdback) of \$495,308 shall be prorated in equal payments of \$99,061 over the months between May, 2013 and Go-Live. Additionally, three months of accelerated Stabilization payments amounting to \$530,286 will be paid as follows: 50% of the payment or \$265,143, will be paid in equal payments of \$53,029 over the months between May, 2013 and Go-Live. The remaining 50% will be paid according to paragraph 12(b) below. The May, 2013 payments shall be due upon signing of this Change Order and are subject to (1) CITY's receipt and approval of a new CITY Project Plan and a detailed CITY Deliverable Schedule (incorporated herein by reference as if fully attached hereto) for the remainder of the project. The remainder of the payments are subject to the acceptance by CLB of the services/deliverables provided by CONTRACTOR in accordance with the revised Project Plan and deliverable schedule utilizing the acceptance terms specified in Section 7 of the SOW.
 - a. The 10% Change Order holdback amount of \$55,034 as well as the original holdback amount of \$654,674 will be paid upon Final CIS Solution Acceptance under the original terms of the executed Contract.
 - b. If the CIS Solution Go-Live is achieved on or before October 1, 2013, then a subsequent Go-Live Payment of \$265,143 (50% of the accelerated Stabilization payments) shall be paid in October 2013. If Go-Live is not achieved on or before October 1, 2013, the \$265,143 will be paid in 3 equal payments of \$88,381 over the three month period of October, 2013, November, 2013, and December, 2013.
 - c. Regardless of the actual Go-Live date, the remaining Stabilization Period payments of \$530,286 shall be paid in equal installments over the first three months after go-live subject to the terms and conditions of the executed Contract.
 - d. Managed Services shall begin on the fourth month after Go-Live with payments occurring as per the terms and conditions of the Managed Services Agreement.

The deliverables that make up each monthly payment are listed for reference in the revised deliverable schedule and their delivery may shift slightly from what is defined in the revised deliverable schedule. This could create the need to proportionally reduce or increase the money due at any particular payment milestone. The Five Point Project Manager will inform the CLB Project Director of deliverables or services provided each month and document them explicitly. The

CLB Contract Manager will then verify acceptance of those deliverables by the CLB Project Team and report accordingly to the Project Director any and all accepted services and deliverables before payment shall be made by CLB.

The Monthly Milestone Payment amount shall be modified by the CLB Project Director in cases where one or more project deliverables were not accepted by CLB in accordance with SOW Section 7. The method of payment modification is illustrated in the following example. In a case where there are 10 deliverables made in a month and only 8 deliverables were accepted. CLB shall then make a payment equal to 80% of the scheduled monthly payment and hold the other 20% until acceptance of the previously rejected deliverables. Likewise, payment withheld in one month due to non-acceptance of a deliverable can be added to the next month's payment if that deliverable is now accepted. Monthly invoices will be for services and/or deliverables rendered in the prior month.

13. Both parties acknowledge and agree that all payments for Month 1 through Month 18 have been made in their entirety, and by way of this Change Order, the outstanding and incomplete deliverables from that time period are appropriately scheduled for delivery prior to Go-Live in accordance with the attached Project Plan and Deliverable Schedule.
14. Five Point Implementation Resources will stay in place for 3 months after Go-live to provide Post Implementation Support through the Stabilization Period.
15. Section 5.2.1 is hereby replaced by the attached CITY Deliverable Schedule and remaining payments shall be made in accordance with the terms and condition contained in this Change Order No. 009.
16. The revised schedule for all remaining Five Point implementation services and deliverables is identified in the attached revised Project Plan as mutually agreed by the parties.
17. Both parties agree to participate in biweekly Steering Committee Meetings until such time that both parties agree that it is reasonable to resume the monthly Steering Committee schedule.
18. CLB will ensure the 3rd party QA consultant provides a detailed overview of their recommendations to Five Point as part of briefing sessions held prior to the formal QA reports being delivered to the CLB steering committee.
19. The CLB Project Director and the Five Point PM will review 3rd party SOWs so that the Five Point PM can 1) Identify the hard deliverables and timing and 2) ensure 3rd party work is appropriately incorporated into the project schedule.