



AGENDA REPORT

Meeting Date: July 7, 2011
Item Number: F-20
To: Honorable Mayor & City Council
From: David Schirmer, Chief Information Officer
Subject: AMENDMENT NO. 12 TO AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND INTERNATIONAL BUSINESS MACHINES CORPORATION FOR ONGOING MAINTENANCE AND SUPPORT SERVICES FOR THE CITY'S DATA CENTER; AND

AUTHORIZE A PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED \$275,000 FOR THE SERVICES.

Attachments: 1. Agreement

RECOMMENDATION

Staff recommends that the City Council: (i) approve "Amendment No. 12 to an Agreement between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center;" and (ii) authorize a purchase order for an amount not to exceed exceed \$275,000 for maintenance and support services as outlined in this agenda report.

INTRODUCTION

IBM is an industry leader in the provision of hardware, software, equipment and services related to enterprise server and storage systems, holding numerous government contracts for the provision of information technology goods and services. The City continues to review the partnership with IBM and IBM resellers to ensure that the City receives competitive pricing for any IBM-related goods and services, maintenance and support which are included in the IBM Customer Agreement negotiated by the City, as amended each year to include the then current inventory and anticipated services.

DISCUSSION

The City's IBM server and storage infrastructure represent critical enterprise systems that must be maintained to ensure business continuity. The City requires renewal of the

annual maintenance and support with IBM to effectively continue providing a stable and supportable computing environment for all City users and the public. Renewal of the maintenance and support is also part of the Information Technology work plan for the fiscal year to provide preventative maintenance and proactive systems management for the server and storage environment, including services, replacement parts, equipment and software upgrades.

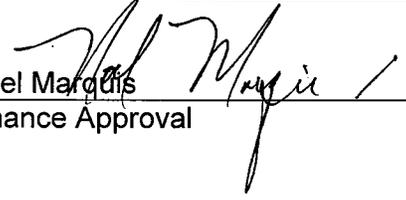
In 2003, the City executed a customer services agreement with IBM for the provision of services. Subsequent yearly hardware and software maintenance and support services have been provided pursuant to the terms of that customer services agreement upon the issuance of a purchase order. The proposed Amendment No. 12 provides that the hardware and software maintenance services to be provided by IBM are as follows: (i) hourly technical consulting services for maintenance and support in the amount of \$52,750; (ii) hardware maintenance in the amount of \$141,135.83 and \$1,796.00; (iii) software support services in the amount of \$9,825.72; (iv) software support services in the amount of \$37,407.50; (v) a contingency amount of \$32,084.95 for additional hardware and software and other unanticipated support services during fiscal year 2011-2012.

In addition to the customer services agreement, IBM requires execution of certain documents, such as individual service proposals or quotes. The proposed Amendment No. 12 authorizes the City's Chief Information Officer to execute documents required by IBM to obtain such goods and/or services.

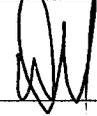
FISCAL IMPACT

The total cost for this Amendment is an amount not to exceed \$275,000. The funding has been budgeted and is available in Information Technology's account for the IT Division. Funds for this project are provided as follows:

Budget Unit	Account #	Description of Fund Source/Account #	Amount
4801501	73030	Maintenance and Repair Non-Auto	\$275,000.00
Total:			\$275,000.00



Noel Margolis
Finance Approval



David Schirmer
Approved By

Attachment 1

AMENDMENT NO. 12 TO AN AGREEMENT BETWEEN THE
CITY OF BEVERLY HILLS AND INTERNATIONAL
BUSINESS MACHINES CORPORATION FOR ONGOING
MAINTENANCE AND SUPPORT SERVICES FOR THE
CITY'S DATA CENTER

NAME OF CONSULTANT: International Business Machines
Corporation ("IBM")

RESPONSIBLE PRINCIPAL
OF CONSULTANT: Samantha Scherr, Client Executive

CONSULTANT'S ADDRESS: 4660 La Jolla Village Drive, Suite 300
San Diego, CA 92122

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: David Schirmer
Chief Information Officer

COMMENCEMENT DATE: December 2, 2003

TERMINATION DATE: July 31, 2012

CONSIDERATION: Not to exceed \$275,000 for annual
maintenance and support services
provided pursuant to Exhibit A of
Amendment No. 12

AMENDMENT NO. 12 TO AN AGREEMENT BETWEEN THE CITY
OF BEVERLY HILLS AND INTERNATIONAL BUSINESS
MACHINES CORPORATION FOR ONGOING MAINTENANCE AND
SUPPORT SERVICES FOR THE CITY'S DATA CENTER

This Amendment No. 12 is to that certain agreement entitled "Agreement Between the City of Beverly Hills and International Business Machines Corporation for Maintenance and Support Services" between the City of Beverly Hills, a municipal corporation (hereinafter called "City"), and International Business Machines Corporation, a New York corporation (hereinafter "Consultant"), dated December 2, 2003, and identified as Contract No. 372-03 for maintenance and support services in connection with the City's Data Center (the "Agreement").

RECITALS

A. On December 2, 2003, City entered into the Agreement with Consultant for ongoing maintenance and support services in connection with the City's Data Center, as described more fully in the Agreement.

B. On November 16, 2004, the Parties entered into that certain Amendment No. 1 to the Agreement entitled "Amendment No. 1 to Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to modify the scope of services and to extend the term of the Agreement.

C. On July 5, 2005, the Parties entered into that certain Amendment No. 2 to the Agreement entitled "Amendment No. 2 to Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to modify the scope of services and to extend the term of the Agreement.

D. On July 11, 2006, the Parties entered into that certain Amendment No. 3 to the Agreement entitled "Amendment No. 3 to Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to modify the scope of services and to extend the term of the Agreement.

E. On July 10, 2007, the Parties entered into that certain Amendment No. 4 to the Agreement entitled "Amendment No. 4 to Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to modify the scope of services and to extend the term of the Agreement.

F. On May 6, 2008, the Parties entered into that certain Amendment No. 5 to the Agreement entitled "Amendment No. 5 to Agreement Between the City of Beverly Hills

and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to modify the scope of services and to extend the term of the Agreement.

G. On June 17, 2008, the Parties entered into that certain Amendment No. 6 to the Agreement entitled "Amendment No. 6 to an Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to modify the scope of services and to extend the term of the Agreement.

H. On August 19, 2008, the Parties entered into that certain Amendment No. 7 to the Agreement entitled "Amendment No. 7 to an Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to modify the scope of services and to extend the term of the Agreement.

I. On April 20, 2009, the Parties entered into that certain Amendment No. 8 to the Agreement entitled "Amendment No. 8 to an Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to add the Master Services Attachment for ServiceElite to Attachment A to the Customer Agreement Signature Page for Attachments.

J. On May 29, 2009, the Parties entered into that certain Amendment No. 9 to the Agreement entitled "Amendment No. 9 to an Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to modify the scope of services and to extend the term of the Agreement.

K. On July 21, 2009, the Parties entered into that certain Amendment No. 10 to the Agreement entitled "Amendment No. 10 to an Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center" to modify the scope of services and to extend the term of the Agreement.

L. On July 8, 2010, the Parties entered into that certain Amendment No. 11 to the Agreement entitled "Amendment No. 11 to an Agreement Between the City of Beverly Hills and International Business Machines Corporation for Ongoing Maintenance and Support Services for the City's Data Center."

M. City and Consultant desire to further modify the Agreement to amend the Scope of Services, the Consideration and to extend the term of the Agreement.

NOW, THEREFORE, the parties hereto do amend the Agreement as follows:

Section 1. The Termination Date shall be amended as set forth above for the scope of work set forth in this Amendment No. 12.

Section 2. The Consideration for the scope of work under this Amendment No. 12 shall be amended as set forth above.

Section 3. The Scope of Work for the services provided under this Amendment No. 12 shall be as set forth in Exhibit A, and shall be attached to and incorporated as part of this Agreement.

Section 4. Except as expressly modified by Sections 2 and 3 of Amendment No. 9, and this Amendment No. 12, all of the provisions of the Agreement shall remain in full force and effect.

Section 5. The City Council hereby authorizes the City's Chief Information Officer to: (i) execute the Services Proposal for the Hourly Technical Consulting Services set forth in Exhibit A to this Amendment No. 12; and (ii) to execute quotes or other documents required by Consultant for the provision of services to the City as described in Exhibit A to this Amendment No. 12.

EXECUTED the ____ day of _____, 2011 at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

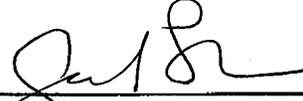
BARRY BRUCKER
Mayor of the City of
Beverly Hills, California

ATTEST:

BYRON POPE
City Clerk

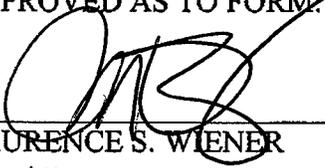
(SEAL)

VENDOR: INTERNATIONAL
BUSINESS MACHINES CORPORATION



SAMANTHA SCHERR
Client Executive

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager



DAVID SCHIRMER
Chief Information Officer



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF SERVICES

Consultant shall provide the hardware/software support and maintenance services as provided for in the documents attached to this Exhibit A in the total amount of \$242,915.05.

If requested by City, Consultant may provide additional hardware/software products, services or maintenance. Such request shall be made by City and agreed upon by both parties upon mutual execution of a proposal, scope of services or other quote provided by Consultant to City ("Additional Services"). Such Additional Services shall not exceed \$32,084.95. The Chief Information Officer is authorized to execute such documents required by Consultant to obtain those Additional Services.

IBM Schedule for ServiceElite

This Schedule contains a listing of the Eligible Machines at the Specified Locations identified below for which IBM will provide the identified Services as described in the referenced Master Services Attachment and any referenced Statements of Work and Change Authorizations. The complete agreement between us about these Services consists of 1) this Schedule 2) the referenced Master Services Attachment and any referenced Statements of Work and Change Authorizations, and 3) the IBM Customer Agreement (or any equivalent agreement in effect between us).

Name and Address of Customer:

CITY OF BEVERLY HILLS

Customer Billing Address:

CITY OF BEVERLY HILLS
IT DEPT
455 N REXFORD DR
BEVERLY HILLS CA 90210-4817

Master Services Attachment Number:

Statement of Work Number: A63WGR

Change Authorization Number:

Customer Number: 01782976

Schedule Number:

A63WGR

Revised Schedule:

No

Schedule Effective Date:

03/28/2011

Proposal Reference Date:

08/01/2010

Transaction Contract Period:

Start Date:

08/01/2010

End Date:

07/31/2011

Renewal Contract Period:

1 Year(s)

*** Charge Period Charges / Payment Plan (Inclusive of MES):**

WSU One Time Charges: 0.00
SWMA ALF One Time Charges: 0.00
MMS for CISCO HW One Time Charges: 0.00
MMS for CISCO SW One Time Charges: 0.00
MMS for Nortel One Time Charges: 0.00
One Time Charges: 0.00

Maintenance Charges: 141,135.83
Service Charges: 0.00
*** TOTAL CHARGE PERIOD CHARGES: 141,135.83**
Annually

Charge Period:

Start Date:

08/01/2011

End Date:

07/31/2012

Accumulated Adjustment Invoicing option: N

Automatic Inventory Increase Option Applies:

Machine Maintenance Services Option #1: N

Software Services Option #2: N

Price Protection Option: Opt#1 Annual Price Protection

Pricing Method: Line Item

* Charges are based on the current inventory and services identified in this Schedule. Actual charges may vary with any additions, deletions, or changes to the inventory or services. Any applicable taxes are not included in the charge amounts herein but will be added to your invoice.

For a Machine subject to usage charges, in addition to the Service charge identified herein, you will be separately billed for usage in accordance with applicable usage rates and billing cycles.

The Parties need not to sign this Schedule, unless either of us requests it.

Agreed to:

By: _____

Marc Johnson, Assoc COO
Authorized signature

Name (type or print): _____

MARC HOBSON

Date: _____

Agreed to:

International Business Machines Corporation

By: _____

Samantha Scherer
Authorized signature

Name (type or print): _____

Samantha Scherer

Date: _____

6/1/11

IBM Schedule for ServiceElite

Enterprise Total for Charge Period by Customer Number Inclusive of MES:

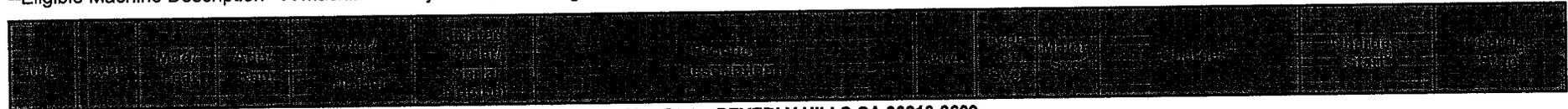
Customer No.	Customer Name	Description of Location	Charge
00985895	CITY OF BEVERLY HILLS	333 N FOOTHILL RD, PS MAINTENCE SERVICE, BEVERLY HILLS CA 90210-3609	675.00
01782748	CITY OF BEVERLY HILLS	455 N REXFORD DR, INFORMATION TECHNOLOGY, BEVERLY HILLS CA 90210-4817	450.00
01782812	CITY OF BEVERLY HILLS	9355 CIVIC CENTER DR, COMPUTER ROOM, BEVERLY HILLS CA 90210-3427	15,511.81
01782976	CITY OF BEVERLY HILLS	455 N REXFORD DR, IT DEPT, BEVERLY HILLS CA 90210-4817	124,499.02
Total			141,135.83

Note: One Time Charges are not included in the Total

IBM Schedule for ServiceElite

Maintenance Machine List

--Eligible Machine Description-- A Machine is only considered "Eligible" if it is operational and in conformance with its official published specifications on the contract start date.



			Specified Location: 00985895	City, State: BEVERLY HILLS CA 90210-3609					
IBM	7979	AC1	00KQXBZR1	SYSTEM X3650	1	B	1	675.00 H	
Subtotal Without MES								675.00	
Subtotal With MES								675.00	
			Specified Location: 01782748	City, State: BEVERLY HILLS CA 90210-4817					
IBM	1723	HC1	0023P5779	1U FLAT PNL MONITOR CONS KIT	1	B	1	150.00 H	
IBM	1723	HC1	0023P5781	1U FLAT PNL MONITOR CONS KIT	1	B	1	150.00 H	
IBM	1723	HC1	0023P5783	1U FLAT PNL MONITOR CONS KIT	1	B	1	150.00 H	
Subtotal Without MES								450.00	
Subtotal With MES								450.00	
			Specified Location: 01782812	City, State: BEVERLY HILLS CA 90210-3427					
IBM	4364	AC1	00KQZXT78	IBM SYSTEM X3250	1	B	1	500.00 H	
IBM	7026	6H1	00006753F	7026 6H1 P SERIES 660 MODEL 6H1	1	A	1	2,635.20 H	
IBM	7978	AC1	0099N1781	SYSTEM X3550 SERVER	1	B	1	484.76 WH 08/12/2011	
IBM	7978	AC1	0099N1782	SYSTEM X3550 SERVER	1	B	1	484.76 WH 08/12/2011	
IBM	7978	AC1	0099N1787	SYSTEM X3550 SERVER	1	B	1	484.76 WH 08/12/2011	
IBM	7978	AC1	0099N1789	SYSTEM X3550 SERVER	1	B	1	484.76 WH 08/12/2011	
IBM	7978	AC1	0099N1793	SYSTEM X3550 SERVER	1	B	1	484.76 WH 08/12/2011	
IBM	7978	AC1	0099V3849	SYSTEM X3550 SERVER	1	B	1	201.41 WH 03/06/2012	
IBM	7978	AC1	00KQKT MAG	SYSTEM X3550 SERVER	1	B	1	151.40 WH 04/12/2012	
IBM	7979	AC1	0099B1206	SYSTEM X3650	1	B	1	675.00 H	
IBM	7979	AC1	00KQBCVMD	SYSTEM X3650	1	B	1	675.00 H	
IBM	7979	71U	00KQHDDGC	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	195.00 WH 04/17/2012	
IBM	7979	AC1	00KQLWL16	SYSTEM X3650	1	B	1	675.00 H	

See Legend for Details

IBM Schedule for ServiceElite

Maintenance Machine List

--Eligible Machine Description-- A Machine is only considered "Eligible" if it is operational and in conformance with its official published specifications on the contract start date.

Machine ID	Model	Configuration	Description	Qty	Unit	Rate	Category	Start Date
IBM 7979	AC1	00KQLZN72	SYSTEM X3650	1	B	1	675.00 H	
IBM 7979	AC1	00KQNKX54	SYSTEM X3650	1	B	1	675.00 H	
IBM 7979	AC1	00KQYCZY7	SYSTEM X3650	1	B	1	675.00 H	
IBM 8840	15U	00KQTRT2M	XSER346 3.0G 2MB 1GB/0HDD	1	B	1	675.00 H	
IBM 8852	HC1	0099B8861	BLADECENTER H	1	B	1	680.00 H	
IBM 8853	AC1	0099BL520	BLADECENTER HS21	1	B	1	400.00 H	
IBM 8853	AC1	0099BL545	BLADECENTER HS21	1	B	1	400.00 H	
IBM 8864	AC1	0099A4849	IBM SYSTEM X3850	1	B	1	800.00 H	
IBM 8864	AC1	0099A9624	IBM SYSTEM X3850	1	B	1	800.00 H	
IBM 8864	AC1	0099A9625	IBM SYSTEM X3850	1	B	1	800.00 H	
IBM 8864	AC1	0099A9627	IBM SYSTEM X3850	1	B	1	800.00 H	
Subtotal Without MES							15,511.81	
Subtotal With MES							15,511.81	
Specified Location: 01782976			City, State: BEVERLY HILLS CA 90210-4817					
IBM 1723	1NX	0023B4796	FLAT PANEL MONITOR WO/KEYB	1	B	1	150.00 H	
IBM 1735	L04	002367062	NETBAY LOCAL CONSOLE MANAGER	1	B	1	120.00 H	
IBM 1814	7VA	00131750D	DS4200 EXPRESS MODEL 7V	1	B	1	3,502.00 H	
IBM 1814	7VA	00131751K	DS4200 EXPRESS MODEL 7V	1	B	1	3,502.00 H	
IBM 1814	7VA	00133589M	DS4200 EXPRESS MODEL 7V	1	B	1	3,502.00 H	
IBM 2104	DU3	0000DBAD4	EXPANDABLE STORAGE PLUS	1	A	1	1,935.36 EH	12/31/2012
IBM 3584	L32	000011655	ULTRASCALABLE TAPE LIBRARY	1	A	1	11,992.32 H	
IBM 7014	T42	0000728AF	RS/6000 SYSTEM RACK	1	A	1	317.16 H	
IBM 7026	6H1	0000672AF	7026 6H1 P SERIES 660 MODEL 6H1	1	A	1	2,635.20 H	
IBM 7978	MC1	00KQLDZ72	SYSTEM X3550 SERVER	1	B	1	500.00 H	
IBM 7979	71U	0099P8312	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H	
IBM 7979	71U	00KDKWNBH	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H	
IBM 7979	71U	00KDKWNCB	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H	

See Legend for Details

IBM Schedule for ServiceElite

Maintenance Machine List

--Eligible Machine Description-- A Machine is only considered "Eligible" if it is operational and in conformance with its official published specifications on the contract start date.

Machine ID	Model	Configuration	Description	Quantity	Unit	Rate	Category
IBM 7979	71U	00KDKWNGT	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H
IBM 7979	71U	00KDKWNMA	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H
IBM 7979	71U	00KDKWNXH	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H
IBM 7979	71U	00KDKWPKM	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H
IBM 7979	AC1	00KQADCPX	SYSTEM X3650	1	B	1	675.00 H
IBM 7979	71U	00KQLZN39	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H
IBM 7979	71U	00KQMKYC9	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H
IBM 7979	71U	00KQWCY28	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H
IBM 7979	AC1	00KQXCZC9	SYSTEM X3650	1	B	1	675.00 H
IBM 7979	7AU	00KQYBGN7	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H
IBM 7979	7AU	00KQYBGT1	XSER3650 3.0GHZ 4MB 1G 0HD	1	B	1	675.00 H
IBM 7979	AC1	00KQYCZV2	SYSTEM X3650	1	B	1	675.00 H
IBM 7979	AC1	00KQYDAD5	SYSTEM X3650	1	B	1	675.00 H
IBM 7984	AC1	00KQYDZM6	IBM SYSTEM X3455	1	B	1	500.00 H
IBM 8654	51Y	0078TN263	XSER330 1.0G 256 256/0HD S	1	A	1	333.33 H
IBM 8654	51Y	0078TN748	XSER330 1.0G 256 256/0HD S	1	A	1	333.33 H
IBM 8670	K1X	00KPMCZL9	XSER345 2.67G 512 512/0HDD S	1	B	1	675.00 H
IBM 8670	K1X	00KPMCZM0	XSER345 2.67G 512 512/0HDD S	1	B	1	675.00 H
IBM 8670	K1X	00KPMCZN2	XSER345 2.67G 512 512/0HDD S	1	B	1	675.00 H
IBM 8670	K1X	00KPMDCX5	XSER345 2.67G 512 512/0HDD S	1	B	1	675.00 H
IBM 8676	M1X	00KPPCRG1	XSER335 3.06G 512 512/0HDD S	1	B	1	500.00 H
IBM 8676	M1X	00KPPCRH2	XSER335 3.06G 512 512/0HDD S	1	B	1	500.00 H
IBM 8676	M1X	00KPPCRN6	XSER335 3.06G 512 512/0HDD S	1	B	1	500.00 H
IBM 8686	8RX	00KPPAPG9	XSER360 2X1.9G 1MB 2GB/0HD S	1	B	1	800.00 H
IBM 8686	8RX	00KPPAPM3	XSER360 2X1.9G 1MB 2GB/0HD S	1	A	1	533.33 H
IBM 8837	11U	00KPZWR99	XSER336 3.0G 1MB 1GB/0HD3.5 S	1	B	1	500.00 H
IBM 8837	11U	00KPZWT02	XSER336 3.0G 1MB 1GB/0HD3.5 S	1	B	1	500.00 H
IBM 8837	11U	00KPZWT05	XSER336 3.0G 1MB 1GB/0HD3.5 S	1	B	1	500.00 H
IBM 8837	11U	00KPZWT16	XSER336 3.0G 1MB 1GB/0HD3.5 S	1	B	1	500.00 H
IBM 8837	11U	00KPZWT21	XSER336 3.0G 1MB 1GB/0HD3.5 S	1	B	1	500.00 H
IBM 8837	25U	00KQAZCOH	XSER336 3.2G 2MB 1GB/0HDD S	1	A	1	333.33 H

See Legend for Details

IBM Schedule for ServiceElite

Maintenance Machine List

--Eligible Machine Description-- A Machine is only considered "Eligible" if it is operational and in conformance with its official published specifications on the contract start date.

Machine ID	Model	Configuration	Description	Quantity	Unit	Price	Category	Start Date
IBM 8837	25U	00KQAZC5M	XSER336 3.2G 2MB 1GB/0HDD S	1	A	333.33	H	
IBM 8837	25U	00KQAZD1V	XSER336 3.2G 2MB 1GB/0HDD S	1	A	333.33	H	
IBM 8837	E1U	00KQNWG6R	XSER336 3.0G 2MB 2GB/0HDD S	1	B	500.00	H	
IBM 8837	E1U	00KQNWG8T	XSER336 3.0G 2MB 2GB/0HDD S	1	B	500.00	H	
IBM 8837	E1U	00KQNWG8V	XSER336 3.0G 2MB 2GB/0HDD S	1	B	500.00	H	
IBM 8837	E1U	00KQNWK7L	XSER336 3.0G 2MB 2GB/0HDD S	1	B	500.00	H	
IBM 8837	E1U	00KQNWK7M	XSER336 3.0G 2MB 2GB/0HDD S	1	B	500.00	H	
IBM 8837	E1U	00KQPGW7R	XSER336 3.0G 2MB 2GB/0HDD S	1	B	500.00	H	
IBM 8840	45U	00KQBPY1K	XSER346 3.6G 2MB 1GB/0HDD	1	A	450.00	H	
IBM 8863	E5U	00KQCMZ1G	XSER366 2X3.6GHZ 1MB 2GB 0HD	1	A	490.00	H	
IBM 8863	E5U	00KQCYR0Z	XSER366 2X3.6GHZ 1MB 2GB 0HD	1	A	490.00	H	
IBM 8864	AC1	0099A8951	IBM SYSTEM X3850	1	B	800.00	H	
IBM 9307	4SX	0023A1870	S2 42U STAND RACK CABINET	1	B	443.00	H	
IBM 9511	AG4	0055FA193	T540 15.0INLCD 15.0V BLK MPR	1	A	130.00	H	
IBM 9511	AG4	0055FA196	T540 15.0INLCD 15.0V BLK MPR	1	A	130.00	H	
IBM 9511	AG4	0055FA197	T540 15.0INLCD 15.0V BLK MPR	1	A	130.00	H	
IBM 9511	AG4	0055FC096	T540 15.0INLCD 15.0V BLK MPR	1	A	130.00	H	
IBM 1812	81A	00136608T	DS4000 EXP810 EXPANSION UNIT	1	B	2,000.00	H	
IBM 1814	70A	00138595N	DS4700 EXPRESS MODEL 70	1	B	3,502.00	H	
IBM 2861	001	000012248	EXN1000 SATA EXPANSION UNIT	1	A	809.90	WH	04/30/2012
IBM 1812	81A	00136944Y	DS4000 EXP810 EXPANSION UNIT	1	B	2,000.00	H	
IBM 1812	81A	00136945A	DS4000 EXP810 EXPANSION UNIT	1	B	2,000.00	H	
IBM 2101	N00	00001027W	STORAGE SOLUTIONS RACK	1	B	420.00	H	
IBM 2861	001	000009113	EXN1000 SATA EXPANSION UNIT	1	A	3,204.00	H	
IBM 2861	001	000009114	EXN1000 SATA EXPANSION UNIT	1	A	3,204.00	H	
IBM 2861	001	000009115	EXN1000 SATA EXPANSION UNIT	1	A	3,204.00	H	
IBM 2861	001	000009116	EXN1000 SATA EXPANSION UNIT	1	A	3,204.00	H	
IBM 2861	001	000009117	EXN1000 SATA EXPANSION UNIT	1	A	3,204.00	H	
IBM 2861	001	000011399	EXN1000 SATA EXPANSION UNIT	1	A	1,628.70	WH	01/28/2012
IBM 2861	001	000011400	EXN1000 SATA EXPANSION UNIT	1	A	1,628.70	WH	01/28/2012
IBM 2861	001	000011401	EXN1000 SATA EXPANSION UNIT	1	A	1,628.70	WH	01/28/2012

See Legend for Details

IBM Schedule for ServiceElite

Maintenance Machine List

--Eligible Machine Description-- A Machine is only considered "Eligible" if it is operational and in conformance with its official published specifications on the contract start date.

IBM	2868	A20	000000199	N5600 MODEL A20	1	A	1	16,368.00	H
IBM	3584	D53	000042452	TS3500 EXPANSION FRAME	1	B	1	840.00	H
IBM	3588	F4A	000060296	TS1040 ULTRIUM 4 TAPE DRIVE	1	B	1	2,136.00	H
IBM	3588	F4A	000060307	TS1040 ULTRIUM 4 TAPE DRIVE	1	B	1	2,136.00	H
IBM	3588	F4A	000085560	TS1040 ULTRIUM 4 TAPE DRIVE	1	B	1	2,136.00	H
IBM	3588	F4A	000085571	TS1040 ULTRIUM 4 TAPE DRIVE	1	B	1	2,136.00	H
IBM	3583	L72	000025227	ULTRIUM TAPE LIBRARY	1	B	1	11,760.00	H
Subtotal Without MES								124,499.02	
Subtotal With MES								124,499.02	
Total Charge Period Charges for Maintenance Machine List Without MES								\$141,135.83	
Total Charge Period Charges for Maintenance Machine List With MES								\$141,135.83	

See Legend for Details

IBM Schedule for ServiceElite

Legends:

¹ Charge adjustments related to inventory and service changes will be accumulated and invoiced with your next standard invoicing cycle (may be sooner for annual or semiannual payment plans)

²TYPE OF SERVICE

- A) On-Site Repair/Exchange Services, Monday through Friday (excluding holidays), 8am to 5pm, next business day
- B) On-Site Repair/Exchange Services, 7 days a week, 24hrs/day.
- C) On-Site Repair/Exchange Services, Monday through Friday (excluding holidays), 8am to 5pm, 4 hour response objective
This type of repair service includes a response objective and is not a guarantee.
- D) On-Site Repair/Exchange Services, 7 days a week, 24hrs/day, 2 hour response objective.
This type of repair service includes a response objective and is not a guarantee.
- X) EasyServe (remotely delivered services)

³MAINTENANCE SERVICES

- 1) Maintenance of IBM Machines
- 2) Maintenance of non-IBM Machines
- 3) Warranty Service Upgrade
- 4) Maintenance of Cisco Products
- 5) Maintenance of IBM Machines - Enhanced Service Response
- 6) Service for Machines Withdrawn from IBM Maintenance
- 7) Non-IBM Service for Machines Withdrawn from IBM Maintenance
- 8) Maintenance of IBM Machines (Labor Only)
- 9) Non-IBM Memory Exchange
- 10) Enhanced Parts Inventory
- 11) Spare Machine
- 12) Key Operator Support
- 13) Maintenance of non-IBM Machines during the Manufacturer's Warranty Period
- 16) IBM Maintenance Services - First Line Maintenance for Wincor Nixdorf ATMs
- 17) IBM Maintenance Services - Applications Maintenance Services for Wincor Nixdorf ATMs
- 18) Post Installation Coverage (PIC) Service Upgrade, for selected Non-IBM Machines

⁴Charges shown are for the Charge Period

- A (C) indicates a Machine that will have Usage Charges billed separately
- An (E) indicates a Machine that has been announced as withdrawn from generally available Maintenance Service
- An (F) indicates an Assumptive Product included in the total Charge Period Price that has a manually inserted serial number and configuration provided by the customer
- An (H) identifies a Machine on an existing ServiceElite/ServiceSuite/ ServiceElect CHIS contract with duplicate Maintenance Services Coverage
- A (K) indicates Assumptive Products included in the total Charge Period Price that are based on the customer provided configuration
- An (M) indicates an MES on order is not shown and applicable pricing not included
- An (N) indicates that the product is a non-GSA Schedule item
- An (O) indicates a One Time Charge
- A (P) indicates averaged billing or annual prepayment
- An (R) indicates the usage charge rate (Feet, Hours, or Impressions) for a machine under a usage plan
- An (S) indicates a manual order installation date change
- A (U) indicates Usage Charges which are measured in either Feet, Hours, or Impressions
- A (W) indicates a Machine under Warranty
- An (X) indicates On-order Products which are shown for planning purposes only
- A (Y) indicates On-order MES products which are shown for planning purposes only. These charges are included in the related machine.

⁵ Charges Start/Stop dates shown are those that differ from the Contract Period Start/End Dates

IBM Schedule for ServiceElite

This Schedule contains a listing of the Eligible Machines at the Specified Locations identified below for which IBM will provide the identified Services as described in the referenced Master Services Attachment and any referenced Statements of Work and Change Authorizations. The complete agreement between us about these Services consists of 1) this Schedule 2) the referenced Master Services Attachment and any referenced Statements of Work and Change Authorizations, and 3) the IBM Customer Agreement (or any equivalent agreement in effect between us).

Name and Address of Customer:

CITY OF BEVERLY HILLS

Customer Billing Address:

CITY OF BEVERLY HILLS
IT DEPT
455 N REXFORD DR
BEVERLY HILLS CA 90210-4817

Master Services Attachment Number: MAT04G6
Statement of Work Number: A23WG8
Change Authorization Number:
Customer Number: 01782976

Schedule Number: A23WG8
Revised Schedule: No
Schedule Effective Date: 03/28/2011
Proposal Reference Date: 08/01/2010

Transaction Contract Period:
Start Date: 08/01/2010
End Date: 07/31/2011
Renewal Contract Period: 1 Year(s)

*** Charge Period Charges / Payment Plan (Inclusive of MES):**

WSU One Time Charges: 0.00
SWMA ALF One Time Charges: 0.00
MMS for CISCO HW One Time Charges: 0.00
MMS for CISCO SW One Time Charges: 0.00
MMS for Nortel One Time Charges: 0.00
One Time Charges: 0.00

Maintenance Charges: 0.00
Service Charges: 1,796.00
TOTAL CHARGE PERIOD CHARGES: 1,796.00
Annually

Charge Period:
Start Date: 08/01/2011
End Date: 07/31/2012

¹ Accumulated Adjustment Invoicing option: N

Automatic Inventory Increase Option Applies:
Machine Maintenance Services Option #1: N
Software Services Option #2: N
Price Protection Option: Opt#1 Annual Price Protection
Pricing Method: Line Item

* Charges are based on the current inventory and services identified in this Schedule. Actual charges may vary with any additions, deletions, or changes to the inventory or services. Any applicable taxes are not included in the charge amounts herein but will be added to your invoice.

For a Machine subject to usage charges, in addition to the Service charge identified herein, you will be separately billed for usage in accordance with applicable usage rates and billing cycles.

The Parties need not to sign this Schedule, unless either of us requests it.

Agreed to:

By: 
Authorized signature

Name (type or print): _____

Date: _____

Agreed to:

International Business Machines Corporation

By: 
Authorized signature

Name (type or print): Samantha Scherv

Date: 6/1/11

IBM Schedule for ServiceElite

Enterprise Total for Charge Period by Customer Number Inclusive of MES:

Customer No	Customer Name	Customer Location	Charge
01782976	CITY OF BEVERLY HILLS	455 N REXFORD DR, IT DEPT, BEVERLY HILLS CA 90210-4817	1,796.00
Total			1,796.00

Note: One Time Charges are not included in the Total

IBM Schedule for ServiceElite

Services List

Customer Technical Contact Name (if applicable):
 Customer Primary Technical Contact name :
 Customer Primary Technical Contact phone number :

-----Eligible Machine Description-----



Specified Location: 01782976

City, State: BEVERLY HILLS CA 90210-4817

			SWMA FOR AIX		898.00
				SUPPORT SUBSCRIPTION E5 PRIME SHIFT	
7026	6H1	0000672AF		1	
			SWMA FOR AIX		898.00
				SUBSCRIPTION SUPPORT E5 PRIME SHIFT	
7026	6H1	00006753F		1	
Subtotal					1,796.00
Total Charge Period Charges for Services List					\$ 1,796.00

Note: One Time Charges are not included in these totals.
 See Legend for Details

IBM Schedule for ServiceElite

Legends:

¹ Charge adjustments related to inventory and service changes will be accumulated and invoiced with your next standard invoicing cycle (may be sooner for annual or semiannual payment plans)

²TYPE OF SERVICE

- A) On-Site Repair/Exchange Services, Monday through Friday (excluding holidays), 8am to 5pm, next business day
- B) On-Site Repair/Exchange Services, 7 days a week, 24hrs/day.
- C) On-Site Repair/Exchange Services, Monday through Friday (excluding holidays), 8am to 5pm, 4 hour response objective
This type of repair service includes a response objective and is not a guarantee.
- D) On-Site Repair/Exchange Services, 7 days a week, 24hrs/day, 2 hour response objective.
This type of repair service includes a response objective and is not a guarantee.
- X) EasyServe (remotely delivered services)

³MAINTENANCE SERVICES

- 1) Maintenance of IBM Machines
- 2) Maintenance of non-IBM Machines
- 3) Warranty Service Upgrade
- 4) Maintenance of Cisco Products
- 5) Maintenance of IBM Machines - Enhanced Service Response
- 6) Service for Machines Withdrawn from IBM Maintenance
- 7) Non-IBM Service for Machines Withdrawn from IBM Maintenance
- 8) Maintenance of IBM Machines (Labor Only)
- 9) Non-IBM Memory Exchange
- 10) Enhanced Parts Inventory
- 11) Spare Machine
- 12) Key Operator Support
- 13) Maintenance of non-IBM Machines during the Manufacturer's Warranty Period
- 16) IBM Maintenance Services - First Line Maintenance for Wincor Nixdorf ATMs
- 17) IBM Maintenance Services - Applications Maintenance Services for Wincor Nixdorf ATMs
- 18) Post Installation Coverage (PIC) Service Upgrade, for selected Non-IBM Machines

⁴Charges shown are for the Charge Period

- A (C) indicates a Machine that will have Usage Charges billed separately
- An (E) indicates a Machine that has been announced as withdrawn from generally available Maintenance Service
- An (F) indicates an Assumptive Product included in the total Charge Period Price that has a manually inserted serial number and configuration provided by the customer
- An (H) identifies a Machine on an existing ServiceElite/ServiceSuite/ ServiceElect CHIS contract with duplicate Maintenance Services Coverage
- A (K) indicates Assumptive Products included in the total Charge Period Price that are based on the customer provided configuration
- An (M) indicates an MES on order is not shown and applicable pricing not included
- An (N) indicates that the product is a non-GSA Schedule item
- An (O) indicates a One Time Charge
- A (P) indicates averaged billing or annual prepayment
- An (R) indicates the usage charge rate (Feet, Hours, or Impressions) for a machine under a usage plan
- An (S) indicates a manual order installation date change
- A (U) indicates Usage Charges which are measured in either Feet, Hours, or Impressions
- A (W) indicates a Machine under Warranty
- An (X) indicates On-order Products which are shown for planning purposes only
- A (Y) indicates On-order MES products which are shown for planning purposes only. These charges are included in the related machine.

⁵ Charges Start/Stop dates shown are those that differ from the Contract Period Start/End Dates



International Business Machines Corporation

International Business Machines Corporation, PO Box 643600, Pittsburgh, PA 15264-3600

Customer information

Company name CA City of Beverly Hills
 Address 455 North Rexford Drive
 Beverly Hills, California 90210
 United States

Agreement number 0000130144
 Site number 7199797
 IBM customer number 0985895
 Offering type Passport Advantage
 Customer set designation Government
 Contract option GOVERNMENT
 Anniversary August
 Primary contact name Nicole McClinton
 Phone 310-285-2597
 Fax 310-246-1567
 Email nmccclinton@beverlyhills.org

Customer Quote

Relationship SVP level GV
 Quote value 37,407.50
 Currency US Dollar
 Quote start date 21-Apr-2011

Any and all prices herein are suggested prices only and are subject to change at IBM's sole discretion. Products listed herein are subject to withdrawal or modification by IBM at any time at IBM's sole discretion.

Quote details

Quantity	Part number	Part description	Total points	Total price
1	E0BRLLL	IBM Integration Designer per Authorized User Annual SW Subscription & Support Renewal Charge unit Authorized User Item points 3.69 Item price 705.50 Software maintenance Start date: 01-Aug-2011 End date: 31-Jul-2012	3.69	705.50
260	E020CLL	IBM DB2 Enterprise Server Edition Processor Value Unit (PVU) Annual SW Subscription & Support Renewal Charge unit Processor Value Unit (PVU) Item points 0.36 Item price 68.85 Software maintenance Start date: 01-Aug-2011 End date: 31-Jul-2012	93.60	17,901.00
1	E01MJLL	IBM Rational Application Developer for WebSphere Software Authorized User Annual SW Subscription & Support Renewal Charge unit Authorized User Item points 4.2 Item price 778.60 Software maintenance Start date: 01-Aug-2011 End date: 31-Jul-2012	4.20	778.60
10	E029KLL	IBM Tivoli Storage Manager 10 Processor Value	0.40	65.00

	Units (PVUs) Annual SW Subscription & Support Renewal		
	Charge unit	Processor Value Unit (PVU)	
	Item points	0.04	
	Item price	6.50	
	Software maintenance	Start date: 01-Aug-2011 End date: 31-Jul-2012	
600	E029ELL IBM Tivoli Storage Manager Extended Edition 10 Processor Value Units (PVUs) Annual SW Subscription & Support Renewal	36.00	7,038.00
	Charge unit	Processor Value Unit (PVU)	
	Item points	0.06	
	Item price	11.73	
	Software maintenance	Start date: 01-Aug-2011 End date: 31-Jul-2012	
80	E02B6LL IBM Tivoli Storage Manager for Mail 10 Processor Value Units (PVUs) Annual SW Subscription & Support Renewal	9.60	1,802.40
	Charge unit	Processor Value Unit (PVU)	
	Item points	0.12	
	Item price	22.53	
	Software maintenance	Start date: 01-Aug-2011 End date: 31-Jul-2012	
300	E025SLL IBM WebSphere Application Server Network Deployment Processor Value Unit (PVU) Annual SW Subscription & Support Renewal	48.00	9,117.00
	Charge unit	Processor Value Unit (PVU)	
	Item points	0.16	
	Item price	30.39	
	Software maintenance	Start date: 01-Aug-2011 End date: 31-Jul-2012	
Total		195.49	37,407.50

International Business Machines Corporation

International Business Machines Corporation, PO Box 643600, Pittsburgh, PA 15264-3600



Quotation Number: 15439896
 IBM Contact: Kenneth M. Robinson
 Phone Number: 1-770-863-1584

25-Mar-2011

SAP Customer Number: 3039908
 IBM Customer Number: 1784408

Quote Effective Date: 25-Mar-2011
 Quote Expiration Date: 30-Jun-2011

Customer:

Attn: Noel Marquis
 City of Beverly Hills (Information
 Technology)
 455 N Rexford Drive
 BEVERLY HILLS CA 90210
 UNITED STATES

Payer: 3039908

City of Beverly Hills (Information
 Technology)
 455 N Rexford Drive
 BEVERLY HILLS CA 90210
 UNITED STATES

Item	Part Number	Quantity	Unit Price	Extended Amount	
COGNOS IMPROMPTU ADMINISTRATOR AUTH USER ANNUAL SW S&S RNWL					
001	E06B4LL	1	109.60	109.60	
01-Aug-2011 - 31-Jul-2012					
COGNOS IMPROMPTU WEB REPORTS LEGACY USER ANNUAL SW S&S RNWL					
002	E06B9LL	30	32.84	985.20	
01-Aug-2011 - 31-Jul-2012					
COGNOS IMPROMPTU WEB REPORTS LEGACY PROC ANNUAL SW S&S RNWL					
003	E06BALL	2	4,365.46	8,730.92	
01-Aug-2011 - 31-Jul-2012					
Applicable tax will be recalculated at the time of order processing.					
				Subtotal in USD:	9,825.72
				Total in USD:	9,825.72

Final coverage dates for new license, Software Subscription and Support reinstatement, and Software Subscription and Support renewal part numbers will be based upon IBM's acceptance of the order, and as specified in the applicable agreements, irrespective of the dates which may appear in this quote.

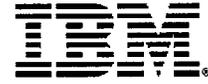


Quotation Terms and Conditions

1. The prices listed above are based on the Program(s) being licensed under the terms of the IBM International Program License Agreement ("IPLA") and the License Information ("LI") that can be viewed at <http://www-306.ibm.com/software/sla/sladb.nsf/> and are included with the shipment of the Program, or for electronic delivery included with the product download instructions. Software Subscription and Support (Software Maintenance) is governed by the IBM International Agreement for the Acquisition of Software Subscription and Support ("IAASSS"), which is available upon request. This quotation is expressly conditional on acceptance of such terms. No additional terms will apply without IBM's prior, express written consent.
2. More detailed information about Support can be found in the IBM Software Support Guide, located at <http://techsupport.services.ibm.com/guides/handbook.html>.
3. Price quoted does not include any VAT/GST/sales tax. Applicable sales tax/VAT/GST will be added upon invoicing. If any authority imposes a duty, tax, levy or fee, excluding those based on IBM's net income, upon the Programs and/or Software Subscription and Support, then the End User agrees to pay the amount specified or supply exemption documentation. The End User is responsible for any personal property taxes for the Programs, and/or Software Subscription and Support from the delivery date.*
4. Changes to the terms of this Quote or the documents referred to herein shall not be valid unless agreed in writing by the End User and IBM. Additional or different terms in any order or written communication from the End User will be void. Please submit your Purchase Order or sign this quotation form to confirm your acceptance of these terms.**
5. Prices set forth in this Quote are valid only through the "Quote Expires" date above. Any discounts offered herein are subject to change if item(s) or quantity ordered do not match those listed in this Quote.
6. Net Payment of the Total Fees is due upon receipt of invoice from IBM. ***
7. Shipping is FOB Origin.
8. You acknowledge and agree that this transaction is to be conducted in the language of this quote, and agree that the terms of the agreement (including this form and the IPLA, LI and IAASSS) as written are valid and enforceable. ***
9. IBM shall have the right to verify your compliance with the license terms on your premises during your normal business hours and in a manner that minimizes disruption to your business. IBM may use an independent auditor for this with your prior approval, which you will not unreasonably withhold. If you are a Business Partner you will procure that IBM has the right to verify the End User's compliance with the license terms in accordance with this paragraph.
10. Unless otherwise agreed, IBM may make partial shipment of Programs making up one order.
11. This quotation is conditional on satisfactory credit checks being performed and a sufficient credit limit being in place at the time of placing the purchase order ("PO"). In the absence of this, IBM reserves the right to reject the PO, to require up-front payment or require that a satisfactory payment guarantee be put in place prior to processing the PO.
12. This Quote, and the documents referenced herein, including but not limited to the IPLA, LI and IAASSS in Item 1 above, constitute the entire agreement between the parties (and where relevant the End User) in connection with the subject matter includes, and supersedes, merges and voids all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect thereto.

* For Customers in Brunei, Indonesia, Philippines, Vietnam, Malaysia, Thailand, Hong Kong, Taiwan, or Macau Item 3 is replaced as follows:

3. Price quoted does not include any VAT/GST/sales tax or other local tax. Applicable sales or local tax/VAT/GST will be added upon invoicing. Should you be required under any law or regulation of any government entity or authority, domestic or foreign, to withhold or deduct any portion of the payments due to IBM, then the sum payable to IBM shall be increased by the amount necessary to yield to IBM an amount equal to the sum it would have received had no withholdings or deductions been made. The End User is responsible for any personal property taxes for the Programs, and/or Software Maintenance from the



delivery date.

* For Customers in Europe, Middle East or Africa Item 3 is replaced as follows:

3. Price quoted does not include any VAT/GST/sales tax. If any authority imposes a duty, tax, levy or fee, excluding those based on IBM's net income, upon the Programs and/or Software Subscription and Support, then you agree to pay the amount specified on the invoice or supply exemption documentation. The end user of the Programs ("End User") is responsible for any personal property taxes for the Programs, and/or Software Subscription and Support from the delivery date.

* For Customers in Australia Item 3 is replaced as follows:

3. If any authority imposes a duty, tax, levy or fee, excluding those based on IBM's net income, upon the Programs and/or Software Subscription and Support, then the End User agrees to pay the amount specified or supply exemption documentation. The End User is responsible for any personal property taxes for the Programs, and/or Software Subscription and Support from the delivery date. If the rate of GST or other indirect taxes changes, IBM may adjust the charge or other payable to take into account that change from the date the change becomes effective.

* For Customers in Japan Item 3 is replaced as follows:

3. Price quoted does not include any consumption tax. Applicable consumption tax will be added upon invoicing. If any authority imposes a duty, tax, levy or fee, excluding those based on IBM's net income, upon the Programs and/or Software Subscription and Support, then the End User agrees to pay the amount specified or supply exemption documentation. The End User is responsible for any personal property taxes for the Programs, and/or Software Subscription and Support from the delivery date.

** For Customers in Europe, Middle East or Africa Item 4 is replaced as follows:

4. Changes to the terms of this Quote or the documents referred to herein shall not be valid unless agreed in writing by the End User and IBM. Additional or different terms in any order or written communication from the End User will be void. Please submit your Purchase Order to confirm your acceptance of these terms.

*** For Business Partner Item 6 is replaced as follows:

6. Net payment due upon receipt or per your Partner Agreement

*** For Business Partner Item 8 add the following:

Added to 8. Prior to providing any Program(s) to the End user, you will ensure that the terms of each end-user license agreement satisfies the requirements of your Partner Agreement.

For customers in the following countries, please sign below for your acceptance of this quote and return with your order.

Afghanistan, Albania, Algeria, Andorra, Angola, Bahrain, Belgium, Benin, Botswana, Bulgaria, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African republic, Chad, The Democratic Republic of Congo, Cote D'Ivoire, Czech Republic, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, France, French Guiana, French Polynesia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Iran, Iraq, Italy, Japan, Jordan, Kenya, Kuwait, Lesotho, Liberia, Libya, Macedonia, Malawi, Mali, Malta, Mauritania, Morocco, Mozambique, Namibia, Netherlands, Niger, Nigeria, Oman, Pakistan, Palestinian Territory, Poland, Qatar, Rwanda, San Marino, Sudan, Swaziland, Syria, United Republic of Tanzania, Togo, Tunisia, Turkey, Uganda, United Arab Emirates, Western Sahara, Yemen, Zambia, and Zimbabwe.

For customers in the following countries, please sign below for your acceptance of this quote and return with your order. An IBM delegate will need to countersign.



Argentina, Belize, Bolivia, Bosnia and Herzegovina, Brazil, Chile, China, Colombia, Costa Rica, Croatia, Cuba, Dominican Republic, Ecuador, El Salvador, Guam, Guatemala, Haiti, Honduras, Hungary, Luxembourg, Marshall Islands, Mexico, Federated States of Micronesia, Nicaragua, Northern Mariana Islands, Palau, Panama, Paraguay, Peru, Puerto Rico, Romania, Serbia and Montenegro, Turkmenistan, Uruguay, and Venezuela.

Agreed to:
'Customer'

By 
Authorized Signature

Name (type or print):
MARK HOBSON

Date:

Agreed to:
Local International Business Machines Delegate

By 
Authorized Signature

Name (type or print): Samantha Scherv

Date: 6/1/11

A SERVICES PROPOSAL FOR

City of Beverly Hills

to provide:

Hourly Technical Consulting Services

March 25, 2011

submitted by

IBM

600 Anton Boulevard

Costa Mesa, CA 92626

Service dates

July 1, 2011 – June 30, 2012

Executive Summary

IBM Global Services is pleased to present this Statement of Work for hourly consulting assistance at City of Beverly Hills (City).

Based on the successful deployment of IBM xSeries and pSeries Systems and Storage Area Management (SAN), along with Tivoli Storage Manager (TSM), IBM shall now support changes and additional services for the City's fiscal year 2011 - 2012 with a pool of 200 consulting hours.

The benefits that City will gain from this proposal include:

- Easy access to consulting resources
- Rapid resource allocation based on specific needs
- If available, the IT Specialist that knows your account will be the first to assist with needed services.

Statement of Work

This Statement of Work defines the scope of work to be accomplished by IBM under the terms and conditions of the IBM Customer Agreement (*Agreement*) or equivalent. The tasks to be performed by IBM are defined and an Estimated Schedule is provided. In addition, the responsibilities of City of Beverly Hills (City) are listed.

The Statement of Work includes the following subsections:

- Scope of Services
- Key Assumptions
- IBM Responsibilities
- City of Beverly Hills Responsibilities
- Other Terms and Conditions
- Estimated Schedule
- Deliverable Materials
- Completion Criteria
- Charges

No cost changes to this Statement of Work will be processed in accordance with the procedure described in Appendix B, "Project Change Control Procedure". The investigation and the implementation of changes may result in modifications to the Estimated Schedule, Charges, or other terms of this Statement of Work. Any change to this Statement of Work that would exceed the amount in section 1.7 of this Statement of Work requires a new Statement of Work to be executed by IBM and City.

For purposes of this Statement of Work and any subsequent no cost changes to this Statement of Work, "project" shall be defined as any project management and technical services authorized by City to be performed by IBM, as described in Section 1.0, Scope of Services.

The following are incorporated in and made part of this Statement of Work:

- Appendix A, "Deliverable Guidelines"
- Appendix B, "Project Change Control Procedure"

1.0 Scope of Services

IBM will provide up to two hundred (200) hours of project management and technical consulting services to City through June 30, 2011 in the following areas:

- IBM xSeries and pSeries servers
- Storage Area Network (SAN)
- Tivoli Storage Manager (TSM)

The allocation of these hours to specific engagements will be determined by City and agreed to by IBM.

1.1 Key Assumptions

This Statement of Work and IBM's estimates to perform are based on the following key assumptions. Deviations that arise during the proposed project will be managed through the procedure described in Appendix B, "Project Change Control Procedure".

1. This Statement of Work addresses only City location at Beverly Hills, CA.
2. Some IBM activities on this project may be performed on IBM premises. The time spent on these contract-related IBM activities will be billable to City.
3. Some of the Services may be performed by an IBM subcontractor.

4. IBM will provide Services under this Statement of Work during normal business hours, 8:00 a.m. to 5:00 p.m. (local time) Monday through Friday, except IBM holidays, unless otherwise specified.

1.2 IBM Responsibilities

The specific Services to be provided by IBM under this Statement of Work are described in this section.

1.2.1 Project Management

Description: The objective of this task is to provide an individual ("IBM Project Manager") to provide direction to and control of IBM project personnel, and to establish a framework for project communications, reporting, procedural and contractual activity. The major sub tasks are:

1. Maintain project communications through the City Project Manager.
2. Establish documentation and procedural standards for the development of this project.
3. Prepare a project plan at the onset of this project for performance of this Statement of Work. The project plan will define tasks, schedule and responsible person(s) or organization for each milestone.
4. Conduct project status meetings.
5. Prepare and submit monthly Status Reports.
6. Review and administer Project Change Control with the City Project Manager.

Completion Criteria: This activity will be complete when the other activities described as IBM Responsibilities have been completed, according to their completion criteria, or IBM has met the criteria defined in the Completion Criteria section of this Statement of Work.

Deliverables: Monthly Status Reports

1.2.2 Engagement Kickoff and Project Planning Meeting

Description: An engagement kickoff and project planning meeting between IBM and City will occur as soon as possible after a specific request from an authorized City representative. This meeting may be held via telephone conference call. The purpose of this meeting is to give the IBM team member(s) a high level understanding of City's objectives and system environment, to develop an engagement plan, and to complete a project plan for a specific engagement when required. The typical engagement agenda might include:

1. Expectations for this engagement
2. Development of an engagement plan and schedule
3. Confirmation of the engagement schedule

Completion Criteria: This task will be complete when the requested engagement is kicked off.

Deliverable: None.

1.2.3 Document Findings and Recommendations for each Engagement

Description: IBM will summarize key findings and conclusions and provide recommendations to assist City in understanding how specific changes will impact the future of equipment and applications. These changes will be related to fine tuning the City's current environment with respect to the systems indicated in Section 1.0 of this Scope of Services.

Completion Criteria: This task is complete when IBM has reported its findings to the City Project Manager.

Deliverable: Summary of Findings and Recommendations.

1.3 City of Beverly Hills Responsibilities

The responsibilities listed in this section are in addition to those responsibilities specified in the *Agreement* and are to be provided by City at no charge to IBM.

1.3.1 City of Beverly Hills Project Manager

Prior to the start of this Statement of Work under the *Agreement*, City will designate a person, called the City Project Manager, to whom IBM communications will be addressed and who has the authority to act for City in all aspects of the contract.

The City Project Manager shall:

1. Serve as the interface between IBM and all City departments, organizations and sites participating in this project.
2. With the IBM Project Manager, develop the project plan prior to implementation for each engagement.
3. With the IBM Project Manager, administer the Project Change Control Procedures.
4. Attend project status meetings.
5. Obtain and provide information, data, decisions and approvals, within five (5) working days of IBM's request, unless both IBM and City agree to an extended response time.
6. Help resolve project issues and escalate issues within City's organization, as necessary.

1.3.2 Office Space and Other Facilities

City shall:

1. Provide suitable office space, office supplies, furniture, telephone and other facilities equivalent to those provided to City employees for the IBM project team while working on City premises.
2. Provide necessary clerical and reproduction services for project staff while working on City premises.
3. Provide necessary machine time, related services, and supplies for project planning, tracking, documentation, and reporting activities.
4. Ensure access to the site for IBM personnel. Most of the work involved in this project will be performed during normal working hours (8:00am to 5:00pm). However, on some occasions, City may need to provide access to facilities outside of these hours.

1.4 Other Terms and Conditions

1. City is solely responsible for the actual content of any data file, selection and implementation of controls on its access and use, and security of the stored data.
2. City agrees to allow IBM and its entities to store and use City contact information, including names, phone numbers, and e-mail addresses, anywhere IBM does business. Such information will be processed and used in connection with the IBM and City business relationship, and may be provided to contractors, Business Partners, and assignees of IBM and its entities for uses consistent with their collective business activities, including communicating with City (for example, for processing orders, for promotions, and for market research).
3. City will identify and make the interpretation of any applicable federal, state and local laws, regulations and statutes and ensure that deliverables of the project meet those requirements.
4. Required Approvals. Where agreement, approval, acceptance, or consent by either party is required by any provision of this Statement of Work or the Agreement, such action shall not be unreasonably delayed or withheld, which, unless otherwise specified herein, shall mean not withheld or denied for more than ten (10) business days.
5. Indemnification. IBM shall indemnify, hold harmless and defend City, City Council and each member thereof, and every officer, employee and agent of City (collectively "City"), while acting within the scope of their duties as such, from and against any and all claims, demands or causes of action of any kind or character (including reasonable attorney's

fees and any amounts paid in settlement agreed to by IBM) in an amount finally awarded by a court, to the extent resulting from violation of laws, rules or regulations, bodily injury, death, or damage to real and tangible personal property caused by IBM under this Statement of Work and the Agreement. The foregoing indemnity applies provided that City promptly notifies IBM in writing following receipt of notice of any such claim, suit or proceeding and shall give IBM such information and cooperation as is reasonable under the circumstances. IBM shall have the duty to keep City informed of the progress of each such matter but shall have sole authority to defend or settle the same at IBM's sole cost and expense.

6. Intellectual Property Indemnification. IBM shall indemnify, hold harmless and defend City, City Council and each member thereof, and every officer, employee and agent of City (collectively "City"), from and against any and all claims, demands or causes of action of any kind or character (including reasonable attorney's fees and any amounts paid in settlement agreed to by IBM) in an amount finally awarded by a court, resulting from, arising out of or in any way related to any claim that the Deliverables or Services, in part or in whole and solely to the extent caused by IBM pursuant to the terms of this Scope of Work and the Agreement, infringe any rights of any third party in or to any U.S. patent, trademark, copyright, service mark, trade name, trade secret or similar proprietary rights conferred by contract or by common law or by any law of the United States or any state therein. The foregoing indemnity applies provided City promptly notifies IBM in writing following its receipt of notice of any such claim, suit or proceeding and shall give IBM such information and cooperation as is reasonable under the circumstances. IBM shall have the duty to keep City informed of the progress of each such matter but shall have the sole authority to defend or settle the claim at IBM's sole cost and expense. IBM's obligation to indemnify City under this Section shall only apply if: (a) City has made all payments to IBM required by this Statement of Work and the Agreement and complied with all applicable provisions of this Section and the Agreement; and (b) the infringement alleged in any such claim, suit or proceeding does not result from any of the following: (i) any modification of the Deliverables provided under this SOW or the equipment and/or software specified in Section 1.0 of this Statement of Work by City, or use of the specified equipment and/or software in other than its specified operating environment; (ii) incorporation into the Deliverables or the specified equipment and/or software of anything City provides or IBM's compliance with any designs, specifications, or instructions provided by City or by a third-party on behalf of City; (iii) infringement by non-Consultant product(s) alone; or (iv) the combination, operation, or use of the Deliverables or the specified equipment and/or software with other Products not provided by IBM as part of the Deliverables provided under this SOW or the equipment and/or software specified in Section 1.0 of this Scope of Services, or the combination, operation, or use of the Deliverables or the specified equipment and/or software with any product, data, or apparatus that IBM did not provide.
7. Limitation of Liability. Circumstances may arise where, because of a default on IBM's part or other liability, City is entitled to recover damages from IBM. In each such instance, regardless of the basis on which City is entitled to claim damages from IBM (including fundamental breach, negligence, or other contract or tort claim), IBM is liable for no more than:
 - a) The payments referred to in subsection 6 above regarding Intellectual Property Indemnification;
 - b) Damages for bodily injury (including death) and damage to real property and tangible personal property; and
 - c) The amount of any other actual direct damages, up to the greater of \$100,000 or the compensation IBM received under this Statement of Work and the Agreement.

IBM shall not be liable for any of the following, even if informed of their possibility: (a) loss of, or damages to, records or data; (b) special, incidental, or indirect damages; (c) any economic consequential damages; or (d) lost profits, business, revenue, goodwill, or anticipated savings. The limitations set forth in this Section shall also apply to any of IBM's subcontractors and Program Developers and represent the maximum for which IBM and its subcontractors and Program developers are collectively responsible.

1.5 Estimated Schedule

Estimated Start Date = July 1, 2011

Estimated End Date = June 30, 2012

Reasonable effort shall be made to keep the schedule dates intact.

IBM shall not be responsible for delays or additional requirements imposed by any government agencies, labor disputes, fire, unavoidable casualties, or unforeseen conditions.

1.6 Deliverable Materials

The following items will be delivered to City under this Statement of Work. See Appendix A, "Deliverables Guidelines", for a description of each deliverable.

- Status Report
- Summary of Findings and Recommendations

1.7 Completion Criteria

IBM shall have fulfilled its obligations under this Statement of Work when any one of the following first occurs:

1. IBM accomplishes the IBM tasks described under "IBM Responsibilities" in accordance with the mutually agreed to requirements.
2. IBM provides the number of hours of Services specified under "Charges" or any subsequent Change Authorization.
3. Either IBM or City terminates this Statement of Work under the terms of the Agreement.
4. The Estimated End Date is reached.

1.8 Charges

The charges for the Services described in this Statement of Work are estimated as follows:

IBM will provide the Services described in this Statement of Work for up to two hundred (200) hours at an hourly rate of \$230.00. The total estimated funding requirements for these tasks, are \$46,000 plus an estimated travel budget of \$6,750, is \$52,750. The hours authorized by City and specified here do not imply or commit a fixed-price contract. If IBM determines that it is necessary to exceed the hours or the Estimated End Date, the parties may revise this Statement of Work in accordance with the procedures set forth in Appendix B. If City alternatively chooses to terminate IBM's Services, City agrees to pay IBM for actual hours expended and any travel and living expenses incurred by IBM up to the date of written notification by City.

The Total Charge for the services provided under this Statement of Work is an amount that will not exceed \$52,750, including a travel budget in an amount that will not exceed \$6,750, unless otherwise authorized and mutually agreed to in writing through the Project Change Control Procedure described in Appendix B.

City will be invoiced monthly for actual hours and travel and living expenses incurred during the previous month. Travel and living expenses are included in the above estimates.

Invoices are payable within 30 days of receipt in accordance with City's standard practice.

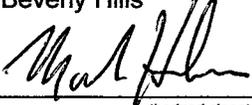
IBM agrees to provide the Services described in this SOW provided City accepts this SOW, without modification, by signing in the space below on or before June 30, 2011.

Each party agrees that the complete agreement between IBM and City about these Services consists of 1) this Statement of Work and 2) the IBM Customer Agreement (or any equivalent agreement signed by both parties).

Please Provide Hard Copy of Purchase Order: _____

Agreed to:

City of Beverly Hills

By: 
Authorized signature

Name (type or print): MARK HOVSON

Date:

Customer number: 1782976

Customer address:

455 North Rexford Drive
Beverly Hills, CA 90210

Agreed to:

International Business Machines Corporation

By: 
Authorized signature

Name (type or print): Samantha Scherr

Date: 01/11

Agreement Number: HQ12291

Statement of Work number: PRBL

IBM Office address:

IBM Corporation
600 Anton Boulevard
Costa Mesa, CA 92626

Appendix A. Deliverable Guidelines

Appendix A. Deliverable Guidelines

Status Report

Purpose: IBM will provide a Status Report during the project to describe the activities which took place during that period. Significant accomplishments, milestones, and problems will be described.

Delivery: One hard copy will be delivered to the City Project Manager within five working days following the reporting period.

Content: The report will consist of the following, as appropriate:

- Activities performed during the reporting period
- Activities planned for the next reporting period
- Project change control activity
- Problems, concerns, and recommendations
- Hours summary

Summary of Findings and Recommendations

Purpose: IBM will provide a summary of key findings and conclusions and provide recommendations to assist City in understanding how specific changes will impact the future of City's equipment and applications.

Delivery: One hard copy will be delivered to the City Project Manager.

Content: The report will consist of the following, as appropriate:

- Key findings and conclusions
- Recommendations

Appendix B. Project Change Control Procedure

When both parties agree to a change in this Statement of Work, a written description of the agreed change (called a "Change Authorization") will be prepared, which both parties must sign. The Change Authorization will describe the change, the rationale for the change, and specify any change in the charges, estimated schedule, or other terms, and will take the form attached hereto. Depending on the extent and complexity of the requested changes, IBM may charge for the effort required to analyze it. When charges are necessary in order to analyze a change, IBM will provide a written estimate and begin the analysis on written authorization. The terms of a mutually agreed upon Change Authorization will prevail over those of this Statement of Work or any previous Change Authorization.

Sample PCR Document



Change Authorization for Project Management and Technical Consulting Services

This Change Authorization ("PCR") is to modify the existing Statement of Work dated July 1, 2008 between the City of Beverly Hills ("City") and International Business Machines Corporation ("IBM").

The Scope of Services is amended as follows: See Attached Pages

Except as set out herein, all other terms & conditions remain unchanged and in full force and effect.

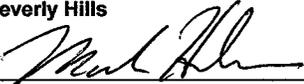
IBM agrees to provide the Services described in this PCR, provided City accepts this PCR, without modification, on or before **MM/DD/YY** by signing in the space provided below.

Each of us agrees that the complete agreement between us about these Services consists of

- 1) this Change Authorization,
- 2) the referenced Statement of Work, and
- 3) the IBM Customer Agreement or IBM Agreement for Services, as applicable.

Agreed to:

City of Beverly Hills

By: 

Authorized signature

Name (type or print): *MARC HEBRON*

Date:

Customer Number:

Customer Address: **455 North Rexford Dr.**

Beverly Hills, CA 90210

Project Name or Identifier:

Agreed to:

International Business Machines Corporation

By: 

Authorized signature

Name (type or print): *Samantha Scheer*

Date: *6/1/11*

Reference Agreement Number:

Reference Statement of Work Number:

Change Authorization Number:

IBM Office Number:

IBM Office Address: