COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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June 16, 2009

IN REPLY PLEASE
REFER TO FILE: T-6

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

47 JUNE 16, 2009

SACHI A. HAMAI
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

EL SEGUNDO AREA INTELLIGENT TRANSPORTATION SYSTEM PROJECT AMENDMENT NUMBER ONE TO COUNTY AGREEMENT NO. PW 12694 FOR SOFTWARE AND SERVICES (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ( ) DISAPPROVE ( )

SUBJECT

This action is to approve and authorize the Director of Public Works or her designee to execute an Amendment to Software and Services Agreement No. PW 12694 by and between the County of Los Angeles and Iteris, Inc., for Phases 2 through 4 (Detailed Design, System Deployment, Integration, Marketing, Operations and Maintenance) of the El Segundo Area Intelligent Transportation System Project. The Amendment Number One will require an increase in the Contract Sum from $3,361,820 to $6,820,782 (a Contract Sum increase of $3,458,962). This increased Contract Sum will be paid with Federal and Los Angeles County Metropolitan Transportation Authority Grant Funds and Proposition C Local Return matching County funds.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that this project is exempt from the California Environmental Quality Act.

2. Authorize the Director of Public Works or her designee to execute Amendment Number One to the Software and Services Agreement No. PW 12694 dated June 23, 2003, with Iteris, Inc., for Phases 2 through 4 (Detailed Design, System Deployment, Integration, Marketing, Operations and Maintenance) of the El Segundo Area Intelligent Transportation System Project. Amendment Number One will require an increase in the Contract Sum (as defined in the Amendment Number One) from $3,361,820 (initially allocated to Phase 1 of the El Segundo Area Intelligent Transportation System Project pursuant to the Software and Services Agreement No. PW 12694 dated June 23, 2003, to $6,820,782 (a Contract Sum increase of $3,458,962). This increased Contract Sum will be paid with Federal and Los Angeles County Metropolitan Transportation Authority Grant Funds and Proposition C Local Return matching County funds. The Amendment Number One will also extend the term of the Software and Services Agreement No. PW 12694 dated June 23, 2003, for two years from the effective date of the Amendment Number One, with the option for County to further extend the term for up to two additional years.

3. Delegate authority to the Director of Public Works or her designee to execute future amendments to the Software and Services Agreement No. PW 12694 dated June 23, 2003, (a) updating Attachment A.3 (Ownership of Software Programs) to the Software and Services Agreement No. PW 12694 dated June 23, 2003, (b) carrying out orders of the Board of Supervisors relating to the Software and Services Agreement No. PW 12694 dated June 23, 2003, including, without limitation, (i) issuing written notices(s) of partial or total termination pursuant to Paragraph 39 (Termination for Convenience) of the Software and Services Agreement No. PW 12694 dated June 23, 2003, and/or (ii) reducing the scope of work and the Contract Sum, and/or (c) extending the term of the Software and Services Agreement No. PW 12694 dated June 23, 2003, for up to two additional years with no increase in the Contract Sum, pursuant to County's option to do so under the Amendment Number One.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is as follows: (a) to find the project is exempt from the California Environmental Quality Act; (b) to obtain consultant services for (i) the further design, deployment and integration of the Advanced Traveler Information System originally developed with early deployment projects pursuant to the Software and Services Agreement No. PW 12694 dated June 23, 2003, (ii) the operations and maintenance of certain portions of the Advanced Traveler Information System and (iii)

the marketing of certain portions of the Advanced Traveler Information System to cities within the County; and (c) to permit Iteris, Inc. limited rights to market the Advanced Traveler Information System to public and private entities both within and outside of the County. Although originally developed for the El Segundo Area of Los Angeles County pursuant to the Software and Services Agreement No. PW 12694 dated June 23, 2003, the Advanced Traveler Information System, as developed under the Amendment Number One, will provide traveler information to all motorists in the Southern California area, especially in the County.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Service Excellence (Goal 1) and Community Services (Goal 3). The El Segundo Area Intelligent Transportation System Project (Project) furthers these goals by providing improved infrastructure to County residents. Specifically, County residents will enjoy improved access to real-time traffic information, which will enhance the quality of life for the residents of the County of Los Angeles by reducing travel and other commute times. By securing staffing resources to complete the work, it ensures an efficient, effective and goal oriented project delivery system.

FISCAL IMPACT/FINANCING

The scope of work under the Amendment Number One (Amendment) will be provided by Iteris, Inc. (Iteris) for a not-to-exceed amount of $3,474,107, which is allocated (a) $1,962,180 to further the detailed design, system deployment and integration of the Advanced Traveler Information System (ATIS) (Phases 2 and 3) and (b) $1,511,927 to marketing, operations and maintenance of certain portions of the ATIS (Phase 4). Phase 1 of the Software and Services Agreement No. PW 12694 dated June 23, 2003 (Underlying Agreement) has unexpended funds of $15,145 remaining, which will be applied toward the work to be performed by Iteris under Phases 2 through 4 pursuant to the Amendment. As a result, the Amendment will increase the total Contract Sum by $3,458,962, which will result in a total Contract Sum of $6,820,782, from $3,361,820.

The funding for the increased amount of $3,458,962 under the Amendment is included in the Fiscal Year 2008-09 Proposition C Local Return Fund Budget. The Department of Pubic Works (Public Works) has received Federal funds, which will reimburse approximately 75 percent of the increase. The remainder of the increase will be funded approximately 20 percent by Los Angeles County Metropolitan Transportation Authority Proposition C Discretionary Grant Funds for the Project, and approximately five percent by the County's Proposition C Local Return Fund budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The attached version of the Amendment has been approved as to form by County Counsel.

The Underlying Agreement, as proposed to be amended by the Amendment, contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code Chapter 2.202; and the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the other standard Board-directed clauses, such as those that provide for contract termination or renegotiation.

Data regarding Iteris's minority participation is on file with Public Works. Iteris was selected upon final analysis and consideration without regard to race, creed, gender, or color.

ENVIRONMENTAL DOCUMENTATION

This Project is categorically exempt from the California Environmental Quality Act (CEQA). The Project may include the installation of vehicle detection devices, which is within a class of projects that has been determined not to have a significant effect on the environment in that it meets the criteria set forth in Section 15301(c) of the State CEQA Guidelines and Class 1(x) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, which specifically relates to modification and installation of traffic signals. In addition, the Project will not involve a sensitive environment, and there will be no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption inapplicable based upon the Project records.

CONTRACTING PROCESS

On June 25, 2001, a Request for Proposals for this Project was transmitted to 34 firms from a Public Works list of qualified consultants. The scope of services proposed in the

Request for Proposals indicated that, although the initial contract award would be for Phase 1 only, the full implementation of the Project would be accomplished in four phases and that Public Works had the option of entering into supplemental agreements with the selected firm for subsequent phases of the Project. Three firms responded to the request. An evaluation committee consisting of Metropolitan Transportation Authority, local agencies, and Public Works staff evaluated the proposals. Consultant selection was based on qualifications for completing all phases of the Project and the proposer was required to provide an approach for each phase along with a preliminary estimate, budget, and labor requirements associated with each phase. The evaluation committee recommended Iteris be awarded the contract.

On December 3, 2002, your Board authorized the then Director of Public Works to execute the Underlying Agreement for a not-to-exceed amount of $3,361,820, to prepare a conceptual design of the ATIS for the El Segundo area of the County and to provide certain early deployment projects for the ATIS. The conceptual design laid the foundation for the early deployment projects under Phase 1 and for the final design and deployment under Phases 2 through 4 of the Project.

Based on Iteris's performance during Phase 1, Public Works determined that electing the option to have Iteris provide Phases 2 through 4 of the Project, as was provided for in the Request for Proposals, is in the best interest of the County because (1) Iteris has gained special knowledge of the ATIS services through its design and deployment and, as a result, is specially suited to provide the requested services set forth in the Amendment in the most economical and cost-effective manner and (2) Phases 2 through 4 will require the use of certain Iteris-owned proprietary software. If County desired that another vendor modify the ATIS (which contains Iteris-owned software licensed to County pursuant to the Underlying Agreement), this vendor would be required to request approval from Iteris with respect to the Iteris-owned software to enhance, maintain, and support the ATIS.

Furtherance of Project Goals

One primary goal of the Project is to provide traveler information to the residents of the County. To this end, the Amendment provides for the further enhancement and wide-scale deployment of the traveler information services. These services were originally designed during Phase 1 and were initially deployed on a prototype basis through early deployment projects under Phase 1. As described above, the extended services under the Amendment will be as follows:

Provision of Free/Basic Services

The Free/Basic Services include:

- **CommunityView™**-Internet (CV-I) – provides travelers in Southern California with access to freeway traffic conditions at the following Internet sites: www.commuteview.net, www.commutecall.com, www.commutesmart.info, and other local agency Internet sites;
- **CommunityView™**-Cable TV (CV-C) – provides cable television viewers at home with access to local road and freeway traffic conditions; and
- **CommuteCall™ BASIC** – provides an automated interactive voice response (IVR) system that gives travelers access to general freeway travel conditions through their telephone.

Premium Subscription-Based/Enhanced Services

In addition to the "free-to-the-user" services, a suite of premium, subscription-based services will be deployed with this Project. It is expected that a variety of subscription choices will be made available to the traveling public by Iteris.

- **CommuteView** – provides a personalized traveler information service that allows users to establish customized route specific information and receive traffic reports via E-mail or text message about their selected routes.
- **CommuteCall ENHANCED** – enables a user to obtain their CommuteView route specific information via an automated IVR system. In addition, the user will be able to obtain more specific freeway information not available via CommuteCall BASIC.

The Amendment also provides for the operations and maintenance of the Free/Basic Services and marketing of the CommunityView™-Cable TV (CV-C) to other cities throughout the County. The Amendment further grants Iteris the non-exclusive rights to market, at Iteris's own cost and expense, the other County-owned portions of the Free/Basic Services to up to five other governmental or quasi-governmental entities outside of the County. These marketing rights are subject to the terms and conditions described in the Amendment, including that Iteris cannot charge any governmental or quasi-governmental entity license fees, although Iteris is permitted to charge service fees in connection with implementation and maintenance.

Another primary goal of the ATIS project is that the ATIS (both the Free/Basic Services and the Premium Subscription-Based Services) will ultimately be operated, managed, and maintained by Iteris, on a financially self-supporting basis. To achieve this goal,

the early deployment prototypes of the Free/Basic Services and Premium Subscription-Based Enhanced Services were evaluated during Phase 1 for their market acceptance and ability to generate revenue. Based on these evaluations, Iteris and Public Works believe the Premium Subscription-Based/Enhanced Services have the potential to generate revenue. As a result, as is described above, the Amendment provides for the wide scale deployment of these services in the Southern California region.

Due to the uncertainties associated with this revenue generation potential of the Premium Subscription-Based/Enhanced Services, Public Works and Iteris will use the two-year term of the Underlying Agreement, as proposed to be extended by the Amendment, to assess the ability of the Premium Subscription-Based/Enhanced Services to generate revenue. If at the end of the two year period, Public Works determines that further assessment is needed, but that such assessment will not result in an increase in the Contract Sum, the Director of Public Works or her designee may execute an amendment to the Underlying Agreement extending the term for up to two additional years.

In order to allow for the marketing and implementation of the Premium Subscription-Based/Enhanced Services so that the revenue generating potential can be assessed, the Amendment grants Iteris the right to manage, market, operate and maintain, at Iteris's own cost and expense, the County-owned portions of the Premium Subscription-Based/Enhanced Services, subject to terms and conditions described in the Amendment, including that Iteris cannot charge any governmental or quasi-governmental entity license fees, although Iteris is permitted to charge subscription fees to end users for the use of the functionality and features of the Premium Subscription-Based/Enhanced Services. This right is exclusive within the five Southern California counties of Los Angeles, Ventura, Orange, San Bernardino, Riverside and San Diego, and non-exclusive outside of these counties but within the United States. Iteris will be responsible for managing, marketing, operating, and maintaining the Premium Subscription-Based/Enhanced Services and will keep any revenue received from these services. Under the Amendment, Iteris will be required to submit monthly reports to Public Works to track the revenue and operating expenses associated with the Premium Subscription-Based/Enhanced Services.

At the end of the two-year term, Public Works will assess the sustainability and revenue received from the Premium Subscription-Based/Enhanced Services. If the marketing of these services is determined to be successful, Public Works will attempt to renegotiate the fees associated with the operating and maintaining the Free/Basic Services and have these fees reduced and/or eliminated as appropriate, in exchange for permitting Iteris to continue having the right to manage, market, operate and maintain the County-owned portions of the Premium Subscription-Based/Enhanced Services. In this

scenario, Iteris would continue to be responsible for managing, marketing, operating, and maintaining the Premium Subscription-Based/Enhanced Services and would continue to keep any revenue received from these services.

If at the end of the two-year term the revenue generated from the marketing of the Premium Subscription-Based/Enhanced Services is not yet significant, and fees associated with the operations and maintenance of the Free/Basic Services are substantially less than projected, as noted above, the Director of Public Works or her designee may also extend the term without any increase in Contract Sum for up to an additional two years. Also in this scenario, Iteris would continue to be responsible for managing, marketing, operating, and maintaining the Premium Subscription-Based/Enhanced Services and would continue to keep any revenue received from these services.

If the Premium Subscription-Based/Enhanced Services are not successful, or should Public Works be unable to negotiate a satisfactory deal with Iteris, Public Works can determine not to seek Board approval for an extension of the term of the Underlying Agreement, which would terminate Iteris's right to manage, market, operate and maintain the County-owned portions of the Premium Subscription-Based/Enhanced Services.

Public Works already has the ability to use and modify the source code for all County-owned portions of the Free/Basic Services and Premium Subscription-Based/Enhanced Services and may determine to operate these using Public Works staff or through a contract with a different third-party vendor.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current County services or projects during the performance of the recommended consultant services.

CONCLUSION

Please return an adopted copy of this letter to the Department of Public Works, Traffic and Lighting Division.

Respectfully submitted,

for Patrick V. Deichelbis
GAIL FARBER
Director of Public Works

Reviewed by:

Richard Sanchez
RICHARD SANCHEZ
Acting Chief Information Officer

GF:WJW:pc

Attachments (2)

c: Chief Executive Officer (Lari Sheehan)
Chief Information Office
County Counsel
Executive Office

FINAL

AMENDMENT NUMBER ONE

TO

SOFTWARE AND SERVICES AGREEMENT

BETWEEN

COUNTY OF LOS ANGELES

AND

ITERIS, INC.

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Attachment A.3 – Ownership of Software Programs

Exhibit B – Schedule of Deliverables and Payments
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Attachment B.3 – Contractor's Applicable Hourly Rates

Exhibit C – Contractor's Proposal for the El Segundo Area Intelligent Transportation System Project (Incorporated by Reference).

Exhibit D – County's Request for Proposals for the El Segundo Area Intelligent Transportation System Project (Incorporated by Reference)

Exhibit E – Safely Surrendered Baby Law Fact Sheet

Exhibit F – Operations & Maintenance Services
Attachment F.1 – Designated Services Specifications

Exhibit G-1 (Terms of Use (Individual End Users))

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AMENDMENT NUMBER ONE TO SOFTWARE AND SERVICES AGREEMENT

This Amendment Number One to Software and Services Agreement (together with all Exhibits, Attachments and Schedules hereto, this "Amendment No. 1") is dated as of June ___, 2009 (as further defined below, "Amendment No. 1 Effective Date"), by and between the County of Los Angeles, a body corporate and politic ("County"), and Iteris, Inc., a Delaware corporation ("Contractor"), with reference to the following recitals:

Recitals

A. County and Contractor entered into that certain Software and Services Agreement No. PW 12694 dated June 23, 2003 (together with all Exhibits, Attachments and Schedules thereto, the "Agreement"), for the provision of certain specialized engineering services required for the development and design of the El Segundo Area Intelligent Transportation System Project, which includes the functionality commonly referred to as the CommunityView-Internet Website (including, without limitation, www.commuteview.net and www.commutecall.com), CommunityView-Cable TV Service, CommuteCall BASIC Telephone Service, CommuteCall ENHANCED Premium Telephone Service, the CommuteView personalized traveler information service (www.commuteview.net) and related interactive features and functionality.

B. The parties now wish to supplement and amend the Agreement in order to provide for, among other things: (1) the further development and expansion of the Project (as defined in the Agreement, as amended from time to time); (2) the acquisition of support services with respect to the Software (as defined in the Agreement, as amended from time to time) and the Project; (3) the acquisition of marketing services with respect to Community View-Cable TV Service; and (4) Contractor's license of the Developed Software (as defined in the Agreement, as amended from time to time), in each case, as more fully described in, and subject to the terms and conditions of, this Amendment No. 1.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, and pursuant to Paragraph 15 (Change Notices and Amendments) of the Agreement, County and Contractor hereby agree to supplement and amend the Agreement as follows.

1. Definitions; Paragraph References. Capitalized terms used but not defined in this Amendment No. 1 will have the respective meanings indicated for them in the Agreement, as amended by this Amendment No. 1. Unless otherwise indicated, Paragraph references in this Amendment No. 1 shall refer to Paragraphs of the base document of the Agreement.

2. Amendments to References to Attachments. As of the Amendment No. 1 Effective Date (as defined below), each reference in the Agreement to "Attachment B.1

(Contractor's Applicable Hourly Rates) to Exhibit B (Schedule of Deliverables and Payments)" hereby is replaced with a reference to "Attachment B.3 (Contractor's Applicable Hourly Rates)".

3. Amendments to Paragraph 1 (Applicable Documents). As of the Amendment No. 1 Effective Date, Paragraph 1.1 (Interpretation) of the Agreement hereby is amended and restated in its entirety as follows:

"1.1 Interpretation

1.1.1 The provisions of this Agreement along with Exhibits A, B, E, F, G-1, G-2 and H attached hereto (together with the Schedules and Attachments thereto), and Exhibits C and D incorporated herein by reference (together with the Schedules and Attachments thereto), all as amended, restated, supplemented or otherwise modified from time to time and all described in Paragraph 1.1.2 below, collectively form and throughout and hereinafter are referred to as the "Agreement". Unless otherwise noted, references to this Agreement include all Exhibits, Schedules and Attachments hereto and references to an Exhibit include all Schedules and Attachments thereto.

1.1.2 In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, subtask, deliverable, goods, service or other work, or otherwise between and/or among this document and/or the Exhibits, such conflict or inconsistency, shall be resolved by giving precedence first to Amendment No. 1, then to the body of this Agreement, and then to the Exhibits, and the Schedules and Attachments thereto, according to the following priority:

1. Exhibit A – Statement of Work
   - Attachment A.1 – Statement of Work (Phase 1)
   - Attachment A.2 – Statement of Work (Phases 2-4)
   - Attachment A.3 – Ownership of Software Programs
2. Exhibit B – Schedule of Deliverables and Payments
   - Attachment B.1 – Schedule of Deliverables and Payments (Phase 1)
   - Attachment B.2 – Schedule of Deliverables and Payments (Phases 2-4)
   - Attachment B.3 – Contractor's Applicable Hourly Rates
3. Exhibit F – Operations & Maintenance Services
   - Attachment F.1 – Designated Services Specifications

4. Exhibit C – Contractor's Proposal for the El Segundo Area Intelligent Transportation System Project (Incorporated by Reference).
5. Exhibit D – County's Request for Proposals for the El Segundo Area Intelligent Transportation System Project (Incorporated by Reference)
6. Exhibit G-1 Terms of Use (Individual End Users)
7. Exhibit G-2 – Minimum Sublicense Agreement Terms (Other Sublicensees)
8. Exhibit H – End User No Charge Features
9. Exhibit I – Federal Funding Provisions
10. Exhibit E – Safely Surrendered Baby Law Fact Sheet"

4. Amendments to Paragraph 2 (Definitions). As of the Amendment No. 1 Effective Date, Paragraph 2 (Definitions) of the Agreement hereby is amended to:

(a) Add the following defined terms thereto in the proper alphabetical order:

"Amendment

As used herein, the term 'Amendment' shall have the meaning set forth in Paragraph 15.2.

Amendment No. 1

As used herein, the term 'Amendment No. 1' shall mean that certain Amendment No. 1 to Software and Services Agreement, dated as of June __, 2009, between County and Contractor.

Amendment No. 1 Effective Date

As used herein, the term 'Amendment No. 1 Effective Date' shall mean the date on which the Amendment No. 1 becomes effective in accordance with the terms thereof.

Associations

As used herein, the term 'Associations' shall mean any entity formed to administer and promote the use of Cards, including, without limitation, Visa U.S.A. Inc. and MasterCard International, Incorporated.

Association Rules

As used herein, the term 'Association Rules' shall mean the bylaws, rules and regulations of the Associations, as they exist from time to time.

Basic Services

As used herein, the term 'Basic Services' shall mean the Basic Telephone Service, the Cable TV Service, and the Website, for which no subscription fees are charged to End Users.

Basic Services Public Agency

As used herein, the term 'Basic Services Public Agency' shall have the meaning set forth in Paragraph 11.4.1.3(A)(iii).

Basic Telephone Service

As used herein, the term 'Basic Telephone Service' shall mean, with respect to each End User telephone call, the CommuteCall BASIC Telephone Service functionality of the Project, which includes interactive voice response access to the real-time traffic and roadway data required hereby, including, without limitation, the County Data, for the Maximum Minutes, but does not include (a) access to such real-time traffic and roadway data thereafter and (b) access to the functionality which permits End Users to obtain such real-time traffic and roadway data personalized or customized to specific routes, as more fully described on Attachment A.3 (Ownership of Software Programs). References herein to 'Basic Telephone Service' include any and all Software components used therein.

Cable TV Service

As used herein, the term 'Cable TV Service' shall mean the CommuteView-Cable TV Service functionality of the Project which permits agencies to display to End Users non-personalized real-time traffic and roadway data required hereby, including, without limitation, the County Data, as broadcast over Cable TV

frequencies. References herein to 'Cable TV Service' include any and all Software components used therein.

Card

As used herein, the term 'Card' shall mean the plastic card or other evidence of credit or debit account and account number, issued by a Card Issuer to the holder of such Card, either of which is accepted through the Project from the holder of such Card as payment of subscription fees for any Project Component.

Card Issuer

As used herein, the term 'Card Issuer' shall mean any financial institution, which is a member bank of the Association or its agents, American Express and/or Discover.

Cardholder Data

As used herein, the term 'Cardholder Data' shall mean personally identifiable information of End Users obtained in connection with: (i) the use or registration process for use of any Enhanced Services or (ii) any other payments made by End Users. Such Cardholder Data may include, but is not limited to, name, address, phone number, e-mail address, social security number, credit/debit card number, checking account number or any information similar to any of the foregoing items.

Change Notice

As used herein, the term 'Change Notice' shall have the meaning set forth in Paragraph 15.2.

Contractor's Investment

As used herein, the term 'Contractor's Investment' shall mean cash expenditures made by Contractor during the term for purposes of marketing the Enhanced Services in Ventura, Los Angeles, Orange, San Bernardino, Riverside and/or San Diego Counties or enhancements to Basic Services provided to County at no cost beyond those set forth in Exhibit B (Schedule of Deliverables and Payments).

County Cities

As used herein, the term 'County Cities' shall mean any city, town, or municipality physically located within the geographical borders of Los Angeles County.

County Data

As used herein, the term 'County Data' shall mean the real-time traffic and roadway data collected by County systems, including, for example, County's Information Exchange Network, as such systems are in existence as of the Amendment No. 1 Effective Date and/or as thereafter created, modified or expanded at County's sole discretion, which data may include, without limitation and to the extent such data is being collected by any such system at such time, traffic volumes, congestion and speeds, and road maintenance and construction.

Derivative Product

As used herein, the term 'Derivative Product' shall mean any derivation, revision, adaptation, conversion, reformation, translation, abridgement, enhancement, expansion, compilation, supplement, or other modification to all or any portion of the Developed Software, including, without limitation, pursuant to a Sublicense Agreement.

Design, Deployment & Integration Services

As used herein, the term 'Design, Deployment & Integration Services' shall have the meaning set forth in Paragraph 6.4 (Design, Deployment & Integration Services).

Documentation

As used herein, the term 'Documentation' means any documentation, whether electronic or printed, pertaining to the Project, which shall include, without limitation, the following technical deliverables: data flow diagrams, process flow diagrams, entity relationship diagrams, data dictionaries (e.g., metadata descriptions), and Contractor's configuration log maintained pursuant to Exhibit F (Operations & Maintenance Services).

Downtime Credits

As used herein, the term 'Downtime Credits' shall have the meaning set forth in Paragraph 5.8.2 (Downtime Credits).

Early Deployment Projects

As used herein, the term 'Early Deployment Projects' shall mean the 'Early Deployment Projects' as defined in and provided in

accordance with Task 2 (Early Deployment Project(s)) of Attachment A.1 (Statement of Work (Phase 1)).

End User

As used herein, the term 'End User' shall mean any person or entity accessing any Project Component at the application level as opposed to a person or entity engaging Contractor to develop, expand and/or offer any Project Component on behalf of such person or entity. For purposes of Paragraph 11.4.3 (Sublicensing), that a Sublicensee is an End User does not alone prevent it from engaging Contractor to develop, expand and/or offer any Project Component on its behalf and vice versa.

Enhanced Services

As used herein, the term 'Enhanced Services' shall mean the Enhanced Telephone Service and the Personalized Service for which Contractor charges subscription fees to End Users.

Enhanced Telephone Service

As used herein, the term 'Enhanced Telephone Service' shall mean, with respect to each End User telephone call, the CommuteCall ENHANCED Premium Telephone Service functionality of the Project which is not included in the Basic Telephone Services (*i.e.*, (a) access to the real-time traffic and roadway data required hereby, including, without limitation, the County Data, after the Maximum Minutes have been exceeded and (b) access to the Personalized Services (other than the e-mail functionality that comprises part of the Personalized Services)), as more fully described on Attachment A.3 (Ownership of Software Programs). References herein to 'Enhanced Telephone Service' include any and all Software components used therein.

Holdback Amount

As used herein, the term 'Holdback Amount' shall have the meaning set forth in Paragraph 5.4 (Holdbacks).

Infringement Claims

As used herein, the term 'Infringement Claims' shall have the meaning set forth in Paragraph 26.2.

Interfaces

As used herein, the term 'Interfaces' shall mean computer software and/or hardware used to transfer data or commands between the Project and other computer systems. Interfaces include, without limitation, the Interfaces described in Subtask 2.2 (Arterial Information Detailed Design) (including all further subtasks thereunder) and Subask 3.3 (Data Collection Deployment) (including all further subtasks thereunder) of Attachment A.2 (Statement of Work (Phases 2-4)).

LA Area Parties

As used herein, the term 'LA Area Parties' shall have the meaning set forth in Paragraph 11.4.1.2 (Enhanced Services)

Marketing Services

As used herein, the term 'Marketing Services' shall have the meaning set forth in Paragraph 6.6 (Marketing Services).

Maximum Minutes

As used herein, the term 'Maximum Minutes' shall mean, with respect to each End User using the Basic Telephone Service, a maximum of (a) twenty (20) minutes per month, (b) ten (10) minutes per week and (c) eight (8) minutes per day, unless otherwise agreed to by County's Project Director.

Monthly O&M Fees

As used herein, the term 'Monthly O&M Fees' shall mean (a) the base monthly fees identified under the description of Phase 4 on Attachment A.2 (Statement of Work (Phases 2-4)) for Application Service Provider Costs and Interactive Voice Response or IVR Hosting Costs, (b) the maximum monthly fees identified under the description of Phase 4 on Attachment A.2 (Statement of Work (Phases 2-4)) for the base level of Customer Support Costs and General & Administrative Costs, which shall be billed on a "not to exceed" time and materials basis at the applicable hourly rates set forth on Attachment B.3 (Contractor's Applicable Hourly Rates), and (c) to the extent applicable with respect to any month during the term, the incremental monthly fees identified under the description of Phase 4 on Attachment A.2 (Statement of Work (Phases 2-4)) for IVR Hosting Costs, Customer Support Costs and General & Administrative Costs, which fees shall be payable on a monthly basis, in arrears, and shall not exceed, in the aggregate,

the amount identified on Attachment B.2 (Schedule of Deliverables and Payments (Phases 2-4)) as the not to exceed amount available for CommunityView and CommuteCall Basic Operation and Maintenance Services.

Operations & Maintenance Services

As used herein, the term 'Operations & Maintenance Services' shall have the meaning set forth in Paragraph 6.5 (Operations & Maintenance Services).

Performance Report

As used herein, the term 'Performance Report' shall have the meaning set forth in Paragraph 29(c) of Amendment No. 1.

Personalized Service

As used herein, the term 'Personalized Service' shall mean the CommuteView personalized traveler information service functionality of the Project which permits End Users to receive user-scheduled e-mails and/or text messages detailing the real-time traffic and roadway data required hereby, including, without limitation, the County Data, personalized to specific routes, to receive customized route comparison reports, and other enhancements which are deemed to be a part of Personalized Service, all as more fully described on Attachment A.3 (Ownership of Software Programs). References herein to 'Personalized Service' include any and all Software components used therein.

Project Component

As used herein, the term 'Project Component' shall mean one or more of the five components of the Project, namely the Basic Telephone Service, the Enhanced Telephone Service, the Cable TV Service, the Website and the Personalized Service.

Remedial Acts

As used herein, the term 'Remedial Acts' shall have the meaning set forth in Paragraph 26.4.

Restricted Entity

As used herein, the term 'Restricted Entity' shall mean the following persons or entities: (A) those that primarily or substantially engage in any of the following categories of

businesses: gaming (other than the California Lottery and related governmental or quasi-governmental entity administered games), pornography, alcohol sales, tobacco, or illegal activity; (B) those that County has reasonably determined (through County's Project Director or otherwise) to be primarily or substantially engaged in a category of business which represents a reasonable extension of any of the categories listed in clause (A) of this definition; or (C) those that are then debarred by County's Board of Supervisors (current listing available at http://doingbusiness.lacounty.gov/policies_contracting.htm under "Contractor Non-Responsibility").

Security Incident

As used herein, the term 'Security Incident' shall have the meaning set forth in Paragraph 20.4 (Data Collection, Confidentiality and Security).

Specified Tasks

As used herein, the term 'Specified Tasks' shall have the meaning set forth in Paragraph 6.4 (Design, Deployment & Integration Services).

Sublicense Agreement

As used herein, the term 'Sublicense Agreement' shall mean each sublicense, license or other agreement pursuant to which Contractor licenses, the rights granted to it pursuant to Paragraph 11.4 (Contractor License) or performs any services with respect thereto. The minimum terms and conditions for each Sublicense Agreement are contained in Exhibit G-1 (Terms of Use (Individual End Users)) and Exhibit G-2 (Minimum Sublicense Agreement Terms (Other Sublicensees)), as applicable.

Sublicensee

As used herein, the term, 'Sublicensee' shall mean each person or entity sublicensing all or any portion of the Developed Software from Contractor pursuant to a Sublicense Agreement.

Successor Event

As used herein, the term 'Successor Event' shall have the meaning set forth in Paragraph 21.5.

Third Party Hosting Agreements

As used herein, the term 'Third Party Hosting Agreements' shall have the meaning set forth in Paragraph 29(e) of Amendment No. 1.

User Data

As used herein, the term 'User Data' shall mean any (a) Cardholder Data and (b) information comprising any output from any Project Component personalized for an End User. Such User Data may include, but is not limited to, name, address, phone number, e-mail address, social security number, credit/debit card number, checking account number or any information to the foregoing items.

Website

As used herein, the term 'Website' shall mean, collectively, the CommuteView-Internet Website functionality of the Project, including the web pages accessible under the principal domain names www.commuteview.net and www.commutecall.com, all extensions of such domain names, all subpages thereof, and any other current or future web pages (whether under the current domain names or any successor names) hosting the real-time traffic and roadway data required hereby, including, without limitation, the County Data, and other and powered by the Software, as more fully described on Attachment A.3 (Ownership of Software Programs). References herein to 'Website' include any and all Software components used therein."

(b) Amend the defined term "Commercial-Off-The-Shelf Software" to delete the reference therein to "Attachment A.2 (Commercial-Off-The-Shelf Software) to Exhibit A (Statement of Work)" and to replace each such reference with a reference to "Attachment A.3 (Ownership of Software Programs) on the row labeled 'Contractor Developed/COTS Integrated".

(c) Amend the defined term "Deficiency; Deficiencies; deficiency; deficiencies" to add the phrase "Attachment F.1 (Designated Services Specifications)," immediately after the phrase ", including Exhibit A Statement of Work),".

(d) Amend the defined term "Developed Software" to (i) add the phrase "the Derivative Products, the Interfaces and the Software from time to time listed on Attachment A.3 (Ownership of Software Programs) on either the row labeled 'Contractor Developed/Project Enhanced' or the row labeled 'Project Developed'" immediately following the phrase ", including the Software developed in accordance with Paragraph

6.3.2 (Additional Services)" and (ii) replace the word "documentation" with the defined term "Documentation".

(e) Amend the defined term "Licensed Software" to (i) delete each reference therein to "Attachment A.1 (Licensed Software Programs) to Exhibit A (Statement of Work)" and to replace each such reference with a reference to "Attachment A.3 (Ownership of Software Programs) on the row labeled 'Contractor Developed/COTS Integrated'" and (ii) replace the word "documentation" with the defined term "Documentation".

(f) Amend the defined term "Project" to include the Website, the Basic Telephone Service, the Enhanced Telephone Service, the Personalized Service and the Cable TV Service, in each case and unless otherwise expressly noted, as implemented under this Agreement, as amended from time to time, or any Sublicense Agreement. Additionally, as of the Amendment No. 1 Effective Date, references in the Agreement to the Project may include one or more Project Component or the entire Project.

(g) Amend the first sentence of the defined term "Schedule of Work" to (i) add the phrase "with all Attachments thereto" immediately following the phrase "Exhibit B (Schedule of Deliverables and Payments)" and (ii) replace the word "documentation" with the defined term "Documentation".

(h) Amend the defined term "Source Code" to replace the word "documentation" with the defined term "Documentation".

(i) Amend the defined term "Statement of Work" to add the phrase "and Schedules" immediately following the phrase "with all Attachments".

5. Amendment to Paragraph 3 (Term). As of the Amendment No. 1 Effective Date, (i) all references in the Agreement to the defined terms "Initial Term" or "Extended Term" are deleted and replaced with the word "term", and (ii) Paragraph 3.1 (General) of the Agreement hereby is deleted in its entirety and replaced with the following:

> "The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect for two (2) years following the Amendment No. 1 Effective Date (in this Paragraph 3, "initial term"), unless sooner terminated or extended, in whole or in part, as provided in this Agreement. County may, in County's sole discretion, extend the initial term of this Agreement for up to two (2) one (1) year periods (in this Paragraph 3, each an "extended term"), which extension shall be accomplished in accordance with the applicable provisions of Paragraph 15 (Change Notices and Amendments). As used in this Agreement, "term," "term of this Agreement" and "Agreement term" shall refer to the initial term and each exercised extended term."

6. Amendments to Paragraph 4 (Contract Sum). As of the Amendment No. 1 Effective Date, Paragraph 4.1 (Maximum Contract Sum) of the Agreement hereby is amended to delete the second paragraph thereof and to replace it with the following:

> "The Contract Sum for this Agreement, including all applicable taxes, authorized by County hereunder, shall not exceed Six Million Eight Hundred Twenty Thousand Seven Hundred Eighty Two Dollars ($6,820,782). The Contract Sum is allocated (A) $3,346,675 to Phase 1 of the Project (as described in Attachment A.1 (Statement of Work (Phase 1))), and (B) $3,474,107 to Phases 2-4 of the Project (as described in Attachment A.2 (Statement of Work (Phases 2-4))), and is further detailed in Exhibit B (Schedule of Deliverables and Payments) and the Attachments thereto. The parties acknowledge and agree that as of the date of Contractor's signature to Amendment No. 1, County has paid, and Contractor has received, $2,966,012 with respect to the amount of the Contract Sum allocated to Phase 1 of the Project (as described in Attachment A.1 (Statement of Work (Phase 1))), as is further detailed in Attachment B.1 (Schedule of Deliverables and Payments (Phase 1))."

7. Amendments to Paragraph 5 (Invoices and Payments). As of the Amendment No. 1 Effective Date:

(a) The first sentence of Paragraph 5.1 (General) of the Agreement hereby is amended and restated in its entirety as follows:

> "Contractor shall invoice County for all deliverables, tasks, subtasks, goods, services and other work which are specified in Attachment A.1 (Statement of Work (Phase 1)), Attachment A.2 (Statement of Work (Phases 2-4)), Attachment B.1 (Schedule of Deliverables and Payments (Phase 1)), or Attachment B.2 (Schedule of Deliverables and payments (Phases 2-4)), which have been provided by Contractor and approved in writing by County, provided that all services and other work which are performed under Phase 4 of the Project (as described in Attachment A.2 (Statement of Work (Phases 2-4))) and which have been provided by Contractor pursuant to the terms of this Agreement may be invoiced monthly upon Contractor's completion of such work."

(b) Paragraph 5.2 (Invoice Detail) of the Agreement hereby is amended and restated in its entirety as follows:

> "5.2 Invoice Detail

Each invoice submitted by Contractor shall indicate, at a minimum:

A. The tasks, subtasks, deliverables, goods, services or other work as described in (1) (a) Attachment A.1 (Statement of Work (Phase 1)) or (b) Attachment A.2 (Statement of Work (Phases 2-4)) and (2) (a) Attachment B.1 (Schedule of Deliverables and Payments (Phase 1)) or (b) Attachment B.2 (Schedule of Deliverables and Payments (Phases 2-4)), for which payment is claimed.

B. The date of written approval of the tasks, subtasks, deliverables, goods, services or other work by County's Project Director, provided, that invoices for Operations & Maintenance Services shall not be required to include the information set forth in this Paragraph 5.2(B).

C. For Deliverables under Task 1 (Project Management) of Attachment A.1 (Statement of Work (Phase 1)), Task 1 (Project Management) of Attachment A.2 (Statement of Work (Phases 2-4)), the Marketing Services (hereinafter 'Project Management Deliverable(s)'), the period for which payment is desired, the name, applicable hourly rate(s) (see Attachment B.3 (Contractor's Applicable Hourly Rates) and amount of hours worked by each Contractor or subcontractor employee performing work hereunder.

D. The amount due for each Deliverable in Exhibit B (Schedule of Deliverables and Payments); except that the amount for each of the Project Management Deliverables, each of the Deliverables under Tasks 2 (Early Deployment Project(s)) and 9 (Additional Services), in each case, of Attachment A.1 (Statement of Work (Phase 1)) and each of the Deliverables under the Specified Tasks shall be determined as set forth below, but in no event shall exceed, in the aggregate, the fixed amount set forth in Exhibit B (Schedule of Deliverables and Payments) with respect thereto.

E. The amount due with respect to the Project Management Deliverables included in such invoice, which shall be the lesser of: (i) the maximum amount for the applicable of (A) Task 1 as enumerated in Attachment B.1 (Schedule of Deliverables and Payments), (B) Task 1 (Project Management) enumerated in Attachment B.2 (Schedule of Deliverables and Payments (Phases 2-4)), or (C) Marketing Services, less any amounts previously paid by County to Contractor under such Task or (ii) the total cost of work performed for the invoiced period. The total cost of work

performed shall be calculated by multiplying the amount of hours worked during the period to which such invoice applies by the applicable hourly rate(s) set forth in Attachment B.3 (Contractor's Applicable Hourly Rates).

F. The amount due for the Deliverables under Tasks 2 (Early Deployment Project(s)) and 9 (Additional Services) of Attachment A.1 (Statement of Work (Phase 1)) included in such invoice shall be established in accordance with Work Orders approved and signed by County and Contractor pursuant to Paragraph 6.3 (Work Orders); provided that as of the date of Contractor's signature to Amendment No. 1, County's Project Director is not authorized to request and Contractor is not authorized to provide any further Deliverables under Tasks 2 (Early Deployment Project(s)) and 9 (Additional Services) of Attachment A.1 (Statement of Work (Phase 1)), other than the Deliverables specified in Work Orders approved and signed by County and Contractor prior to such date.

G. The amount due for the Deliverables under the Specified Tasks included in such invoice shall be established in accordance with Work Orders approved and signed by County and Contractor pursuant to Paragraph 6.4 (Design, Deployment & Integration Services).

H. The Monthly O&M Fees due for the Operations & Maintenance Services provided during the period covered by the invoice, including (1) the number of minutes used, (2) the number of minutes authorized for the Basic Telephone Service, (3) for the base level of Customer Support Costs and General & Administrative Costs, the name, applicable hourly rate(s) (see Attachment B.3 (Contractor's Applicable Hourly Rates) and amount of hours worked by each Contractor or subcontractor employee performing work hereunder, (4) also for the base level of Customer Support Costs and General & Administrative Costs, an indication that the applicable monthly "not to exceed" amounts have not been exceeded, and (5) support for any incremental costs included in the Monthly O&M Fees.

I. The amount of Contractor's Investment spent during the period covered by the invoice as well as the cumulative amount spent as of the date of such invoice, including a summary of the use of such expenditures.

J. A summary of the invoices received under Third Party Hosting Agreements for services performed thereunder during the period covered by the invoice, which summary shall include the

amount of such invoice, the number of minutes used, and such other information as specified by County's Project Director.

Invoices shall be accompanied by an analysis of work completed for the invoice period. This analysis shall be prepared in a format satisfactory to County's Project Director, consistent with the format of status reports submitted in support of Task 2 (Early Deployment Project(s)) of Attachment A.1 (Statement of Work (Phase 1)). County's Project Director may, in their sole discretion, request additional supporting information in connection with any invoice."

(c) Paragraph 5.4 (Holdbacks) of the Agreement hereby is amended and restated in its entirety as follows:

"Other than with respect to Monthly O&M Fees, County will hold back ten percent (10%) of the amount of each invoice (hereinafter the 'Holdback Amount') approved by County pursuant to Paragraph 5.3 (County Approval of Invoices). With respect to the following Tasks, the cumulative Holdback Amounts retained with respect to such Tasks shall be due and payable to Contractor:

(i) for Task 2 (Early Deployment Project(s)) of Attachment A.1 (Statement of Work (Phase 1)), upon the timely completion and County's written approval of each Early Deployment Project under this Agreement successfully completed by Contractor under such Task 2 (Early Deployment Project(s));

(ii) for Task 9 (Additional Services) of Attachment A.1 (Statement of Work (Phase 1)), upon the timely completion and County's written approval of applicable Additional Services successfully completed by Contractor under such Task 9 (Additional Services);

(iii) for Tasks 1 (Project Management) and 3 through 8, in each case of Attachment A.1 (Statement of Work (Phase 1)), upon successful completion of Deliverable 8.4.3 (Strategic Plan Final Report Executive Summary) of Attachment A.1 (Statement of Work (Phase 1));

(iv) for tasks, subtasks, deliverables, goods, services or other work as described under Phase 2 of the Project (as described in Attachment A.2 (Statement of Work (Phases 2-4))), upon timely completion and County's written approval of all such tasks, subtasks, deliverables, goods, services and other work completed by Contractor under Phase 2 of the Project;

(v) for each Specified Task, upon timely completion and County's written approval of all tasks, subtasks, deliverables, goods, services and other work under the Work Order for such Specified Task; and

(vi) for Marketing Services, upon the timely completion and County's written approval of all tasks, subtasks, deliverables, goods, services and other work described in Attachment A.2 (Statement of Work (Phases 2-4)) for such Marketing Services.

The parties acknowledge that, as of the date of Contractor's signature to Amendment No. 1, (A) County has paid to Contractor $290,828 of the Holdback Amounts retained with respect to Phase 1 of the Project (as described in Attachment A.1 (Statement of Work (Phase 1))) and (B) County has retained $43,839 of Holdback Amounts retained with respect to Phase 1 of the Project (as described in Attachment A.1 (Statement of Work (Phase 1))), all as further detailed on Attachment B.2 (Schedule of Deliverables and Payments (Phase 1))."

(d) The first paragraph of Paragraph 5.5 (Payments) of the Agreement hereby is amended (i) to add the phrase "pertaining to such invoice" immediately after the phrase "(ii) the work" and (ii) to delete the phrase ", less the Holdback Amount," and to replace it with the phrase ", less any applicable credits under Paragraph 5.8.1, Downtime Credits, Holdback Amounts and/or withholds,".

(e) The second sentence of Paragraph 5.6 (Discrepancies) of the Agreement hereby is amended to add the phrase "discrepancies and/or" immediately after the phrase "Contractor shall review the".

(f) Paragraph 5.8 (Credits to County) of the Agreement hereby is amended (i) to number the current text thereof as Paragraph 5.8.1 in accordance with the Agreement's numbering convention and (ii) to add new Paragraph 5.8.2 as follows:

"5.8.2 In the event that County experiences 'Downtime' (as defined in Exhibit F (Operations & Maintenance Services)) at any time or from time to time following the Amendment No. 1 Effective Date, County shall be entitled to receive credits against its Monthly O&M Fees in such amounts as calculated in accordance with Exhibit F (Operations & Maintenance Services) (such credits, the 'Downtime Credits'). To the extent that the Downtime Credits (together with any other applicable credits or withholds) applicable to any calendar month's Monthly O&M Fees exceed such Monthly O&M Fees, such excess may be carried forward indefinitely to reduce Monthly O&M Fees for the subsequent calendar month or months (as the case may be)."

8. Amendments to Paragraph 6 (Work). As of the Amendment No. 1 Effective Date,

(a) Paragraph 6.1 (General) of the Agreement hereby is amended to insert the phrase "and Attachments" immediately after the phrase "Exhibit B (Schedule of Deliverables and Payments), with Schedules".

(b) The first sentence of Paragraph 6.2 (Notice to Proceed) of the Agreement hereby is amended to insert the proviso "; provided that work to be performed under the Amendment No. 1 shall not commence until the Amendment No. 1 Effective Date has occurred" immediately prior to the final punctuation of such sentence.

(c) Paragraph 6.3.1 (Early Deployment Projects) of the Agreement hereby is amended (i) to delete each reference therein to the phrase "of Exhibit A (Statement of Work)" and to replace such reference with the phrase "of Attachment A.1 (Statement of Work (Phase 1))", (ii) to delete the reference therein to "Two Million Three Hundred Thousand Dollars ($2,300,000)" and to replace it with a reference to "Two Million Two Hundred Ninety Six Thousand One Hundred Nineteen Dollars ($2,296,119)", and (iii) to add the following after the final punctuation thereof:

> "The parties acknowledge and agree that as of the date of Contractor's signature to Amendment No. 1, County's Project Director is not authorized to request and Contractor is not authorized to provide any further Early Deployment Projects under this Agreement."

(d) Paragraph 6.3.2 (Additional Services) of the Agreement hereby is amended (i) to delete the reference therein to the phrase "of Exhibit A (Statement of Work)" and to replace such reference with the phrase "of Attachment A.1 (Statement of Work (Phase 1))", (ii) to delete the reference therein to "Three Hundred and Five Thousand Six Hundred Twenty Dollars ($305,620)" and to replace it with a reference to "Two Hundred Seventy Thousand Dollars ($270,000)", and (iii) to add the following after the final punctuation thereof:

> "The parties acknowledge and agree that as of the date of Contractor's signature to Amendment No. 1, County's Project Director is not authorized to request and Contractor is not authorized to provide any further Additional Services under this Agreement."

(e) Paragraphs 6.4 (Acknowledgement On Work), 6.5 (Unapproved Work) and 6.6 (County's Right to Reject) of the Agreement hereby are renumbered to be Paragraphs 6.7, 6.8 and 6.9 of the Agreement, respectively.

(f) A new Paragraph 6.4 (Design, Deployment & Integration Services) hereby is added to the Agreement in the proper numerical order as follows:

"6.4 Design, Deployment & Integration Services

6.4.1 From and after the Amendment No. 1 Effective Date, Contractor shall provide the design, interface creation, integration, deployment and other build-out services in accordance with Task(s) 2 and 3 (together with all subtasks thereunder) of Attachment A.2 (Statement of Work (Phases 2-4)) (collectively, the 'Design, Deployment & Integration Services'). Contractor shall provide all of the deliverables, goods, services and other work described in Task 2 (together with all subtasks thereunder) and Subtasks 3.1 and 3.2 (together with all further subtasks thereunder) of Attachment A.2 (Statement of Work (Phases 2-4)) for the fixed price amount specified for such Tasks (together with all subtasks thereunder) and Subtasks (together with all further subtasks thereunder) on Schedule B.2 (Schedule of Deliverables and Payments (Phases 2-4)).

6.4.2 County and Contractor acknowledge and agree that although Contractor shall provide all of the deliverables, goods, services and other work contemplated by Subtasks 3.3 and 3.4 (including all further subtasks thereunder) of Attachment A.2 (Statement of Work (Phases 2-4)) (such Subtask and all further subtasks thereunder, the 'Specified Tasks'), County has agreed to allow Contractor additional time to prepare a fixed-price, detailed scope of work for each Specified Task (each a 'Scope of Work'). County and Contractor further acknowledge and agree that although Contractor is obligated to provide all of the deliverables, goods, services and other work contemplated by all such Specified Tasks, the maximum fixed price County shall be obligated to pay for such deliverables, goods, services and other work shall not to exceed the amount set forth on Attachment B.2 (Schedule of Deliverables and Payments (Phases 2-4)) with respect to such Specified Tasks.

6.4.3 From time to time following the Amendment No. 1 Effective Date, whether or not prompted by County's Project Director, but subject to Paragraph 6.4.5, Contractor shall submit to County's Project Director a Scope of Work with respect to one or more Specified Tasks for County's Project Director's written approval thereof (it being understood that a Scope of Work must be submitted with respect to each Specified Task no later than the date specified with respect to such Specified Task on Attachment A.2 (Statement of Work (Phases 2-4))). Each Scope of Work shall identify the Specified Tasks subject thereto and shall include (a) a functional description of the deliverables, goods, services and other work to be performed under such Scope of Work, (b) a quotation of a "not to exceed" price for completion and delivery of such deliverables, goods, services and other work, (c) a proposed

completion and payment schedule for such deliverables, goods, services and other work, (d) Contractor staff and estimated staff hours recommended for completion of such deliverables, goods, services and other work, (e) a description of and Contractor's cost of any software, or other materials required to complete such deliverables, goods, services and other work and (f) both before and after giving effect to such Scope of Work, the remaining amount available for Specified Tasks. The hourly rates used by Contractor to calculate the staff hours recommended under such Scope of Work shall not exceed the hourly rates set forth on Attachment B.3 (Contractor's Applicable Hourly Rates). Each Scope of Work submitted hereunder shall be irrevocable by Contractor for ninety (90) days from submission thereof.

6.4.4 County's Project Director and County's Project Manager shall review each such Scope of Work and recommend and/or request any revisions thereto. If approved in writing by County's Project Director, following such approval, County's Project Director will issue a Work Order for such Scope of Work, to be signed by both County's Project Director and Contractor, and Contractor shall thereafter provide the work described in such Scope of Work in accordance with the Work Order and this Agreement generally. In no event shall County be liable or responsible for any work with respect to a Specified Task prior to County's Project Director issuing the Work Order with respect to such Specified Task. Notwithstanding Paragraphs 6.4.2, 6.4.3 and 6.4.4, to the extent expressly set forth in Attachment A.2 (Statement of Work (Phases 2-4)), the deliverables, goods, services and other work contemplated by Subtask 3.4 (including all further subtasks thereunder) of Attachment A.2 (Statement of Work (Phases 2-4)) shall be requested and approved as specified in Subtask 3.4 (including all further subtasks thereunder) of Attachment A.2 (Statement of Work (Phases 2-4)) and, once so requested and approved as specified in Subtask 3.4 (including all further subtasks thereunder) of Attachment A.2 (Statement of Work (Phases 2-4)), Contractor shall thereafter provide the work as described in the request and approval and this Agreement generally.

6.4.5 Notwithstanding Paragraph 6.2 of this Agreement or any other provision to the contrary in this Agreement, each subtask under Subtask 3.3 of Attachment A.2 (Statement of Work (Phases 2-4)), shall require a separate written authorization from County's Project Director prior to Contractor commencing work with respect to such subtask. In no event shall County be liable or responsible for any such subtask prior to County's Project Director issuing the

written authorization with respect to such subtask. Contractor shall not request a written authorization to proceed with respect to any such subtask until such time as Contractor can demonstrate that Contractor has maintained at least 600 paid subscribers with respect to the Enhanced Services for the last two (2) reporting periods occurring immediately prior to the date of the request for written authorization for such subtask, as evidenced by the Performance Reports for such reporting periods.

6.4.6 Without limiting County's ability to exercise its rights under Paragraph 13 (Records and Audits) and Paragraph 48 (County Audit Settlements), for the avoidance of doubt, all deliverables, goods, services and other work provided by Contractor under the Specified Tasks shall be subject to such Paragraphs."

(g) A new Paragraph 6.5 (Operations & Maintenance Services) hereby is added to the Agreement in the proper numerical order as follows:

"6.5 Operations & Maintenance Services

From and after the Amendment No. 1 Effective Date through the expiration of the term of this Agreement, Contractor shall provide application service provider hosting, interactive voice response hosting, customer support, general and administrative services, operations, maintenance and other support services in accordance with the description of work set forth in Chapter 4 of Attachment A.2 (Statement of Work (Phases 2-4)) under the heading "Recurring Costs – Operations and Maintenance Services" (including all further subheadings thereunder) (collectively, the 'Operations & Maintenance Services')."

(h) A new Paragraph 6.6 (Marketing Services) hereby is added to the Agreement in the proper numerical order as follows:

6.6 Marketing Services

6.6.1 Marketing Services and Promotional Materials for Cable TV Service. From and after the Amendment No. 1 Effective Date through the expiration of the term of this Agreement, Contractor shall provide marketing services in accordance with the description of Work set forth in Chapter 4 of Attachment A.2 (Statement of Work (Phases 2-4)) under the heading "Marketing of CommunityView-Cable TV (CV-C)" ("Marketing Services"). The Marketing Services are intended solely to promote the Cable TV Service application to the County Cities. All promotional material

developed or proposed to be used in support of marketing Cable TV Service shall be approved by County's Project Director prior to distribution, display or publication. In the event County, in its sole discretion, (whether acting through County's Project Director or otherwise) objects to any proposed promotional material, Contractor agrees not to distribute, display or publish the promotional material objected to by County.

6.6.2 Promotional Materials for Basic Services. All promotional material developed or proposed to be used, if any, in support of Basic Services (whether to the County Cities or otherwise) shall be approved by County's Project Director prior to distribution, display or publication. In the event County, in its sole discretion, (whether acting through County's Project Director or otherwise) objects to any proposed promotional material, Contractor agrees not to distribute, display or publish the promotional material objected to by County.

6.6.3 Promotional Materials for All Other Services. All promotional material developed or proposed to be used, if any, in support of the services provided for herein, excluding the Cable TV Services and Basic Services, and including but not limited to, the Enhanced Services, (whether to the County Cities or otherwise) shall be developed or provided by Contractor at Contractor's sole cost and expenses. All promotional material developed or proposed to be used, if any, in support of the services provided for herein, excluding the Cable TV Services and Basic Services, and including, but not limited to, the Enhanced Services, (whether to the County Cities or otherwise) must be approved by County's Project Director prior to distribution, display or publication. If County, in its sole discretion, (whether acting through County's Project Director or otherwise) objects to any proposed promotional materials, Contractor shall not distribute, display or publish such promotional materials.

6.6.4 No Agency. For the avoidance of doubt, the performance of Marketing Services by Contractor is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association, as between Contractor and County. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever. Contractor shall not hold itself out to be an agent, servant, employee, partner, joint venturer or associate of County, and Contractor acknowledges that it does not have the power or authority to execute or bind County to any agreement of any type. Contractor shall indemnify, defend and hold harmless

County, its officers, employees and agents from and against any and all loss, damage, liability and expense arising from any breach of this Paragraph 6.6.3 by Contractor, its officers, employees or agents.

9. Amendment to Paragraph 7 (Indemnification). As of the Amendment No. 1 Effective Date, Paragraph 7 (Indemnification) of the Agreement hereby is amended to add the phrase "; under any Sublicense Agreement or with respect to any Security Incident" immediately after the phrase "in the performance of services or provision of products hereunder".

10. Amendments to Paragraph 9 (Administration of Agreement – County). As of the Amendment No. 1 Effective Date:

(a) Paragraph 9.1.4 of the Agreement hereby is amended to add the phrase "Other than as authorized pursuant to Paragraph 6 (Work Orders) or Paragraph 15 (Change Notices and Amendments)," to the beginning of such Paragraph.

(b) Paragraph 9.2.1 of the Agreement hereby is amended to delete the information set forth for County's Project Manager and to replace with the following:

Jonathan Lu
County of Los Angeles
Department of Public Works
Traffic and Lighting Division
P.O. Box 1460
Alhambra, CA 91802-1460

Telephone: (626) 300-2029
Fax: (626) 979-5319
E-mail: jlu@dpw.lacounty.gov

(c) Paragraph 9.2.4 of the Agreement hereby is amended to add the phrase "Other than as authorized pursuant to Paragraph 6 (Work Orders) or Paragraph 15 (Change Notices and Amendments)," to the beginning of such Paragraph.

11. Amendments to Paragraph 11 (Software Ownership and License). As of the Amendment No. 1 Effective Date:

(a) Paragraph 11.1.2 of the Agreement hereby is amended to delete the second sentence thereof in its entirety and to replace it with the following:

"Contractor shall not sell, supply, sublicense, lease or otherwise transfer the Developed Software to any other party other than County other than in accordance with Paragraph 11.4 (Contractor License) hereof."

(b) A new Paragraph 11.1.4 (Derivative Product) hereby is added to the Agreement as follows:

"11.1.4 Derivative Product

Subject to the terms of the Agreement, as amended, and to the extent any Derivative Product is not considered Developed Software hereunder, all Derivative Products and all copyright, patent, trade secret and other proprietary rights therein, shall become the property of Contractor."

(c) Paragraph 11.2 (License) of the Agreement hereby is retitled "Paragraph 11.2 (County License)" and to replace each occurrence of the word "documentation" with the defined term "Documentation".

(d) The first sentence of the second paragraph of Paragraph 11.3.1 (Self-Escrow of Source Code) of the Agreement hereby is amended (i) to add the phrase "for the Licensed Software" immediately after the phrase "County shall hold the Source Code" and (ii) to delete the second reference therein to the phrase "the Source Code" and to replace it with the phrase "such Source Code".

(e) Paragraph 11.3.2 (Source Code Release Conditions) hereby is amended to add the phrase "for the Licensed Software" after each reference therein to the phrase "the Source Code".

(f) The first paragraph of Paragraph 11.3.4 (Possession and Use of Source Code) hereby is amended to add the phrase "for the Licensed Software" after each reference therein to the phrase "the Source Code". The second paragraph of such Paragraph 11.3.4 (Possession and Use of Source Code) hereby is amended to add the phrase ", irrespective of whether a Release Condition has occurred" immediately prior to the final punctuation of such paragraph.

(g) The second sentence of Paragraph 11.3.5 (Proprietary Rights) of the Agreement hereby is amended to add the phrase "for the Licensed Software" immediately after the phrase "any possession of the Source Code". The ultimate and penultimate sentences of such Paragraph 11.3.5 (Proprietary Rights) hereby are amended to add the phrase "for the Licensed Software" immediately after each reference therein to the phrase "Source Code".

(h) A new Paragraph 11.4 (Contractor License) hereby is added to the Agreement as follows:

"11.4 Contractor License

11.4.1 Contractor License Grant

As of the Amendment No. 1 Effective Date:

11.4.1.1 County Data

County hereby grants to Contractor a royalty-free, non-exclusive, non-transferable license to manipulate, transmit, copy, modify, create derivative works and display the County Data to the extent necessary to perform its duties under this Agreement and each Sublicense Agreement.

11.4.1.2 Enhanced Services

11.4.1.2.1 Exclusive License

A. County hereby grants to Contractor a royalty-free, exclusive (except as to County), non-transferable license:

(i) To create Derivative Products with respect to the Enhanced Services, solely to the extent that such Derivative Products are or shall be provided by Contractor to third parties pursuant to clause (ii) below; and

(ii) To provide services and applications using the Developed Software that are substantially similar to the Enhanced Services, including providing support services, to third parties within Ventura, Los Angeles, Orange, San Bernardino, Riverside and/or San Diego Counties ("LA Area Parties"); provided, that: (a) subject to Paragraph 11.4.1.2.1(B) below, Contractor shall not charge any LA Area Party any royalty, rental, lease or other license fee (provided that the foregoing shall not prevent Contractor from charging such third party for installation, customization, modification and/or maintenance services provided by Contractor), and (b) the Enhanced Services provided by Contractor shall not contain any materials which would associate County or any County department with such Enhanced Services in any manner, including, without limitation, by using the words "County of Los Angeles", "Department of Public Works", or any derivations thereof, or by using the County of Los Angeles seal or the DPW logo. With regards to (a), Contractor shall fairly apportion its fees such that they properly reflect the services provided and do not constitute a de facto license fee, as determined in the reasonable discretion of the County's Project Director.

B. County acknowledges that Contractor shall have the right to charge subscription fees to End Users to use the functionality and features of the Enhanced Services.

C. Without limitation of any other provision of this Agreement, including, without limitation, those provisions regarding minimum sublicense terms, all agreements entered into by Contractor with third parties in accordance with Contractor's license rights granted under this Paragraph 11.4.1.2.1 shall be in the name of Contractor and shall not bind or purport to bind County. Contractor acknowledges that: (i) in providing Enhanced Services to third parties, it is not acting in a capacity as County's agent, servant, employee, partner, joint venturer or associate, (ii) County shall not be liable or responsible in any way whatsoever for the performance of any obligations of Contractor with respect to providing the Enhanced Services to third parties, and (iii) County shall not be liable or responsible in any way whatsoever for any taxes, duties, assessments or other levies, including, but not limited to, sales, use, value added, and/or income taxes, which may be imposed on any activity or transaction directly or indirectly resulting from Contractor providing the Enhanced Services to third parties.

11.4.1.2.2 Non-Exclusive License

A. County hereby grants to Contractor a royalty-free, non-exclusive (except as to County), non-transferable license:

(i) To create Derivative Products with respect to the Enhanced Services, solely to the extent that such Derivative Products are or shall be provided by Contractor to third parties pursuant to clause (ii) below;

(ii) To provide services and applications using the Developed Software that are substantially similar to the Enhanced Services, including providing support services, to third parties outside of the LA Area Parties but within the United States; provided, that: (a) subject to Paragraph 11.4.1.2.2(B) below, Contractor shall not charge any governmental or quasi-governmental third party any royalty, rental, lease or other license fee (provided that the foregoing shall not prevent Contractor from charging such governmental or quasi-governmental third party for installation, customization, modification and/or maintenance services provided by Contractor), and (b) such services shall not contain any materials which would associate County or any County department with such services in any manner, including, without limitation, by using the words "County of Los Angeles", "Department of Public Works", or any derivations thereof, or by using the County of Los Angeles seal or the DPW logo. With regards to (a), Contractor shall fairly apportion its fees such that

they properly reflect the services provided and do not constitute a de facto license fee, as determined in the reasonable discretion of the County's Project Director.

B. County acknowledges that Contractor shall have the right to charge subscription fees to End Users to use the functionality and features of the Enhanced Services.

C. Without limitation of any other provision of this Agreement, including, without limitation, those provisions regarding minimum sublicense terms, all agreements entered into by Contractor with third parties in accordance with Contractor's license rights granted under this Paragraph 11.4.1.2.2 shall be in the name of Contractor and shall not bind or purport to bind County. Contractor acknowledges that: (i) in providing Enhanced Services to third parties, it is not acting in a capacity as County's agent, servant, employee, partner, joint venturer or associate, (ii) County shall not be liable or responsible in any way whatsoever for the performance of any obligations of Contractor with respect to providing the Enhanced Services to third parties, and (iii) County shall not be liable or responsible in any way whatsoever for any taxes, duties, assessments or other levies, including, but not limited to, sales, use, value added, and/or income taxes, which may be imposed on any activity or transaction directly or indirectly resulting from Contractor providing the Enhanced Services to third parties.

11.4.1.3 Basic Services

A. County hereby grants to Contractor a royalty-free, non-exclusive, non-transferable license:

(i) To create Derivative Products with respect to the Basic Services, solely to the extent that such Derivative Products are or shall be provided by Contractor to other governmental or quasi-governmental entities pursuant to clause (iii) below;

(ii) To use the Developed Software to the extent necessary to perform the Marketing Services for the Cable TV Services; and

(iii) To provide services and applications using the Developed Software that are substantially similar to the Basic Services, including providing support services, to the County Cities and up to five (5) governmental or quasi-governmental entities outside of Los Angeles County but within the United States (each, a "Basic Services Public Agency"); provided, that: (a)

Contractor shall not charge any Basic Services Public Agency any royalty, rental, lease or other license fee (provided that the foregoing shall not prevent Contractor from charging such Basic Services Public Agency for installation, customization, modification and/or maintenance services provided by Contractor at the prevailing rates Contractor charges its other governmental customers), (b) Contractor shall provide written notice to County's Project Director of each such Basic Services Public Agency to which these services and applications are provided, (c) if Contractor wishes to provide such services and applications to more than five (5) governmental or quasi-governmental entities outside of Los Angeles County but within the United States, it may only do so with County Project Director's prior written consent, given or withheld in County Project Director's sole discretion, and (d) with respect to governmental or quasi-governmental entities outside of Los Angeles County but within the United States, such services shall not contain any materials which would associate County or any County department with such services in any manner, including, without limitation, by using the words "County of Los Angeles", "Department of Public Works", or any derivations thereof, or by using the County of Los Angeles seal or the DPW logo. With regards to (a), Contractor shall fairly apportion its fees such that they properly reflect the services provided and do not constitute a de facto license fee, as determined in the reasonable discretion of the County's Project Director.

B. Contractor agrees that it shall not charge any End User any royalty, rental, lease or other license fee in order to use the functionality and features of the Basic Services, including without limitation the Developed Software identified on Exhibit H (End User No Charge Features) hereto.

C. Without limitation of any other provision of this Agreement, including, without limitation, those provisions regarding minimum sublicense terms, all agreements entered into by Contractor with third parties in accordance with Contractor's license rights granted under this Paragraph 11.4.1.3 shall be in the name of Contractor and shall not bind or purport to bind County. Contractor acknowledges that: (i) in providing Basic Services to a Basic Services Public Agency, it is not acting in a capacity as County's agent, servant, employee, partner, joint venturer or associate, (ii) County shall not be liable or responsible in any way whatsoever for the performance of any obligations of Contractor with respect to providing the Basic Services to a Basic Services Public Agency, and (iii) County shall not be liable or responsible in any way whatsoever for any taxes, duties, assessments or other levies,

including, but not limited to, sales, use, value added, and/or income taxes, which may be imposed on any activity or transaction directly or indirectly resulting from Contractor providing the Basic Services to a Basic Services Public Agency.

11.4.1.4 Derivative Products Developed Other Than Under This Agreement

With respect to any Derivative Product developed other than under this Agreement, including, without limitation, under any Sublicense Agreement, Contractor agrees to treat such Derivative Product as if it was developed under this Agreement for purposes of each and every term, condition and restriction set forth in this Agreement, including, but not limited to, Paragraphs 11.4 (Contractor License) and Paragraph 62 (New Technology).

11.4.2 Contractor License Term

The rights granted to Contractor pursuant to Paragraph 11.4 (Contractor License) shall commence on the Amendment No. 1 Effective Date and shall continue until the expiration of the term of this Agreement, unless sooner terminated in accordance with the terms of this Agreement. Notwithstanding the foregoing, the non-exclusive license rights granted to Contractor pursuant to Paragraph 11.4.1.3(A)(iii), solely with respect to Basic Services Public Agencies, shall continue in perpetuity or until terminated pursuant to the terms of this Agreement or a Sublicense Agreement.

11.4.3 Sublicensing

Contractor shall not sublicense or license any of the rights granted to it pursuant to Paragraph 11.4 (Contractor License) other than in accordance with this Paragraph 11.4.3 (Sublicensing). Any attempted sublicense or license other than in accordance with this Paragraph 11.4.3 (Sublicensing) shall be null and void.

11.4.3.1 Sublicensees

Without limiting Paragraph 11.4 (Contractor License), Contractor shall not enter into any sublicense, license or other agreement (other than terms of use agreement, "click-wrap" agreement or similar agreements accepted by End Users) with any Restricted Entity, or implement the Developed Software in any manner under any such sublicense, license or other agreement, which would associate County or any County department with a Restricted

Entity in any manner, including, without limitation, by using the words "County of Los Angeles", "Department of Public Works", or any derivations thereof, or by using the County of Los Angeles seal or the DPW logo.

11.4.3.2 Sublicense Agreements for Sublicensees Other Than End Users

A. With respect to each Sublicensee (other than End Users), prior to granting a sublicense to, or otherwise permitting, such Sublicensee to use the Developed Software or any portion thereof in accordance with the applicable license provisions of Paragraph 11.4 (Contractor License), Contractor shall obtain a fully-executed Sublicense Agreement with such Sublicensee which contains, at a minimum, the terms and conditions set forth in Exhibit G-2 (Minimum Sublicense Agreement Terms (Other Sublicensees)). Contractor shall not grant any such sublicense or license to, or otherwise permit any person or entity to, use, copy, modify, display or create derivative works of the Developed Software or any portion thereof, other than pursuant to a Sublicense Agreement or as permitted under Paragraph 19.1 (Disclosure of Information), Paragraph 20.1 (Confidentiality) or Paragraph 25.11 of the Agreement.

B. Contractor shall not add any terms and conditions to any Sublicense Agreement which, in the opinion of County's Project Director or County Counsel, could adversely impact DPW or any other County departments, decrease County's rights or increase County's potential liability thereunder. Contractor shall obtain County's Project Director's approval prior to entering into any Sublicense Agreement which does not contain, at a minimum, the terms and conditions set forth in Exhibit G-2 (Minimum Sublicense Agreement Terms (Other Sublicensees)) or makes material revisions or additions thereto.

C. Immediately upon execution thereof, but in any event prior to releasing, disclosing, delivering, installing or otherwise allowing access to all or any portion of the Developed Software under a Sublicense Agreement, Contractor shall provide a fully-executed copy of such Sublicense Agreement (other than a terms of use agreement, "click-wrap" agreement or similar agreement accepted by End Users, as Contractor shall ensure that the form and execution of each such agreement complies with Section 11.4.4) entered into by Contractor with respect to all or any portion of the Developed Software. County may reject (through County's Project Director or otherwise), in its sole discretion, any

Sublicense Agreement it determines to violate Paragraph 11.4.3.1 (Sublicensees) or Paragraph 11.4.3.2(B) hereof. Contractor shall not permit any Sublicensee to use the Developed Software or any portion thereof in a manner which would violate Paragraph 11.4.3.1 (Sublicensees) hereof.

D. All Sublicense Agreements shall be in the name of Contractor and shall not bind or purport to bind County, and shall include an explicit statement that Contractor is not acting in a capacity as County's agent, servant, employee, partner, joint venturer or associate. County shall not be liable or responsible in any way whatsoever for the performance of any obligations under any Sublicense Agreement. County shall not be liable or responsible in any way whatsoever for any taxes, duties, assessments or other levies, including, but not limited to, sales, use, value added, and/or income taxes, which may be imposed on any activity or transaction directly or indirectly resulting from Contractor's sublicensing or licensing, as the case may be, of the Developed Software to Sublicensees under a Sublicense Agreement.

E. Contractor's execution and delivery of any Sublicense Agreement shall not in any way limit County's ability to reject such Sublicense Agreement under Paragraph 11.4.3.2(C) hereof or County's right to terminate this Agreement, in whole or in part, pursuant to the terms hereof (which, Contractor acknowledges, may necessitate Contractor's corresponding termination or limitation of Sublicense Agreements). County shall not be liable or responsible in any way to Contractor, any Sublicensee or any of their respective officers, employees or agents for any claims demands, damages, liabilities, losses, costs or expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, in any way arising from or related to County's exercise of such rights.

F. If at any time during the term of this Agreement Contractor provides similar software or support services to any state, county, municipality, public agency or district under substantially similar circumstances, terms and conditions at prices below those set forth in this Agreement, then such lower prices shall be extended immediately to County.

11.4.4 Terms of Use Agreements

A. Contractor shall arrange for a Sublicense Agreement in the form of a terms of use agreement, "click-wrap" agreement or other

similar mechanism, in each case, in a form acceptable to County's Project Director, for each and every End User accessing any Project Component to accept, at a minimum, the terms and conditions set forth in Exhibit G-1 (Terms of Use (Individual End Users)). Contractor shall not add any terms and conditions to its terms of use agreement, "click-wrap" agreement or other similar mechanism which, in the opinion of County's Project Director or County Counsel, could adversely impact DPW or any other County departments, decrease County's rights or increase County's potential liability thereunder. Contractor shall obtain County's Project Director's approval prior to entering into any terms of use agreement, "click-wrap" agreement or other similar mechanism which does not contain, at a minimum, the terms and conditions set forth in Exhibit G-1 (Terms of Use (Individual End Users)) or makes material revisions or additions thereto.

B. All Sublicense Agreements in the form of a terms of use agreement, "click-wrap" agreement or other similar mechanism shall be in the name of Contractor and shall not bind or purport to bind County, and shall include an explicit statement that Contractor is not acting in a capacity as County's agent, servant, employee, partner, joint venturer or associate. County shall not be liable or responsible in any way whatsoever for the performance of any obligations under any such Sublicense Agreement. County shall not be liable or responsible in any way whatsoever for any taxes, duties, assessments or other levies, including, but not limited to, sales, use, value added, and/or income taxes, which may be imposed on any activity or transaction directly or indirectly resulting from Contractor's sublicensing or licensing, as the case may be, of the Developed Software to End Users under such Sublicense Agreements.

11.4.5 <u>County Warranties</u>

County makes no representation or warranty of any kind or nature with respect to the County Data and/or the Developed Software, including, without limitation, that any of them is accurate and/or is error and omission free. As such, the County Data and Developed Software are furnished by County with no warranty of any kind whatsoever. Without limiting Paragraph 7, Contractor's indemnification obligations under Paragraph 7 shall extend to warranty claims by Sublicensees with respect to the County Data and/or the Software."

12. <u>Amendments to Paragraph 12 (Proprietary Considerations)</u>. As of the Amendment No. 1 Effective Date, Paragraph 12.1 (County Materials) of the Agreement

hereby is amended to insert the phrase "County Data," immediately after the phrase "that all materials,".

13. Amendments to Paragraph 15 (Change Notices and Amendments). As of the Amendment No. 1 Effective Date:

(a) Paragraph 15.2 of the Agreement hereby is amended to add the phrase "pursuant to a 'Change Notice' or an 'Amendment'" immediately after the phrase "All such changes shall be accomplished".

(b) Paragraph 15.4 of the Agreement hereby is amended (i) to delete the last sentence thereof in its entirety and (ii) to replace it with the following:

> "Notwithstanding the foregoing, the Director may execute, on behalf of County, any Amendments (a) affecting the Contract Sum or Scope of Work to the extent such person is authorized pursuant to County Code or State statute, (b) updating Attachment A.3 (Ownership of Software Programs) to reflect revisions thereto, whether resulting from this Agreement or pursuant to any Sublicense Agreement and/or (c) exercising the extensions to the term of this Agreement provided for in Paragraph 3 (Term); provided that, in the case of clause (c), such Amendments do not increase the Contract Sum and only affect other terms and conditions of this Agreement to the extent necessary to implement such extensions."

14. Amendments to Paragraph 20 (Confidentiality). As of the Amendment No. 1 Effective Date, a new Paragraph 20.4 (Data Collection and Security) hereby is added to the Agreement as follows:

> "20.4 Data Collection, Confidentiality and Security
>
> 20.4.1 Contractor, on behalf of itself and of all entities collecting and/or storing User Data, agrees to maintain comprehensive data security procedures and practices appropriate to the nature of the User Data, which shall include, but not be limited to, reasonable and appropriate technical, organizational, administrative and other security measures, to protect the User Data from unauthorized access, destruction, use, modification, or disclosure. The content and implementation of the data security program and associated technical, organizational, administrative and security measures shall be fully documented in writing by Contractor, and Contractor shall provide comprehensive training on the data security program to all parties granted access to the User Data. The documentation shall address

control architecture, encryption and data separation procedures, access control and verification, the presence or absence of audit trails, system testing and monitoring, disaster recovery and back-up, and program responsibility, among other items.

20.4.2 Under no circumstances shall Contractor make any changes in its technical, organizational, administrative and other security measures that materially weaken any technical, organizational, administrative or other security measure in place to safeguard User Data or result in Contractor's failure to meet any of the minimum standards set forth in this Agreement. Under no circumstances will Contractor, any party affiliated with Contractor, or any party collecting and/or storing User Data, attempt to access or allow access to User Data that is not required for the performance of Contractor's obligations under this Agreement.

20.4.3 Contractor shall hold all User Data obtained pursuant to or in connection with the Project or the services being provided under this Agreement in confidence and shall only use it in connection with the services subscribed for by the End User through the Project, and for the conduct of the business of the Project. Contractor shall not, directly or indirectly, disclose or divulge, sell or transfer to any third party, or permit any third party to use or have access to, any User Data, except for employees or agents performing work under this Agreement who have agreed in writing to abide this Paragraph 20.4 and the other confidentiality and security provisions of this Agreement.

20.4.4 To the extent Contractor, or any entity collecting and/or storing User Data, removes User Data from any media under its control that is taken out of service, Contractor, or such entity as the case may be, agrees to permanently destroy or securely erase such User Data. Under no circumstances shall Contractor, or such entity as the case may be, use or re-use media on which User Data has been stored for any purpose unless such User Data has been securely and permanently erased.

20.4.5 Contractor agrees that any Cardholder Data obtained pursuant to or in connection with the Project or the services being provided under this Agreement shall be collected and stored only by and through an environment

and an entity, in each case, that comply with all applicable security standards and guidelines that may be published from time to time by the Associations or any Card Issuer of a Card, including, without limitation, the Visa U.S.A. Cardholder Information Security Program (in this Paragraph, "CISP") and Payment Card Industry (in this Paragraph, "PCI") (all such standards and guidelines, "Data Security Guidelines").

20.4.6 As a precondition to accepting the first Card payment with respect to the Project, Contractor shall submit a letter from an authorized officer of, as applicable, Contractor or each entity collecting and/or storing Cardholder Data, (a) certifying that Contractor or each such entity, as the case may be, is in compliance with CISP and PCI Data Security Guidelines and (b) detailing the status of such compliance, including, without limitation, an identification of any security vulnerabilities identified in connection with Contractor's or such entity's most recent CISP and/or PCI Data Security Guidelines compliance audit and corrective action taken with respect thereto. Thereafter, no less frequently than annually and, in any event, within forty-five (45) days of the completion of any CISP and/or PCI Data Security Guidelines compliance audit with respect to, as applicable, Contractor or each entity collecting and/or storing Cardholder Data, Contractor shall provide a letter from an authorized officer of, as applicable, Contractor or such entity (a) certifying that Contractor or each such entity, as the case may be, is in compliance with CISP and PCI Data Security Guidelines and (b) detailing the status of such compliance, including, without limitation, an identification of any security vulnerabilities identified in connection with Contractor's or such entity's most recent CISP and/or PCI Data Security Guidelines compliance audit and corrective action taken with respect thereto.

20.4.7 Without limiting Paragraph 27 (Compliance with Applicable Laws), Contractor shall comply, and shall require each entity collecting and/or storing User Data to comply, with all applicable Federal, State and local laws, rules, regulations, ordinances, policies, guidelines and directives (in this Paragraph 20, "Laws") relating to incidents which compromise, are reasonably believed to have compromised, or may potentially compromise, the security, confidentiality and/or integrity of any User Data

(collectively, "Security Incidents"), including without limitation, California Civil Code Section 1798.82. Under no circumstances will this Paragraph be deemed to confer upon County responsibility for Contractor's (or entities collecting and/or storing User Data) compliance with all applicable Laws.

20.4.8 No later than forty-eight (48) hours of the occurrence of any Security Incident, Contractor shall (a) provide County's Project Director and DPW's Chief Information Security Officer with written notification detailing such Security Incident, (b) investigate (with County's participation if so desired by County) such Security Incident, (c) perform a root cause analysis and prepare a corrective action plan, (d) provide written reports of its findings and proposed actions to County for its review, (e) to the extent such Security Incident is within Contractor's areas of control, remediate such Security Incident or potential Security Incident and prevent its recurrence at Contractor's sole cost and expense, (f) cooperate with County in providing any notices that County deems appropriate to affected data subjects, government agencies, credit bureaus and other entities, and (g) cooperate with County in any litigation and investigation against third parties deemed necessary by County to protect the User Data. Contractor shall be solely responsible for all costs it incurs as a result of compliance with the above requirements. No later than ten (10) business days' of County's Project Director's or County's Project Manager's request therefor, Contractor shall make the staff responsible for compliance with the Security Guidelines available for a conference call with County staff to discuss each Security Incident and the response to such Security Incident, which response shall include, but not be limited to, the steps taken (a) to prevent the reoccurrence of such a Security Incident and (b) to comply with this Section 20.4 with respect to such Security Incident.

20.4.9 Without limiting any provisions of this Agreement, to the extent any unauthorized disclosure of or access to User Data is attributable to Contractor, a breach of this Agreement by Contractor or any entity collecting and/or storing any User Data, Contractor shall bear: (a) the costs incurred by Contractor in complying with its legal obligations relating to such breach, and (b) in addition to any other costs, expenses, or damages for which Contractor

may be liable for under this Agreement, the following costs incurred by County in responding to such breach, to the extent applicable: (i) the cost of providing notice to affected individuals, (ii) the cost of providing notice to government agencies, credit bureaus, and other required entities, (iii) the cost of providing affected individuals with credit monitoring or restoration services for a minimum of 12 months or such longer minimum period required by applicable Law, to the extent the incident could lead to a compromise of the data subject's credit or credit standing, (iv) call center support for such affected individuals for a specific period not to exceed 30 days, (v) the cost of any other measures required under applicable Law, and (vi) any other damages for which Contractor would be liable under this Agreement, including, but not limited to costs incurred by issuing banks to restore or correct the data subject's credit or credit standing.

20.4.10 Contractor shall be responsible for the correction of any errors in or with respect to such User Data. Contractor shall bear the cost of correcting such errors, even if caused by County, if: (a) Contractor is operationally responsible for inputting such User Data; (b) such errors are attributable to the breach of this Agreement by Contractor or any entity collecting and/or storing any User Data; or (c) to the extent applicable, the failure of Contractor, or such entity as the case may be, to adhere to applicable processes and controls that, if adhered to, would have enabled Contractor, or such entity as the case may be, to identify and timely correct such errors or inaccuracies.

24.4.11 The restoration of any destroyed, lost or altered User Data shall be performed, using generally accepted data restoration techniques, by Contractor or any entity collecting and/or storing any User Data. To the extent (a) Contractor is operationally responsible for performing such restoration or (b) such destruction, loss or alteration is attributable to the failure of Contractor, or any entity collecting and/or storing any User Data, to comply with Contractor's or such entity's, as the case may be, obligations under this Agreement, Contractor shall bear the cost of restoring such data.

20.4.12 To the extent permitted by the Association Rules and the Security Guidelines, Contractor shall return all copies of all User Data to County immediately upon

termination or expiration of this Agreement for any reason."

15. Amendment to Paragraph 21 (Warranty). As of the Amendment No. 1 Effective Date, (i) Paragraph 21.3(B) hereby is amended to add the phrase "under this Agreement and under the Sublicense Agreements" immediately after the phrase "and other work", (ii) Paragraph 21.3(G) hereby is amended to replace the word "documentation" with the defined term "Documentation", and Paragraph 21.4 is amended to replace the word "documentation" with the defined term "Documentation".

16. Amendment to Paragraph 25 (Subcontracting). As of the Amendment No. 1 Effective Date, Paragraph 25.13 hereby is amended to insert the phrase "current Third Party Hosting Agreements," after the word "resellers," and to delete the phrase "of Exhibit A (Statement of Work)" and to replace it with the phrase "of Attachment A.1 (Statement of Work (Design & Early Deployment))".

17. Amendment to Paragraph 26 (Intellectual Property Indemnification). As of the Amendment No. 1 Effective Date:

(a) Paragraph 26.1 hereby is amended to delete the reference therein to the capitalized term "System" and to replace it with a reference to the capitalized term "Software".

(b) Paragraph 26.3 hereby is amended to delete the reference therein to the capitalized term "System" and to replace it with a reference to the capitalized term "Software" and to delete the reference therein to the capitalized phrase "System Components" and to replace it with a reference to the phrase "Software components".

18. Amendment to Paragraph 37 (Termination for Insolvency). As of the Amendment No. 1 Effective Date, Paragraph 37.3 of the Agreement hereby is amended to replace the word "documentation" with the defined term "Documentation".

19. Amendment to Paragraph 38 (Termination for Default). As of the Amendment No. 1 Effective Date, Paragraph 38.2(B) of the Agreement hereby is amended (i) to add the clause "(a) all Documentation for the Software and (b)" immediately prior to the phrase "all Source Code for the Software", (ii) to delete the word "and" at the end of Paragraph 38.2(E), (iii) to delete the final punctuation at the end of Paragraph 38.2(F) and to replace it with "; and", and (iv) to add the following as Paragraph 38.2(G):

"G. Except as expressly provided in Paragraph 11.4.2, Contractor shall immediately cease and desist all use of the Developed Software and the County Data, and shall promptly deliver to County at termination all full, or partial, copies of the Developed Software and County Data in Contractor's possession or under its control."

20. Amendment to Paragraph 39 (Termination for Convenience). As of the Amendment No. 1 Effective Date, Paragraph 39.2 of the Agreement hereby is amended to add the following as Paragraph 39.2(F):

"F. Except as expressly provided in Paragraph 11.4.2, Contractor shall immediately cease shall cease and desist all use of the Developed Software and the County Data, and shall promptly deliver to County at termination all full, or partial, copies of the Developed Software and County Data in Contractor's possession or under its control."

21. Amendment to Paragraph 49 (Surviving Provisions). As of the Amendment No. 1 Effective Date, Paragraph 49 (Surviving Provisions) of the Agreement hereby is amended to add Subparagraph 6.6.4 (No Agency) in the proper numerical order to the list of paragraphs included therein in such Paragraph 49.

22. Amendment to Paragraph 57 (Contractor Responsibility and Debarment). As of the Amendment No. 1 Effective Date, Paragraph 57 (Contractor Responsibility and Debarment) of the Agreement hereby is amended and restated as follows:

"57. CONTRACTOR RESPONSIBILITY AND DEBARMENT

57.1 A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.

57.2 Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.

57.3 County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit corporation created by County; (2) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business

integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

57.4. If there is evidence that Contractor may be subject to debarment, DPW will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

57.5 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor and DPW shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to County's Board of Supervisors.

57.6 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to County's Board of Supervisors. County's Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

57.7 If a contractor has been debarred for a period longer than five years, that contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that such contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.

57.8 The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) a contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of

debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to County's Board of Supervisors. County's Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

57.9 These terms shall also apply to subcontractors of Contractor."

23. Amendment to Paragraph 60 (Prohibition Against Inducement and Persuasion). As of the Amendment No. 1 Effective Date, Paragraph 60.2 of the Agreement hereby is amended to delete the reference therein to the capitalized term "System" and to replace it with a reference to the capitalized term "Software".

24. Amendment to Paragraph 62 (New Technology). As of the Amendment No. 1 Effective Date, Paragraph 62 (New Technology) hereby is amended to add the following sentence to the end of such Paragraph:

"The parties hereto agree that any Derivative Product created by Contractor other than under this Agreement, including, without limitation, under the license rights granted to Contractor pursuant to Paragraph 11.4 (Contractor License) or under a Sublicense Agreement, shall be considered a new technology, methodology or technique, as the case may be, hereunder. Should County desire to incorporate any such Derivative Product into the Project (which incorporation shall be accomplished pursuant to a Change Order pursuant to Paragraph 15 (Change Notices and Amendments)), Contractor shall provide such Derivative Product to County at no additional development cost. Upon County's acceptance of such Derivative Product pursuant to Paragraph 9.2 (County Approval of Work), such Derivative Product shall be considered part of the 'Developed Software' for all purposes under this Agreement, including, without limitation, for purposes of the License."

25. Amendment to Paragraph 69 (Non-Exclusivity). As of the Amendment No. 1 Effective Date, Paragraph 69 (Non-Exclusivity) hereby is amended to add the following sentence to the end of such Paragraph:

"Further, this Agreement shall not restrict County from entering into other licensing and/or marketing arrangements with respect to the Developed Software; provided, that for the term of this Agreement, Contractor shall

have an exclusive license to provide Enhanced Services as set forth in Paragraph 11.4.1.2.1."

26. Amendments to Exhibits, Attachments and Schedules. As of the Amendment No. 1 Effective Date:

(a) Exhibit A (Statement of Work) to the Agreement, together with all Attachments thereto, hereby is amended and restated in its entirety with Exhibit A (Statement of Work) attached hereto and made a part hereof, together with Attachment A.1 (Statement of Work (Phase 1)), Attachment A.2 (Statement of Work (Phases 2-4)), and Attachment A.3 (Ownership of Software Programs) thereto.

(b) Exhibit B (Schedule of Deliverables and Payments) to the Agreement, together with all Attachments and Schedules thereto, hereby is amended and restated in its entirety with Exhibit B (Schedule of Deliverables and Payments) attached hereto and made a part hereof, together with Attachment B.1 (Schedule of Deliverables and Payments (Phase 1)), Attachment B.2 (Schedule of Deliverables and Payments (Phase 1)) and Attachment B.3 (Contractor's Applicable Hourly Rates) thereto.

(c) Exhibit F (Operations & Maintenance Services) attached hereto and made a part hereof hereby is added to the Agreement as Exhibit F (Operations & Maintenance Services) thereto.

(d) Exhibit G-1 (Terms of Use (Individual End Users)) and Exhibit G-2 (Minimum Sublicense Agreement Terms (Other Sublicensees)) attached hereto and made a part hereof hereby are added to the Agreement as Exhibit G-1 (Terms of Use (Individual End Users)) and Exhibit G-2 (Minimum Sublicense Agreement Terms (Other Sublicensees)) thereto.

(e) Exhibit H (End User No Charge Features) attached hereto and made a part hereof hereby is added to the Agreement as Exhibit H (End User No Charge Features) thereto.

(f) Exhibit I (Federal Funding Provisions) attached hereto and made a part hereof hereby is added to the Agreement as Exhibit I (Federal Funding Provisions) thereto.

27. Acknowledgements Regarding Ownership of Developed Software. Contractor acknowledges and agrees that, notwithstanding any actions or other indications to the contrary taken or made prior to the Amendment No. 1 Effective Date or thereafter, County is owner of any and all Developed Software in existence as of the Amendment No. 1 Effective Date or developed thereafter under the Agreement (as amended from time to time), subject only to the license granted to Contractor pursuant to the Agreement (as amended from time to time). Nothing in this Amendment No. 1 is intended to, or shall, transfer any ownership rights in or to the Developed Software to Contractor and County hereby expressly retains all such rights.

28. Conditions Precedent to Amendment No. 1 Effective Date. This Amendment No. 1 shall become effective on the date identified in the preamble to this Amendment No. 1, which is the date on which all of the following shall have occurred (such date, the "Amendment No. 1 Effective Date"):

(a) County's Project Director shall have received an original counterpart to this Amendment No. 1, duly executed by Contractor;

(b) County Counsel shall have approved this Amendment No. 1 as to form, as indicated by County Counsel's or County Counsel's designee's original counterpart to this Amendment No. 1;

(c) County's Board of Supervisors shall have approved this Amendment No. 1;

(d) Except with respect to the Enhanced Services as provided for in Paragraph 11.4.1.2 of the Agreement, County's Project Director shall have received evidence satisfactory to her that Contractor has taken such action reasonably requested by County's Project Director to indicate County's ownership of all Developed Software in existence as of the Amendment No. 1 Effective Date, including, without limitation, removing therefrom all markings such as "© Iteris, Inc., 200_. All rights reserved." and including thereon "© County of Los Angeles, 200_. All rights reserved.";

(e) County's Project Director shall have received evidence satisfactory to her that Contractor has registered, or caused to be registered, the domain name www.commutecall.com in County's name;

(f) County's Project Director shall have received Source Code for the Software in accordance with Paragraph 11.3 of the Agreement and updated Documentation for the Software;

(g) County's Project Director shall have received a letter, dated as of the Amendment No. 1 Effective Date, from an authorized person of Contractor, which letter (a) updates as of the Amendment No. 1 Effective Date all of the amounts provided in Paragraphs 4.1 (Maximum Contract Sum) and 5.4 (Holdbacks) of the Agreement (as amended by this Amendment No. 1) as of the date of Contractor's signature to this Amendment No. 1, and (b) is in form and substance satisfactory to County's Project Director;

(h) The representative of County identified in Paragraph 8 (Insurance) of the Agreement shall have received updated insurance certificates and endorsements required pursuant to such Paragraph (as amended by this Amendment No. 1);

(i) Without limiting Section (j) of this Amendment No. 1, Contractor is not in default under any material provision of the Agreement (as amended by this Amendment No. 1), except that, with respect to each provision which includes a materiality qualifier, Contractor shall be in full compliance with such provision; and

(j) All of Contractor's representations and warranties contained in the Agreement (as amended by this Amendment No. 1) are true and correct in all respects as of the Amendment No. 1 Effective Date.

29. Additional Covenants.

(a) Contractor shall comply with all provisions set forth, and/or incorporated by reference, on Exhibit I (Federal Funding Provisions) to the Agreement.

(b) In connection with the Basic Services as implemented under the Agreement and under each Sublicense Agreement with a County City, Contractor shall comply with County Policy No. 6.030 (County Website Advertising and Hotlink Policy) (available at http://countypolicy.co.la.ca.us/).

(c) Within thirty (30) days after the last day of each calendar month (commencing with the first calendar month following the Amendment No. 1 Effective Date), Contractor shall deliver to County's Project Director an accounting of the performance of the Project (each, a "Performance Report"), which Performance Report shall include with respect to such calendar month, (a) a report of the total Project subscriptions, which report shall include a break down of such subscriptions into applicable Project Component, paid subscriptions, existing subscriptions and new subscriptions and shall indicate any subscriptions lost during the reporting period, (b) a report of the activity on each Project Component, including, without limitation, minutes of use and the number of page views, (c) a report of any Downtime for each of the Basic Services (as such report is described in Exhibit F (Operations & Maintenance Services)), (d) a list and summary of all End User complaints for each of the Basic Services, (e) the amount of Contractor's Investment spent during the period covered by the Performance Report as well as the cumulative amount spent as of the date of such Performance Report, including a summary of the use of such expenditures, (f) a detailed description of all general and administrative activities conducted under Chapter 4 of Attachment A.2 (Statement of Work (Phases 2-4)), (g) a description of any Derivative Product developed during the reporting period, whether under a Sublicense Agreement or otherwise, and all amounts received or expected to be received by Contractor for such development, and (h) any additional financial information regarding the Project as is reasonably requested by County's Project Director. Each Performance Report shall additionally provide a brief description regarding Contractor's marketing efforts during the period covered by such Performance Report and Contractor's anticipated marketing efforts during the three (3) succeeding calendar months. Each Performance Report shall include a breakdown of the aforementioned detail with respect to the Project as implemented under the Agreement and under each Sublicense Agreement. As with other transactions, activities, or records relating to the Agreement (as amended from time to time), pursuant to Paragraph 13 (Records and Audits) of the Agreement (as amended from time to time), County shall be entitled to audit any Performance Report delivered hereunder and any of Contractor's other records pertaining to licensing or sublicensing of all or any portion of the Project Components.

(d) The parties acknowledge that the County Data does not include all of the real-time traffic and roadway data necessary for the operation of the Project as contemplated by Exhibit A (Statement of Work). The parties further acknowledge that Contractor has or may enter into contracts, agreements or understandings with other non-County data providers for the balance of the real-time traffic and roadway data needed for the operation of the Project as contemplated by Exhibit A (Statement of Work) (such contracts, agreements or understandings, the "Third Party Data Agreements"). Contractor shall fully and timely perform all of its obligations thereunder and comply with each and every other material term and condition of such Third Party Data Agreements. Further, in the event that any Third Party Data Agreement expires or is terminated prior to the expiration of the term of the Agreement (as amended from time to time), Contractor shall exercise best efforts to either renew such Third Party Data Agreement or find alternate means for obtaining replacement real-time traffic and roadway data provided under such Third Party Data Agreement, at no additional cost to County aside from development costs required to integrate the new data into the Project.

(e) The parties acknowledge that Contractor has entered into contracts, agreements or understandings with third parties other than County in order to provide certain application service provider, server and interactive voice response hosting needed for the operation of the Project as contemplated by Exhibit A (Statement of Work) (such contracts, agreements or understandings, the "Third Party Hosting Agreements"). Contractor shall fully and timely perform all of its obligations thereunder and comply with each and every other material term and condition thereof. In the event that any Third Party Hosting Agreement expires or is terminated prior to the expiration of the term of the Agreement (as amended from time to time), Contractor shall exercise best efforts to either renew such Third Party Hosting Agreement or find alternate means for obtaining replacement hosting provided under such Third Party Hosting Agreement, provided that County shall have the right to approve any subsequent Third Party Hosting Agreement entered into by Contractor.

(f) The parties acknowledge that Contractor is not obligated to incorporate any County Data into the Enhanced Services. Inclusion of County Data within the Enhanced Services will be made based upon market demand for County Data and availability of Project funding to integrate County Data into the Enhanced Services.

(g) Contractor shall fully and timely perform all of its obligations under the Sublicense Agreements and comply with each and every other material term and condition thereof.

(h) County and Contractor agree that, no later than one hundred eighty (180) days prior to the end of the term, the parties will negotiate in good faith in an attempt to agree upon an amendment to the Agreement, the terms of which amendment may include, without limitation, an extension of the term of the Agreement, an expansion of the license rights granted to Contractor pursuant to Paragraph 11.4 thereof, and a revenue sharing arrangement pursuant to which an agreed-upon percentage of Contractor's revenues derived from the Enhanced Services would be used to offset all or a portion of

County's ongoing Monthly O&M Fees. Notwithstanding the foregoing sentence, County and Contractor acknowledge that neither party is obligated to agree to any such amendment of the Agreement.

30. Additional Representation and Warranty. Contractor shall support all Software components in their respective then existing architecture and for their respective then existing versions and the most recent prior two (2) versions for the term of the Agreement (as amended from time to time).

31. Amendments. No amendment, modification, or supplement to this Amendment No. 1 shall be binding on either party unless it is entered into in accordance with Paragraph 15 (Change Notices and Amendments) of the Agreement.

32. Entire Agreement. From and after the Amendment No. 1 Effective Date, this Amendment No. 1 shall form a part of the Agreement. Except as expressly and specifically amended hereby, the Agreement shall remain in full force and effect and hereby is ratified and confirmed. There are no other agreements, representations, or warranties between or among the parties, written or oral, concerning the subject matter hereof. References in the Agreement to "this Agreement", "herein", "hereof" or words of similar import shall mean and shall be references to the Agreement, as amended from time to time.

33. Headings and Labels. Article, paragraph, subparagraph, section, and subsection titles and captions contained in this Amendment No. 1 are inserted as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope of this Amendment No. 1 or the intent of any of its provisions.

34. Counterparts. This Amendment No. 1 may be executed in any number of original counterparts, each of which when taken together shall constitute one in the same document.

35. Conflicts. The requirements set forth in this Amendment No. 1 (including its exhibits and appendices) are intended to be read cumulatively for the benefit of County. However, in the event of any direct conflict or inconsistency in the definition or interpretation of any word, responsibility or schedule, or in the contents of, requirements for or description of any deliverable, services or other work, or in any other matter, between the body of this Amendment No. 1 and the exhibits or appendices hereto, such conflict or inconsistency shall be resolved by giving precedence first to the body of this Amendment No. 1. Otherwise, the provisions of Paragraph 1.1 (Interpretation) of the Agreement (as amended from time to time) shall apply.

* * *

IN WITNESS WHEREOF, the County of Los Angeles, by order of its Board of Supervisors, has caused this Amendment No. 1 to be subscribed by the Director of the Department of Public Works, and Iteris, Inc. has caused this Amendment No. 1 to be subscribed on its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By_____
Gail Farber, Director
Department of Public Works

APPROVED AS TO FORM:

Robert Kalunian,
Acting County Counsel

By
_____
Amanda M.L. Drukker
Senior Deputy County Counsel

ITERIS, INC.

By _____
_____
President

EXHIBIT A

STATEMENT OF WORK

[see attached]

ATTACHMENT A.1

STATEMENT OF WORK (PHASE 1)

[see attached]

EXHIBIT A

ATTACHMENT A.1

STATEMENT OF WORK (PHASE I)

EL SEGUNDO AREA INTELLIGENT TRANSPORTATION SYSTEM PROJECT

(EL SEGUNDO AREA ITS)

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INTRODUCTION

This document includes two sections. Section 1 outlines the major phases and components of the El Segundo Area ITS project (PROJECT), describing Los Angeles County's goals and objectives and operational characteristics of the project (not scope of work for the Consultant) while Section 2 defines the Consultant's Scope of Services of the El Segundo Area ITS Project. Work products described under Section 2 - Statement of Work will be completed and delivered by Iteris, Inc. (CONSULTANT) to the County of Los Angeles, Department of Public Works (DPW), in accordance with the terms of the agreement.

Currently, the primary stakeholders of the Project include the Cities of El Segundo, Lawndale, Hawthorne, Manhattan Beach, and Redondo Beach; The Los Angeles County Metropolitan Transportation Authority, Los Angeles County DPW, The State of California Department of Transportation; and the El Segundo Employers Association.

The PROJECT area is bounded by Interstate 105 (I-105) to the north, Hawthorne Boulevard to the east, Manhattan Beach Boulevard to the south, and Vista del Mar to the west. The arterial routes to be considered within the PROJECT area are Sepulveda Boulevard (State Route 1), Aviation Boulevard, Imperial Highway, El Segundo Boulevard, Rosecrans Avenue, and Manhattan Beach Boulevard.

The following abbreviations are used throughout this document:

- PROJECT — El Segundo Area ITS Project
- DPW — County of Los Angeles, Department of Public Works
- CONSULTANT — Iteris, Inc. Project Team
- ESEA — El Segundo Employers Association
- SBCCOG — South Bay Cities Council of Governments

SECTION 1 - PROJECT PHASES AND COMPONENTS

The PROJECT consists of the following major phases:

Phase 1: Preliminary/Conceptual Design
Phase 2: Detailed Design
Phase 3: System Deployment and Integration
Phase 4: Operations and Maintenance

The PROJECT consists of five major components. The PROJECT components are described below.

I. Advanced Traffic Management System (ATMS)

The DPW administered South Bay Traffic Forum Intelligent Transportation System (ITS) project will develop, deploy, operate, manage, and maintain a complete multijurisdictional ATMS for the El Segundo Area, as well as the entire South Bay region. The deployed ATMS will provide the hardware and software necessary to monitor, control, and coordinate the operation of traffic signals along the major arterial highways in the El Segundo Area, and integrate the ATMS functions and operations with other traffic signal control systems and ITS projects in the South Bay region. The system will be capable of detecting and monitoring signal status, identifying traffic congestion and incidents, and displaying this information through a fully integrated mapping function. The system will also be able to detect equipment malfunctions enabling the operator to initiate appropriate maintenance operation responses and various other responses to traffic events and congestion either manually or automatically using an expert system application.

It is anticipated that the system will provide once-per-second monitoring of traffic signals, interjurisdictional communication with localized control, and levels of security to restrict access to unauthorized users. The system will also employ strategies such as interjurisdictional data sharing; cooperative efforts in timing plan development, a coordinated response to arterial incidents, congestion and special events, and traffic data analysis. Additionally, the system will provide local and regional level access, controls, and interfaces with local agencies' Traffic Control Centers (TCC) and sub regional Transportation Management Centers (TMC) in the South Bay Traffic Forum Area, other County regional traffic forum TMCs, the City of Los Angeles' Automated Traffic System and Control (ATSAC) System, Caltrans District 7 TMC, and the future Los Angeles County TMC.

Through the South Bay ITS Project each municipality will be provided with integrated workstations capable of controlling its jurisdiction's traffic signals, as well as the ability to monitor all signals in the South Bay region from its remote workstation site, or TCC. Provisions will be made to allow an individual city to control other jurisdiction's signals through pre-approved timing plans in the event of major incidents and special events or during non-peak hours and weekends. Typically, a workstation will consist of a computer system located at each jurisdiction's city hall or other location and will be fully capable of satisfying that jurisdiction's traffic management needs. The design, deployment, operation, management and maintenance of these local TCCs will be the responsibility of the DPW-administered South Bay Traffic Forum ITS project.

Another element of the ATMS is the establishment of a comprehensive Vehicle Detection and Traffic Surveillance System to supplement the existing traffic signal detectors and to collect real-time traffic data and information at key intersections or other locations where monitoring of traffic is critical to the movement of vehicles. The amount, type, location, and deployment schedule of system detectors and Closed Circuit Television (CCTV) cameras will be determined by the DPW-administered South Bay Traffic Forum ITS project.

The ATMS, and its related subsystems, will be designed to be capable of expansion to provide the necessary control, map display, and monitoring functionality to serve all routes contemplated for the South Bay Traffic Forum ITS projects, including the El Segundo Area.

The CONSULTANT for this PROJECT will integrate the ATMS deployed by the South Bay Traffic Forum ITS project with the proposed Advance Traveler Information System (ATIS) and Traveler Information Center (TIC) to acquire the traffic information generated by the ATMS. The CONSULTANT will also review the existing and planned ATMS elements by the South Bay Traffic Forum ITS project and augment it with additional field elements and/or expand coverage to other routes as needed for the PROJECT. The additional field elements and traffic signals to be added by the CONSULTANT as part of this project will be integrated into each City's TCC and, once deployed, will be operated and maintained by the local jurisdictions as provided in the South Bay Forum ITS project. The traffic information (data and video), which will be generated by the ATMS, includes, but may not be limited to, vehicle counts, speed, lane occupancy, traffic incidents, congestion points, and construction activities. It is envisioned that this data, to the extent that it is available, will be accessible to the private sector partners for dissemination to the traveling public, public sector partners (i.e., DPW, etc.), and private interest groups.

The public sector agencies will only be responsible for providing baseline traffic information (data and video), which is gathered as part of the DPW-administered South Bay Traffic Forum ITS project. This data, as well as the data generated from the County's other regional traffic forum ITS projects (Gateway Cities and San Gabriel Valley), will be accessible from the South Bay Corridor Server to be located in the South Bay sub regional TMC. The CONSULTANT for the PROJECT will also be required to confer and coordinate with the Consultants for Parts II and III of the South Bay Traffic Forum ITS project and to use the recommendations from the Part III Consultant regarding the deployment of the ATMS elements and any necessary alternations to the work space (potentially local TCCs) to provide the functionality needed for this PROJECT.

2. *Advanced Traveler Information System (ATIS)*

This component consists of the development, design, selection, deployment, operation, management, and maintenance of a complete multijurisdictional ATIS. The system will include the hardware and software necessary to collect, process, validate, and disseminate both pre-trip and en-route real-time traffic and roadway information to public agencies, private stakeholders, and the public.

The ATIS system will be operated from the PROJECT's proposed TIC and will be integrated with the ATMS to be deployed by the South Bay Traffic Forum ITS project and additional elements of the ATMS that might be deployed by this PROJECT to retrieve traffic and other data, process and create messages, and disseminate messages through devices such as: Changeable Message Sign (CMS), information kiosks, the Internet, corporate Intranet, in-vehicle navigation devices, pagers, cellular telephones, personal digital assistants, broadcast media markets, cable television, and other wireless technologies.

Through the DPW administered South Bay Traffic Forum ITS project, the public sector partners will be responsible for disseminating baseline traffic information messages to the public free of charge through CMSs. These devices will be located within the PROJECT area in the public right-of-way at critical travel decision points and will alert motorists of unusual traffic conditions such as congestion, incidents, special events, detours, and route closures. They may also be used to actively divert traffic in coordination with a predetermined or traffic responsive traffic management plan generated by the ATMS to provide motorists with route guidance information. The design, development, selection,

deployment, operation, management, and maintenance of the CMSs will be based on the work produced by the Consultants for Parts II and III of the South Bay Traffic Forum ITS project. Should additional recommended CMS locations be identified through the PROJECT, three alternatives will be explored for the design, deployment, operation, and maintenance of the CMS. During the PROJECT concept design phase the deployment approach will be reviewed to define the most appropriate method to follow. These three alternatives include:

1. PROJECT will design, deploy, operate, and maintain the CMS;
2. PROJECT will only design and deploy the CMS and the local agency will be responsible for the operation and maintenance.
3. PROJECT would identify CMS locations, Part III of the South Bay Project will design and deploy, and the local agency will be responsible for the operation and maintenance.

With each of these alternatives memorandums of understanding/operations would need to be developed between the CONSULTANT and the individual agencies relative to not only the placement of infrastructure within their right-of-way but also for the maintenance (if desired) for those devices.

To develop a cohesive operations approach, the CONSULTANT will work closely with the Consultants for Parts II and III to develop an operational strategy which allows for the control by both the Public Agency as well as the TIC. It is envisioned that this may be accomplished through the issuing of priority control strategies, whereby during specific activity levels the TIC will have priority to control and operate the CMS. It is envisioned that the control and operation of CMS deployed by the PROJECT and those deployed by the South Bay Traffic Forum ITS Project within the PROJECT area will be integrated providing a more robust en-route traveler information package.

The private sector partners will consider disseminating baseline traffic information messages to the public through various means such as Highway Advisory Telephone (HAT) and the Internet. These devices shall alert motorists of unusual traffic conditions such as congestion, incidents, special events, detours, and route closures. The CONSULTANT for the PROJECT will be required to work with the Consultants for Parts II and III of the South Bay Traffic Forum ITS project to coordinate the type of messages to be broadcast on these devices with the messages displayed on CMSs. The design of the HAT system should consider the use of "511" as the traffic information telephone number.

The private sector partners will also consider disseminating personalized traveler and transit information through all other devices with the intention of generating revenue. They should add value to the baseline data generated by the ATMS deployed by the South Bay Traffic Forum ITS project; adapt the information to forms suitable for individual travelers, commercial vehicle operators, and transit riders; integrate the traveler information with other offerings such as travel related yellow pages, news, or other services and products; and personalize the traveler information for individual subscribers. Value-added information that the private sector contributes must be provided at no cost to all of the participating public sector partners.

The personalized, value-added information available to the traveler can be divided into two main categories, pre-trip and en route. Pre-trip information is intended to be provided through devices such as: the Internet, corporate Intranet; cellular telephones, pagers, personal digital assistants, cable television, etc. The en route information may be provided through in-vehicle navigation devices, cellular telephones, pagers, personal digital assistants, broadcast media markets, and other wireless technologies.

The traffic data to be accessed, processed, and disseminated by the ATIS includes, but is not limited to, the following:

- Traffic volumes;
- Level of service/congestion;
- Traffic speeds;
- Travel times;
- Lane closures;
- Incident locations; and
- CCTV images.

The ATIS will be designed based on the preferences of end users including, but not limited to, typical travelers, employees of businesses located in the PROJECT area, commercial vehicle operators, and transit riders. The CONSULTANT for the PROJECT will obtain end-user input throughout design, development, and testing, and provide for user prototyping to allow the design to be more interactive and functional. The CONSULTANT will recommend the location and design of the proposed ATIS and field devices; prepare the PS&E packages; and operate, manage, and maintain the ATIS.

3. *Traveler Information Center (TIC)*

The TIC is currently proposed to be located within the PROJECT area and will house the central hardware and software for the ATIS elements, a server to store all collected baseline traffic data and generated traveler information, and operator workstations. This facility will be the central clearinghouse for the collection and storage of traffic and transit-related information that is gathered through the ATMS and disseminated to other facilities through the ATIS. The operation and management of the ATIS and their accompanying field elements will be conducted at the TIC. The TIC will be capable of collecting, fusing, packaging, and disseminating traffic and transit information.

The TIC will provide local level access and connections to the South Bay Corridor Server to be deployed as part of the South Bay Traffic Forum ITS project. The South Bay Corridor Server will provide regional level access and connections to other sub regional traffic forum TMCs, Caltrans District 7 TMC, LADOT's ATSAC, and the future Los Angeles County TMC. The TIC could consist of multiple workstations and a large area screen capable of displaying real-time system maps and information, as well as video and data from other potential or future ITS elements. The CONSULTANT will recommend the location, ultimate design, and configuration of this proposed facility; prepare the PS&E packages; oversee the installation of the TIC; and operate, manage, and maintain the TIC.

4. *Integration System*

This component will integrate PROJECT components described above so that an open system architecture is maintained and all components are integrated in a seamless environment with a common interface. The CONSULTANT will develop the ATIS user interface requirements, generate top-level data flow diagrams for each Graphic User Interface (GUI), and review the interface prototype with the users. A standardized and user-friendly interface will also be developed by the CONSULTANT as part of this component to facilitate system expansion, operation, maintenance, and training. The CONSULTANT will provide developer tools and detailed instructions to modify the user interface to reflect future expansion and changes in the system (e.g., installation of new traffic signals, deployment of additional cameras, desired changes to database layouts, etc.).

5. *Communications System*

This component includes the design of a communications system capable of supporting the recommended multijurisdictional ATIS and ATMS design. The installation of a communications network is essential to support the data collection, fusion, packaging, and dissemination capabilities of the ATIS, and the information exchange with other jurisdictions, stakeholders, and systems such as the South Bay sub regional and Los Angeles County regional arterial traffic control systems.

The CONSULTANT will be responsible for defining this communications network which will include links between the field infrastructure units, and ATIS elements, and the data server located at the TIC. The network will provide communication links between the TIC server and the South Bay Corridor Server. The CONSULTANT will recommend the location and design of these communication links; prepare the PS&E packages; oversee the installation of the communication links; and operate, manage, and maintain this communications network. For the ATMS which will be installed under the PROJECT, the CONSULTANT will be responsible for designing and installing the communications between the additional field elements and each agency's TCC. The public agencies will be responsible for operating, managing, and maintaining the communication links to their TCC's.

Since the communication system will drive the capability of all system components, the CONSULTANT will consider both present and future ITS elements in the design. Additional primary considerations will be expandability to include other potential stakeholders and users and the cost effectiveness of the system. Possible communications medium technology may include, but not be limited to, twisted pair cable, leased telephone lines, fiber optic cable, spread spectrum radio, wireless modems, very small aperture terminals, or a combination of the above. In designing the system, the CONSULTANT will take advantage of opportunities to reuse existing or planned communication facilities.

Early Deployment Projects

Based on the elements contained within the above PROJECT components, there may be the opportunity to initiate deployment of specific ATIS technologies as demonstration projects within this phase. The CONSULTANT will propose specific fast track and implementable ATIS products and services for analysis, design, and evaluation. It is envisioned that the proposed demonstration projects will become part of the overall PROJECT deployment.

SPECIAL PROVISIONS

Any recommendations made by the CONSULTANT for this PROJECT will be for the implementation of "open systems" and will be made after careful review of potentially suitable systems. This includes completed systems or systems currently under development in the South Bay Traffic Forum ITS Projects or other traffic forums.

The CONSULTANT will perform the tasks and subtasks and provide deliverables as described herein.

For each deliverable outlined in this Agreement, the CONSULTANT will submit to DPW draft versions for review and comment. If the first draft is acceptable to the DPW, DPW will distribute copies to stakeholders for review and comment prior to being returned to CONSULTANT for preparation of final documents. If the first draft submitted to DPW is not acceptable to the DPW, it will be returned to CONSULTANT until it is in a form acceptable for distribution to stakeholders.

The CONSULTANT is required to address stakeholder comments. Any stakeholder comment that is not incorporated into a report shall be discussed, either verbally or in writing, with the DPW and the writer of the comment.

A draft deliverable shall be considered accepted by DPW and CONSULTANT may invoice DPW for the cost of the deliverable when DPW determines, in its sole discretion, that the draft deliverable is acceptable for distribution to the stakeholders. A final deliverable shall be deemed accepted by the DPW and CONSULTANT may invoice the DPW for the cost of the deliverable upon receipt by CONSULTANT of a written notification of acceptance from the DPW.

The CONSULTANT shall use the standard DPW software set forth below when preparing deliverables. The CONSULTANT shall provide deliverables in a file format (on diskette[s]) or via e-mail importable to the standard DPW software. Current DPW standards software is as follows:

- Microsoft Word or Corel Word Perfect - Word Processing;
- Microsoft Excel – Spreadsheet; and
- Microsoft Project.

Exhibit B (Payment Schedule) of this Agreement provides the payment schedule for each deliverable included in this Statement of Work. Payment shall be made in accordance with the Agreement.

Section 2- Statement of Work

PHASE 1 PRELIMINARY AND CONCEPTUAL DESIGN MASTER PLAN SCOPE OF SERVICES

The CONSULTANT shall prepare the Preliminary and Conceptual Design report and concept design plans for each applicable PROJECT component. This task will be accomplished by understanding the needs of and discussing travel issues with the PROJECT stakeholders, and by preparing detailed and comprehensive user and system functional requirements documents. Based upon these documents, the CONSULTANT shall perform an alternative analysis to select the best alternative to satisfy the identified user and functional needs and define the "concept of operations" for the PROJECT.

Phase 1 will also include an early deployment task whereby specific ATIS technologies and additional ATMS technologies for data collection will be deployed and evaluated on an immediate basis. This task will allow the CONSULTANT to test specific technologies and determine the benefit, potential revenue generation capability, and sustainability of the selected components to the PROJECT stakeholders.

The recommendations from the alternative analysis will culminate in a Conceptual Design Master Plan document for each PROJECT component that will identify:

- Improvement locations;
- The type of technology to be used;
- The conceptual design and specifications;
- A detailed description of the tasks involved with the implementation and installation of each PROJECT component;
- Preliminary Cost estimates; and
- Operations and maintenance requirements.

The Master Plan will serve as the foundation for the Detailed Design Phase (Phase No. 2). It will also be used as a starting point for building consensus on a variety of institutional issues including cost sharing and operation and maintenance of the proposed improvements once they are in place.

The CONSULTANT shall complete the draft or final version (if a draft version is not to be completed for a specific task) of all deliverables for the tasks in this phase after receipt of the Notice to Proceed for this PROJECT from DPW.

Task 1: Project Management

The CONSULTANT shall provide a Project Manager who will act as the principal consultant contact for the DPW and other involved agencies. The designated Project Manager will be responsible for the completion of activities associated with the performance of this PROJECT, including the requirements and alternative analyses, system recommendation, conceptual design, and operations and maintenance and strategic plans. All required products must be delivered to DPW in a timely manner to the satisfaction of the DPW. Additional responsibilities include management of project planning activities and the tracking of costs and resources associated with each aspect of the PROJECT.

The Project Manager shall oversee and participate in the day-to-day activities of the PROJECT and shall, therefore, have no concurrent assignments that would interfere with the successful and timely completion of the work related to the PROJECT.

Task 1.1: Project Coordination

The CONSULTANT shall coordinate technical design activities with the involved public and private agencies for each system component of this PROJECT. This will include, but not be limited to, the following list. It should be noted that this task would be billed on a "cost-plus" basis. For the purposes of developing a cost estimate, the number of meetings for each coordination effort area has been estimated.

- Coordination with other organizations working on overlapping elements of the PROJECT such as DPW, who is coordinating all traffic signal synchronization projects within the South Bay Traffic Forum; the Meyer, Mohaddes Associates Team, the Consultant for Part II of the South Bay Traffic Forum ITS project; and the PB Farradyne Team, the Consultant for Part III of the South Bay Traffic Forum ITS project;
- Coordination with stakeholders for information gathering on the design and construction of any similar project with the PROJECT;
- Coordination with other regional and subregional projects which may impact the PROJECT such as the San Gabriel Valley SOM Pilot Project, Los Angeles/Ventura regional ATIS project, and the Southern California Priority Corridor Project and its related subprojects; and
- Coordination with the other activities of regional ITS committees which may affect the PROJECT such as the Los Angeles/Ventura ITS Coordinating Committee and the Southern California ITS Priority Corridor Steering Committee.

TABLE 1
PROPOSED PHASE 1 MEETINGS

Meeting	Frequency	Approximate No. of Meetings
1. SBCCOG Transportation Oversight Committee	Bi-Monthly	6
2. SBCCOG Infrastructure Working Group	Quarterly	4
3. El Segundo Employers Association (ESEA)	Quarterly	4
4. DPW staff meeting	Monthly	12
5. Stakeholders meeting including pre-design meetings	Two meetings with each stakeholder during Phase 1	18
6. Other meetings including meeting with South Bay ITS Project Part III Consultant	As needed during Phase 1	4
Total Meetings		**48**

Task 1.2: Attend Project Meetings/Make Project Presentations

The CONSULTANT shall attend PROJECT meetings with DPW and stakeholders as deemed necessary by the DPW to accomplish the tasks and subtasks of this phase. The CONSULTANT will also be required to make technical presentations, including the use of presentation materials and the distribution of handouts, as needed at South Bay Forum meetings, SBCCOG meetings, DPW staff meetings, and any other meetings as requested by the DPW or area stakeholders.

The CONSULTANT shall obtain prior approval from the DPW on any presentation and handout materials to be distributed at any technical presentation of the PROJECT. The DPW shall be provided with a copy of the distributed materials.

The CONSULTANT shall prepare meeting notes for any PROJECT meetings and distribute a copy to meeting participants. Meeting notes shall summarize each discussion and action item.

Deliverables:

1.2.1: Up to 14 presentations of materials with handouts
1.2.2: Up to 34 meeting notes

Task 1.3: Create and Update Web Page

The CONSULTANT shall provide and update a web site for the PROJECT, to be hosted by DPW. As a first task, the CONSULTANT shall submit to DPW for review and approval the screen layout of the web site and all sub-pages. This site must comply with DPW web development standards. The initial submittal and any subsequent updates shall occur via the CONSULTANTS' web site. Once created, a link will be sent to DPW for review and approval. The CONSULTANT will also be required to update information on the web site. Once an update is approved, the CONSULTANT shall submit the changes to DPW via email or through File Transfer Protocol (FTP) and DPW staff will complete the update of the web site.

The primary web page shall contain a brief description of the PROJECT. The description shall contain, at a minimum, information on the PROJECT area, involved agencies, PROJECT objectives, and the agency, stakeholders and CONSULTANT contact persons for the PROJECT. The web page shall also contain sub-pages with additional PROJECT information as follows:

PROJECT Status Sub-Page

This page shall contain a summary of the status of the PROJECT. This information shall be updated monthly, at a minimum, including finalized PROJECT's monthly status reports. Information on the date, time, and location of upcoming project related meetings within the next month shall be included.

Documents Sub-Page

This page shall contain downloadable, electronic files of all draft and final deliverables.

The CONSULTANT shall be responsible for reviewing/updating the web site monthly, at a minimum. Prior to each update of the web page or sub-pages, the CONSULTANT shall obtain approval from the DPW for the information to be posted.

Other Relevant Web Sites

This page shall contain a listing of other sites with direct relevance to the PROJECT. This list will include links to specific project websites within the greater Los Angeles area (e.g., LA/Ventura ATIS, Priority Corridor Showcase Project, TravelTip, etc.) as well links to PROJECT stakeholders and other sites deemed appropriate by DPW which are relevant to either the PROJECT or the industry in general (i.e., ITS America, ITE subcommittees, etc.).

Deliverables:

1.3.1: Screen layout of the web page and sub-pages
1.3.2: Web site updating

Task 1.4: Prepare PROJECT Reports

The CONSULTANT shall prepare and submit written monthly progress reports and a final report to the DPW detailing the status of work being performed by the CONSULTANT. These reports shall be in a form acceptable to the MTA as part of its Quarterly Narrative Report. The reports shall include, but not be limited to:

- A narrative of the tasks accomplished in that month;
- A review of any incomplete tasks and the reasons why they were not completed;
- An outline of the tasks anticipated to be accomplished in the next month;
- A summary of problems which occurred during the month;
- Any anticipated problems;
- An updated PROJECT schedule;
- A list of outstanding issues and deliverables;
- The current status of those issues and deliverables;
- An invoice as required by this Agreement; and
- A summary of the percent completion for each task of the PROJECT.

The CONSULTANT shall also prepare claims, invoices, billings, and other financial information for review and approval by the DPW, as required by the Agreement.

Deliverables:

1.4.1: Monthly progress reports and final report
1.4.2: Financial reports, billings, and invoices

Task 2: Early Deployment Project(s)

As part of the PROJECT'S overall conceptual design phase, the CONSULTANT will proceed with the early deployment of prototype ATIS products and user services. These prototype ATIS projects/services will be evaluated for their market acceptance and ability to generate revenue. Prior to the early deployment of any prototype project/service, a detailed scope of work will be submitted to the PROJECT stakeholder for their approval. The scope of work will include:

- An identification of the potential users and their requirements;
- The traffic data needed to provide the particular product/service, and how that data will be obtained;
- An analysis of how the product/service enhances transit service within the PROJECT area;

- The cost estimates to design, develop, and deploy;
- Fee schedule (illustrating the design and implementation cost);
- A description of the deployment area, and a breakdown by jurisdiction, if applicable;
- An estimate of the operations and maintenance costs of the product or service, including the public agency operating and maintenance and management costs, if applicable;
- Deployment schedule, and the proposed period of evaluation;
- Evaluation methods and parameters for measuring effectiveness; and
- The anticipated benefits, users, revenue, etc to be generated by the service.

Upon deploying a prototype ATIS product/service, quarterly status reports will be submitted to the PROJECT stakeholders throughout the evaluation period. At the conclusion of the evaluation period, a business plan will be prepared which evaluates the prototype ATIS product/service's potential for generating revenue, provides a detailed pricing and marketing plan, and outlines the plan for operating, managing, and maintaining the product/service through the PROJECT'S duration. The business plans produced for these Early Deployment projects will be the basis for the overall conceptual design phase of the PROJECT. It is anticipated these projects will be developed during, and possibly following, the completion of the PROJECT'S Conceptual Design. Therefore, if the proposed Early Deployment Project is completed during the PROJECT'S Conceptual Design, is determined to be successful, proven to be accepted by the market and have the potential to generate revenue; it will be proposed for expansion and deployment throughout the entire PROJECT area. In this instance, it will be incorporated into the Final Conceptual Design Report for the PROJECT and be implemented with the full implementation of the PROJECT. The findings and lessons learned from the business plans for these projects will be incorporated into the Tasks 7.1.1, System Recommendation, 7.2.1, Operation, Maintenance and Management Plan and 7.3.1, Business Plan Reports for the overall PROJECT.

If the Early Deployment Project is determined to be successful and is completed after Task 7, Conceptual Design Report is completed, then the Tasks 7.1.2, System Recommendation and 7.2.1, Operation, Maintenance and Management Reports will be updated with the results of these reports and incorporated into these Final PROJECT documents.

This process will allow the CONSULTANT to test specific technologies within a much smaller and somewhat controlled environment and allow both the CONSULTANT and DPW to evaluate its effectiveness within the PROJECT area. The early deployment projects will not be considered standalone deployments. Rather, they will converge with the overall PROJECT forming the ultimate ATIS solution for the entire PROJECT area.

The CONSULTANT shall commence the development of each early deployment project upon its approval by DPW and issuance of its associated Task Order.

The CONSULTANT, upon receipt of each early deployment task order, will proceed with design, implementation and evaluation of the project. The design shall be based on local and state standards and detailed enough for development and implementation. Each prototype ATIS product/service should be designed based on actual users preferences identified during Task 2. For each prototype project, evaluation criteria will be developed and discussed with DPW staff. The evaluation of each early deployment project shall show its expected benefit through a cost/benefit analysis of the project. The evaluation shall also present how and when the project will fit into the entire system. After each prototype project has been evaluated, the results will be presented to DPW to decide if it is desirable to implement the project on a larger scale.

Deliverables:

2.1.1 Early Deployment Project(s) Scope of Work
2.1.2 Early Deployment Project(s) Quarterly Status Reports
2.1.3 Draft Early Deployment Project(s) Evaluation Report
2.1.4 Final Early Deployment Project(s) Evaluation Report
2.1.5 Draft Early Deployment Project(s) Business Plan
2.1.6 Final Early Deployment Project(s) Business Plan

Task 3: Stakeholders and Operational Objectives

The CONSULTANT shall identify primary agency stakeholders and potential participating stakeholders and users and their operational objectives relative to the five major system components of the PROJECT and future ITS elements to be integrated into the system. This will be reviewed with DPW staff for approval.

The CONSULTANT shall schedule and conduct PROJECT pre-design meetings with each of the primary agency stakeholders and potential participating stakeholders, including the El Segundo Employers Association (ESEA) for the purpose of, but not limited to:

1. Identifying primary agency stakeholders for the operation and management of the system and other potential participating stakeholders and users that could benefit from the PROJECT;
2. Identifying agency and stakeholder's operational objectives and user and system functional performance requirements;
3. Obtaining design standards;
4. Obtaining pertinent plans and status of any project which may affect this PROJECT; and
5. Preparing individualized city reports prior to the pre-design meetings. Each report shall be tailored to the individual city and contain information on the city's existing traffic signal infrastructure and traffic control system and a summary of the latest infrastructure improvements in the city, including the ITS improvements proposed to be deployed by the South Bay ITS Project. The reports will identify what CONSULTANT thinks each city has and what CONSULTANT believes can be done.

Upon completion of the pre-design meetings, the CONSULTANT will prepare the stakeholders' Operational Objectives Report. This report shall contain a summary of the traffic signal infrastructure, any traffic control system deficiencies, existing or planned traveler information infrastructure, desired traveler information infrastructure, a description of potential upgrades to the city's infrastructure and system, and transit availability as identified by local agencies, transit agencies, and Caltrans.

The Report shall also discuss the relative merits and possible benefits and costs associated with those potential upgrades, including impacts on staffing and operations, management and maintenance costs. This report shall be detailed enough to enable the CONSULTANT to develop a complete and comprehensive list of user and functional objectives for this PROJECT.

It is envisioned that up to six (6) Individual City Reports will be developed. The CONSULTANT shall identify the proposed agencies, and allow DPW to approve the list, prior to Individual City Report development.

Deliverables:

3.1.1 Draft Stakeholders' Operational Objectives Report
3.1.2 Final Stakeholders' Operational Objectives Report
3.1.3 Six (6) Individual City Reports

Task 4: Requirements Analysis

Task 4.1: ATMS Requirements

The DPW-administered South Bay Traffic Forum ITS project will develop, deploy, operate, manage, and maintain a complete multijurisdictional ATMS for the PROJECT area, as well as the entire South Bay region. The CONSULTANT will utilize analyses completed by the two consultants for the South Bay Traffic Forum ITS project (Part II and Part III of the South Bay Signal Synchronization and Bus Speed Improvements Plan) as the starting point for this analysis and augment as required for the PROJECT.

User Requirements

The CONSULTANT shall update the User Requirements documents previously prepared by the consultants for the South Bay Traffic Forum ITS project and define the user operational and functional requirements for any additional ATMS elements that might be required as part of the PROJECT. These documents will identify the system users and the desired system operations and functions. The document shall be complete, comprehensive, and provide enough information needed to proceed to the next task (System Functional Requirements). This document shall include, but not be limited to, the following information:

- Data collection;
- Future ITS elements;
- Information exchange;
- Level of control;
- Modes of operation;
- Security/access;
- Inter-jurisdictional requirements;
- O&M requirements;
- Staffing and training requirements;
- Cost requirements; and
- Public outreach.

The CONSULTANT will use the user requirements developed for Part III as a starting point and modify the requirements using follow-up visits to individual cities to discuss issues and concerns. The CONSULTANT shall perform field reviews, as needed, of existing traffic control infrastructure to verify existing conditions.

The CONSULTANT shall utilize any pertinent information obtained from the South Bay Traffic Forum ITS projects (Part II and Part III of the South Bay Signal Synchronization and Bus Speed Improvements Plan) for this PROJECT in order to avoid duplication of effort and unnecessary additional work and expense.

Functional Requirements

Based on the user requirements, the CONSULTANT shall update the System Functional Requirements document previously prepared for the South Bay Traffic Forum ITS project. This document shall identify the system functional requirements as it relates to the PROJECT user needs.

These requirements shall also contain recommendations on upgrades to the existing vehicle detection systems including the installation of new system detectors as necessary for full implementation of the ATMS and integrated systems. This document shall be complete, comprehensive, and provide enough information to proceed to the next tasks (Concept of Operations/Area Architecture, Alternative Analysis and Conceptual Design). The system functional requirements shall address, but not be limited to, the following requirements:

- Needs/requirements of existing systems;
- System performance;
- Equipment and technology;
- Availability of technology;
- Interoperability;
- Expandability to provide additional ITS elements;
- Implementation costs;
- Operations;
- Maintenance;
- System Interface;
- Existing infrastructure;
- Reliability;
- National and International Standards, such as National Transportation Communications for ITS Protocol (NTCIP) as required; and
- Scalability.

The CONSULTANT shall utilize any pertinent information obtained from the South Bay Traffic Forum ITS project for this PROJECT in order to avoid duplication of effort and unnecessary additional work and expense.

Deliverables:

4.1.1: Draft ATMS User and Functional Requirements Report
4.1.2: Final ATMS User and Functional Requirements Report

Task 4.2: Advanced Traveler Information System (ATIS) Requirements

The CONSULTANT will develop the user needs and system functional requirements of the ATIS. To the extent possible, the CONSULTANT shall utilize any pertinent information obtained from the South Bay Traffic Forum ITS Project (Part II and Part III of the South Bay Signal Synchronization and Bus Speed Improvements Plan).

User Requirements

The CONSULTANT shall develop user requirements, which define the ATIS user operational and functional requirements. This task will identify the system users and the desired system operation and function for the proposed ATIS. This task shall be comprehensive, and provide enough information to proceed to the next task (Functional Requirements).

These requirements shall include, but not be limited to, the following:

- Operational requirements:
  - Data;
  - Video;
- Information exchange;
- Level of control;
- Modes of operation;
- Security;
- Inter-jurisdictional requirements;
- Maintenance requirements;
- Staffing and training requirements;
- Cost requirements;
- Public relations/political considerations, and
- Accessibility.

Functional Requirements

Based on the user requirements, the CONSULTANT shall define the system functional requirements for the ATIS as they relate to the identified user needs of this PROJECT component. This task shall be comprehensive, and provide enough information to proceed to the next task (Concept of Operation/Area Architecture). It shall include, but not be limited to, the following requirements:

- System performance;
- Equipment and technology;
- Availability of technology;
- Adaptability;
- Interoperability;
- Implementation costs;
- Operation considerations;
- Maintenance impacts;
- System interface;
- Existing infrastructure;
- Reliability;
- Flexibility; and
- Extensibility.

The CONSULTANT shall utilize any pertinent information obtained from the South Bay Traffic Forum ITS project for this PROJECT in order to avoid duplication of effort and unnecessary additional work and expense.

Deliverables:

4.2.1: Draft ATIS Requirements Report
4.2.2: Final ATIS Requirements Report

Task 4.3: Traveler Information Center (TIC) Requirements

In this task, the CONSULTANT will develop the user needs and system functional requirements of the TIC. Based on this information, the CONSULTANT will evaluate various potential locations and

recommend the location, preliminary design, and configuration of this proposed facility.

User Requirements

The CONSULTANT shall develop user requirements, which define the user operational and functional requirements. This task will identify the system users and the desired system operation and function for the proposed TIC hardware, software and physical layout. This task shall be complete and provide sufficient information needed to proceed to the next task (Functional Requirements). It shall include, but not be limited to, the operational and functional needs associated with the following:

- TIC operations;
- Multi-modal information access (data sharing/information exchange);
- Media access;
- Hours of operation;
- O&M requirements;
- Public relations issues;
- Data sharing and information exchange;
- Inter-jurisdictional coordination;
- ITS field elements associated with this PROJECT; and
- Interfacing with other jurisdictions and TMCs.

Functional Requirements

Based on the user requirements, the CONSULTANT shall develop functional requirements that define the system operational and functional requirements. This task will identify the required system functions and operations for the proposed TIC hardware, software, and physical layout. This task shall also identify the system functional requirements for any component not identified under any other task but is required to provide a fully functional TIC. This task shall be comprehensive and provide enough information to proceed to the next task (Concept of Operations / Area Architecture). It shall include, but not be limited to, the following requirements:

- Function;
- Functional adjacency;
- Staffing and training;
- Computer system;
- System performance;
- Equipment and technology;
- Availability of technology;
- Interoperability;
- Implementation costs;
- Operational considerations;
- Computer system maintenance;
- System Interface(s); and
- Reliability.

The following requirements for the TIC will be addressed:

- Construction planning or phasing;
- Building maintenance;
- Future expansion; and
- Power and heating, ventilation, and air conditioning (HVAC).

Deliverables:

4.3.1: Draft TIC Facility and Computer System Requirements Report
4.3.2: Final TIC Facility and Computer System Requirements Report

Task 4.4: Integration System Requirements

In this task, the CONSULTANT will develop the user needs and system functional requirements relative to the integration of systems to be deployed as part of this PROJECT. The CONSULTANT will utilize analyses completed by the two consultants for the South Bay Traffic Forum ITS project (Part II and Part III of the South Bay Signal Synchronization and Bus Speed Improvements Plan) as the starting point for this analysis and augment as required for the PROJECT.

User Requirements

The CONSULTANT shall prepare a User Requirements document that defines the transportation system integration user operational and functional requirements. This document will identify the system users and the desired system operation and function with respect to system integration. This document shall be complete, comprehensive, and provide enough information needed to proceed to the next task (System Functional Requirements). This document shall include, but not be limited to, the following:

- Operational requirements:
  - Data collection;
  - Future ITS elements;
  - Information exchange;
  - Level of control; and
  - Modes of operation.
- Security;
- Functional requirements;
- Inter-jurisdictional requirements;
- Maintenance requirements;
- Staffing and training requirements;
- Cost requirements; and
- Public relations/political considerations.

The CONSULTANT will use the findings of previous tasks as a starting point. The CONSULTANT shall perform field reviews, as needed, of existing traffic control infrastructure to verify existing conditions.

The CONSULTANT shall utilize any pertinent information obtained from the South Bay Traffic Forum ITS project for this PROJECT in order to avoid duplication of effort and unnecessary additional work and expense.

Functional Requirements

The CONSULTANT shall prepare an Integration System Functional Requirements document by applying the integration system user requirements to meet the needs of this PROJECT. This document shall identify the integration system functional requirements as they relate to the system integration user needs. This document shall be complete, comprehensive, and provide enough information to

proceed to the next tasks (Concept of Operations/Area Architecture, Alternative Analysis and Conceptual Design) and shall include, but not be limited to, the following requirements:

- System performance;
- Interface requirements between system components;
- Interface protocol standards;
- Interface requirements between systems within and outside the forum area;
- Equipment and technology;
- Availability of technology;
- Interoperability;
- Expandability;
- Implementation costs;
- Operation;
- Maintenance;
- Existing infrastructure; and
- Reliability.

The CONSULTANT shall utilize any pertinent information obtained from the South Bay Traffic Forum ITS project for this PROJECT in order to avoid duplication of effort and unnecessary additional work and expense.

Deliverables:

4.4.1: Draft Integration System User and Functional Requirements Report
4.4.2: Final Integration System User and Functional Requirements Report

Task 4.5: Communications Requirements

The CONSULTANT shall obtain the information needed to identify the communications system user and functional requirements. This may require follow-up visits to individual cities and agencies to discuss issues and concerns. This will also require field reviews to verify existing communications infrastructure. The CONSULTANT will utilize analyses completed by the two consultants for the South Bay Traffic Forum ITS project (Part II and Part III of the South Bay Signal Synchronization and Bus Speed Improvements Plan) as the starting point for this analysis and augment as required for the PROJECT.

Based on the input received from the agencies, prior reports, and requirements gathered from previous tasks and field reviews, the CONSULTANT shall prepare a Communications System User and Functional Requirements Report. This document shall identify the needs and concerns of the agency stakeholders with respect to the communications infrastructure. This report shall also document the agencies' communications requirements based on the transportation system design. This document shall include, but not be limited to, data communications requirements for any recommended system and component included in this system such as the following:

- City work stations/control sites;
- Future ITS field elements, such as CCTV, HAR, and CMS;
- Integration system requirements;
- Non transportation-related issues;
- Public relations issues;
- O&M issues;
- Expandability;

- Bandwidth requirement;
- Reliability;
- Redundancy;
- Performance requirements;
- Communications system access points; and
- Potential bottlenecks and weak links.

The CONSULTANT shall utilize any pertinent information obtained from the South Bay Traffic Forum ITS project for this PROJECT in order to avoid duplication of effort and unnecessary additional work and expense.

Deliverables:

4.5.1: Draft Communications User and Functional Requirements Report
4.5.2: Final Communications User and Functional Requirements Report

Task 5: Concept of Operations/Area Architecture

The Concept of Operations starts taking the "what is wanted" of the requirements and start translating them into the "how it will be accomplished". One of the elements of the conceptual design will be an area (or system) architecture. As a by-product of the concept of operations, the area architecture helps identify the functional relationship between the component elements of the system, whether they are performed by a piece of hardware or software, and helps identify the various interfaces between these elements.

Four major steps comprise the development of the Concept of Operations. It begins with the identification of project stakeholders and development of an institutional framework, which was completed as part of the previous tasks. The second step is to assess existing resources and users needs and objectives to develop a thorough understanding of how the users want the system (including demonstration projects and any other proposed ATIS/ATMS elements) to operate and function. Using the results gathered as the foundation, the next step is to develop "high level" operational and functional requirements, which would meet the users' objectives. Finally, these requirements will be used to derive the ATMS and ATIS high level system requirements. From these requirements, the CONSULTANT will develop the Concept of Operations, which articulates the functional requirements for later phases of the project.

Task 5.1: Prepare Concept of Operations/Area Architecture

ATMS

The CONSULTANT will start with information prepared as part of the South Bay Traffic Forum Intelligent Transportation System (ITS) project, and augment as necessary. The Concept of Operations/Area Architecture definition of the ATMS shall include, but not be limited to the following:

- Development of a system architecture;
- Definition of the interface requirements;
- Definition of the overall functionality of the systems; and
- Discussion of necessary upgrades to existing vehicle detection system and the installation of new system detection, to the extent necessary to augment the operational ATMS.

Communications

The Concept of Operations/Area Architecture definition of the communications system shall include, but not be limited to, the following:

- Development of a system architecture;
- Definition of interface requirements; and
- Definition of the overall functionality of the system.

ATIS

The Concept of Operations/Area Architecture definition of the ATIS shall include, but not be limited to, the following:

- Development of a system architecture;
- Definition of interface requirements;
- Definition of the overall functionality of the system; and
- Discussion of the technology components and the installation of the traveler information technology necessary to provide a fully operational ATIS.

TIC

The Concept of Operations/Area Architecture definition of the TIC shall include, but not be limited to, the following:

- Development of a system architecture;
- Definition of interface requirements; and
- Definition of the overall functionality of the system.

Integrated Systems

The Concept of Operations/Area Architecture definition of the transportation integration system shall include, but not be limited to, the following:

- Development of a system architecture;
- Definition of the interface requirements; and
- Definition of the overall functionality of the system.

Concept of Operations

Upon completion of the area architecture and interface requirements for the ATMS, Communications, ATIS, TIC, and Integrated System project components, the CONSULTANT shall develop the Concept of Operations and Area Architecture Definition Report. Within this report, the complete system components will be described, including but not limited to the following elements:

- Overall area architecture, illustrating all sub components;
- Development of system requirements;
- Identification of system functionality;
- Definition of interface requirements within the specific subcomponents, and between subcomponents; and

- Definition of specific technology tools within each component and the advantages/disadvantages associated with each deployment.

In addition, the Concept of Operations will provide a high level overview of how the system will be operated, and will identify the preliminary, proposed level of staffing and resources needed to operate, manage and maintain the PROJECT as conceived. It will also include a discussion of how each PROJECT stakeholder will operate the PROJECT's components and provide typical operating scenarios outlining the daily and weekly resource needs of the PROJECT to enable each jurisdiction to begin to appropriately plan for any additional responsibilities that will be necessary upon PROJECT implementation. For those Stakeholders that are considered to be in the private sector, the Concept of Operations will outline any additional projected expenses or resources required for their operation and utilization of the PROJECT elements proposed for deployment.

The overall goal of the concept of operations is to define how the system will function and/or operate throughout the system deployment stages. This also includes the incorporation of any early deployment projects associated with earlier tasks of the PROJECT.

Deliverables:

5.1.1: Draft Concept of Operations/Area Architecture Definition Report
5.1.2: Final Concept of Operations/Area Architecture Definition Report

Task 6: Alternative Analysis

Task 6.1: ATIS Analysis

In this task, the CONSULTANT shall evaluate the various types of alternative traveler information systems and recommend the most suitable for the PROJECT. This analysis will consist of a thorough evaluation of each type of system, the advantages and disadvantages of the type, a cost and benefit analysis, and an evaluation of its potential for use by travelers. The analysis shall also include a discussion of how each ATIS enhances transit service by improving access to transit-related facilities. Lastly, the analysis shall include the findings and lessons learned from the early deployment projects.

A comparison matrix shall be prepared to determine the benefits and limitations of each ATIS element or component. This analysis will address, at minimum, the following:

- Element/Component performance;
- Current and future benefits;
- Software requirements;
- Hardware requirements;
- Estimated capital cost;
- Estimated O&M life cycle costs;
- Liability and risk;
- Maturity of technology;
- Interface requirements;
- Licensing issues;
- Ownership;
- Cost;
- Expandability;
- Interoperability;
- System support capabilities;

- System maintenance needs;
- System readiness;
- Potential for use by travelers;
- Anticipated degree of use by travelers;
- Operations requirements;
- Reliability;
- Compatibility;
- Open Architecture; and
- Revenue potential.

The CONSULTANT shall include in its criteria for analysis that any required equipment shall be readily available, current, commercial off-the-shelf, and manufactured from well-established and reputable suppliers.

The development of this PROJECT component shall consider any known effective means of satisfying the functional requirements. The completed analysis should show that the recommended components are the most effective, reliable, and economical systems available.

Deliverables:

6.1.1: Draft ATIS Analysis Report
6.1.2: Final ATIS Analysis Report

Task 6.2: TIC Analysis

Based on the functional requirements and the Concept of Operations/Architecture definition, the CONSULTANT shall perform an alternative analysis, which will evaluate different sites for the TIC. A critical aspect of this task is recommending the most suitable site for the TIC. A fundamental consideration for the location of these facilities must be an estimation of the O&M needs of the TIC.

A comparison matrix shall be prepared by the CONSULTANT to determine the benefits and limitations of each proposed TIC location. This analysis shall consider, at minimum, the following:

- Optimum scenarios of the TIC to provide accessibility and coverage for the entire PROJECT area;
- Available space;
- Adherence to the functional requirements;
- Expandability;
- Communications;
- O&M;
- Staffing;
- Political issues; and
- Rent / lease cost.

In addition to the site analysis, a comparison matrix shall be prepared by the CONSULTANT to determine the benefits and limitations of each computer system (not already covered under previous tasks) to be selected under this task. This analysis will address, at minimum, the following:

- System performance;
- Estimated capital cost;
- Estimated O&M life cycle costs;
- Interface requirements;

- System support capabilities; and
- System maintenance needs.

The CONSULTANT shall include in its criteria for analysis that any required equipment shall be readily available, current, commercial off-the-shelf and manufactured from well-established and reputable suppliers.

The development of this PROJECT component shall consider any known effective means of satisfying the functional requirements. The completed analysis should show that the recommended components are the most effective, reliable, and economical systems available.

Deliverables:

6.2.1: Draft TIC Analysis Report
6.2.2: Final TIC Analysis Report

Task 6.3: Communications Alternative Analysis

Based on the user and functional requirements, the CONSULTANT shall perform an alternative analysis that will evaluate several different communication alternatives for use in the PROJECT area. It is anticipated that the selected system will be a hybrid system, consisting of a combination of numerous communication types. The selected system will likely be also based upon the requirements of the component for which communication is required or desired. These elements will be combined in the most reliable, economical, and efficient way. The CONSULTANT will review the communications systems deployed for the South Bay Traffic Forum ITS project (Part II and Part III of the South Bay Signal Synchronization and Bus Speed Improvements Plan) as the starting point for this analysis and augment as required for the PROJECT.

A comparison matrix shall be prepared to determine the benefits and limitations of each system. This analysis will address, at minimum, the following:

- Hardware requirements;
- Bandwidth requirements;
- Data transfer requirements;
- Estimated capital cost;
- Estimated O&M life cycle costs;
- Liability and risk;
- System performance;
- How well it satisfies current and future needs;
- Maturity of technology;
- Staffing and training requirements;
- Availability;
- Expandability;
- Flexibility;
- Control processes;
- Potential bottlenecks and weak links;
- Reliability; and
- Marketing potential.

The CONSULTANT shall include in its criteria for analysis that any required equipment shall be readily available, current state-of-the-art, off the-shelf, and manufactured from well-established and

reputable suppliers.

The development of this PROJECT component shall consider any known effective means of satisfying the user and functional requirements and should clearly indicate which requirements, if any, cannot be met by each system or technology evaluated. The completed analysis should show that the recommended system is the most effective, reliable, and economical system available.

Deliverables:

6.3.1: Draft Communication System Alternative Analysis Report
6.3.2: Final Communication System Alternative Analysis Report

Task 7: Conceptual Design Report

Task 7.1: Prepare Recommendations

The CONSULTANT shall prepare a comprehensive list of recommendations resulting from the Concept of Operations/Area Architecture definition and analysis work carried out in the previous tasks. The recommendations to be addressed shall be:

ATMS

Based upon the results of the ATMS Alternatives Analysis and careful consideration of the variables involved, the CONSULTANT shall prepare detailed technical recommendations for the type and locations of additional ATMS elements to be used in the PROJECT area focusing only on the areas of expansion within the PROJECT area.

Communications

Based upon the results of the Communication System Alternative Analysis and careful consideration of the variables, the CONSULTANT shall prepare a detailed technical recommendation for the best Communication System to be used in the PROJECT area. This report shall include a comprehensive discussion on why this combination of communication elements was selected, a discussion of the methodology used to make the recommendation. Additionally, this technical recommendation will also describe how the Communication System developed as part of the South Bay Traffic Forum ITS Project Part II has been modified/expanded to accommodate the PROJECT requirements.

ATIS

Based upon the results of the ATIS Analysis and careful consideration of the variables, the CONSULTANT shall prepare a detailed technical recommendation for the best ATIS to be used in the PROJECT area. The ATIS will most likely not only be a combination of different devices but also a combination of different deployment techniques (i.e., by PROJECT, South Bay Parts II and III, etc.) This report shall include a comprehensive discussion on why this option was selected and a discussion of the methodology used to make the recommendation.

TIC

Based upon the results of the TIC Analysis and careful consideration of the variables involved, the CONSULTANT shall recommend the most suitable architecture for the TIC site location and computer systems. The recommendation made by the CONSULTANT shall consider any known effective means of satisfying the functional requirements. It should be noted that once a TIC site is selected, it will be considered preliminary until after the OM&M requirements have been considered.

The CONSULTANT shall document the process which will include a comprehensive discussion on why the particular site(s) were selected and a discussion on the methodology used to make the recommendation.

Integrated Systems

The CONSULTANT shall prepare the technical recommendations for the Integration System component and its associated modules.

In addition, an executive summary report will be prepared to summarize the results of the system recommendation report.

Deliverables:

7.1.1: Draft Systems Recommendation Report
7.1.2: Final Systems Recommendation Report
7.1.3: Draft Executive Summary Report
7.1.4: Final Executive Summary Report

Task 7.2: Prepare Operations, Maintenance, and Management (OM&M) Report

The CONSULTANT will be required to develop an Operations, Maintenance, and Management (OM&M) plan for the proposed Conceptual Design of the PROJECT which provides a detailed breakdown of the total OM&M costs, including costs of the TIC and, a breakdown by jurisdiction for the incremental costs associated with the deployment of any ATIS elements to be installed as part of the proposed system conceptual design.

At a minimum, the OM&M plan must consider the required personnel skill levels and staffing costs, and the recurring and life cycle costs for capital facilities and space, equipment, material, supplies, procurement, and installation for the following:

- Recommended staffing plan (time of day, days of week) for operating and managing agency workstations and software systems;
- Traffic signal control system and system detection infrastructure maintenance;
- Maintenance of other ITS field devices;
- Periodic operating system and software version upgrades;
- Periodic computer hardware replacement;
- Hardware and software technical support and maintenance;
- Computer database maintenance;
- Computer system configuration management;
- Telecommunications infrastructure operation and maintenance;
- Map database maintenance;
- Employee training;
- Additional building maintenance, operations or communication costs to operate the agency and stakeholder work stations; and

- TIC facility costs (HVAC, building maintenance, etc.).

In addition to OM&M cost for ATIS, any added incremental ATMS costs above and beyond those already planned as part of existing Part II and Part III of the South Bay Signal Synchronization and Bus Speed Improvements Plan project will be identified and estimated in this task.

The costs shall be presented in annual terms, with total costs and breakdowns by jurisdiction, and in a clear and an easily understandable format, including graphs and charts, if necessary. The plan should be in a form that can be easily interpreted by both technical and non-technical personnel, such as city administrators and maintenance personnel. This plan shall also include a preliminary discussion on possible cost and resource sharing options, if any.

Deliverables:

7.2.1: Draft Operation, Maintenance and Management Plan Report
7.2.2: Final Operation, Maintenance and Management Plan Report

Task 7.3: Business Plan

The CONSULTANT shall develop the Business Plan which details the plan for operating, managing, and maintaining each PROJECT component for a minimum period of 10 years following system acceptance. This Business Plan shall be a "living" document that shall continually be updated as a result of the Early Deployment projects, and also adjusted to market demand, consumer needs, and commercial viability.

The Business Plan focuses on products and services that incorporate quality real-time traffic and transportation information and delivers these services through a multitude of communication channels and entertainment mediums with the vision of disseminating this information to many of the employees and travelers in the PROJECT area. The ATIS products and services to be deployed throughout the PROJECT area will incorporate the recommendations provided as part of Task 2, Early Deployment Projects. Under this task, the CONSULTANT will develop, design, and deploy prototype ATIS products/services to be evaluated for their market acceptance. A business plan will be produced for each prototype product/service which evaluates the product/service's potential to generate revenue and provides recommendations for PROJECT-wide deployment. The Business Plan for the overall PROJECT will incorporate the findings and recommendations from these individual business plans.

The Business Plan shall be segregated into four distinct sections:

1. Operations, Management and Maintenance Activities. - This section will identify OM&M activities, provide cost estimate of each activity, determine the agency responsible for each activity, identify available funding sources for each activity, and describe any required partnership agreements;
2. Financial Performance – This section will detail the various revenue generation channels, document the strategy for realizing these revenues, and discuss profit-sharing proposals, if any, among the public and private sector partners;
3. Marketing / Product Development – This section will identify the various products, potential markets, pricing, and marketing strategy; and
4. Sustainability – This section will identify the mechanisms, responsibilities, and funds for the OM&M of the PROJECT components beyond the initial ten-year deployment period.

The Business Plan shall contain an estimated Statement of Cash Flows, Balance Sheet, and Income Statement for the first, fifth, and tenth years following system acceptance of the Project in accordance with the Financial Accounting Standards Board's current Generally Accepted Accounting Principles (GAAP) outlining the sources and uses of all funds.

Deliverables:

7.3.1 Draft Business Plan
7.3.2 Final Business Plan

Task 8: Implementation

Building on the results of all previous tasks, the CONSULTANT shall work with the DPW and affected stakeholders to prepare a Strategic Implementation Plan for the PROJECT. This plan shall include a comprehensive list of tasks to be completed in each of the phases for each of the components of the PROJECT.

Each identified task must be accompanied by a brief description of the task's objective and a summary of how the CONSULTANT plans to achieve those objectives. Additionally, the description should also indicate deliverables and a list of the topics that will be addressed to successfully complete each task. The plan shall also include a comprehensive PROJECT budget, detailed enough for planning purposes, and a phased schedule of implementation for each component.

Task 8.1: Prepare Scope of Work for Next Phase

The CONSULTANT shall prepare a Scope of Work document for phases 2-4 of this PROJECT that clearly describes, by individual tasks, the extent of the work to be performed. The Scope of Work document shall be organized by phases as described in the Introduction portion of this statement of work and shall include each component of this PROJECT as a separate, stand-alone item, as appropriate. The Scope of Work must include, but not be limited to, the following items:

- A listing of tasks and subtasks to be performed by the CONSULTANT for each phase and each component of the PROJECT;

- A description of the work to be performed for each task indicating what work will be performed within the task, what work is outside the scope of this PROJECT (e.g., what software will be developed by the CONSULTANT, and what software will be purchased). This description should also indicate what level of detail will be involved in the work to be completed for each task, by indicating which aspects of each task will be addressed;

- A detailed description of the issues, topics, and parameters for each PROJECT component will be considered when making a recommendation; and

- A description of any agreements needed between the primary stakeholders in order to implement the PROJECT and provide for the operation, maintenance and management of the ATMS, ATIS, TIC, communications system, and integration system. The CONSULTANT shall draft the scope of work for these agreements, if necessary.

Deliverables:

8.1.1: Draft Scope of Work Document
8.1.2: Final Scope of Work Document

Task 8.2: Prepare Project Budget

The CONSULTANT shall prepare a project budget indicating the anticipated use of funds. This PROJECT budget shall include, but not be limited to:

- An estimated cash flow chart by quarter;
- A breakdown of expenditures by task and subtask.

Deliverables:

8.2.1: PROJECT budget
8.2.2: Cash flow chart

Task 8.3: Prepare Project Schedule

The CONSULTANT shall prepare a Project Schedule detailing the anticipated start and end dates of each task and subtask. The PROJECT Schedule shall include, but not be limited to, PROJECT milestones, schedule of deliverables, PROJECT duration, and the critical path. The PROJECT Schedule should also include appropriate agency review periods for each document and work product to provide a realistic estimation of the PROJECT's duration.

Deliverables:

8.3.1: PROJECT Schedule

Task 8.4: Prepare Strategic Plan Final Report

At the completion of Tasks 8.1 through 8.3 of the PROJECT, the CONSULTANT shall prepare a detailed, comprehensive report, including any appropriate recommendations. This report shall be accompanied by an Executive Summary.

Deliverables:

8.4.1: Draft Strategic Plan Final Report
8.4.2: Final Strategic Plan Final Report
8.4.3: Strategic Plan Final Report Executive Summary

Task 9: Additional Services

The CONSULTANT, upon receipt of each County-approved Scope of Work for Additional Services, shall proceed with such Additional Services in accordance with and within the time frames specified in such Scope of Work. Upon completion of the Additional Services, County will examine the work completed and/or test the Developed Software and identify any Deficiencies found. CONSULTANT

shall re-perform the Additional Services to County's satisfaction until the Additional Services contain no Deficiencies, in which case the Additional Services shall be deemed successfully completed.

Deliverables:

9.1: Successfully Completed Additional Services

ATTACHMENT A.2

STATEMENT OF WORK (PHASES 2-4)

[see attached]

ATTACHMENT A-2

STATEMENT OF WORK (PHASES 2-4)

EL SEGUNDO AREA INTELLIGENT TRANSPORTATION SYSTEM (ITS) PROJECT

DETAILED DESIGN (PHASE 2)
SYSTEM DEPLOYMENT & INTEGRATION (PHASE 3)
MARKETING, OPERATIONS & MAINTENANCE (PHASE 4)

Submitted to

Los Angeles County Public Works Department

Submitted by

ITERIS

MARCH 2009

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1. INTRODUCTION

Capitalized terms used in this Attachment A.2 (Statement of Work (Phases 2-4)) ("Attachment") without definition have the meanings given to such terms in the Software and Services Agreement No. PW 12694, dated June 23, 2003 (as amended from time to time, and together with all Exhibits, Attachments and Schedules thereto, "Agreement"), between the County of Los Angeles ("County") and Iteris, Inc. ("Contractor").

About the El Segundo Area ITS Project

The El Segundo Area ITS Project (as more fully defined in the Agreement, "Project") is a unique collaboration between public and private agencies for implementation of a multi-jurisdictional Advanced Traveler Information System ("ATIS"). While this Project was originally focused on the heavy employment area of El Segundo, the services deployed to date could be useful to commuters throughout the Southern California area. The ultimate goal of this Project is to establish self-sustaining traveler information services that require no on-going public agency funding.

Through the initial phase of this Project (Phase 1 – Preliminary / Conceptual Design), numerous traveler information services were developed. These services were designed as test deployments to gauge the acceptance and viability of a variety of traveler information services. A limited group of Southern California travelers have been using the various services and have been surveyed throughout the deployment and operation. Through these early users, the Project team determined that a number of traveler information services appear to be viable for wide area deployment – some providing broadcast information and others allowing the user to receive more customized, route specific information. As a result, the team proposes moving forward with a suite of services that include telephone, Internet, and wireless dissemination. Additionally, Cable TV deployment is desired and will be accomplished concurrent with the deployment of these services. As such, marketing of the Cable TV system will be included in the overall marketing of the services.

In addition, the Contractor has recently been investigating the feasibility of including arterial information (Arterial ATIS) into the services provided.

These traveler information services are summarized below.

Free Traveler Information Services (Basic Services)

The Project will comprise the deployment of a number of free traveler information services that are complementary in nature. These services are referred to in the Agreement as Basic Services and include:

- **CommunityView™**-Internet (CV-I) – CV-I provides travelers in Southern California with access to freeway traffic conditions at the following Internet sites: www.commuteview.net, www.commutecall.com, www.commutesmart.info, and other local agency Internet sites;
- **CommunityView™**-Cable TV (CV-C)- CV-C provides cable television viewers at home with access to local road and freeway traffic conditions;

- **CommuteCall™ BASIC** - CommuteCall BASIC is an automated interactive voice response (IVR) system that provides travelers access to general freeway travel conditions through their telephone.

Premium Subscription-Based Services (Enhanced Services)
In addition to the "free-to-the-user" services provided by the Project, a suite of premium, subscription-based services (referred to in the Agreement as Enhanced Services) will be deployed as part of the subsequent phases of this Project. It is expected that a variety of subscription choices will be made available to the traveling public.

- **CommuteView** – CommuteView is a personalized traveler information service that allows users to establish customized route specific information and receive traffic reports via E-mail or text message about their selected routes.
- **CommuteCall ENHANCED** – CommuteCall ENHANCED enables a user to obtain their CommuteView route specific information via an automated IVR system. In addition, the user will be able to obtain more specific freeway information not available via CommuteCall BASIC.

The scope of work for this next phases of this Project is intended, in summary, to provide for future enhancements to the deployed system (to add arterial data elements to the services), a scalability analysis to determine the limits (if any) of the systems to be deployed, the establishment of customer support and payment mechanisms for the subscription based services, and an initial period of maintenance, operations and support for the Project.

About This Attachment
The purpose of this Attachment is to describe the scope of work for Phases 2-4 of the Project. These phases include:

Phase 2 – Detailed Design

Phase 3 – System Deployment and Integration

Phase 4 – Operations and Maintenance

While various services have been designed, developed, and deployed to date (CV-I, CV-C, CommuteCall, CommuteView), there is additional effort required to introduce these services into a broad-based deployment. The following paragraphs will describe what is included in each of the various chapters of this Attachment:

Chapter 2 – Detailed Design Activity -- This chapter will summarize the detailed design activity required to support Arterial ATIS dissemination via the traveler information services. This design activity will also include a scalability analysis of the CommuteView and CommuteCall services, design of customer support and transaction processing functionalities, and an evaluation of web service hosting options;

Chapter 3 – System Deployment and Integration -- This chapter will summarize the Deployment and Integration activity associated with the collection, fusion, and dissemination of Arterial ATIS by way of the traveler information services, the proposed

upgrade of the **CommunityView™**-Internet map to the Google Platform, the full deployment of the CommuteCall Enhancements (Points of Interest) application and outline requirements to deploy future enhancements to the Project;

Chapter 4 – Marketing, Operations and Maintenance -- This chapter will identify the non-recurring and recurring costs associated with the various operations and maintenance tasks required to support the Project.

See Attachment B.2 (Schedule of Deliverables and Payments (Phases 2-4)) to Exhibit B (Schedule of Deliverables and Payments) for a schedule of deliverables for Phases 2-4 of the Project. This schedule shows the payment per deliverable for Phase 2 and includes a summary of costs and "not to exceed" amounts for Phases 3 and 4.

Task 1 -- Project Management

Throughout these next phases of the Project, the Contractor will provide project management services as part of Task 1 activity. The project management services are delivered to ensure schedule and budget adherence and to provide periodic updates of status / information to County staff. It should be noted that this task will be billed on a "not to exceed" time and materials basis in accordance with the applicable hourly rates shown in Attachment B.3 (Contractor's Applicable Hourly Rates) to Exhibit B (Schedule of Deliverables and Payments). The following tasks will be included in each of the phases of Project activity:

Subtask 1.1 Project Status Reports – Contractor shall prepare and submit monthly status reports. The reports will include the following information:

- Period covered by the report.
- Overview of the reporting period;
- Tasks, subtasks, Deliverables, goods, services and other Work scheduled for the reporting period which were not completed;
- Tasks, subtasks, Deliverables, goods, services and other Work scheduled for the reporting period which were completed;
- Issues to be resolved;
- Issues resolved;
- Summary of Project status as of reporting date;
- Updated Deliverables chart and completion schedule, if necessary;
- Summary of Contractor's Investment for the reporting period;
- Itemized billings from all third party vendors for which Project funds are proposed for reimbursement.

Subtask 1.2 Project Status Meetings – Contractor's project management team will use the overall project status meeting to review milestones and identify any immediate issues that are related to the Project. Notes for these meetings will be documented and circulated to County's Project Director and Project Manager for final approval.

Subtasks 1.1 and 1.2 Deliverables: Monthly Project Status Reports
Project Status Meetings

Assumptions: ***A total of 18 project review meetings have been assumed throughout Phases 2, 3, and 4 of the Project***

2. PHASE 2 -- DETAILED DESIGN ACTIVITY

Phase 2 Tasks and Deliverables

Throughout Phase 1, additional improvements were suggested via the user surveys conducted. These suggestions included the need for the traveler information services to disseminate Arterial ATIS. The initial deployment of these Arterial ATIS services will focus on the following arterials:

- Aviation Boulevard from Imperial Highway to Manhattan Beach Boulevard
- Imperial Highway from California Street (west of Sepulveda) to La Cienega Boulevard
- El Segundo Boulevard from Illinois Street (west of Sepulveda) to Ocean Gate Avenue
- Rosecrans Avenue from Pacific Avenue to I-405 Freeway Northbound ramps
- Manhattan Beach Boulevard from Poinsettia Avenue (west of Sepulveda) to Hawthorne Boulevard

In addition, as there is an increase in the number of users of these traveler information services, there will be a need to significantly expand the ability of the system to handle a larger user base. Finally, additional optional tasks have been identified that will expand the coverage areas of CommuteCall / CommuteView to match those of the expanded CommunityView-Internet maps. The design activities described below will satisfy these needs.

Subtask 2.1 Requirements Walk-Through

Contractor will conduct a workshop with County staff to discuss and update the specific expectations for the delivered ATIS. During this workshop, Contractor will complete a line by line review of the following Requirements Documents prepared under Phase 1 - Preliminary / Conceptual Design.

- Advanced Transportation Management System User and Functional Requirements
- Advanced Traveler Information System User and Functional Requirements
- Traveler Information Center Facility and Computer System Requirements
- Integration System User and Functional Requirements
- Communications System User and Functional Requirements

The review will determine which requirements have been met with the systems deployed to date as Early Deployment Projects, and which requirements were not a part of the work performed under Phase 1. From this review, Contractor will develop a summary of the additional requirements and the level of effort associated with meeting these requirements. With input from County staff, Contractor will then develop recommendations on which enhancements should be made to meet these additional requirements.

Subtask 2.1 Deliverables: Requirements Summary, including recommendations for additional software enhancements

Subtask 2.2 Arterial Information Detailed Design

One of the key objectives of the Project is to provide traveler information that is useful to the traveling public. Through various surveys and focus group activities, users of the Early Deployment Projects under Phase 1 have identified the requirement to have arterial information added within the suite of services deployed. In order to deploy a service, the following processes need to occur: data collection, data fusion and data dissemination. With the data collection process, the data is received from County and/or other third party sources. Next, under the data fusion application, the information collected is combined into the traveler information system applications. This process will also include some computations or smoothing of the data, or the conversion of the information into a format that the existing services can utilize. Last, the new information is disseminated to the public under the data dissemination process. As part of Phase 1, Task Order 4 of the Agreement, the Contractor designed and implemented various data fusion and dissemination processes to integrate arterial information. A key component for the remaining phases of this Project is the data collection activity associated with Arterial ATIS.

As part of Phase 1, Task Order 4 of the Agreement, Contractor is developing the conceptual design for the integration of Arterial ATIS into the CV-I, CV-C, CommuteView, and CommuteCall services. This preliminary design activity will include an analysis of the interfaces required to collect data from the following systems and sources:

- Arterial Advanced Transportation Management Systems (ATMS)
  - Information Exchange Network (IEN)
  - Regional Integration of Intelligent Transportation System (RIITS)
- Local incident information, and
- Road construction / event information.

The Phase 1, Task Order 4 work includes a preliminary design, a prototype demonstration and Critical Design Review of the Arterial ATIS displays to be incorporated into the services. Lastly, the task order includes an Arterial ATIS Design Document that will be prepared to recommend a proposed functionality of the Arterial ATIS with the deployed services.

Building upon the recommendations included in the Task Order 4, Arterial ATIS Design Document of the Agreement, Contractor will complete data collection detailed design activity to supplement the level of information available to the traveling public. In completing this detailed design activity, Contractor will be able to quantify the costs to expand deployment of arterial data collection beyond these initial interfaces to possibly provide expanded arterial coverage for the Southern California region. The detailed design activity will prototype the arterial data collection interfaces in order to determine the hardware and software costs associated with this data collection. The results of this detailed design activity will be included in the Arterial Data Collection Design document.

This Arterial Data Collection Design document will be used to formulate the Phase 3 deployment cost estimates. The data collection detailed design activity will include the following:

Subtask 2.2.1 ***Interface Design to Arterial Advanced Transportation Management Systems (ATMS)***
A potential source for arterial conditions is congestion information from various Arterial ATMS in the region. In completing this detailed design activity, Contractor will quantify the level of effort required to expand the data collection activities of the Project to include Arterial ATMS. In order to do this, the detailed design activity will prototype the arterial data collection interfaces to capture the hardware and software costs associated with arterial congestion data collection. Specifically, this activity will focus on the following arterials:

- Aviation Boulevard from Imperial Highway to Manhattan Beach Boulevard
- Imperial Highway from California Street (west of Sepulveda) to La Cienega Boulevard
- El Segundo Boulevard from Illinois Street (west of Sepulveda) to Ocean Gate Avenue
- Rosecrans Avenue from Pacific Avenue to I-405 Freeway Northbound ramps
- Manhattan Beach Boulevard from Poinsettia Avenue (west of Sepulveda) to Hawthorne Boulevard

The resulting Arterial ATMS Data Collection Design Document will be used to formulate the Phase 3 deployment cost estimates.

Interfaces to the Arterial ATMS will be through simple, industry standard (i.e. TCP/IP or equivalent) techniques. No encryption of data or unique software licensing costs are expected and no such costs shall be payable by County without prior execution of a Change Notice or an Amendment, as the case may be, in accordance with the applicable provisions of Paragraph 15 (Change Notices and Amendments) of the body of the Agreement. Data from Arterial ATMS will provide information on congestion levels and signal maintenance status and will integrate with the CommunityView and CommuteCall BASIC services. Potentially, this information could be included in the CommuteView and CommuteCall ENHANCED services. That decision will be made as the Enhanced Services are finalized and deployed.

Integration of the Arterial ATMS data into the ATIS services will not impact the expected load times for static and dynamic pages. Using a 56K dialup connection, the expected load times will remain as follows:

- All static pages must load within 4 seconds; and
- All dynamic pages must load within 10 seconds.

In this task, Contractor will prototype, test the desired interfaces, and integrate arterial congestion information with the traveler information services as defined in the Arterial ATIS Design Document. All interfaces constitute Licensed Software or Developed Software, as further specified in Attachment A.3 (Ownership of Software Programs). The various Arterial ATMS's which are proposed to interface with the deployed services are as follows:

Metro's Regional Integration of Intelligent Transportation System Project (RIITS) – Contractor will prototype, test and integrate RIITS data into the suite of services. This data may include, but not necessarily be limited to, data from the State of California's District 7 (CT-D7) Advanced Transportation Management System (ATMS), the City of Los Angeles' Department of Transportation's Automated Traffic Surveillance and Control (ATSAC) System, and CT-D7's CTNET arterial traffic control system.

County's Information Exchange Network (IEN) - Contractor will prototype, test and integrate IEN data into the suite of services. This data may include, but not necessarily be limited to, traffic signal status and detector data, and incidents.

The interface work to be completed will involve the following:

- ***Prototype Data Collection Process Development*** – Contractor will design and implement a prototype data collection process (interface) that accesses the data from the source systems. This data collection process will format the new data in a manner that readily integrates with the traveler information services. The data collection process will be detailed and include pertinent data flow diagrams, process flow diagrams, entity relationship diagrams, and data dictionary in the Arterial ATMS Data Collection Design Document;
- ***Data Fusion Development Support*** -- Contractor will integrate the new data with the various data delivery channels. This will include making changes to the CV-I, CV-C, CommuteView, and CommuteCall media, as required. A Critical Design Review will take place to allow for final comments on the "look and feel" of the newly integrated information;
- ***Integration & Test*** – These new data sources will be integrated and tested in Contractor's development lab for proper functionality. A series of subsystem tests will be conducted to ensure that the changes have not adversely impacted the functionality of the ATIS services;
- ***"Beta Test" Activity*** – These new data sources will be subjected to "beta testing" from a subset of users who have access to the development environment. These users will exercise the system and validate the performance of the service with the new data included. Beta users will be asked for their comments, suggestions, or issues in using this new data within the ATIS services;
- ***Final Service Enhancements*** – Contractor will take the lessons learned and comments received from the beta test activity to finalize the data interface integration to the ATIS services. A "Deployment Readiness Review" will occur that deems that these enhancements are available for deployment and integration with the production service. The Arterial ATMS Data Collection Design document will be prepared at the conclusion of these enhancements to estimate the costs (if any) to expand such deployment for other comparable agencies.

Subtask 2.2.1 Deliverables: ***Arterial ATMS Data Collection Design Document***
Critical Design Review (Prototype review)
Deployment Readiness Review

Subtask 2.2.2 ***Interface Design to Arterial Incident Information Systems***

Another potential source for arterial conditions is incident information from various public safety systems in the region (law enforcement, fire, etc.). To date, the deployed ATIS services include information from the California Highway Patrol only. Once again building upon the recommendations included in the Phase 1, Task Order 4, Arterial ATMS Data Collection Design Document, Contractor will complete the data collection detailed design activity to supplement the level of information available to the traveling public to include arterial incident information. In completing this detailed design activity, Contractor will be able to quantify the costs to expand deployment of arterial data collection to include Arterial Incident Information Systems. In order to do this, the detailed design activity will prototype the arterial data collection interfaces to capture the hardware and software costs associated with incident data collection. The resulting Arterial Incident Information Data Collection Document will be used to formulate the Phase 3 deployment cost estimates.

Interfaces to the Arterial Incident Information Systems will be through simple, industry standard (i.e. TCP/IP or equivalent) techniques. No encryption of data or unique software licensing costs are expected and no such costs shall be payable by County without prior execution of a Change Notice or an Amendment, as the case may be, in accordance with the applicable provisions of Paragraph 15 (Change Notices and Amendments) of the body of the Agreement. Data from Arterial Incident Information Systems will provide information on accidents on local roads which will include location information in latitude/longitude coordinates.

Integration of the Arterial Incident Information Systems data into the ATIS services will not impact the expected load times for static and dynamic pages. Using a 56K dialup connection, the expected load times will remain as follows:

- All static pages must load within 4 seconds; and
- All dynamic pages must load within 10 seconds.

In this task, Contractor will prototype, test the desired interfaces, and integrate that information with the traveler information services as defined in the Phase 1, Task Order 4, Arterial ATIS Design Document. All interfaces constitute Licensed Software or Developed Software, as further specified in Attachment A.3 (Ownership of Software Programs). This will involve the following:

- ***Prototype Data Collection Process Development*** – Contractor will design and implement a prototype data collection process (interface) that accesses the data from the source system(s). This data collection process will format the new data in a manner that readily integrates with the traveler information services. The data collection process will be detailed and include any pertinent data flow diagrams, process flow diagrams, entity relationship diagrams, and data dictionary in the Arterial Incident Information Data Collection Design Document;
- ***Data Fusion Development Support*** -- Contractor will integrate the new data with the various data delivery channels. This will include making changes to the CV-I, CV-C, CommuteView, and CommuteCall media, as required. A Critical Design Review will take place to allow for final comments on the "look and feel" of the newly integrated information;

- ***Integration & Test*** – These new data sources will be integrated and tested in Contractor's development lab for proper functionality. A series of subsystem tests will be conducted to ensure that the changes have not adversely impacted the functionality of the ATIS services;
- ***"Beta Test" Activity*** – These new data sources will be subjected to "beta testing" from a subset of users who have access to the development environment. These users will exercise the system and validate the performance of the service with the new data included. Beta users will be asked for their comments, suggestions, or issues in using this new data within the ATIS services;
- ***Final Service Enhancements*** – Contractor will take the lessons learned and comments received from the beta test activity to finalize the data interface integration to the ATIS services. A "Deployment Readiness Review" will occur that deems that these enhancements are available for deployment and integration with the production service. The Arterial Incident Information Data Collection Design Document will be finalized at the conclusion of these enhancements to estimate the costs (if any) to expand such deployment for other comparable agencies.

Subtask 2.2.2 Deliverables: ***Arterial Incident Information Data Collection Design Document***
Critical Design Review (Prototype review)
Deployment Readiness Review

Subtask 2.2.3 ***Interface Design to Arterial Road Construction / Events Information Systems***

Another potential source for arterial conditions is road construction, detour, and special event information from various public agencies and private entities in the region (public works, community services, special event generators). Again, building upon the recommendations included in the Phase 1, Task Order 4, Arterial Data Collection Design Document, Contractor will complete data collection detailed design activity to supplement the level of information available to the traveling public to include arterial road construction and event information. In completing this detailed design activity, Contractor will be able to quantify the costs to expand deployment of arterial data collection to include Arterial Road Construction / Events Information Systems. In order to do this, the detailed design activity will prototype the arterial data collection interfaces to capture the hardware and software costs associated with road construction and events data collection. The resulting Arterial Road Construction / Events Information Data Collection Document will be used to formulate the Phase 3 deployment cost estimates.

Interfaces to the Arterial Road Construction / Event Information Systems will be through simple, industry standard (i.e. TCP/IP or equivalent) techniques. No encryption of data or unique software licensing costs are expected and no such costs shall be payable by County without prior execution of a Change Notice or an Amendment, as the case may be, in accordance with the applicable provisions of Paragraph 15 (Change Notices and Amendments) of the body of the Agreement. Data from Arterial Road Construction / Event Information Systems will provide information on construction / event details including impacts, alternate route information, schedule, and location coordinates (latitude/longitude).

Integration of the Arterial Road Construction / Event Information Systems data into the ATIS services will not impact the expected load times for static and dynamic pages. Using a 56K dialup connection, the expected load times will remain as follows:

- All static pages must load within 4 seconds; and
- All dynamic pages must load within 10 seconds.

In this task, Contractor will prototype, test the desired interfaces, and integrate that information with the traveler information services as defined in the Arterial ATIS Design Document. All interfaces constitute Licensed Software or Developed Software, as further specified in Attachment A.3 (Ownership of Software Programs). This will involve the following:

- ***Prototype Data Collection Process Development*** – Contractor will design and implement a prototype data collection process (interface) that accesses the data from the source systems. This data collection process will format the new data in a manner that readily integrates with the traveler information services. The data collection process will be detailed and will include any pertinent data flow diagrams, process flow diagrams, entity relationship diagrams, and data dictionary in the Arterial Road Construction / Events Information Data Collection Design Document;
- ***Data Fusion Development Support*** -- Contractor will integrate the new data with the various data delivery channels. This will include making changes to the CV-I, CV-C, CommuteView, and CommuteCall media, as required. A Critical Design Review will take place to allow for final comments on the "look and feel" of the newly integrated information;
- ***Integration & Test*** – These new data sources will be integrated and tested in Contractor's development lab for proper functionality. A series of subsystem tests will be conducted to ensure that the changes have not adversely impacted the functionality of the ATIS services;
- ***"Beta Test" Activity*** – These new data sources will be subjected to "beta testing" from a subset of users who have access to the development environment. These users will exercise the system and validate the performance of the service with the new data included. Beta users will be asked for their comments, suggestions, or issues in using this new data within the ATIS services;
- ***Final Service Enhancements*** – Contractor will take the lessons learned and comments received from the beta test activity to finalize the data interface integration to the ATIS services. A "Deployment Readiness Review" will occur that deems that these enhancements are available for deployment and integration with the production service. The Arterial Road Construction / Events Information Data Collection Design Document will be prepared at the conclusion of these enhancements.

Subtask 2.2.3 Deliverables: ***Arterial Road Construction / Events Information Data Collection Design Document***
Critical Design Review (Prototype review)
Deployment Readiness Review

Subtask 2.3 Traveler Information Services Scalability/Operational Support Detailed Design

In order to ensure a reliable, scalable, robust, and maintainable suite of traveler information services, it is necessary to complete additional scalability and operational support activities. These include:

Subtask 2.3.1 ***CommuteCall / CommuteView System Scalability Analysis***

The CommuteView and CommuteCall services have been deployed to a limited number of beta test users to date. With full system deployment, these services are expected to have substantial amounts of users accessing the system at various times, which include simultaneous users. Additionally, the subscription based messaging service (CommuteView) requires analysis to resolve any potential issues with substantial expansion.

Currently, Contractor engages third party application service providers as subcontractors under the Agreement to provide certain traveler information services under the Agreement on behalf of Contractor. These third party application service providers have been approved under Paragraph 25 (Subcontracting) of the body of the Agreement as "current Third Party Hosting Agreements." Rackspace hosts the data collection and web services required to format the information for delivery to CommuteView and CommuteCall services. This service has significant growth potential in that multiple processors can be added as the demands for processor time grows with usage. Voxeo is the application service provider that hosts the Interactive Voice Response (IVR) telephone service and provides the text-to-speech functionality that allows users to call and interact with the CommuteCall BASIC and ENHANCED services. The system at Voxeo processes information requests, communicates with the system at Rackspace, and then formats the information for delivery to the user via the speech engine.

To ensure that the data delivery interfaces perform as expected with the growth in level of usage and that the systems can continue to scale as usage grows, Contractor will complete a system scalability analysis. This scalability analysis will define the minimum thresholds of call volumes (low, moderate, and high) for conducting the load testing. To accomplish this, Contractor will complete the following activities:

- ***Web Services Script Testing*** – Contractor will use a scripting tool (Administrative Console Testing or equivalent) to exercise the web services associated with the CommuteCall / CommuteView messaging services. This tool will allow the development team to determine the throughput and limits of the web services that support both the CommuteCall IVR functionality as well as the CommuteView messaging (text, email, Internet) functionality;
- ***Rackspace Application Load Testing*** - Contractor will work with Rackspace to conduct load testing of the database servers used to maintain the data disseminated by the services. Contractor will analyze the number of concurrent users the servers can support as usage grows.
- ***Voxeo Application Load Testing*** – The Voxeo Application Load Testing service helps ensure that the application is reliable under high or moderate call load before full-scale deployment. Voxeo's Application Load Testing service uses Emperix Hammer and Voxeo CallXML based test platforms with custom developed IVR test scripts to emulate real callers and real world telephone traffic conditions. Contractor will work with Voxeo to load test CommuteCall in order to:

- *Reduce launch risk* --Voxeo's Load Testing service is based on a multi-line test system that subjects any voice application to large, rapid and sustained inbound or outbound call tests. These tests include application specific call flows, prompt detection, voice recognition or DTMF (touch tone) control, text-to-speech monitoring, HTTP application performance metrics, and more. By subjecting CommuteCall to these tests prior to full-scale launch, the design team can significantly reduce the risk of application failure.
- *Expose hidden flaws*-- Over the course of deploying hundreds of IVR applications for their customers since 1999, Voxeo has learned that almost every IVR application initially experiences performance or reliability issues under load. The battery of tests help expose hidden performance and reliability issues in the entire chain of voice application layers, including: database performance, application server performance, web server performance, Internet connectivity bandwidth and latency, voice recognition responsiveness, prompt caching and playback, and more.

❖ ***Results Analysis*** – Contractor will examine the test results from both the web services and Voxeo loading tests to see if design changes are required. A Scalability Test Results Review will be conducted with County staff to summarize the results. A System Scalability Report will be developed that will recommend revisions to the CommuteCall and CommuteView services, if required.

Subtask 2.3.1 Deliverables:	***CommuteView / CommuteCall Scalability Test Results Review*** ***CommuteView / CommuteCall System Scalability Report (Draft / Final)***

Subtask 2.3.2 ***<u>Customer Service / Evaluation Support Design</u>***
In order to establish a personalized subscription based service for the CommuteView and CommuteCall–ENHANCED IVR applications, Contractor will design & develop the required customer / evaluation support functionality. This functionality will include usage statistics monitoring, support for customer feedback, system monitoring features, and issue tracking software. In order for these functions to be developed, the following activities are required:

Customer Support Module Design – Contractor will work to design the customer support module, which shall constitute Licensed Software or Developed Software, as further specified in Attachment A.3 (Ownership of Software Programs). This module will provide system administrators with access to account information, system usage statistics, system performance metrics, and will provide customer service personnel with issues tracking software that can be used to assist users of the services and to document problems with performance. This design will be documented in a Draft Design Document and presented at a Preliminary Design Review;

❖ ***Prototype Implementation*** – Contractor will design and implement the prototype customer service module or internal testing and evaluation. Once completed, this prototype module will be presented to County staff for final review at a Critical Design Review;

- ***Integration & Test*** – This customer service module will be integrated and tested in Contractor's development lab for proper functionality. A series of subsystem tests will be conducted to ensure that the changes have not adversely impacted the functionality of the ATIS services. Any changes that result from the testing will be subjected to additional testing. A final version of the design document will capture these changes. A Deployment Readiness Review will be conducted in preparation for System Deployment;

Subtask 2.3.2 Deliverables: ***Customer Support Design Document (Draft / Final)***
Preliminary Design Review – Customer Support
Critical Design Review – Customer Support (Prototype review)
Customer Support Deployment Readiness Review

Subtask 2.3.3 ***Transaction Processing Detailed Design***

The other component required to establish a personalized subscription based service for the CommuteView and CommuteCall – ENHANCED IVR applications is a transaction management system that performs revenue collection, manages amount of services allocated, and provides for usage tracking to generate user subscription invoices as required. Subject to compliance with the requirements of the Agreement, revenue collection will be outsourced by Contractor to a service provider (PayPal or equivalent) and will be integrated with a web-based customer account page similar to the current CommuteView page. The transaction management system will also include renewal notification and account management features. Any portion of the transaction management system that is developed by Contractor hereunder shall constitute Developed Software. To complete this, the following tasks are required:

- ***Transaction Management Module Design*** – Contractor will work to design the transaction management module. This design activity will evaluate off-the-shelf transaction management solutions and any associated in-house deployment effort. This design will be documented in a Draft Design Document and presented at a Preliminary Design Review;
- ***Prototype Implementation*** – Contractor will design and implement a prototype transaction management module for internal testing and evaluation. Once completed, this prototype module will be presented for final review at a Critical Design Review;
- ***Integration & Test*** – This transaction management module will be integrated and tested in Contractor's development lab for proper functionality. A series of subsystem tests will be conducted to ensure that the changes have not adversely impacted the functionality of the ATIS services. Any changes that result from the testing will be subjected to additional testing. A final version of the design document will capture these changes. A Deployment Readiness Review will be conducted in preparation for System Deployment;

Subtask 2.3.3 Deliverables: ***Transaction Processing Design Document (Draft / Final)***
Preliminary Design Review - Transaction Processing

Critical Design Review - Transaction Processing (Prototype review)
Transaction Processing Deployment Readiness Review

Subtask 2.4 Hosting Alternatives Analysis

As Contractor completes the detailed design, Contractor shall complete an analysis to evaluate the hosting options for the various services. This analysis will examine the following:

- ***IVR Hosting*** – As described above, the CommuteCall service is currently outsourced by Contractor to Voxeo. With a substantial increase in call volumes, billing rates for the hosting service become a significant cost driver. Contractor will evaluate the current Voxeo service plan to determine the competitiveness of the rate charged, the potential savings of hosting it with another IVR;
- ***VoiceXML Selection*** – During the CommuteCall Early Deployment Project, Contractor utilized the Voxeo VoiceXML service as the text-to-speech technology solution. In parallel to the hosting decision, Contractor shall review alternative VoiceXML vendors to see if lower cost solutions exist that support the application;
- ***Application Service Provider Hosting*** – The data collection and web services processes required to format the information for delivery to the traveler information services is currently hosted at Rackspace. Contractor will review this hosting arrangement to ensure that the most competitive costs are being provided;
- ***Hosting Analysis Findings Report*** – Contractor shall prepare a Hosting Analysis Findings Report that captures the results of these assessments. Comments will be incorporated into a Final Hosting Analysis Findings Report.

Subtask 2.4 Deliverables: ***Hosting Analysis Findings Report (Draft / Final)***

Subtask 2.5 Usage Restriction Feature Development

As indicated previously, CommuteCall BASIC is proposed to provide free traveler information in the Southern California region. Since CommuteCall is able to capture the phone number of the caller, individual usage of the service can be tracked. This task is intended to provide a mechanism to limit callers to a specific number of calls or maximum number of minutes (referred to in the Agreement as the "Maximum Minutes"). Current plans are to limit the monthly minutes to 20 per month, no more than 10 minutes per week, and no more than 8 minutes per day per user, unless otherwise agreed by County's Project Director. Once this limit is exceeded, users will be notified and given the option to receive more minutes/calls via the CommuteView – ENHANCED subscription service. These actions will prevent overuse / abuse of the system, and also promote the subscription service. Upon completion of this task, a Critical Design Review and Deployment Readiness review will be conducted by Contractor in consultation with County staff.

Subtask 2.5 Deliverables: ***Critical Design Review - Usage Restriction Feature (Prototype review)***
Usage Restriction Feature Deployment Readiness Review

Subtask 2.6 Coverage Area Expansion (Optional Task)

Riverside County Transportation Commission (RCTC) recently contracted with Iteris to expand the CommunityView-Internet traffic map coverage into the following geographic areas as specified below:

1. Cajon Pass to north of Victorville
2. Victorville to Barstow
3. Barstow to state line
4. Moreno Valley to Coachella Valley including the I-10 and SR-60 Corridors
5. Lake Elsinore to San Diego County line
6. San Bernardino County mountain communities including the areas of Coachella to 29 Palms, Big Bear Lake, Wrightwood and connection of the 138/14 corridors.

RCTC has expressed additional interest in now integrating that expanded coverage area with the CommuteView and CommuteCall services. This expansion of the coverage area will be funded by the RCTC upon executing a memorandum of understanding with County.

The following tasks are required to support that expansion of the coverage area for the CommuteView and CommuteCall services. Upon completion of these tasks, a Critical Design Review and Deployment Readiness review will be conducted with LACDPW and RCTC.

Subtask 2.6.1 Voice Enable Expanded Coverage Area

Contractor will expand the CommuteCall menu and data dictionary to include the new freeways included in the expanded coverage areas. It should be noted that most of the expanded coverage area does not have congestion information available. Since incident information can be provided, Contractor will add this functionality to the existing CommuteCall services (BASIC & ENHANCED).

- *Routing Engine[1] Update* – CommuteCall is currently being enhanced to provide routing information between two points of interest in the urbanized Southern California area (not including desert communities, San Diego). This information will be available via the Commute View and Commute Call – ENHANCED subscription service. This task will expand that capability to accommodate the recently completed additional coverage area. This enhancement will provide a limited set of destinations / points of interest in this expanded area. These are proposed to include, but not be limited to, cities, San Diego's Sea World, Zoo, Wild Animal Park, and up to 20 total points of interest. Up to 50 additional points of interest will be added as part of the expansion activity into the mountain / desert regions as well. Further, this activity will be integrated with the existing development activity to allow for a single testing element.

[1] It should be noted that the routing engine works where maplinks have been identified to support personalized services. This is primarily on the freeway network in the region.

- *Expand Personalized Services* –This task will expand the route entry feature of CommuteView to allow for routes to be developed and saved in the expanded coverage areas (San Diego, high & low deserts, mountain communities). This information will also be available via the subscription component of the CommuteCall ENHANCED IVR service. This task will also include the addition of secondary highways (14, 138, 18, 79, 86) to the route development feature. This effort will include modifications to the "Route Selector" Flash animation, porting of those enhancements to the CommuteView service, and integration of these new map links to the data collection / data reporting services.

Subtask 2.6.1 Deliverables: Critical Design Review - Coverage Area Expansion (Prototype review)
Coverage Area Expansion Deployment Readiness Review

3. PHASE 3 – SYSTEM DEPLOYMENT AND INTEGRATION

Phase 3 Tasks and Deliverables

Phase 3 of the Project includes the deployment and integration of the enhancements described above for the Project. This deployment / integration task will involve activity in the areas of data collection, data fusion, and data dissemination. Based on the cost estimates included in the Phase 2 - Detailed Design documents, County staff will identify which of the following deployment and integration activities that Contractor will perform. A Scope of Work and corresponding Work Order must be prepared and issued for each subtask under Phase 3 (other than Subtask 3.1 and 3.2 and as expressly noted with respect to Subtask 3.4) in accordance with Paragraph 6.4 of the Agreement prior to start of any activity with respect to such subtask. County may choose to re-allocate any unexpended Phase 3 funds to Phase 4 - Operations and Maintenance.

One deployment activity has already been identified and requested by County that includes the transition of Internet maps to the Google Platform. This effort is described in Subtask 3.1 below.

Subtask 3.1 CommuteView / Google Map API

Contractor will migrate and redesign its CommuteView traffic data to be transposed in the Google Map environment. This will allow users to see the CommuteView traffic data in a more dynamic and flexible environment than offered in the current maps. The revised CommuteView Map will retain all information and functionality that is present in the current map to the extent possible.

The following details the proposed scope of work to complete this effort.

Subtask 3.1.1 Requirements
Contractor will document the functional requirements for the CommuteView Google Map. These requirements will be used to define the capabilities of the system as well as to capture some of the essential performance metrics upon which the performance will be evaluated. While Contractor expects to retain all information that is present on the current CommuteView map, there maybe some changes due to the limitations of the chosen map program's API. Contractor will also identify any potential issues that may be caused by the change in environment. A draft version of the requirements document will be given to County staff to review. As a result of this review, comments will be made to the document, and the Final Requirements document will be delivered to County.

Subtask 3.1.1 Deliverables: Final Requirements Document

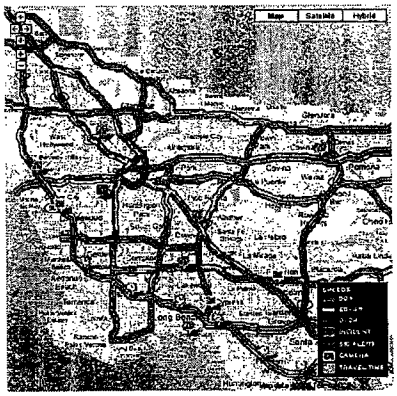
Subtask 3.1.2 Google Maps API Acquisition and Setup
Contractor will acquire a license as necessary to use the Google base map and API to develop a traffic map. Once an arrangement has been made with Google, Contractor will hook in to the

chosen map's API to setup a simple base map on a Contractor test web server. This will ensure the API is accessible and functional before development begins. After the requirements and the initial base map have been completed there will be a Preliminary Design Review to go over the design and development environment with County staff.

Subtask 3.1.2 Deliverables: Google/ Map API Acquisition and Setup Presentation.

Subtask 3.1.3 <u>Draft Development</u>

After the initial base map is in order, development of the application will commence based on the Requirements from Subtask 3.1.1. In order to migrate the CommuteView data onto the Google base map, congestion, incident, and device data will have to be reformatted from GIS shapefiles into tiled overlays, kml, and / or xml files. A new process will need to be developed to generate the tileset, kml or xml files every 3-5 minutes just as in the current system. Contractor will then develop a webpage using the Google Maps API to display those kml and xml files.



The map itself will include all the data that is present on the current map while all the features shown are conceivable, there is a possibility that the Google API may impose limitations that can make some of these features not possible or in need of slight modifications.

The map will be deployed in a test environment and a Critical Design review will be conducted by County staff. Stakeholders will review and comment on the site as it pertains to the functionality set forth in the requirements as well as the look and feel of the site. The comments will be delivered to Contractor.

Subtask 3.1.3 Deliverables: Google Map API Draft Development Presentation.

Subtask 3.1.4 <u>Final Development, Testing & Deployment</u>

Upon receipt of comments from County staff, the site will be developed and refined further. The site and all its functions and processes will be thoroughly tested and documented. After successful testing, the CommuteView Google Map will be deployed on the CommuteView webserver at Rackspace.

Subtask 3.1.4 Deliverables: Google Map API Final Development Test Report.

<u>Subtask 3.2 CommuteCall Points of Interest</u>

As part of the initial phase of the Project, Contractor developed improvements to the current CommuteCall service whereby Point of Interests (POI) were mapped to provide traffic conditions (congestion & incidents) near a specified point of interest (major cities, landmarks, airports, universities, sporting venues, etc.), as well as to provide travel information (travel time,

incidents, & congestion) between two points of interest. This travel information would be provided from primary arterial on-ramps near the point of interest.

As part of the earlier work, Contractor was able to complete the following tasks

- Identify the POI including major cities, points of interest (event locations, landmarks, parks, regional malls, etc.) and freeway ramps
- Develop the conceptual design for integration of the new POI features
- Design and deployment the required software enhancements
- Integration of developed applications into CommuteCall using a beta test site.
- Initial testing

The above represents the bulk of the technical work, and the only remaining tasks to successfully launch the application in end-to-end system testing, and final launch and system evaluation. The following describes these remaining elements.

Subtask 3.2.1 ***Completion of System Integration and Test***
This subtask will finalize integration of the developed applications and verify the functionality of the development prior to introduction to the customers.

Module Integration – Contractor will confirm integration of the developed modules within the required applications. This integration will include existing data collection and computation components along with the newly developed functionality.

Sub-system Test – During the integration activity, there will be stages of integration where functional testing is feasible. These sub-system tests will be conducted to maximize the reliability of the system deployment and to minimize the risk of problems once the system is fully integrated.

End-to-End System Test – Contractor will produce test procedures to verify the functionality of the travel time feature. Test procedures will be conducted once the sub-system testing and system integration are completed. A Final Test Report will be completed that pronounces the system ready for use by the stakeholders and customers. County's Project Director will review and approve the proposed test procedures, prior to conducting the test. Any modifications made as a result of integration and test activity will be recorded in the CommuteCall Final Design document.

Subtask 3.2.1 Deliverables: Update CommuteCall Enhancements Final Test Report

Subtask 3.2.2 ***System Deployment and Operational POI***
This subtask will deploy the enhanced applications, and address any operational concerns that might arise during the operation of these enhancements. There may need to be some refinement of the data dictionary as pronunciation issues are identified.

Service Launch Announcement– A service launch announcement will be made on the CommuteView website and through the CommuteCall telephone features to promote the availability of the new features.

System Operational Support – Contractor will maintain the necessary applications during the evaluation period. This operational activity will include responding to and documenting issues that arise with the performance of the system as well as complaints relative to the service. This will include refining the data dictionary for pronunciation. These issues will be documented in a technical memorandum.

Subtask 3.2.2 Deliverables: ***CommuteCall New Features Launch Notification***
Operational Issues Technical Memorandum

Subtask 3.2.3 ***System Evaluation***
Upon deployment and testing of the POI features, Contractor will then complete an evaluation of the enhanced service. The system evaluation will also identify potential future enhancements to the service to yield a better, more sustainable service.

Survey Development / Conduct – One of the purposes is to measure the success of this new application and the improvements it yields in the commute decisions for the users. Contractor will work to develop a simple survey form that the end-users will be asked to complete. This survey will allow Contractor to receive comments about performance of the system while building awareness in the system users as to the quality of the service. It is envisioned that this survey would be a simple on-line questionnaire that will log and track comments and utilization statistics for the service. Results from the survey will be documented in the Evaluation Report.

Evaluation Report – The survey information will be used to complete the draft and final Evaluation Report for the new features.

Subtask 3.2.3 Deliverables: ***On-Line Survey***
Draft & Final Evaluation Report

Subtask 3.3 Data Collection Deployment
Based upon the Arterial ATIS Detailed Design activity and estimated deployment costs associated with these enhancements, a variety of data collection deployment activities will be included in this task. They include Arterial ATMS Interface(s) Deployment, Arterial Incident Interface(s) Deployment, and Arterial Construction / Events Interface(s) Deployment. As these various elements are deployed, Contractor will update the Data Collection Design documentation with "As-Built" information. This will include a summary of the hardware and software deployed at each collection site along with a deployment notification to the affected stakeholders (County's Department of Public Works, local agencies).

As these new data sources are deployed, the database configuration will need to be updated to accommodate the new source of information. This database configuration update will characterize the formatting of the information, update the text-to-speech engine vocabulary, and

make enhancements to the menu navigation to accommodate the new sources of local information. These new data elements will also be associated to various points-of-interest for proper data delivery and for integration with proper local views in CV-I and CV-C services. Further, additional points-of-interest may be added as dictated by the availability of additional data sources.

Subtask 3.3.1 ***Arterial ATMS Interface Deployment***
Contractor shall deploy the Arterial ATMS (RIITS, IEN) interface as proposed under Subtask 2.2.1. These elements will then be integrated with the project in support of the Arterial ATIS system design.

Subtask 3.3.1 Deliverables: ***RIITS Data Collection "As-Built" / Deployment Notification(s)***
RIITS Data Collection Hardware / Software
IEN Data Collection "As-Built" / Deployment Notification(s)
IEN Data Collection Hardware / Software
Updated Design documentation, as needed for each of the suite of services

Subtask 3.3.2 ***Arterial Incident Interface Deployment***
Contractor shall deploy the local incident data interface as proposed under Subtask 2.2.2. These elements will then be integrated with the project in support of the Arterial ATIS system design.

Subtask 3.3.2 Deliverables: ***Arterial Incident Data Collection "As-Built" / Deployment Notification(s)***
Arterial Incident Data Collection Hardware / Software
Updated Design documentation, as needed for each of the suite of services

Subtask 3.3.3 ***Arterial Road Construction/Events Interface Deployment***
Contractor shall deploy the arterial road construction / event management data interface as proposed under Task 2.2.3. These elements will then be integrated with the project in support of the Arterial ATIS system design.

Subtask 3.3.3 Deliverables: ***Arterial Road Construction / Events Data Collection "As-Built" / Deployment Notification(s)***
Arterial Road Construction / Events Data Collection Hardware / Software
Updated Design documentation, as needed for each of the suite of services

Subtask 3.3.4 ***Data Fusion Deployment***

With the completion of Subtasks 3.3.1 through 3.3.3, the next step in the development process is the fusion of this information with existing data. The detailed design activity of Phase 2 includes a number of enhancements to the data fusion and system administration features of the traveler information system. This task will include the deployment of the CommuteCall, CV-I, and CV-C enhancements as described in Subtask 2.3, the customer support module, and the transaction management module. All of these software modules will be deployed on the hosted applications at Rackspace and Voxeo. That server then provides the functionality for the various web services that feed the Internet and the IVR server.

Subtask 3.3.4 Deliverables: ***Customer Support Hardware / Software***
Transaction Management Hardware / Software
Updated Design documentation, as needed for each of the suite of services

Subtask 3.3.5 ***Data Dissemination Deployment***
Once data fusion is completed under Subtask 3.3.4, data dissemination deployment brings this enhanced content to the user. The detailed design activity of Phase 2 includes a number of enhancements to the features that actually deliver the traveler information. This task will include the deployment of the CommuteCall enhancements to the Voxeo (or equivalent) hosting service and the other dissemination channels (CV-C and CV-I).

Subtask 3.3.5 Deliverables: ***Updates to CommuteCall, CV-C / CV-I Services***

Subtask 3.3.6 System Integration, Testing, and Evaluation
For each task order approved in this phase, Iteris will take the following steps during the integration, test, and evaluation activities:

- **Integration Planning** –The planning efforts shall include phasing of integration as well as required functional tests prior to integration/acceptance testing of the enhancements to the traveler information services;
- **System Integration** – Upon approval by County, Contractor will commence integration of the software with the ATIS hardware components. Additionally, Contractor will establish communications to and integration with other systems. Prior to end-to-end systems integration, Contractor will support communications integration.
- **Acceptance Test Plan** – Contractor will generate an Acceptance Test Plan (ATP) which will identify test objectives, test instrumentation, and test procedures associated with the integration and acceptance testing. The ATP will be submitted to County's Project Director for review and approval.
- **Conduct Test Readiness Review** – Contractor shall conduct an Acceptance Test Readiness review with County staff. At such time, Contractor will review roles / responsibilities during the conduct of the Acceptance Tests.
- **Acceptance Test** – Contractor will conduct the Acceptance Test procedures with at least one (1) official representative from County witnessing. Contractor will prepare a Test Report

indicating the number of passed, failed, and skipped test steps for review by County staff. Following review of the Test Report, Contractor and County will discuss resolution of any remaining issues.

- **Evaluation** – Contractor will conduct on-line surveys of users of the services to capture their opinions on the service, its impact to their commutes, and potential enhancements of the service. The results from this survey will be documented in the Final Test Report.

Subtask 3.3.6 Deliverables: ***Draft / Final Acceptance Test Plan***
Draft / Final Test Report

Subtask 3.4 Engineering Development

Traveler information services require continuous improvement in order to retain market share and customer satisfaction. These new features could be low cost, minor improvements, or significant enhancements to the services. The aggregate amount available for enhancements under this Subtask 3.4 is identified on Attachment B.2 (Schedule of Deliverables and Payments (Phases 2-4)) to Exhibit B (Schedule of Deliverables and Payments). For any enhancement estimated to cost less than $5,000, Contractor will notify County's Project Director via electronic mail of the proposed enhancement and obtain approval prior to initiating work; provided that the aggregate cost for enhancements provided by Contractor pursuant to this process shall not exceed $25,000. For any enhancement costing $5,000 or more, a Scope of Work and corresponding Work Order must be prepared and issued for each enhancement in accordance with Paragraph 6.4 of the body of the Agreement prior to start of any activity with respect to such enhancement. Each Scope of Work will include:

- An identification of the potential users and their requirements;
- The traffic data needed to provide the particular product/service, and how that data will be obtained and integrated with the free traveler information services;
- The cost estimates to design, develop, and deploy;
- Fee schedule (illustrating the design and implementation cost);
- An estimate of the operations and maintenance costs of the product or service, including the public agency operating and maintenance and management costs, if applicable;
- Deployment schedule, and the proposed period of evaluation;
- Evaluation methods and parameters for measuring effectiveness, if necessary; and
- The anticipated benefits, users, revenue, etc to be generated by the service.

Upon issuance of a Work Order under Paragraph 6.4 of the body of the Agreement, Contractor will proceed with design, implementation and evaluation of the enhancement. Each enhancement shall be designed based on actual users preferences as identified.

PHASE 4 – MARKETING, OPERATIONS AND MAINTENANCE

As further described in the Agreement, the following are the free traveler information services (i.e., Basic Services as defined under the Agreement) included in the Project:

- **CommunityView™**-Internet (CV-I) – provides travelers in Southern California with access to freeway traffic conditions at the site www.commutecall.com;
- **CommunityView™**-Cable TV (CV-C)- provides cable television viewers at home with access to local road and freeway traffic conditions;
- **CommuteCall™ BASIC** - an automated interactive voice response system that provides travelers access to travel conditions through their telephone.

Phase 4 includes all activities associated with marketing CommunityView™ Cable TV (CV-C) and the Operations and Maintenance of all of the free traveler information services. These activities are funded through specific budget allocations to Phase 4 as well as residual funding that remain from the prior phases of the project. The recurring cost factors include Application Service Provider hosting (processor & bandwidth provision), Interactive Voice Response (IVR) Provider hosting, General & Administrative expenses, and Customer Support. In addition, this phase also includes one-time (non-recurring) costs namely, marketing of the **CommunityView™**-Cable TV service to agencies in Los Angeles County. All of these cost factors are described in more detail in the following sections.

Non Recurring Costs – Marketing Services

Marketing of CommunityView-Cable TV (CV-C)

The Contractor shall complete a marketing effort to introduce the CommunityView-Cable TV service to all cities within Los Angeles County. The maximum amount available for this effort is $250,000 and will be billed on a "not to exceed" time and materials basis in accordance with the applicable hourly rates shown in Attachment B.3 (Contractor's Applicable Hourly Rates) to Exhibit B (Schedule of Deliverables and Payments). Under this task, Contractor will contact agencies in Los Angeles County and request a meeting to introduce them to the CV-C service and investigate their interest in having the system deployed in their community. If interested, Contractor will visit each of the agencies to examine their specific cable TV capabilities and the needs that CV-C can meet. The visit will examine available sources of date for inclusion in CV-C, the various views that can be developed for the agency and will examine specific hardware standards that might impact the deployment. Finally, Contractor will examine the existing communications and identify the required enhancements to support the CV-C service.

Recurring Costs – Operations and Maintenance Services

CommunityView (Cable TV & Internet) Application Service Provider Costs

CommunityView-Internet will continue to be provided as part of the www.commutecall.com, www.commutesmart.info, and other local Internet sites that link to the free information. In order to maintain the CommunityView capabilities in the region, there are costs associated with the maintenance of the Internet site and maintenance of existing CommunityView-Cable TV data

feeds.[2] This requires Contractor to contract for Application Service Provider support with Rackspace (or equivalent, subject to Paragraph 25 (Subcontracting) of the body of the Agreement). Application Service Provider hosting shall be provided in accordance with Exhibit F (Operations and Maintenance Services) of the Agreement. A fixed fee of $2,000 per month is allocated for this support. The Application Service Provider hosting costs will be credited to County according to the terms of Exhibit F (Operations and Maintenance Services) of the Agreement.

CommuteCall BASIC Additional Operating and Maintenance Costs

The fees to provide Operations and Maintenance Services with respect to CommuteCall BASIC additionally include a minimum support fees for IVR Hosting, Customer Support, and General & Administrative, as well as incremental fees based upon the total minutes of use of the service. These fees are explained in more detail below.

Notwithstanding anything to the contrary in the Agreement or this Attachment, the maximum amount available for IVR hosting, Customer Support and General & Administrative services is as set forth on Attachment B.2 (Schedule of Deliverables and Payments (Phases 2-4)) to Exhibit B (Schedule of Deliverables and Payments). Through the cost estimates and funding allocations summarized below, Contractor has projected the volume of service and the duration that this service could be maintained. If the anticipated call volumes are substantially different than what is estimated, the intent of this Phase is to support continued provision of these services until such time as the maximum amount available for these services (as set forth on Attachment B.2 (Schedule of Deliverables and Payments (Phases 2-4)) to Exhibit B (Schedule of Deliverables and Payments)) is exhausted, subject to adding any additional funding pursuant to a Change Notice or Amendment in accordance with the applicable provisions of Paragraph 15 (Change Notices and Amendments) of the body of the Agreement or moving any residual funding remains from prior phases as is expressly permitted under the Agreement. The amounts payable by County for any month for provision of these services shall be calculated based on the total monthly usage in minutes of the CommuteCall BASIC service shown in the chart below entitled "CommunityView (Internet & Cable TV) and Commute Call Basic Operation and Maintenance Costs per Month."

CommuteCall BASIC Minimum and Incremental Support Costs

The Operations and Maintenance fees for the Commute Call BASIC Support Costs will be payable by County in exchange for Contractor's provision of IVR hosting, Customer Support and General & Administrative services. With respect to any month, there are such Operations and Maintenance fees, which are independent of call volumes, and incremental fees, which increase with increased call volumes. These fees are summarized in the chart below entitled "CommunityView (Internet & Cable TV) and Commute Call BASIC Operation and Maintenance Costs per Month."

[2] As CommunityView-Cable TV is in the process of being deployed to other communities beyond the cities of El Segundo, Redondo Beach, Hawthorne and Manhattan Beach (as was deployed under Phase 1 of the Project), these new deployment cities will be required to pay for the continuation of the CV-C data feed to their system. As of Amendment No. 1, these funds are not included within the Agreement and would require a Change Notice or an Amendment to the Agreement in accordance with the applicable provisions of Paragraph 15 (Change Notices and Amendments) of the body of the Agreement.

❖ IVR Hosting Costs

Basic Fees - A fixed fee of $2,500 per month (or $30,000 per year) is required to support the IVR hosting costs. This fixed fee is allocated to this effort regardless of call volumes in order to maintain the current contract relationship with Voxeo. This fixed fee provides proper functioning of all Voxeo services (100% of the time) in a given calendar month, excluding scheduled maintenance by Voxeo, all as further described in Exhibit F (Operations and Maintenance Services) of the Agreement.

Incremental Fees - In addition, there are recurring telecommunications costs based upon the minutes used for IVR services when the usage exceeds 24,000 minutes per month, which will increase the monthly IVR hosting costs as indicated in the chart below entitled "CommunityView (Internet & Cable TV) and Commute Call Basic Operation and Maintenance Costs per Month."

The IVR hosting costs will be credited to County according to the terms of Exhibit F (Operations and Maintenance Services) of the Agreement.

❖ Customer Support Costs

Basic Fees - While much of the CommuteCall BASIC service is automated, there will be a level of Customer Support required. The maximum fee payable each month for the baseline level of Customer Support is $2,500 per month (or $30,000 per year) and will be billed each month on a "not to exceed" time and materials basis in accordance with the applicable hourly rates shown in Attachment B.3 (Contractor's Applicable Hourly Rates) to Exhibit B (Schedule of Deliverables and Payments). This allocation will allow staff to maintain the quality of the traveler information services while addressing issues that arise. It will ensure that customer satisfaction with the service is maintained, and queries and problems with the service are addressed in an expeditious manner. Customer Support will be provided in accordance with Exhibit F (Operations and Maintenance Services) of the Agreement, which includes, without limitation, a mechanism by which end users can report deficiencies with the CommuteCall BASIC service during normal business hours according to the terms of Exhibit F (Operations and Maintenance Services) of the Agreement.

Incremental Fees - As call volumes increase, Customer Support expenses are anticipated to increase as well. In this instance, with respect to any month during which call volumes exceed 240,000 minutes per month, the fees payable for Customer Support with respect to such month shall be as set forth in the chart below entitled "CommunityView (Internet & Cable TV) and Commute Call Basic Operation and Maintenance Costs per Month." At that point, it is anticipated that an increase in Customer Support will be required as additional users access the service. The monthly fee for Customer Support is calculated at 10% of the IVR Hosting costs. Thus, as call volumes increase, a proportional increase in Customer Support allocation is made to ensure that customer satisfaction with the service is maintained.

The Customer Support fees will be credited to County according to the terms of Exhibit F (Operations and Maintenance Services) of the Agreement.

❖ **General & Administrative Costs**

Basic Fees – The maximum fee payable each month for the baseline level of General & Administrative ("G&A") services is $3,000 (or $36,000 per year) and will be billed each month on a "not to exceed" time and materials basis in accordance with the applicable hourly rates shown in Attachment B.3 (Contractor's Applicable Hourly Rates) to Exhibit B (Schedule of Deliverables and Payments). G&A fees are used by Contractor to pay for business management expenditures. These business management expenditures include support for accounting, insurance, purchasing, legal support, office space, business management, and other direct costs incurred to provide the services described in this Attachment. Contractor shall include a detailed allocation of how each month's G&A was spent in each Performance Report delivered under Section 29(c) of Amendment No. 1 and in each invoice requesting reimbursement of G&A.

Incremental Fees – Similar to the Customer Support fees, as call volumes increase, the incremental G&A fees are anticipated to increase as well. In this instance, with respect to any month during which call volumes exceed 80,000 minutes per month, the fees payable for G&A with respect to such month shall be as set forth in the chart below entitled "CommunityView (Internet & Cable TV) and Commute Call Basic Operation and Maintenance Costs per Month." The monthly fee for G&A is calculated at 25% of the fees associated with IVR hosting and Customer Support. Thus, as call volumes increase, a proportional increase in G&A allocation is made to ensure that customer satisfaction with the service is maintained.

The G&A costs will be credited to County according to the terms of Exhibit F (Operations and Maintenance Services) of the Agreement.

<u>CommunityView (Cable TV & Internet) and CommuteCall BASIC Expense Summary</u>

The CommunityView and CommuteCall BASIC operating and maintenance costs are estimated in the table below on a per month basis for various projected call volumes (8,000 to 4,000,000 minutes per month). However, the maximum number of minutes available each month will be determined by County's Project Director in her sole discretion. These costs are monthly incremental costs that will be used to develop the payment schedule during operations of the services.

CommunityView (Internet & Cable TV) and CommuteCall BASIC Operating and Maintenance Costs Per Month

Minutes Per Month	IVR Hosting	Customer Support	General & Administrative	Application Service Provider	Total
0 - 24,000	$2,500	$2,500	$3,000	$2,000	$10,000
24,001 - 32,000	$3,200	$2,500	$3,000	$2,000	$10,700
32,001 - 40,000	$4,000	$2,500	$3,000	$2,000	$11,500
40,001 - 48,000	$4,800	$2,500	$3,000	$2,000	$12,300
48,001 - 56,000	$5,376	$2,500	$3,000	$2,000	$12,876
56,001 - 64,000	$6,144	$2,500	$3,000	$2,000	$13,644
64,001 - 72,000	$6,912	$2,500	$3,000	$2,000	$14,412
72,001 - 80,000	$7,680	$2,500	$3,000	$2,000	$15,180
80,001 - 160,000	$14,720	$2,500	$4,305	$2,000	$23,525
160,001 - 240,000	$21,120	$2,500	$5,905	$2,000	$31,525
240,001 - 320,000	$28,160	$2,816	$7,744	$2,000	$40,720
320,001 - 400,000	$35,200	$3,520	$9,680	$2,000	$50,400
400,001 - 480,000	$42,240	$4,224	$11,616	$2,000	$60,080
480,001 - 560,000	$47,040	$4,704	$12,936	$2,000	$66,680
560,001 - 640,000	$53,760	$5,376	$14,784	$2,000	$75,920
640,001 - 720,000	$60,480	$6,048	$16,632	$2,000	$85,160
720,001 - 800,000	$67,200	$6,720	$18,480	$2,000	$94,400
800,001 - 1,200,000	$96,000	$9,600	$26,400	$2,000	$134,000
1,200,001 - 1,600,000	$128,000	$12,800	$35,200	$2,000	$178,000
1,600,001 - 2,000,000	$160,000	$16,000	$44,000	$2,000	$222,000
2,000,001 - 2,400,000	$192,000	$19,200	$52,800	$2,000	$266,000
2,400,001 - 4,000,000	$320,000	$32,000	$88,000	$2,000	$442,000

Operational Scenario

Based upon the current available funding and estimated call volumes, it is anticipated that Contractor will be able to provide the free traveler information services as previously described under this Agreement for a two-year period, commencing with the Amendment No. 1 Effective Date. Under this scenario, available agency funding is allocated to support CommuteCall BASIC and the CommunityView (Internet and Cable TV) services for a period of two years[3]. The actual terms of the operational scenario is in accordance with Paragraph 3 (Term) of the Agreement. This allocation assumes the following:

- CommunityView-Internet will continue to be supported through www.commutecall.com, www.commutesmart.info, and other local Internet sites that link to the free information. Costs associated with this will include Iteris contracting for Application Service Provider support with Rackspace (or equivalent).

[3] Based upon the fixed and recurring costs associated with CommuteCall-BASIC, call volumes shown in the chart above identify the maximum calls per week that can be supported.

ATTACHMENT A.3

OWNERSHIP OF SOFTWARE

	Data Collection	Data Fusion:	Data Dissemination:
Contractor Developed/ COTS Integrated	▪ PeMS/Caltrans D7, D8, D12, 91E, D11 data collectors ▪ CHP data collector ▪ System monitoring/availability	▪ Travel Time HTML file generation for CV-Internet ▪ Traffic map generation process	▪ CV-Internet website with interchange-to-interchange link travel time display ▪ CV-CATV display application
Contractor Developed/ Project Enhanced	▪ Miscellaneous improvements to the PeMS/Caltrans D7, D8, D12, 91E data collectors ▪ Miscellaneous improvements to the CHP data collector ▪ Support customer feedback ▪ System performance metrics ▪ Issue tracking ▪ Google Maps	▪ CommuteView notification services support scripts ▪ GIS data population for the projects used by Traffic map generation ▪ Traffic map generation of new map views for CV-Internet and CV-CATV ▪ Relational database schema (table structures)	▪ CommuteView e-mail notification messages ▪ CV-Internet with tabs showing weather, Caltrans Construction ▪ CV-CATV enhanced with user-defined programming and video switching capabilities ▪ New project area map views developed for CV-CATV
Project Developed	▪ Caltrans construction data collector for CV-CATV ▪ Link travel time data collector for CV-CATV ▪ Getaway route travel time data collector for CV-CATV ▪ NOAA weather data collector for CV-CATV ▪ Historical arterial data for the selected corridors in the City of El Segundo ▪ Customer support module ▪ Account information ▪ Usage statistics ▪ Transaction processing system	▪ CommuteView route selector ▪ Point of interest definition for the project area ▪ Freeway ramp-to-ramp routing algorithm	▪ CommuteView website ▪ CommuteCall IVR voice site ▪ Text-to-speech capability for CV-CATV

As of the Amendment No. 1 Effective Date, Contractor's Investment in the Developed Software is $3,500,000 and County's investment is $2,300,000.

EXHIBIT B

SCHEDULE OF PAYMENTS AND DELIVERABLES

[see attached]

ATTACHMENT B.1

SCHEDULE OF PAYMENTS AND DELIVERABLES (PHASE 1)

[see attached]

ATTACHMENT B.1
SCHEDULE OF DELIVERABLES AND PAYMENTS (PHASE 1)

				Invoice Information		
		Contract Amount	Notes	Amount Paid	Holdback Paid	Holdback Due
Task 1	Project Management	$ 95,556		$95,556	$8,656	$0
Task 2	Early Deployment Projects	$ 2,298,119				
Task Order 1	CommuteView	$ 460,820		$460,820	$46,082	$0
Task Order 2	CommuteView-Internet	$ 165,747		$165,747	$16,575	$0
Task Order 3	CommuteView-Cable	$ 305,225		$305,225	$30,523	$0
Task Order 3	CommuteView-Cable Expansion				$0	
Invoice 1	Agency Outreach/Site Specific Engineering	$ 29,290	Balance = $11,879.56 (including $2,926 in holdback)	$17,380	$0	$2,929
	Module Development					
Invoice 2	Module Testing	$ 93,945			$0	$8,395
	Prototype Demo/CDR					
	Integration & Test					
Invoice 3	System Deployment/Operational	$ 114,815			$0	$11,482
	Community Outreach			$8,327	$0	$703
Invoice 4	CV-I Redeployment	$ 7,030			$0	$2,320
Invoice 5	Project Completion	$ 23,240		$660,743	$60,074	$0
Task Order 1	CommuteCall	$ 660,743		$325,194	$32,519	$0
Task Order 2	Arterial ATIS	$ 325,194		$200,000	$20,000	$0
Task Order 3	CommuteCall Enhancements	$ 200,000				
Task 3	Stakeholders and Operational Objectives					
Del 3.1.1	Draft Stakeholders Operational Objectives Report	$ 20,000		$20,000	$2,000	$0
Del 3.1.2	Final Stakeholders Operational Objectives Report	$ 8,000		$8,000	$800	$0
Del 3.1.3	Six (6) Individual City Reports	$ 27,000		$27,000	$2,700	$0
Task 4	Requirements Analysis					
Del 4.1.1	Draft ATMS User / Functional Requirements	$ 18,000		$18,000	$1,800	$0
Del 4.1.2	Final ATMS User / Functional Requirements	$ 8,000		$8,000	$800	$0
Del 4.2.1	Draft ATIS User / Functional Requirements	$ 36,000		$36,000	$3,600	$0
Del 4.2.2	Final ATIS User / Functional Requirements	$ 12,000		$12,000	$1,200	$0
Del 4.3.1	Draft TIC Facility and Computer System Requirements Req	$ 14,000		$14,000	$1,400	$0
Del 4.3.2	Final TIC Facility and Computer System Requirements Req	$ 6,000		$6,000	$600	$0
Del 4.4.1	Draft Integration System User and Functional Requirement	$ 36,000		$36,000	$3,600	$0
Del 4.4.2	Final Integration System User and Functional Requirement	$ 14,000		$14,000	$1,400	$0
Del 4.5.1	Draft Communications User and Functional Requirements	$ 32,000		$32,000	$3,200	$0
Del 4.5.2	Final Communications User and Functional Requirements	$ 10,000		$10,000	$1,000	$0
Task 5	Concept of Operations/Area Architecture					
Del 5.1.1	Draft Concept of Operations/Area Architecture Definition R	$ 45,000		$45,000	$4,500	$0
Del 5.1.2	Final Concept of Operations/Area Architecture Definition R	$ 18,000		$18,000	$1,800	$0
Task 6	Alternative Analysis					
Del 6.1.1	Draft ATIS Analysis Report	$ 48,000		$48,000	$4,800	$0
Del 6.1.2	Final ATIS Analysis Report	$ 18,000		$18,000	$1,800	$0
Del 6.2.1	Draft TIC Analysis Report	$ 18,000		$18,000	$1,800	$0
Del 6.2.2	Final TIC Analysis Report	$ 4,000		$4,000	$400	$0
Del 6.3.1	Draft Communication System Alternative Analysis Report	$ 36,000		$36,000	$3,600	$0
Del 6.3.2	Final Communication System Alternative Analysis Report	$ 12,000		$12,000	$1,200	$0
Task 7	Conceptual Design Report					
Del 7.1.1	Draft Systems Recommendation Report	$ 36,000		$36,000	$3,600	$0
Del 7.1.2	Final Systems Recommendation Report	$ 12,000		$12,000	$1,200	$0
Del 7.1.3	Draft Executive Summary Report	$ -	Deleted			
Del 7.1.4	Final Executive Summary Report	$ -	Deleted			
Del 7.2.1	Draft O&M Plan Report	$ 20,000		$20,000	$2,000	$0
Del 7.2.2	Final O&M Plan Report	$ 8,000		$8,000	$800	$0
Del 7.3.1	Draft Business Plan	$ 36,000		$36,000	$3,600	$0
Del 7.3.2	Final Business Plan	$ 10,000		$10,000	$1,000	$0
Task 8	Implementation					
Del 8.1.1	Draft Scope of Work Document	$ 14,000		$14,000	$1,400	$0
Del 8.1.2	Final Scope of Work Document	$ 6,000		$6,000	$600	$0
Del 8.2.1	Project Budget	$ 7,500		$7,500	$750	$0
Del 8.2.2	Cash Flow Chart	$ 5,000		$5,000	$500	$0
					$0	
Del 8.3.1	Project Schedule	$ 4,000		$4,000	$400	$0
Del 8.4.1	Draft Strategic Plan Final Report	$ 36,000		$36,000	$3,600	$0
Del 8.4.2	Final Strategic Plan Final Report	$ 12,000		$12,000	$1,200	$0
Del 8.4.3	Strategic Implementation Plan Report Executive Summary	$ 6,000		$6,000	$600	$0
Task 9	Additional Services					
	Voxeo Contract Extension (7/11/05)	$ 30,000		$30,000	$3,000	$0
	Project Architecture (2/24/05)	$ 8,500		$8,500	$850	$0
	CommuteCall Enhancements Testing Program					
Invoice 1	Test Readiness Review	$ 8,050		$8,050	$805	$0
Invoice 2	Test Activity Results Presentation	$ 40,320		$40,320	$4,032	$0
Invoice 3	CommuteCall Enhancements Final Test Report	$ 10,080		$10,080	$1,008	$0
Invoice 4	Final CommuteCall Design Document	$ 11,550		$11,550	$1,155	$0
	Project Management					
	Arterial ATIS Preliminary Design					
Invoice 1	Draft Arterial ATIS Concept Definition Document	$ 37,800		$34,020	$0	$3,780
Invoice 2	Final Arterial ATIS Concept Definition Document	$ 10,080			$0	$1,008
Invoice 3	Preliminary Design Review	$ 63,160			$0	$6,316
Invoice 4	Draft Data Collection Document	$ 68,960			$0	$6,896
	Project Management					
TOTAL		$ 3,346,675		$2,966,012	$290,828	$43,838

Pending tasks are shown in gray.

ATTACHMENT B.2

SCHEDULE OF PAYMENTS AND DELIVERABLES (PHASES 2-4)

[see attached]

ATTACHMENT B.2

SCHEDULE OF DELIVERABLES AND PAYMENTS (PHASES 2-4)

El Segundo Area ITS Project Cost Estimate Summary	
Phase 2	$532,180
Phase 3	$1,430,000
Phase 4	$1,511,927
TOTAL	**$3,474,107**

ATTACHMENT B.2
SCHEDULE OF DELIVERABLES AND PAYMENTS (PHASES 2-4)

Detailed Design (Phase 2)

Task	Deliverable	Completion Date (Weeks After NTP)	Payment Schedule
1.1	Monthly Project Status Reports	Invoiced Monthly	$20,000
1.2	Project Status Meetings		
2.1	Requirement Summary		$20,000
2.2.1	Arterial ATMS Data Collection Design		
	Arterial ATMS Data Collection Design Document	10	$15,000
	Critical Design Review	8	$15,000
	Deployment Readiness Review	12	$35,000
2.2.2	Arterial Incident Information Data Collection Design		
	Arterial Incident Information Data Collection Design Document	12	$15,000
	Critical Design Review	10	$15,000
	Deployment Readiness Review	14	$35,000
2.2.3	Arterial Road Construction/Events Information Data Collection Design		
	Arterial Road Construction/Events Information Data Collection Design Document	16	$15,000
	Critical Design Review	14	$15,000
	Deployment Readiness Review	18	$35,000
2.3.1	CommuteCall/CommuteView System Scalability Analysis		
	Test Results Review	16	$20,000
	System Scalability Report (Draft)	18	$25,000
	System Scalability Report (Final)	24	$12,000
2.3.2	Customer Service/Evaluation Support Design		
	Design Document (Draft)	6	$25,000
	Design Document (Final)	24	$8,000
	Preliminary Design Review	6	$4,000
	Critical Design Review	20	$20,000
	Deployment Readiness Review	24	$5,000
2.3.3	Transaction Processing Detailed Design		
	Design Document (Draft)	14	$25,000
	Design Document (Final)	24	$10,000
	Preliminary Design Review	14	$4,000
	Critical Design Review	20	$20,000
	Deployment Readiness Review	24	$5,000
2.4	Hosting Alternatives Analysis		
	Findings Report (Draft)	4	$15,000
	Findings Report (Final)	4	$3,500
2.5	Usage Restriction Feature Development		
	Critical Design Review		
	Deployment Readiness Review	12	$30,000
2.6	Coverage Area Expansion (Optional Task)		
	Critical Design Review		
	Deployment Readiness Review	16	$65,680
		TOTAL	**$532,180**

ATTACHMENT B.2
SCHEDULE OF DELIVERABLES AND PAYMENTS (PHASES 2-4)

System Deployment and Integration (Phase 3)

Task	Deliverable	Completion Date (Weeks After	Payment Schedule
1.1	Monthly Project Status Reports	Invoiced Monthly	$120,000
1.2	Project Status Meetings		
3.1.1	CommuteView/Google Map Final Requirement Document	2	$18,000
3.1.2	Google Maps API Acquisition and Setup Presentation	4	$14,000
3.1.3	Google Maps API Draft Development Presentation	8	$42,000
3.1.4	Google Maps API Final Development Test Report	12	$23,750
3.2	CommuteCall Points of Interest		
3.2.1	Update CommuteCall Enhancements Final Test Report	4	$37,000
3.2.2	CommuteCall New Features Launch Notification	6	$29,000
3.2.2	Operational Issues Technical Memorandum	8	$40,000
3.2.3	On-Line Survey	12	$45,000
3.2.3	Draft & Final Evaluation Report	16	$35,000
3.3	A Scope of Work and corresponding Work Order must be prepared and issued for each deliverable under Subtask 3.3 as stated in Attachment A-2		$926,250
3.3.1	Arterial ATMS Interface Deployment		
	RIITS Data Collection "As-Built"/Deployment Notification(s)		
	RIITS Data Collection Hardware/Software		
	IEN Data Collection "As-Built"/Deployment Notification(s)		
	IEN Data Collection Hardware/Software		
	Updated Design Documentation (As Needed)		
3.3.2	Arterial Incident Interface Deployment		
	Arterial Incident Data Collection "As-Built"/Deployment Notification(s)		
	Arterial Incident Data Collection Hardware/Software		
	Updated Design Documentation (As Needed)		
3.3.3	Arterial Road Construction/Events Interface Deployment		
	Data Collection "As-Built"/Deployment Notification(s)		
	Data Collection Hardware/Software		
	Updated Design Documentation (As Needed)		
3.3.4	Data Fusion Deployment		
	Customer Support Hardware/Software		
	Transaction Management hardware/Software		
	Updated Design Documentation (As Needed)		
3.3.5	Data Dissemination Deployment		
	Updates to CommuteCall, CV-C/CV-I Services		
3.3.6	System Integration, Testing, and Evaluation		
	Draft Acceptance Test Plan		
	Final Acceptance Test Plan		
	Draft Final Test Report		
	Final Test Report		
3.4	Engineering Development		$100,000
		TOTAL	**$1,430,000**

ATTACHMENT B.2
SCHEDULE OF DELLVERABLES AND PAYMENTS (PHASES 2-4)

Marketing, Operations and Maintenance (Phase 4)			
Task	Deliverable	Payment Schedule	Not to exceed amount available
	CommunityView - CATV Marketing	Invoiced Monthly as specified in Attachment A-2	$250,000
	CommunityView and CommuteCall Basic Operations and Maintenance Services	Invoiced Monthly as specified in Attachment A-2	$1,261,927
		TOTAL	**$1,511,927**

ATTACHMENT B.3
CONTRACTOR'S APPLICABLE HOURLY RATES

STAFF LEVEL	HOURLY RATE
Vice President/ Principal	$ 210
Associate Principal/Associate Vice President	$ 190
Senior Systems Engineer/Senior Program Manager	$ 155
Senior Software Engineer	$ 160
Senior Transportation Engineer/Planner	$ 160
Software Engineer	$ 140
ITS Designer	$ 130
Transportation/Systems Engineer	$ 120
Transportation Engineer/Planner	$ 115
Field Technician	$ 95
Associate Transportation Engineer/Planner	$ 90
Assistant Transportation Engineer/Planner	$ 85
Accounting/Financials	$ 65
Technical Support/Editing	$ 55
Graphics Support	$ 55
Computer Aided Drafting Support	$ 75
Administrative Support	$ 55

Rates are subject to revisions according to Subparagraph 4.3 of the body of the Agreement.

EXHIBIT F

OPERATIONS AND MAINTENANCE SERVICES

[see attached]

EXHIBIT F

OPERATIONS & MAINTENANCE SERVICES

1. DEFINITIONS:

All capitalized terms not defined below or elsewhere in this Exhibit F shall have the meanings set forth in the body of that certain Software and Services Agreement No. PW 12694, dated as of June 23, 2003 (as amended from time to time and together with the Exhibits, Attachments and Schedules thereto, as amended from time to time, the "Agreement"), between County of Los Angeles ("County") and Iteris, Inc. ("Contractor"), or, if not defined therein, in Exhibit A (Statement of Work). The rules of interpretation set forth in Section 1.1 (Interpretation) of the body of the Agreement apply to this Exhibit. As used in this Exhibit F, the following capitalized terms have the following meanings:

1.1 "Component Deficiencies" means any Deficiency other than a Downtime Deficiency.

1.2 "Designated Area" means the cities of El Segundo, Manhattan Beach, Redondo Beach and Hawthorne and all unincorporated areas within County's geographic borders.

1.3 "Designated Services" means the Basic Telephone Service, the Website and, in the Designated Area, the Cable TV Service.

1.4 "Downtime" means any period during which a Downtime Deficiency exists.

1.5 "Downtime Deficiency" means any Deficiency which, in the reasonable determination of County's Project Director or Project Manager, prohibits or significantly impacts any of the following: (1) with respect to the Website, the ability of the Website (A) to display to End-Users and/or (B) to utilize and/or transmit real-time traffic and roadway data; (2) with respect to the Cable TV Service, (A) the ability of the applicable cable television servers in the Designated Area to access a feed to a cable television display of the Website and/or (B) the ability of such Cable TV Service to utilize and/or transmit real-time traffic and roadway data; or (3) with respect to the Basic Telephone Service, (A) the ability of End Users to access the Basic Telephone Service and/or (B) the ability of the Basic Telephone Service to utilize and/or transmit real-time traffic and roadway data.

1.6 "Normal Business Hours" means the hours of 6:00 AM to 7:00 PM Pacific Time, Monday through Friday.

2. OPERATIONS & MAINTENANCE SERVICES:

2.1 In exchange for County's payment of the Monthly O&M Fees in accordance with the Agreement, from and after the Amendment No. 1 Effective Date through the expiration of the term of the Agreement, Contractor shall (a) correct any and all Downtime Deficiencies and Component Deficiencies with the Basic Telephone Service and the Website, (b) correct any and all Downtime Deficiencies and Component Deficiencies with the Cable TV Service, as deployed in the Designated Area, (c) with respect to the Website, maintain a load time for static and dynamic pages using a 56K dialup connection of (i) four (4) seconds for static pages and (ii) ten (10) seconds for dynamic pages, and (d) provide revisions, improvements, bug fixes, patches, corrections, and modifications required to maintain the Designated Services' ability to function in accordance with the specifications for the Designated Services set forth in the Agreement, Exhibit A (Statement of Work), Attachment F.1 (Designated Services Specifications), and/or any other written materials (including user manuals, quick-reference guides, FAQs, training materials, testing protocols, methodologies, and system designs and system design reviews) that support the use and execution of the Designated Services or that are required to be provided by Contractor under the Agreement (the items listed in clause (d) are collectively referred to as "Updates"; the services described in clauses (a) through (d) are collectively referred to as "Operations & Maintenance Services").

2.2 Without limiting Contractor's obligation to deliver monthly Performance Reports under the Agreement, Contractor shall immediately notify County of the existence of any Downtime Deficiency or Component Deficiency that extends continuously for two (2) hours or more during Normal Business Hours. Additionally without limiting Contractor's obligation to deliver monthly Performance Reports under the Agreement, Contractor shall document, and report to County on a monthly basis, all Downtime Deficiencies identified through an automated means, including through web server logs, application logs, operating system logs, video server logs and/or other system logs.

2.3 County (whether through County's Project Director, Project Manager or otherwise) may report Downtime Deficiencies and Component Deficiencies to Contractor's Project Director by telephone or electronic transmission. Contractor may designate from time to time another full-time employee to receive such reports by telephone or electronic mail by notifying County's Project Director or Project Manager in writing. County's Project Director shall make the final determination of whether a Downtime Deficiency or Component Deficiency exists, in the exercise of County's Project Director's reasonable discretion.

2.4 Contractor shall create and maintain a mechanism by which End-Users can report Downtime Deficiencies and Component Deficiencies to Contractor either by telephone or electronic mail. Contractor shall regularly

monitor such reporting mechanism. Contractor shall respond to reports of Downtime Deficiencies and Component Deficiencies made by End-Users as if County had made such reports. Contractor shall respond to each report of Downtime Deficiencies and Component Deficiencies made by an End-User during Normal Business Hours within seventy-two (72) hours of such report. An automatically generated transmission to a report shall not satisfy Contractor's obligations under this Section.

2.5 Contractor shall work diligently to resolve each Downtime Deficiency by 7:00 AM Pacific Time on the next business day after report thereof. Contractor shall resolve each Component Deficiency within seven (7) days after report thereof, or within such other timeframe as is mutually agreed upon, in writing, by County's Project Director and Contractor's Project Director. The applicable Credits (as defined below) may be assessed by County in connection with any Downtime Deficiency or Component Deficiency. Failure by County to assess Credits in connection with any Downtime Deficiency or Component Deficiency shall in no way impact County's ability to assess Credits in connection with any other Downtime Deficiency or Component Deficiency.

2.6 County shall endeavor reasonably to provide Contractor with information and assistance reasonably requested by Contractor as necessary to detect, simulate and correct each Downtime Deficiency and Component Deficiency. Notwithstanding the foregoing, regardless of the level of assistance provided by County, Contractor, solely, is responsible for the timely correction of such Deficiencies.

2.7 Contractor shall (a) take such action as is necessary to resolve each Downtime Deficiency and Component Deficiency, including, without limitation, providing Updates, (b) ensure that any changes to the Software are documented in Contractor's configuration management log and (c) determine if operational procedures are required in the future to avoid each Downtime Deficiency and Component Deficiency (and if so determined, summarize any such procedures in the next Performance Report). Contractor shall provide County with all updates to the Source Code provided pursuant to the Operations & Maintenance Services in accordance with Paragraph 11.3 (Source Code Escrow) of the body of the Agreement.

2.8 Contractor agrees that all Software and Documentation, including all Updates, Developed Software, and any goods provided under Operations & Maintenance Services, shall be delivered (a) solely in electronic form (*e.g.* via electronic mail or internet download) or (b) personally by Contractor staff who may load the Software and Documentation onto County's hardware but who will retain possession of all originals and copies of such tangible media (*e.g.* CD-ROM, magnetic tape, printed manuals) used to deliver the Software and Documentation to County. Contractor, including Contractor's subcontractors, shall not deliver or provide any tangible items to County, and County will not

accept delivery of any of the same. Without limiting the generality of the foregoing, Contractor shall not deliver or provide any Software, Documentation, training materials, or Operations & Maintenance Services on magnetic, optical, print or other tangible media under the Agreement.

3. COUNTY RESPONSIBILITIES: County understands that in order for Contractor to provide Operations & Maintenance Services, County must provide Contractor with reasonable access or "remote access" to all County Data and each server hosting the County Data from time to time during the times requested by Contractor subject to County facility's access approval policies. County will not unreasonably withhold such access. Access to such data shall be used exclusively for Operations & Maintenance Services purposes and shall be subject to Contractor's obligations to protect proprietary and confidential information set forth in the Agreement. County must also use reasonable efforts to assist Contractor's efforts in maintaining required access to non-County data from such systems as Caltrans Performance Monitoring System (PeMS), Metro RIITS, California Highway Patrol Incident Information and other comparable systems.

4. CREDITS:

4.1 General: Without limiting any other rights and remedies available to County, either pursuant to the Agreement, at law, or in equity, credits shall accrue under this Exhibit F in the amounts described below (collectively, "Credits") for Contractor's failure (a) to resolve each Downtime Deficiency in accordance with the timeframes set forth in Section 4.2 of this Exhibit, and (b) to resolve each Component Deficiency in accordance with the timeframe set forth in Section 2.5 of this Exhibit, in each case, as described in more detail below. The amount of the Credit will depend on the extent and duration of Contractor's continuing failures.

4.2 Downtime Deficiencies: For each of the Designated Services, on any calendar day, in the event that one (1) or more Downtime Deficiencies is continuing during Normal Business Hours for two (2) hours or more in the aggregate, such calendar day shall be recorded as a lost day of operations for such component of the Designated Services (each a "Downtime Deficiency Lost Day"). Downtime shall be measured from the time the Downtime Deficiency is recorded by the applicable web server log, application log, operating system log, video server log and/or other system log until the time the Downtime Deficiency is remedied, as determined by Contractor and approved by County's Project Director. All Downtime occurring during Normal Business Hours on a calendar day shall count toward the cumulative amount of Downtime for such calendar day, even if such Downtime is resulting from a Downtime Deficiency which has carried over into Normal Business Hours from a prior calendar day or from outside Normal Business Hours. On the first day of each calendar month, County shall be entitled to an aggregate amount of Credits for Downtime Deficiency Lost Days for the prior calendar month, which shall be calculated as follows:

(a) Website: (A) (1) the total number of Downtime Deficiency Lost Days during such prior calendar month divided by (2) the total number of calendar days in such calendar month multiplied by (B) (1) all applicable costs for such calendar month calculated as Application Service Provider Costs under Attachment A.2 (Statement of Work (Phases 2-4)) plus (2) all applicable costs for such calendar month calculated as General & Administrative Costs under Attachment A.2 (Statement of Work (Phases 2-4)).

(b) Cable TV Services: (A) (1) the total number of Downtime Deficiency Lost Days during such prior calendar month divided by (2) the total number of calendar days in such calendar month multiplied by (B) (1) all applicable costs for such calendar month calculated as Application Service Provider Costs under Attachment A.2 (Statement of Work (Phases 2-4)) plus (2) all applicable costs for such calendar month calculated as General & Administrative Costs under Attachment A.2 (Statement of Work (Phases 2-4)).

(c) Basic Telephone Services: (A) (1) the total number of Downtime Deficiency Lost Days during such prior calendar month divided by (2) the total number of calendar days in such calendar month multiplied by (B) (1) all applicable costs for such calendar month calculated as Interactive Voice Response or IVR Hosting Costs under Attachment A.2 (Statement of Work (Phases 2-4)) plus (2) all applicable costs for such calendar month calculated as General & Administrative Costs under Attachment A.2 (Statement of Work (Phases 2-4)) plus (3) all applicable costs for such calendar month calculated as Customer Support Costs under Attachment A.2 (Statement of Work (Phases 2-4)).

4.3 Component Deficiencies: For each of the Designated Services, in the event that any Component Deficiency is not remedied within the timeframe set forth in Section 2.5 of this Exhibit, then each calendar day thereafter until such Component Deficiency is remedied, as determined by Contractor and approved by County, shall be recorded as a lost day of operations for such component of the Designated Services (each a "Component Deficiency Lost Day"). On the first day of each calendar month, County shall be entitled to an aggregate amount of Credits for Component Deficiency Lost Days for the prior calendar month, which shall be calculated as follows:

(a) Website: (i) (A) the total number of Component Deficiency Lost Days during such prior calendar month divided by (B) the total number of calendar days in such calendar month multiplied by (ii) fifty percent (50%) multiplied by (A) all applicable costs for such calendar month calculated as Application Service Provider Costs under Attachment A.2 (Statement of Work (Phases 2-4)) plus (2) all applicable costs for such

calendar month calculated as General & Administrative Costs under Attachment A.2 (Statement of Work (Phases 2-4)).

(b) Cable TV Services: (i) (A) the total number of Component Deficiency Lost Days during such prior calendar month divided by (B) the total number of calendar days in such calendar month multiplied by (ii) fifty percent (50%) multiplied by (A) all applicable costs for such calendar month calculated as Application Service Provider Costs under Attachment A.2 (Statement of Work (Phases 2-4)) plus (2) all applicable costs for such calendar month calculated as General & Administrative Costs under Attachment A.2 (Statement of Work (Phases 2-4)).

(c) Basic Telephone Services: (i) (A) the total number of Component Deficiency Lost Days during such prior calendar month divided by (B) the total number of calendar days in such calendar month multiplied by (ii) fifty percent (50%) multiplied by (A) all applicable costs for such calendar month calculated as Interactive Voice Response or IVR Hosting Costs under Attachment A.2 (Statement of Work (Phases 2-4)) plus (2) all applicable costs for such calendar month calculated as General & Administrative Costs under Attachment A.2 (Statement of Work (Phases 2-4)) plus (3) all applicable costs for such calendar month calculated as Customer Support Costs under Attachment A.2 (Statement of Work (Phases 2-4)).

4.4 No Credits Accrue: Notwithstanding the foregoing, no Credits shall accrued under this Exhibit F to the extent, and solely to the extent, that any Downtime Deficiency or Component Deficiency is caused by any of the following: (i) County failing to provide access to the County Data (other than by reason of Contractor's breach of the Agreement); (ii) third party data providers failing to provide access to their respective real-time traffic and roadway data (other than by reason for Contractor's breach of an applicable Third Party Data Agreement); (iii) system downtime of County Data or Contractor's third party data providers; or (iv) a *force majeure* event as defined in Paragraph 38.3 of the body of the Agreement.

ATTACHMENT F.1

DESIGNATED SERVICES SPECIFICATIONS

[see attached]

ATTACHMENT F.1

DESIGNATED SERVICES SPECIFICATIONS

Website

Provides access to real-time traffic conditions, incident, and travel time information on the Internet at www.commuteview.net and www.commutecall.com.

Displays color coded links on a map to represent levels of congestion (light, moderate, or heavy) based on prevailing speed of traffic along links reported by relevant data sources, including but not limited to, the Freeway Performance Measurement System, PeMS.

Displays icons on a map to represent incident locations, severity and other details as reported by the California Highway Patrol and other data sources as applicable.

Displays icons on a map which enables the display of snap-shot, slow scan, compressed, or full motion video data collected by data sources including but not limited to, the State of California Department of Transportation (Caltrans).

Displays icons on a map to represent changeable message sign location and display information collected from data sources including but not limited to, Caltrans.

Allows user to "hover" over specific icons on the map and receive summary information associated with those icons, including location data, link speed data, link travel times, incident information, and changeable message sign data.

Allows user to simply point and click on specific data elements (icons and color-coded links) to receive the details associated with those elements, including ramp-to-ramp travel times, link speed data, incident information, and video data.

Maintains a load time using a 56K dialup connection of four (4) seconds for static pages and ten (10) seconds for dynamic pages.

Updates automatically all displayed traffic conditions, incident, and travel time information at least once every minute.

Provides a time stamp of speed data, incident information, and calculated travel times.

Acquires and displays data simultaneously from multiple sources.

Cable TV Service

Provides access to real-time traffic conditions, incident, and travel time information as described and indicated for the Website on Community Access Television (CATV) in the Designated Area .

Displays color coded links on a map to represent levels of congestion (light, moderate, or heavy) based on prevailing speed of traffic along links reported by relevant data sources, including but not limited to, the Freeway Performance Measurement System, PeMS.

Displays icons on a map to represent incident location, severity and other details as reported by the California Highway Patrol and other data sources as applicable.

Displays icons on a map which enables the display of snap-shot, slow scan, compressed, or full motion video data collected by data sources including but not limited to, the State of California Department of Transportation (Caltrans).

Displays icons on a map to represent changeable message sign locations And display information collected from data sources including but not limited to, Caltrans.

Highlights specific data elements (icons and color-coded links) and displays the details associated with those elements, including ramp-to-ramp travel times, link speed data, incident information, and video data.

Uses the latest text-to-speech technologies to provide details associated with highlighted data elements, including ramp-to-ramp travel times, link speed data, incident information, and video data.

Displays "Getaway View" maps which provide travel time information, link speed data, and distance along alternate routes from the Designated Area to key destinations.

Allows an operator to program the display of various map views and data streams at pre-determined times of day.

Updates automatically all displayed traffic conditions, incident, and travel time information at least once every minute.

Provides a time stamp of speed data, incident information, and calculated travel times.

Acquires and displays data simultaneously from multiple sources.

Basic Telephone Service

Provides access to real-time traffic conditions, incident, and travel time information as described and indicated for the Website to an Interactive Voice Response system at the toll-free phone number (888) TRIP-411.

Prompts users calling into the service for their desired freeway, direction of travel, starting point of segment to be traveled, and ending point of segment to be traveled.

Uses state-of-the-art voice recognition software and the latest text-to-speech technologies to provide the following information about the segment of freeway that the user desires:

- Congestion level (light, moderate, or heavy) along the defined segment;
- Estimated distance, travel time and average speed of the defined segment;
- Number of congested areas located within the defined segment; and
- Number of incidents located within the defined segment.
- Details of incidents within the defined segment

EXHIBIT G-1

TERMS OF USE
(INDIVIDUAL END USERS)

1. Purpose and Acceptance of Terms

The terms, conditions, and notices contained or referenced herein (the "Terms of Use") define the conditions under which Iteris, Inc. ("Iteris"), makes the CommuteCall and/or CommuteView services and the CommuteView-Internet Website (including, without limitation, www.commuteview.net and www.commutecall.com) (collectively, the "Service") available to users and the conditions under which users may have access to and use the Service. All connections to this website are subject to compliance with these Terms of Use.

These Terms of Use constitute a legally binding agreement made by and between Iteris and you, personally and, if applicable, on behalf of the entity for whom you are using the Service (collectively, "you" or "your"). These Terms of Use govern your use of the Service so please read them carefully. BY ACCESSING OR USING ANY PART OF THE SERVICE, YOU AGREE THAT YOU HAVE READ, UNDERSTOOD, AND AGREED TO BE BOUND BY THESE TERMS OF USE. IF YOU DO NOT AGREE TO THESE TERMS OF USE, DO NOT ACCESS OR USE ANY PART OF THE SERVICE.

Internet technology and applicable laws, rules and regulations change frequently. Accordingly, Iteris reserves the right, at its sole discretion, to update or revise these Terms of Use. We encourage you to review these Terms of Use periodically for changes. Your continued access or use of any part of the Service following the posting of any changes to the Terms of Use constitutes your assent and acceptance of any new or modified provision of these Terms of Use.

2. Access and Use of CommuteCall and CommuteView Service

Except as expressly provided below, the Service is intended to be used only by individuals and entities that can form legally binding contracts under applicable law. You must comply with all of the terms and conditions of these Terms of Use, the policies referred to below, and all applicable laws, regulations and rules when you use this website.

Iteris authorizes you to use the Service only for your personal, non-commercial use. The rights of access to and use of the Service are non-exclusive and non-transferable.

3. Intellectual Property rights

Except as provided herein, the Service and the content transmitted through the Service (the "Content") are the proprietary content of Iteris, its third party licensors, or other entities and are protected by copyright, trademark, service marks, patent or other intellectual property rights and law. The Content and elements presented through the Service are subject to modification without notice and are made available without any kind of guarantee, whether express or tacit,

and cannot give rise to any rights to compensation. The information and images contained on this website are protected by copyright.

Subject to the terms and conditions of these Terms of Use, you are hereby granted a limited, non-exclusive right to use the Content and materials made available through the Service in the normal course of your use of the Service. You may only use the Content as expressly authorized in writing by Iteris or its third party licensors. You may not copy, store, reproduce, distribute, modify, display, publish, perform, decompile, transmit, reverse engineer, broadcast, or create derivative works from the Content without prior written consent from Iteris. Iteris and its third party licensors reserve all rights not expressly granted herein. Your use of the Content not in accordance with these Terms of Use constitutes an infringement of Iteris' property rights and those of its third party licensors. Iteris and its third party licensors will retain ownership of their respective intellectual property rights and you do not obtain any rights therein by virtue of these Terms of Use or otherwise, except as expressly set forth in these Terms of Use.

4. Services and Fees

When you access or use the Service, you may be required to register and provide certain information, including your name, email address and other required information, including bank or credit card information. Iteris, in its sole discretion, may charge fees for access or use of the Service. When you access or use the Service that has a fee you will have an opportunity to review and accept the fees that you will be charged based your usage of the Service, which such fees may change from time to time in Iteris' sole discretion. We may choose to temporarily change the fees for our services for promotional events, and such changes are effective when we post the temporary promotional event on the website. Unless otherwise stated, all fees are quoted in U.S. Dollars. You are responsible for paying all fees and applicable taxes associated with the Service in a timely manner with a valid payment method. If your payment method fails or is past due, we may collect fees owed using other collection methods, including retaining collection agencies and legal counsel, and you agree to reimburse us for any expense associated with such collection methods.

5. Prohibited Conduct

In using the Service, you agree that you will not: (i) infringe any patent, trademark, trade secret, copyright, right of publicity or other right of any party; (ii) interfere with or damage this website, including, without limitation, through the use of viruses, cancel bots, Trojan horses, harmful code, flood pings, denial of service attacks, packet or IP spoofing, forged routing or electronic mail address information or similar methods or technology; (iii) attempt to use another user's account, impersonate another person or entity, misrepresent your affiliation with a person or entity, including (without limitation) Iteris, or create or use a false identity; (iv) attempt to obtain unauthorized access to this website or portions thereof that are restricted from general access; (v) engage, directly or indirectly, in transmission of "spam," chain letters, junk mail or any other type of unsolicited solicitation; (vi) collect, manually or through an automatic process, information about other users without their express consent or other information relating to this website; (vii) use any meta tags or any other "hidden text" utilizing the Iteris name, trademarks, or product names; (viii) advertise, offer to sell, or sell any goods or services, except as expressly

permitted by Iteris; (ix) engage in any activity that interferes with any third party's ability to use or enjoy this website; (x) assist any third party in engaging in any activity prohibited by these Terms of Use, or (xi) establish any hyperlinks to any of Iteris' websites without the prior written consent of Iteris.

6. Password and Account Security

6.1 Your Registration Obligations

In consideration of your use of the Service, you agree to: (a) provide true, accurate, current, and complete information about yourself as prompted by the Service's registration and payment forms (such information being the "Registration Data") and (b) maintain and promptly update the Registration Data to keep it true, accurate, current, and complete. If you provide any information that is untrue, inaccurate, not current, or incomplete, or Iteris has reasonable grounds to suspect that such information is untrue, inaccurate, not current, or incomplete, Iteris shall have the right to suspend or terminate your account and refuse any and all current or future use of the Service (or any portion thereof).

6.2 Member, Account, Password, and Security

You are responsible for maintaining the confidentiality of the password and account, and are fully responsible for all activities that occur under your password or account, including, without limitation, any use by any unauthorized third party. You agree to immediately notify Iteris of any unauthorized use of your password or account or any other breach of security. Iteris reserves the right to suspend or terminate you use of the website and/or the Service if it has reasonable grounds to suspect that your being used without permission or otherwise in a manner that may disrupt the Service. Iteris cannot and will not be liable for any loss or damage arising from your failure to comply with this section.

7. Hyperlinks

From time to time, Iteris may provide links to third party websites or allow third parties to link to the Service from third party websites. Iteris does not own and has no control over these websites and therefore assumes no responsibility with respect to the availability of these websites, their content, advertising material, and the products or services available at or through these websites. Such links are in no way intended to and do not imply affiliation with or sponsorship or endorsement by Iteris or its third party Content providers of such third party sites. Neither Iteris nor any third party Content provider has any control over these websites and therefore assumes no responsibility with respect to the availability of these websites, their content, advertising material, and the products or services available at or through these websites. Neither Iteris nor any third party licensor makes any representation about the accuracy, contents or security of such third party sites or the materials available thereon. Neither Iteris nor any third party licensor accepts any liability for any direct or indirect damage that may result from a user's visit to third-party websites, or from the use of the contents and services of these websites by the user.

You acknowledge that Iteris and any third party licensors shall not be responsible or liable for the content or conduct of, associated with, or related to any hyperlinked website or advertiser site, and, accordingly, your access and use of any hyperlinked website or advertiser site shall be solely at your own risk. If you have any questions or concerns regarding any hyperlinked website or advertiser site, you should review any terms and conditions and privacy policy maintained by that hyperlinked website or advertiser site, or contact that hyperlinked website's or advertiser site's website administrator.

8. Representations, Warranties and Indemnification

You represent and warrant to Iteris and its third party licensors that: (i) you have the full power and authority to enter into and perform your obligations under these Terms of Use; (ii) your assent to and performance of your obligations under these Terms of Use do not constitute a breach of or conflict with any other agreement or arrangement by which you are bound, or any applicable laws, regulations or rules; (iii) you are age 18 or over, able to form a legally binding contract, and these Terms of Use constitute legal, valid and binding obligations on you, enforceable in accordance with their terms and conditions; (iv) you will not infringe the patent, copyright, trademark, trade secret, right of publicity or other intellectual property or proprietary right of Iteris or any third party in your use of the Service; and (v) you will comply with all applicable laws, rules and regulations in your use of the Service, including these Terms of Use.

You agree to indemnify and hold Iteris and its employees, representatives, agents, attorneys, affiliates, directors, officers, members, managers, shareholders and third party licensors ("Indemnified Parties") harmless from any and all damages, losses, costs or expenses (including without limitation, attorneys' fees and costs) incurred in connection with any third party claim, demand or action ("Claim") brought or asserted against any of the Indemnified Parties: (i) alleging facts or circumstances that would constitute a breach by you of any provision of these Terms of Use or (ii) arising from, related to, or connected with your use of this website. If you are obligated to provide indemnification pursuant to this provision, Iteris may, in its sole and absolute discretion, control the disposition of any third party Claim at your sole cost and expense. Without limiting the foregoing, you may not settle, compromise or in any other manner dispose of any third party Claim without the consent of Iteris.

9. Disclaimers, Exclusions and Limitations

9.1 Disclaimer of Warranties

THE COMMUTECALL SERVICE, COMMUTEVIEW SERVICE AND ALL CONTENT ARE PROVIDED 'AS IS' AND "AS AVAILABLE" BASIS AND YOU USE THEM AT YOUR SOLE RISK. ITERIS, ON BEHALF OF ITSELF AND ITS THIRD PARTY LICENSORS, EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. WITHOUT LIMITATION, NEITHER ITERIS NOR ITS THIRD PARTY LICENSORS MAKES ANY WARRANTY THAT THE COMMUTECALL SERVICE, COMMUTEVIEW SERVICE OR CONTENT WILL MEET YOUR REQUIREMENTS, THAT

ANY OF THEM WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, THAT THE RESULTS OBTAINED FROM THE USE OF THE COMMUTECALL SERVICE, COMMUTEVIEW SERVICE AND/OR CONTENT WILL BE ACCURATE OR RELIABLE, OR THAT THE QUALITY OF ANY PRODUCTS, SERVICES, INFORMATION, MATERIAL, OR OTHER CONTENT OBTAINED THROUGH THE COMMUTECALL SERVICE AND/OR THE COMMUTEVIEW SERVICE WILL MEET YOUR EXPECTATIONS. FURTHER, PLEASE NOTE THAT NO ADVICE OR INFORMATION, OBTAINED BY YOU FROM COMMUTECALL, COMMUTEVIEW OR ITERIS PERSONNEL OR THROUGH THE COMMUTECALL SERVICE OR COMMUTEVIEW SERVICE SHALL CREATE ANY WARRANTY NOT EXPRESSLY PROVIDED FOR IN THESE TERMS OF USE.

ANY MATERIAL DOWNLOADED OR OTHERWISE OBTAINED THROUGH THE USE OF THE SERVICE IS DONE AT YOUR OWN DISCRETION AND RISK AND YOU WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGE TO YOUR COMPUTER SYSTEM OR LOSS OF DATA THAT RESULTS FROM THE DOWNLOAD OF ANY SUCH MATERIAL. YOU WILL BE SOLELY RESPONSIBLE FOR TAKING ALL APPROPRIATE MEASURES TO PROTECT YOUR DATA AND SOFTWARE FROM CONTAMINATION BY ANY VIRUSES CIRCULATING VIA THE INTERNET.

9.2 Exclusion of Damages

NEITHER ITERIS NOR ITS THIRD PARTY LICENSORS SHALL UNDER ANY CIRCUMSTANCES BE LIABLE TO YOU OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR SPECIAL DAMAGES (INCLUDING DAMAGES RELATING TO LOST PROFITS, LOST DATA OR LOSS OF GOODWILL) ARISING OUT OF, RELATING TO OR CONNECTED WITH THE USE OF THIS WEBSITE OR INFORMATION OBTAINED FROM THIS WEBSITE, REGARDLESS OF THE CAUSE OF ACTION ON WHICH THEY ARE BASED, WHETHER BASED ON CONTRACTUAL LIABILITY, TORT, PRODUCT LIABILITY OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OCCURRING.

9.3 Limitation of Liability

IN NO EVENT WILL THE LIABILITY OF ITERIS OR ITS THIRD PARTY LICENSORS ARISING FROM, RELATING TO, OR IN CONNECTION WITH THESE TERMS OF USE, THE WEBSITE OR THE SERVICE EXCEED U.S. $1,000.

10. Termination

You agree that Iteris, in its sole discretion and without any liability, may terminate your password, account (or any part thereof) or use of the Service, and remove and discard any content within the Service, for any reason, including, without limitation, for lack of use or if Iteris believes that you have violated or acted inconsistently with the letter or spirit of the Terms of Use. Iteris may also in its sole discretion without any liability and at any time discontinue

providing the Service, or any part thereof, with or without notice. You agree that any termination of your access to or use of the Service under any provision of this Terms of Use agreement may be effected without prior notice, and acknowledge and agree that Iteris may immediately deactivate or delete your account and all related information and files in your account and/or bar any further access to such files or the Service. Further, you agree that Iteris shall not be liable to you or any third-party for any termination of your access to the Service or for your loss of any data or information you have stored on the Service.

Iteris may, in its sole discretion and without any liability, change, modify, suspend, make improvements to or discontinue any aspect of the website, temporarily or permanently, at any time without prior notice.

11. Additional Notes

Your wireless carrier may charge service fees for notifications, text messaging (including receiving/sending instant messages and e-mail), web browsing and other services that require the use of airtime and wireless data services. Iteris provides services and information on selected wireless carriers for your convenience only and we recommend that you check with your wireless carrier to verify the fees that may apply to your wireless device plan. Iteris does not endorse or recommend the services of any wireless carrier. The wireless carrier is solely responsible for the services it provides to you.

E-mail notifications that you receive on your device may be delayed during transmission over the Internet, or by other causes. Although Iteris uses reasonable efforts to make available accurate traffic information, the accuracy and timeliness of any Service is not guaranteed or warranted by Iteris or its suppliers.

12. No Agency

Certain of the Content available through the Service is licensed to Iteris by its third party licensors. This arrangement is merely a license arrangement and, in making the Content available through the Service, Iteris is not acting in a capacity as the agent, servant, employee, partner, joint venturer or associate of its third party licensors.

13. Jurisdiction and Applicable Law

This Agreement shall be governed, construed and applied in all respects by the laws of the State of California, without regard to any provision governing conflicts of law. Any dispute arising out of, relating to, or connected with these Terms of Use or your use of the website shall be brought before the federal or state courts located in the State of California. The use of this website and/or the Service implies your express consent to the personal jurisdiction and venue of such courts.

14. Waiver of Class Action Rights; Limitation of Actions

By entering into these Terms of Use, you hereby irrevocably waive any right you may have to join claims with those of others in the form of a class action or similar procedural device. Any claims arising out of, relating to, or connected with these Terms of Use or your use of the website must be asserted individually.

You acknowledge and agree that, regardless of any statute or law to the contrary, any claim or cause of action you may have arising out of, relating to, or connected with these Terms of Use or your use of the website must be filed within one calendar year after such claim or cause of action arises, or forever be barred.

15. Correspondence with Iteris

To correspond with Iteris by e-mail, Internet users must use the email address provided herein. Our replies to e-mails may not be equated to or considered proof of advertising, promotional or commercial activity in the destination country of these replies. Correspondence from Iteris to you shall be sent to you at the address provided by you.

Please send any notices or requests by email to: Support@commuteview.net.

16. Entire Agreement; Severability

The Terms of Use constitute the entire agreement between you and Iteris relating to your access to and use of the Service and/or the Content and supersede any prior or contemporaneous representations or agreements. If any provisions of the Terms of Use is deemed invalid or for some reason unenforceable, then that provision shall be deemed severable from the Terms of Use and shall not in any way affect the validity or enforceability of the remainder of the Terms of Use. The Terms of Use may only be modified by Iteris.

17. Third Party Beneficiaries

You acknowledge and agrees that the Iteris' third party licensors are third party beneficiaries of these Terms of Use and that these Terms of Use shall be enforceable by Iteris' third party licensors directly against you.

18. Other Provisions

Iteris' failure to insist upon or enforce strict performance of any provision of these Terms of Use shall not be construed as a waiver of any provision or right. Neither the course of conduct between the parties nor trade practice shall act to modify any provision of these Terms of Use. Iteris may assign its rights and duties under these Terms of Use to any party at any time without notice to you.

EXHIBIT G-2

MINIMUM SUBLICENSE AGREEMENT TERMS (OTHER SUBLICENSEES)

Capitalized terms used in this Exhibit without definition have the meanings given to such terms in the body of the Software and Services Agreement No. PW 12694, dated June 23, 2003 (as amended from time to time, and together with all Exhibits and Attachments thereto, "Agreement"), between County of Los Angeles ("County") and Iteris, Inc. ("Iteris"). The following are summaries of the minimum terms and conditions to be included in Sublicense Agreements entered into under the Agreement with Sublicensees other than End Users.

1. License:
   a. Each sublicense shall be nontransferable and terminable.

   b. Each sublicense shall be limited to the ability to use, run, store and display the Developed Software solely for the purpose of operating the Project.

   c. Sublicensees shall not be permitted to modify or create derivative works from the Developed Software.

   d. Each sublicense may include the ability to use and print as many copies of the Documentation as is necessary or appropriate for each Sublicensee to enjoy and exercise fully the rights granted under the applicable Sublicense Agreement.

   e. Subject to a Sublicensee's obligations under the California Public Records Act and other applicable laws, each Sublicensee shall agree not to do any of the following:
      i. release, disclose or otherwise distribute by any means all or any portion of Developed Software to any other person or entity, other than as expressly authorized under the sublicense granted under the Sublicense Agreement;
      ii. sell, sublicense or otherwise transfer any rights in or to all or any portion of the Developed Software or encumber the Developed Software or any rights therein;
      iii. reverse engineer, disassemble or reverse compile all or any portion of Developed Software; or
      iv. use, run, store, display, copy, print or modify all or any portion of Developed Software in any manner other than as expressly authorized under the sublicense granted under the Sublicense Agreement.

   f. Each Sublicense Agreement shall specify that upon expiration or termination of the Sublicense Agreement, Sublicensee shall cease and desist all use of the Developed Software Materials, and Sublicensee shall promptly deliver to Iteris at termination all full, or partial, copies of the Developed Software Materials in Sublicensee's possession or under its control.

2. Protection of Proprietary Rights:
   a. Each Sublicensee shall acknowledge and agree that Iteris and its licensors have the sole and exclusive ownership of all right, title and interest in and to (a) Developed Software, (b) the Documentation, and (c) all intellectual property rights in any of the items referenced in clauses (a) and (b) (collectively, "Developed Software Materials"), subject only to the rights expressly granted to Sublicensees under the applicable Sublicense Agreement. Each Sublicense Agreement shall state that nothing in the Sublicense Agreement shall be construed as transferring to applicable Sublicensee any title or ownership interest in the Developed Software Materials.

   b. Each Sublicensee shall additionally acknowledge and agree that the Developed Software Materials contain proprietary and confidential information of Iteris and/or its licensors. Accordingly, without limiting other agreements regarding sublicense and confidentiality described elsewhere each Sublicense Agreement, each Sublicensee shall additionally agree to maintain the confidentiality of the Developed Software Materials in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, policies and guidelines relating to confidentiality. Further, each Sublicense Agreement shall include an obligation on the Sublicensee to mark (and not to remove, obliterate and/or obstruct the mark) the Developed Software Materials similar to that included in Paragraph 12.3 of the Agreement. Finally, each Sublicense Agreement shall include a requirement that the Sublicensee at all times exert no lesser effort to protect the Developed Software Materials than that Sublicensee uses to protect Sublicensee's own intellectual property.

3. Prohibition on Assignment: Each Sublicense Agreement shall prohibit the Sublicensee thereunder from assigning or transferring the Sublicense Agreement or all or any part of its rights thereunder, by operation of law or otherwise. Any unauthorized assignment or transfer shall be null and void and shall constitute grounds for immediate termination of the Sublicense Agreement.

4. Injunctive Relief: Each Sublicense Agreement shall require the Sublicensee thereunder to acknowledge that a breach of the sublicense, confidentiality, prohibition on assignment provisions of the Sublicense Agreement may result in irreparable injury to Iteris and/or its licensors that may not be adequately compensated by monetary damages, and that, in addition to the other rights under the Sublicense Agreement, and at law and in equity, Iteris, on behalf of itself and/or its licensors, shall have the right to injunctive relief to enforce the provisions of the Sublicense Agreement.

5. No Agency: Each Sublicense Agreement shall specify that the Developed Software Materials are licensed to Iteris, Inc. by its third party licensors. This arrangement is merely a license arrangement and, in sublicensing the Developed Software Materials, Iteris, Inc. is not acting in a capacity as the agent, servant, employee, partner, joint venturer or associate of its third party licensors.

6. Termination: Each Sublicense Agreement shall include termination provisions, at a minimum, if any of the following occurs: (a) Sublicensee breaches the sublicense, confidentiality and/or prohibition on assignment provisions of the Sublicense Agreement; or (b) any of the events described in Paragraph 37.1 with respect to Sublicensee. Additionally, other than with respect to the Sublicense Agreements entered into under Paragraph 11.4.2 of the Agreement, each Sublicense Agreement shall include the right of Iteris to terminate all or a portion of the Sublicense Agreement in the event that County terminates Iteris's corresponding rights under the Agreement.

7. Limitation of Liability; Exclusion of Damages; Indemnification, Disclaimer of Warranties: Each Sublicense Agreement shall include the following provisions: (i) limitation of liability applicable to Iteris, Inc. and its third party licensors not to exceed the maximum contract sum under such Sublicense Agreement, (ii) exclusion of indirect, consequential and punitive damages applicable to Iteris, Inc. and its third party licensors, (iii) indemnification, (iv) acknowledgement by Sublicensee that Iteris, Inc.'s third party licensors disclaim all warranties with respect to the Developed Software Materials, and (v) agreement by Sublicensee that Iteris, Inc.'s third party licensors have no liability or responsibility whatsoever to such Sublicensee for any purpose under the Sublicense Agreement, including, without limitation, with respect to Iteris, Inc.'s performance under the Sublicense Agreement and/or the Developed Software Materials and such Sublicensee will hold such third party licensors harmless from any claims arising from, relating to, or connected with the Sublicense Agreement or Developed Software Materials.

8. Entire Agreement; Severability: Each Sublicense Agreement shall include a statement that the Sublicense Agreement constitutes the entire agreement between the Sublicensee and Iteris, Inc. relating to the subject matter of the Sublicense Agreement and supersedes any prior or contemporaneous representations or agreements. Each Sublicense Agreement shall specify that such Sublicense Agreement is modified only in writing signed by authorized representatives of Iteris and the Sublicensee thereunder. Each Sublicense Agreement shall specify that if any provisions of such Sublicense Agreement is deemed invalid or for some reason unenforceable, then that provision shall be deemed severable from the Sublicense Agreement and shall not in any way affect the validity or enforceability of the remainder of the Sublicense Agreement.

9. Third Party Beneficiaries: Each Sublicense Agreement shall include a statement that Iteris' third party licensors are third party beneficiaries of the Sublicense Agreement and that the provisions of the Sublicense Agreement shall be enforceable by Iteris' third party licensors against the Sublicensee.

EXHIBIT H

END USER NO CHARGE FEATURES

(Applicable to Los Angeles County and the County Cities)

The Basic Telephone Service, the Cable TV Service and access over the internet to the Website offering non-personalized/customized real-time traffic and roadway data required hereby, including, without limitation, the County Data, as more fully described on Attachment A.3 (Ownership of Software Programs).

EXHIBIT I

FEDERAL FUNDING PROVISIONS

[see attached]

EXHIBIT I

FEDERAL FUNDING PROVISIONS

The following clauses set forth in the Federal Acquisition Regulation ("**FAR**"), as amended and modified below, are applicable to this Agreement and Contractor shall comply with them accordingly. Without limiting the Agreement provisions, the FAR clauses are incorporated by reference into this Agreement with the same force and effect as though set forth in full text. If a conflict or inconsistency arises between a FAR clause listed below and a provision in the Agreement, the provision in the Agreement will govern and be given precedence. Contractor shall flow down all the terms in this Exhibit to all Subcontractors.

FAR CLAUSES

(a) DEFINITIONS

The following capitalized terms used throughout the FAR shall have the meaning ascribed below and shall apply as set forth below regardless of any contrary definition in the Agreement; for purposes of clarification, the definitions listed below shall only apply to the FAR provisions listed in this Exhibit I and shall have no meaning or affect to the remainder of the Agreement.

"**Contract**" – this Agreement
"**Contractor**" – Iteris, Inc.
"**Government**" – County of Los Angeles
"**Subcontractor**" - any legal entity which contracts with Contractor.
"**Contracting Officer**" – County of Los Angeles authorized contracting representative.
"**FAR**" - the Federal Acquisition Regulation.

(b) FAR CLAUSES APPLICABLE TO THIS AGREEMENT

The clauses in FAR Subpart 52.2 referenced below, in effect on the date of this Agreement, are incorporated herein and made a part of this Agreement. It is intended that the referenced clauses shall apply to Contractor in such manner as is necessary to reflect the position of Contractor as a contractor to the Government, to insure Contractor's obligations to the Government and to the United States Government, and to enable the Government to meet its obligations to the State of California as set forth in that certain Master Agreement Administering Agency-State Agreement for Federal Aid Projects, by and between the County of Los Angeles and the State of California, dated May 18, 2007, as well as its obligations to the United States Department of Transportation as set forth in Title 49, Part 18 of the Code of Federal Regulations.

(i) The following clauses are applicable to this Agreement:

FAR Reference	*Title of Clause*	*Date*
52.202-1	DEFINITIONS	JUL 2004
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT	APR 1984

FAR Reference	*Title of Clause*	*Date*
	FEES	
52.203-7	ANTI-KICKBACK PROCEDURES	JUL 1995
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-10	PRICE OR FEE REDUCTION FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	SEP 2005
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER	AUG 2000
52.204-7	CENTRAL CONTRACTOR REGISTRATION	JUL 2006
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	SEP 2006
52.215-2	AUDIT AND RECORDS – NEGOTIATION	JUNE 1999
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	SEP 2006
52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN	SEP 2006
52.219-16	LIQUIDATED DAMAGES – SUBCONTRACTING PLAN	JAN 1999
52.222-3	CONVICT LABOR	JUN 2003
52.222-21	PROHIBITION ON SEGREGATED FACILITIES	FEB 1999
52.222-26	EQUAL OPPORTUNITY	MAR 2007
52.222-50	COMBATING TRAFFICKING IN PERSONS	APR 2006
52.223-6	DRUG-FREE WORKPLACE	MAY 2001
52.232-3	PAYMENTS UNDER FIXED-PRICE RESEARCH AND DEVELOPMENT CONTRACTS	APR 1984
52.232-25	PROMPT PAYMENT	OCT 2003
52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER –CENTRAL CONTRACTOR REGISTRATION	OCT 2003
52.242-15	STOP-WORK ORDER	AUG 1989
52.243-1	CHANGES – FIXED PRICE	AUG 1987
52.246-7	INSPECTION OF RESEARCH AND DEVELOPMENT – FIXED PRICE	AUG 1996
52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)	MAY 2004
52.249-9	DEFAULT (FIXED-PRICE RESEARCH AND	APR 1984

FAR Reference	*Title of Clause*	*Date*
	DEVELOPMENT)	

CIO ANALYSIS

EL SEGUNDO AREA INTELLIGENT TRANSPORTATION SYSTEM PROJECT AWARD OF SUPPLEMENTAL CONSULTANT SERVICES AGREEMENT

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION ☐ DISAPPROVE

Contract Type:
☐ New Contract ☒ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract ☐ Hardware Acquisition ☐ Other (SLA)

New/Revised Contract Term: Base Term: 2 Years # of Option Yrs: 2

Contract Components:
☒ Software ☐ Hardware ☐ Telecommunications
☒ Professional Services

Project Executive Sponsor: Pat DeChellis, Deputy Director, Public Works

Budget Information :

Y-T-D Contract Expenditures	$ 3,361,820
Maximum Contract Amount	$ 3,458,962
Aggregate Project Amount	$ 6,820,782

Project Background:

☐	☒	Is this project legislatively mandated?
☒	☐	Is this project sub vented? Federal funds (75%); Los Angeles County Metropolitan Transportation Authority Proposition C Discretionary Grand Funds (20%); County Proposition C Local Return Fund (5%) .
☐	☒	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved.

Strategic Alignment:

☒	☐	Is this project in alignment with the County of Los Angeles Strategic Plan?
☒	☐	Is this project consistent with the currently approved Department Business Automation Plan?
☒	☐	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
☒	☐	Does the project technology solution comply with preferred County of Los Angeles IT and security Standards?
☐	☒	Has data for this contract and/or project been entered into the Information Technology Tracking System (ITTS)? The information will be added prior to Board approval.

Project/Contract Description:

The proposed Amendment Number One (Amendment) represents Phases II, III and IV of a project to develop an Advanced Intelligent Transportation System (ATIS) in the El Segundo area. Work performed via this Amendment will enhance and expand 'early deployment' traveler information system prototypes developed in the Conceptual Design Phase (Phase I) of the underlying Software and Services Agreement No. PW 12694 (Agreement). The Amendment also expands the scope of the ATIS to include all of Los Angeles County as well as surrounding communities and defines mutually agreed upon marketing rights for certain portions of the ATIS.

The referenced Phases II, III and IV include Detailed Design, System Deployment and Integration, and Operations and Maintenance. The Detailed Design phase will include activities necessary to identify, collect and integrate County and third-party arterial (road) and freeway data from a variety of sources, including Cal Trans and the California Highway Patrol (CHP). Phase III, System Deployment and Integration, includes integration of Google Maps, deployment of an integrated customer support module and a transaction management system to monitor usage statistics and revenue collection. Phase IV, Marketing, Operations and Maintenance, includes marketing services for the basic services (defined below) provided via cable television, and includes operations and maintenance of the basic services.

Upon successful implementation, the ATIS will provide two levels of traveler information. The service levels include 'basic' services, provided to the public at no charge, as well as a suite of premium, subscription-based 'enhanced' services. Services will be available via the internet, cable television and telephone. All aspects of these services, including payment for subscription-based services, will be provided and managed by the vendor, ITERIS, Inc. (ITERIS).

In addition to the primary goal of providing traveler information to the residents of the County, the secondary goal is to develop sufficient market interest in the subscription-based services to fully offset the County's ongoing operations and maintenance cost for the basic services. It is anticipated that the latter goal can be achieved via a unique government-private business relationship between the County and ITERIS and extensively detailed within the Amendment, although as described in the Project Metrics section below, any offset would be a part of a future amendment to the underlying Agreement.

County Counsel and outside counsel have worked extensively with the Department to address the government/private relationship and software ownership. The Agreement also specifically identifies the ITERIS marketing rights, and ensures that other government or quasi-governmental entities will not be charged license fees for County-owned portions of the basic and subscription-based services, other than, for subscription-based services, if accessing those services as an end-user over the internet or telephone.

Background:

The underlying Agreement was executed in June 2003, and was budgeted at $3,346,675. Initially, the scope of the underlying Agreement was limited to developing an ATIS to serve the El Segundo area. During the Conceptual Design Phase, ITERIS also performed a study to determine the feasibility of enhancing the system to include a suite of subscription-based services, which would allow travelers to receive personalized traveler information on pre-set routes. The study included surveys of focus groups and end-users to assess market demand for the enhanced services. Based on that work, it was determined that a market existed for the subscription-based services, and the basic services should be expanded to other Southern California regions. Subsequently, ITERIS and the Department worked together to develop early deployment prototypes to further validate the feasibility and value of both the basic and subscription-based services.

Project Justification/Benefits:

The ATIS project is a component of the Department's larger program to implement intelligent traffic information systems throughout the County. Although the original scope of the ATIS Project was limited to providing arterial information for the El Segundo area, a far greater benefit will be achieved via the planned expansion to cover the entire County and to offer both basic and subscription-based services.

Successful completion of the ATIS Project will also provide direct benefit to other governmental agencies. Subject to terms and conditions of the Amendment, the Amendment allows ITERIS to market to other government or quasi-government agencies, at their own cost and expense (other than basic services via cable television, the marketing of which is included in the Amendment), the County-owned portions of the basic and subscription-based services with the condition that the services must be offered without a software license fee; ITERIS may charge fees in connection with implementation and maintenance. Also, for subscription-based services, if a government or quasi-government agency is accessing these services as an end-user over the internet or telephone, ITERIS may charge a subscription fee.

Project Metrics:

The work to be provided under the Amendment is deliverable-based and the scope of work reasonably describes service expectations as well as completion timeframes for the initial phase.

One of the primary objectives of the Amendment is to finance the development and deployment of the subscription-based services with the end goal of obtaining sufficient revenue to offset the cost of supporting the basic services. It is anticipated that a two year period will be sufficient to assess the viability of this objective. To the degree that ITERIS is successful in developing and sustaining revenue via the subscription-based services, at the end of the two year period the Department will attempt to renegotiate with ITERIS to reduce the ongoing fees associated with operating and maintaining the basic services. In return, the Department will continue to grant ITERIS the right to continue marketing the County-owned portions of the software.

Impact on Service Delivery on Department Operations, If Proposal Is Not Approved:

If the proposed Amendment is not approved, the Department states that the County will lose $3.3 million in grant funding, and commuters will lose the opportunity to obtain real-time comprehensive traffic information, which could potentially contribute to increased traffic congestion.

Alternatives Considered:

The Department has stated that their analysis of local traveler information services indicates that similar services, which include an integration of arterial, road construction and freeway traffic information from multiple sources, are not available. Consequently the Department determined it was in the best interest of the County to amend the Agreement with ITERIS to support expansion of the ATIS, including these new services.

Project Risks:

Based on the successful development and testing of the early-deployment projects in Phase I, the majority of technology risks associated with this project have already been identified and resolved.

On an ongoing basis, there is a potential security risk associated with safeguarding the personal information and payment transactions for the fee-based services. This risk has been minimized as noted below.

Risk Mitigation Measures:

ITERIS will offer, manage and operate all activities related to subscription-based services and payment transactions; the Amendment is structured so that ITERIS indemnifies, defends and holds the County harmless for liability associated with these transactions. The Amendment also includes provisions to require that ITERIS and ITERIS' third party providers consistently practice appropriate technology security measures and are compliant with industry standards.

Financial Analysis:

The maximum expenditure under this Amendment is $3,361,820. If at the end of the two year period it is determined that additional funding is needed to sustain the maintenance and operations of the basic services, the Department will seek another amendment to the Agreement.

CIO Concerns:

None. County Counsel and outside counsel have worked very closely with the Department on this Amendment to address the complexities of the public/private partnership and the for-profit nature of the services in the Amendment's terms and conditions.

CIO Recommendations:

The Chief Information Office recommends Board approval of the proposed contract.

CIO APPROVAL

Date Received: May 4, 2009

Prepared by: Janette Parker

Date: June 2, 2009

Approved: Chris Melendez

Date: 6/3/2009

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