



COUNTY OF LOS ANGELES

CHIEF INFORMATION OFFICE

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RICHARD SANCHEZ
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June 26, 2012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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

18 June 26, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AMENDMENT NUMBER ONE TO
MASTER SERVICES AGREEMENT NUMBER 77037
WITH OPENTEXT, INC.
(Formerly GLOBAL 360, INC. #77037)
(ALL SUPERVISORIAL DISTRICTS – 3 VOTES)**

SUBJECT

Request approval of Amendment One to County Master Services Agreement (MSA) Number 77037 with OpenText, Inc. (OpenText) to: (1) recognize OpenText as the successor-in-interest to Global 360, Inc. (Global 360) and to confirm that OpenText assumes all obligations under the Agreement; and (2) exercise the first two-year option, extending the term from July 7, 2012 to July 6, 2014.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chairman of the Board to sign Amendment Number One to County MSA Number 77037 with OpenText: (1) recognize OpenText as the successor-in-interest to Global 360 and to confirm that OpenText assumes all obligations under the Agreement; and (2) exercise the first two-year option, extending the term from July 7, 2012 to July 6, 2014.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Chief Information Office (CIO) administers the MSA with OpenText, which provides County justice departments, who have made significant investments in OpenText Enterprise Content Management (ECM) software products, with professional and consulting services to implement and enhance their ECM systems.

The proposed Amendment to the MSA addresses two issues. First, it formally recognizes OpenText as the successor-in-interest to Global 360 under the MSA. Global 360, merged with and into OpenText on January 3, 2012 with OpenText remaining as corporate entity. This Amendment memorializes that OpenText assumes obligations and responsibilities as the Contractor under the MSA.

Second, it extends the MSA term for two-years through July 6, 2014, which provides County justice departments with continued access to OpenText professional and consulting services to support deployments of their products and enhancements to existing systems.

On July 7, 2009, your Board approved the MSA with an initial three-year term and two (2) two-year extensions upon mutual agreement of the parties. The total amount authorized for expenditure under the MSA is not to exceed \$1,700,000 per year.

Justice department engagements under the MSA are executed through a Work Order (WO) process. Your Board authorizes all WO's exceeding \$300,000. Since the MSA was established, 12 WO's were issued under the MSA with a total value of \$1,701,243. Currently, the CIO is reviewing one WO for an estimated \$134,400.

Implementation of Strategic Plan Goals

The recommended action supports the County's Strategic Plan Goal Number 2: Fiscal Sustainability - Strategic Initiative 4: County Fiscal and Information Technology Management, and Cost Efficiencies. The MSA offers the flexibility necessary to justice departmental needs while providing a structure for acquiring desired services through a streamlined acquisition process that is standard across the entire enterprise.

FISCAL IMPACT/FINANCING

By approving this proposed Amendment, justice departments will continue acquiring services under WO's, which govern the terms and conditions set forth in the MSA. Funding will continue to be obtained from departmental budgets. The administrative provisions of the MSA require confirmation that funding is available before each individual WO is executed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Effective as of: (1) December 16, 2011, Global 360 converted from a Texas Corporation to a Delaware Corporation; (2) December 30, 2011, Global 360 (a) converted from a Delaware Corporation to a Delaware Limited Liability Company (LLC) and (b) changed its name from "Global 360, Inc." to "Global 360, LLC"; and (3) January 3, 2012, Global 360, merged with and into OpenText, with OpenText remaining as the resulting corporate entity and current party to the MSA (the transactions described in clauses (1) through (3) of this Amendment are collectively referred to as the Transaction). The CIO has conducted due diligence with respect to this Transaction as described under your Board's Policy No. 5.053 (Evaluation of Vendors/Contractors Engaged in Mergers or Acquisitions) and believes that it is in the best interest of the County that contractual relationship with OpenText continue. Therefore, the proposed Amendment will also recognize OpenText as the successor-in-interest to Global 360 under this MSA and will confirm that OpenText assumes all obligations of Global 360 under the MSA.

The proposed Amendment adds the County-required contract provision regarding defaulted property tax. It has been approved as to form by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed Amendment will provide County justice departments with continued access to OpenText professional and consulting services. There will be no impact upon, or interruption of the current services being provided to these departments by OpenText.

CONCLUSION

The proposed Amendment will provide County justice departments with continued access to OpenText professional and consulting services. There will be no impact upon, or interruption of the current services being provided to these departments by OpenText.

Respectfully submitted,

A handwritten signature in black ink that reads "Richard Sanchez". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

RICHARD SANCHEZ
Chief Information Officer

RS:JH:pa

Enclosures

- c: Chief Executive Officer
- Executive Officer, Board of Supervisors
- County Counsel
- Information Systems Commission
- IT Board Deputies

AMENDMENT NUMBER ONE

TO

MASTER SERVICES AGREEMENT

NUMBER 77037

BY AND BETWEEN

THE COUNTY OF LOS ANGELES

AND

OPEN TEXT CORPORATION

FOR

ENTERPRISE CONTENT MANAGEMENT SERVICES

77037 SUPPLEMENT 1

AMENDMENT NUMBER ONE TO
MASTER SERVICES AGREEMENT #77037
BY AND BETWEEN
THE COUNTY OF LOS ANGELES AND
OPEN TEXT CORPORATION FOR
ENTERPRISE CONTENT MANAGEMENT SERVICES

This Amendment Number One to Master Services Agreement Number 77037 ("Amendment Number One") is entered into as of June 26, 2012 by and between the County of Los Angeles, a political subdivision of the State of California ("County") and Open Text Inc., a Delaware corporation, as successor to Global 360, Inc., a Texas corporation ("Contractor"), with reference to the following facts.

Recitals

A. County and Global 360, Inc. ("Global 360") entered into that certain Master Services Agreement Number 77037 for Enterprise Content Management Services (together with all exhibits and attachments thereto, all as amended prior to the date hereof, the "Agreement") which was approved by County's Board of Supervisors on July 7, 2009;

B. Contractor represents to County that: (1) effective as of December 16, 2011, Global 360 converted from a Texas corporation to a Delaware corporation; (2) effective as of December 30, 2011, Global 360 (a) converted from a Delaware corporation to a Delaware limited liability company and (b) changed its name from "Global 360, Inc." to "Global 360, LLC"; and (3) effective as of January 3, 2012, Global 360, merged with and into Open Text Inc. ("Open Text"), with Open Text Inc., remaining as the resulting corporate entity and current party to the Agreement (the transactions described in clauses (1) through (3) are collectively referred to as the "Transaction");

C. Contractor desires that the County acknowledge the assignment of rights and delegation of duties and obligations under the Agreement by Global 360 to Open Text that occurred as a result of the Transaction, as well as under (a) any and all Work Orders and Change Orders entered into under the Agreement and (b) any and all related documents which have been executed in connection with the Agreement (the items referenced in clauses (a) and (b) collectively are referred to as "Agreement Documents"), and Open Text desires to affirm that it has assumed such rights, duties and obligations under the Agreement and under the Agreement Documents;

D. The parties wish to amend the Agreement to extend the Agreement term from July 7, 2012 to July 6, 2014 upon the terms and conditions set forth herein.

77037 SUPPLEMENT 1

E. The parties additionally wish to amend the Agreement to include the County's required provision regarding defaulted property tax upon the terms and conditions set forth herein.

NOW, THEREFORE, pursuant to Paragraph 10 (Change Notices and Amendments) of the Agreement, and in consideration of the mutual covenants contained herein, and other good and valuable consideration, County and Contractor hereby agree and amend the Agreement as follows:

1. The recitals to this Amendment Number One are hereby incorporated into the body of this Amendment Number One as if set forth herein.
2. County hereby acknowledges the assignment of rights and delegation of duties and obligations under the Agreement and the Agreement documents by Global 360 to Open Text that occurred as a result of the Transaction. Open Text hereby affirms that it has assumed such rights, duties and obligations under the Agreement and under the Agreement Documents. Open Text hereby agrees that it, as Contractor, (a) will perform at its own expense all duties and obligations imposed upon Contractor under the Agreement and the Agreement Documents and (b) will be bound by all terms, conditions, duties and obligations of Contractor under the Agreement and the Agreement Documents.
3. County and Contractor hereby mutually agree to extend the Initial Term of the Agreement by the exercise of the first two-year Extended Term as provided under Paragraph 11.1 of the Agreement. Following such extension, the term of the Agreement shall expire on July 6, 2014, unless sooner terminated or extended, in whole or in part, as provided in the Agreement.
4. All references in the Agreement and the Agreement Documents to the name "Global 360, Inc." shall be amended to read "Open Text Inc."
5. Paragraph 75 (County's Defaulted Property Tax Program) is hereby added to the Agreement in the proper numerical order as follows:

76. COUNTY'S DEFAULTED PROPERTY TAX PROGRAM

- 76.1 Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their California property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.
- 76.2 Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Agreement will maintain compliance, with County Code Chapter 2.206.
- 76.3 Failure of Contractor to maintain compliance with the requirements set forth in this Paragraph 76 shall constitute default under this Agreement.

Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

6. Contractor represents and warrants on behalf of itself and the person executing this Amendment Number One on its behalf is an authorized agent for Contractor who has actual authority to bind such entity to each and every term, condition and obligation of this Amendment Number One and that all requirements of Contractor have been fulfilled to provide such actual authority. Contractor additionally represents and warrants that the Transaction and the assignment and delegation described in this Amendment Number One are not intended to, and shall not, have any financial impact or service delivery impact whatsoever for the County under the Agreement and/or the Agreement Documents.

7. In all other respects, the Agreement, as amended under this Amendment Number One, shall remain in full force and effect.

**AMENDMENT NUMBER ONE TO
MASTER SERVICES AGREEMENT FOR
INFORMATION TECHNOLOGY SERVICES**

IN WITNESS WHEREOF, the Los Angeles County Board of Supervisors has caused this Amendment Number One to be subscribed by its Chairman and the seal of such Board to be hereto affixed and attested by the Executive Officer-Clerk thereof, and Contractor has caused this Amendment Number One to be subscribed in its behalf by its authorized officer, effective as of the date first set forth above.



COUNTY OF LOS ANGELES

By *Zev Yaroslavsky*
ZEV YAROSLAVSKY
Chairman, Board of Supervisors

I hereby certify that pursuant to Section 25103 of the Government Code, a copy of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

ATTEST:
SACHI HAMAI
Executive Officer-Clerk
Los Angeles County
Board of Supervisors

By *[Signature]*
Deputy

By *[Signature]*
Deputy

OPEN TEXT CORPORATION INC.
Contractor

Signed: *[Signature]*
Printed: Mark J. MacDonald
Title: IT Director
Digitally signed by Mark J. MacDonald
DN: cn=Mark J. MacDonald,
o=OpenText, Inc., ou=BPM Business
Unit,
email=mmacdona@opentext.com,
c=US
Date: 2012.06.05 16:00:57 -04'00'

APPROVED AS TO FORM:
JOHN KRATTLI
Acting County Counsel

ADOPTED
BOARD OF SUPERVISORS

18 JUN 26 2012

By *[Signature]*
AMANDA M. L. DRUKKER
Senior Deputy County Counsel

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER

OT Legal
Digitally signed by OT Legal
DN: cn=OT Legal, o=BPS, ou=Legal, email=allison.mathews@opentext.com, c=US
Date: 2012.05.31 12:34:55 -05'00'

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