

LOS ANGELES FIRE DEPARTMENT

RONNIE R. VILLANUEVA
INTERIM FIRE CHIEF

February 27, 2025

BOARD OF FIRE COMMISSIONERS
FILE NO. 25-012

TO: Board of Fire Commissioners

FROM: *RV* Ronnie R. Villanueva, Interim Fire Chief

SUBJECT: AGREEMENT WITH HELICOPTER EXPRESS, INC. FOR EXCLUSIVE USE HELITANKER FIREFIGHTING SERVICES

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

SUMMARY

Each year, the City of Los Angeles (City) contends with a brush fire season within and surrounding the City's limits. Property and infrastructure have the potential of being significantly impacted by wind-driven brush fires. To mount an air assault on these brush fires, the Los Angeles City Fire Department (LAFD or Department) has in its inventory five (5) AW 139 helicopters, each with a 450-gallon capacity water-dropping tank, and two (2) Bell 505 helicopters, each with a 180-gallon capacity water-dropping tank.

In order to augment the air attack assets during the annual brush fire season, the LAFD has been contracting out the services of a fire suppression Helitanker. The LAFD issued Request for Proposals (RFP) No. 2023-038-005 on August 23, 2023, in order to contract with a qualified proposer for Helitanker firefighting services. Two (2) proposals were received by the October 3, 2023 deadline.

It is recommended that an Agreement be awarded to Helicopter Express, Inc. for exclusive use Helitanker firefighting services, for a four-year term and for a maximum amount not to exceed \$18,494,700, with the option to extend the term for five (5) years, subject to the availability of funding.

RECOMMENDATIONS

That the Board:

1. Approve and authorize the Fire Chief to execute the Agreement with Helicopter Express, Inc. for exclusive use Helitanker firefighting services, for a four-year term, commencing on July 1, 2025 and terminating on June 30, 2029, for a maximum amount not to exceed \$18,494,700 during the term of the Agreement, and with

authority for the Fire Chief to amend the Agreement to exercise the option to extend the term of the Agreement for an additional five (5) years, subject to the availability of funding.

2. Authorize the Fire Chief to amend the agreement for future years, if needed, in order to reflect the adjustments resulting from increases in flight hours or stand-by days, subject to the availability of funding.
3. Transmit the Agreement to the Mayor for review and approval, in accordance with Executive Directive No. 3.

DISCUSSION

During major brush fire incidents, in addition to the LAFD using its own firefighting aircraft, regional aerial resources from the State (CAL FIRE), Federal (U.S. Forest Service), Ventura County Fire Department, and the Los Angeles County Fire Department are also utilized. Since the availability of regional resources are not guaranteed and are subject to priority, the City requires the exclusive use of Helitanker firefighting services in order to ensure operational readiness and availability during the brush fire season. In order for the City to augment the air assaults during large-scale, high-intensity brush fires, an aircraft that collects, transports and drops at least 2,500 gallons of water or fire-retardant material over a widespread area is required.

An Evaluation Committee, comprised of members from the LAFD’s Air Operations and Emergency Operations, reviewed and scored the two eligible proposals that were submitted in response to the RFP based on the criteria below. The maximum number of points to be given was one hundred (100) points.

EVALUATION CRITERIA	MAXIMUM POINTS
Achieves Department’s General Requirements	25
<ol style="list-style-type: none"> 1. Meets minimum aircraft capabilities. 2. Aircraft is available per LAFD needs. 3. Pilots possess current certifications. 4. Ground support (mechanical support, lube oils, hydraulic fluids, filters, parts, etc.) meets the LAFD’s need for a “stand-alone”. 	
Competence in Providing Services	35
<ol style="list-style-type: none"> 1. Provided proof of an established Safety Management System and the operational safety history of any accidents or incidents (defined by 49 C.F.R. Part 830) for a minimum of the last five (5) years, or since company inception, if the company is less than five (5) years old. 2. Back-up aircraft service records or “Letter of Agreement”. 3. Complete documentation of three (3) most recently completed 	

contracts. 4. Comprehensive response to the Aircraft On Ground scenario. 5. Documentation of customer satisfaction with and the successful performance of previous contract(s) of similar scope. 6. Quality and completeness of services provided. 7. Financial stability and ongoing ability to provide services. 8. Value added benefits or services (e.g., Night Vision Goggle, additional equipment, etc.).	
Cost Reasonableness	40
1. Appropriateness and feasibility. 2. Comparison with other proposals. 3. Comparison with prevailing costs in the aircraft firefighting service industry.	
TOTAL	100

The evaluation scores of the two proposers are as follows:

Proposer	Evaluation Score
Helicopter Express, Inc.	96
Coulson Aviation (USA), Inc.	83

The Evaluation Committee determined that Helicopter Express is highly qualified to provide the exclusive use Helitanker firefighting services. Their strengths include having primary and backup aircraft that met the proposal requirements, as well as being cost-efficient to the City in that the costs (daily, hourly, annual, and total) are significantly lower as compared to those submitted by the second proposer. Additionally, Helicopter Express' safety record was superior to the other proposer in that they recorded no accidents or mishaps during the reportable period specified in the RFP.

The annual performance period under the Agreement is a minimum stand-by performance period of 150 days, beginning August 1 of each year, and may increase up to 180 days, subject to the availability of additional funding approved by the Mayor and the City Council. The minimum performance period ensures the availability of the aircraft to meet the operational and public safety needs for fire suppression in high-density brush areas during peak months with severe weather conditions.

The projected contract amount for FY 2025-26 is \$4,490,700, comprised of the 150-day stand-by service costs and the annual cost of the Night Vision Goggle operations, as detailed below in Table 1.

TABLE 1: ESTIMATED 150-DAY STAND-BY SERVICE COSTS

Fiscal Year	150-Day Option Daily Rate	150-Day Option Annual Cost	Night Vision Goggle Annual Cost (\$800/Day)	Total Projected Annual Cost
2025-26	\$ 29,138	\$ 4,370,700	\$ 120,000	\$ 4,490,700
2026-27	\$ 29,721	\$ 4,458,150	\$ 120,000	\$ 4,578,150
2027-28	\$ 30,316	\$ 4,547,400	\$ 120,000	\$ 4,667,400
2028-29	\$ 30,923	\$ 4,638,450	\$ 120,000	\$ 4,758,450
Estimated 4-Year Total:		\$ 18,014,700	\$ 480,000	\$ 18,494,700

The projected 180-day stand-by service costs and the annual cost of the Night Vision Goggle operations is detailed below in Table 2.

TABLE 2: ESTIMATED 180-DAY STAND-BY SERVICE COSTS

Fiscal Year	180-Day Option Daily Rate	180-Day Option Annual Cost	Night Vision Goggle Annual Cost (\$666.67/Day)	Total Projected Annual Cost
2025-26	\$ 28,628	\$ 5,153,040	\$ 120,000	\$ 5,273,040
2026-27	\$ 29,201	\$ 5,256,180	\$ 120,000	\$ 5,376,180
2027-28	\$ 29,786	\$ 5,361,480	\$ 120,000	\$ 5,481,480
2028-29	\$ 30,382	\$ 5,468,760	\$ 120,000	\$ 5,588,760
Estimated 4-Year Total:		\$ 21,239,460	\$ 480,000	\$ 21,719,460

The projected annual costs in both Tables do not reflect the time exceeding the performance period due to significant fire weather. The Daily Extension Charge for services required before or after the base performance period will be provided at the same rates as each 150-day and 180-day periods. The daily rate and flight hours costs are subject to an annual 2% increase.

Other as-needed costs may include the Night Vision Goggle (NVG) Crew Charge of \$1,663 per day in the event the City requires the activation of this operation and \$1,500 per day for external load operations. The City, at the Department’s discretion, will provide Helicopter Express with seventy-two (72) hour notice prior to activating the night vision capabilities during anticipated wind events or extreme fire weather, for a minimum three-day activation.

The City Attorney has reviewed and approved the Agreement as to legal form. Pursuant to the Los Angeles City Charter Section 373, approval by the City Council is required.

FISCAL IMPACT

Funding for this Agreement will be available in the FY 2025-26 Contractual Services Account 003040 to pay for the estimated annual 150-day stand-by service cost. If weather conditions are such that additional funding is necessary, this will be addressed through a Financial Status Report. This Agreement will result in annual increases to the cost, and funding for the annual contract increase will be requested in subsequent fiscal year budgets.

To pay for the estimated annual 150-day stand-by service cost. If weather conditions are such that additional funding is necessary, this will be addressed through a Financial Status Report.

Board Report prepared by Brett R. Willis, Battalion Chief, Air Operations Section.

Attachment

AGREEMENT NO. _____

AGREEMENT BETWEEN

THE CITY OF LOS ANGELES

AND

HELICOPTER EXPRESS, INC.

FOR

EXCLUSIVE USE HELITANKER FIREFIGHTING SERVICES

Table of Contents

1.0	PARTIES TO THE AGREEMENT AND REPRESENTATIVES	1
2.0	TERMS OF THE AGREEMENT	3
3.0	CONTRACTOR'S OBLIGATIONS	3
4.0	FIRE DEPARTMENT RESPONSIBILITIES	7
5.0	JOINT RESPONSIBILITIES.....	8
6.0	COMPENSATION AND METHOD OF PAYMENT	8
7.0	RESPONSIBILITY TO PROVIDE SERVICES IN ACCORDANCE WITH APPLICABLE STANDARDS AND REQUIREMENT TO POSSESS ALL VALID PERMITS AND LICENSES	12
8.0	COMPLIANCE WITH STATUTES AND REGULATIONS	12
9.0	MISCELLANEOUS.....	12

List of Attachments

Attachment A – Standard Provisions for City Contracts (Rev. 1/25 [v.2])
Attachment B – Projected Annual Costs

AGREEMENT NO. _____

**AGREEMENT BETWEEN
THE CITY OF LOS ANGELES
AND
HELICOPTER EXPRESS, INC.
FOR
EXCLUSIVE USE HELITANKER FIREFIGHTING SERVICES**

THIS AGREEMENT (“Agreement”) is made and entered into by and between the City of Los Angeles, a municipal corporation (“City”), acting by and through the Los Angeles Fire Department (“Department” or “LAFD”), and Helicopter Express, Inc., a Georgia corporation, (“Contractor”) (collectively, the “Parties,” or individually, a “Party”), with reference to the following:

WHEREAS, the City annually contends with a brush fire season within and surrounding the City limits, and requires the services of an aircraft that has a water-dropping capacity of at least 2,500 gallons in order to augment the LAFD’s air attack fleet used in combatting major brush fire incidents; and

WHEREAS, on August 23, 2023, the LAFD issued a Request for Proposals (RFP No. 2023-038-005) for qualified proposers who can provide and operate a dedicated aerial firefighting aircraft (“Helitanker”) services during the City’s annual brush fire season; and

WHEREAS, the Contractor submitted a proposal in response to the RFP, and the LAFD has determined that the Contractor’s proposal provides for the best-value and availability of the desired Helitanker services, and has negotiated with the Contractor to provide the services specified herein; and

WHEREAS, the City performed its Charter Section 1022 evaluation and determined that City employees do not have the experience, licenses and certifications to provide the Helitanker services; and

WHEREAS, the Parties now desire to enter into a four (4) year Agreement, covering the 2025-26 through 2028-29 Fiscal Years and corresponding fire seasons, with a guaranteed minimum performance period of 150 days each year and the Contractor’s satisfactory performance of all the terms of this Agreement.

NOW, THEREFORE, in consideration of the promises, representations, covenants and agreements provided below, the Parties agree as follows:

1.0 PARTIES TO THE AGREEMENT AND REPRESENTATIVES

1.1. Parties to the Agreement

- 1.1.1. City – The City of Los Angeles, a municipal corporation, acting by and through the Los Angeles Fire Department, having its principal office at 200 N. Main St., 18th Floor, Los Angeles, CA 90012
- 1.1.2. Contractor – Helicopter Express, Inc., 2025 Flightway Dr., Chamblee, GA 30341

1.2. Representatives of the Parties and Service of Notices

The representatives of the respective Parties who are authorized to administer this Agreement and to whom formal notices, demands, and communications shall be given are as follows:

- 1.2.1. The City's representative is, unless otherwise stated in the Agreement:

Ronnie R. Villanueva, Fire Chief
Los Angeles Fire Department
200 N. Main St., Room 1800
Los Angeles, CA 90012

With a copy to:

Brett R. Willis, Battalion Chief
Air Operations Section
Los Angeles Fire Department
16617 Arminta St.
Van Nuys, CA, 91406

- 1.2.2. The Contractor's representative is, unless otherwise stated in the Agreement:

Richie Kittrell, Chief Operating Officer/President
Helicopter Express, Inc.
2025 Flightway Dr.
Chamblee, GA 30341

- 1.3. Formal notices, demands and communications to be given hereunder by either Party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.

- 1.4. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be provided as described in this Agreement, within five (5) business days of said change. As used in this section, "business days" shall refer to the days the City is open to the public for business.

2.0 TERMS OF THE AGREEMENT

- 2.1. The term of this Agreement shall commence on July 1, 2025, and shall terminate on June 30, 2029, unless otherwise terminated by the City as provided for in this Agreement.
- 2.2. The City may, with mutual agreement of the Contractor and through the LAFD, amend the Agreement to extend the term for an additional five (5) years, utilizing the amendment process described in Section PSC-5 of the Standard Provisions for City Contracts (Rev. 1/25 [v.2]), attached hereto and incorporated herein as Attachment A. Any amendment to extend the term of this Agreement is contingent on the availability of funds and the Contractor having provided satisfactory services under this Agreement.
- 2.3. Upon the City submitting written notification to the Contractor to commence performance, the base services period for each Fiscal Year (from July 1 through June 30) shall begin on August 1 of each Fiscal Year, and shall end 150 days later. Services for each Fiscal Year shall be compensated at the rate stated in Section 6.1.
- 2.4. Due to the need for Contractor's services to be provided continuously on an ongoing basis, Contractor may have provided services prior to the execution of this Agreement. To the extent that the Contractor's services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified.
- 2.5. Notwithstanding any other provision of this Agreement, including any exhibits or attachments incorporated herein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to Contractor, unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in said Agreement.

3.0 CONTRACTOR'S OBLIGATIONS

3.1. Minimum Aircraft Capabilities

The Contractor shall provide a helitanker that shall be used for initial attack support and large fire support missions, and is equipped and has the following capabilities:

- 3.1.1. The heavy-lift helicopter shall maintain a current United States Department of Agriculture-Forest Service Interagency Fire Helicopter Data Record.

- 3.1.2. The aircraft shall have a minimum of 2,500 gallon fixed-water tank and functioning self-filling snorkel pump with the ability to draw 2,500 gallons of water within 120 seconds.
- 3.1.3. The aircraft shall be able to lift 2,500 gallons of water and/or retardant mixture, or a performance limited load as adjusted per temperature and density altitude limitations allowed at mean sea level, unless the pilot determines it is unsafe to do so.
- 3.1.4. The water tank shall have an on-board Class "A" foam injection system capable of metering foam concentrate to create a foam solution ranging from one-tenth of one percent (0.1%) to three-tenths of one percent (0.3%). A seventy-five (75) gallon retardant concentrate tank shall be provided so that a minimum of twenty-eight (28) water drops utilizing a one-tenth of one percent (0.1%) Class "A" foam solution can be made without refilling the concentrate tank.
- 3.1.5. The aircraft shall be equipped with a Night Vision Imaging System capable of night aerial firefighting.
- 3.1.6. The aircraft and accessories shall be in an airworthy and operable condition, and have a neat and clean appearance. All components of the aircraft, including, but not limited to, upholstery, paint, fuselage and windshields, shall be in and maintained in good operating condition at all times.
- 3.1.7. The aircraft shall be equipped and in airworthy condition sufficient to pass all LAFD and United States Forest Service ("USFS") aircraft inspections. The aircraft shall be maintained to current USFS standards, ensuring applicable "carding" is maintained throughout the contract period.
- 3.1.8. The aircraft shall be certified and listed in the national air tanker system, as applicable.

3.2. Pilots and Aircraft Support

- 3.2.1. The Contractor shall provide qualified and competent staff to perform the services under the terms of this Agreement. The Contractor shall conduct a background check on all on-site employees, and, upon request, shall verify that the assigned on-site personnel have passed the background qualifications. There shall be a continued provision of the services to the City, even in the event of an employee shortage or strike. The LAFD reserves the right to approve any changes in personnel.
- 3.2.2. The Contractor shall provide pilots who possess a valid applicable FAA pilot license for the type/class of aircraft identified in Section 3.1, and have

prior experience fighting brush fires. Additionally, all pilots shall maintain a current USFS Aviation Qualification Card. Copies of pilots' logbooks (including currency records and biannual flight review) shall be submitted to the LAFD Chief Pilot upon the start of each operational period for maintaining on file.

- 3.2.3. The Contractor shall provide a full-time Project Manager and name a designated alternate. The Project Manager/alternate shall act as the central point of contact with the LAFD, and shall have full authority to act for the Contractor on all matters relating to the daily operation of the services under the Agreement, and shall be able to effectively communicate in the English language, both orally and in writing. The LAFD shall have access to the Project Manager/alternate at all hours during the service period. The Contractor shall provide a telephone number where the Project Manager/alternate may be reached twenty-four (24) hours per day during the service period.
- 3.2.4. All equipment shall be checked daily for safety. All employees shall wear safety and protective gear according to Occupational Safety and Health Administration standards.
- 3.2.5. The Contractor shall provide mechanical support, materials and supplies (including, but not limited to, lube oils, hydraulic fluid, filters, parts, etc.), and all other support needs to maintain the aircraft in airworthy condition for the aerial firefighting mission.
- 3.2.6. The Contractor shall provide field maintenance support to the aircraft for extended periods during heavy use, and shall include required staffing for transportation of a support apparatus/vehicle.
- 3.2.7. The Contractor shall provide a fuel tender vehicle and driver(s) for incident needs and shall make all other arrangements necessary to dispense fuel to the helitanker.

3.3. Operations Outside of the City

- 3.3.1. The Contractor may be called upon to support water-dropping operations outside the City's boundaries based upon interagency, mutual aid, and cooperative agreements between the City and local, State and Federal agencies. Operations outside of the City shall be at the discretion of the LAFD. The LAFD reserves the right to suspend outside operations by the Contractor in order to address the LAFD's immediate needs within the City.

3.4. Staff Expenses

- 3.4.1. The Contractor shall be responsible for all living expenses of its employees while on location at the LAFD Air Operations Section/Fire Station 114.
- 3.4.2. The Contractor's employees who are assigned to the LAFD facilities shall wear appropriate uniforms at all times. An appropriate uniform consists of a shirt with the company name and uniform pants or a flight suit, all of which are to be provided by the Contractor.
- 3.4.3. The Contractor shall provide all required training programs for all new employees and all continuing in-service training for all employees (including operational training, federally-mandated Equal Employment Opportunity training, etc.).

3.5. Aircraft on Ground

- 3.5.1. If, for any reason, the primary aircraft is deemed grounded (Aircraft on Ground, "AOG") for a period in excess of one (1) hour, all AOG time shall be deducted from the established billing rate as follows:
 - 3.5.1.1. Billing credit in one-tenth (0.10) increments at the established contract per hour rate, reflected in the invoice of the affected billing cycle.
- 3.5.2. If, for any reason, the primary aircraft is deemed AOG for ten (10) hours or longer, within a 24-hour (one day) period, an approved back-up replacement aircraft may be requested, as determined by the LAFD Air Operations Commander or designee, at no additional cost to the City. The replacement aircraft shall arrive at the Air Operations facility (Van Nuys, CA) within 24-hours of the request being made. The Contractor shall submit the last three (3) years of service records for the back-up replacement aircraft within 24-hours of the aircraft's arrival.
- 3.5.3. The Contractor shall submit proof of the availability of a second aircraft available for deployment should the primary aircraft become AOG. The proof shall comprise of either the back-up aircraft service records or a "letter of agreement" for a back-up aircraft with immediate availability should the primary aircraft become AOG for any reason during the performance period.

3.6. Option to Request Additional Services

- 3.6.1. During the term of this Agreement, the City may request a second helitanker, related crew, and services ("Second Helitanker") to the extent

that funds are approved by the City Council and an aircraft is available from the Contractor. In the event that funding is approved and an aircraft is available, the LAFD shall provide written notice to the Contractor and request the Second Helitanker. The Contractor shall provide the Second Helitanker under the terms and conditions of this Agreement. The Agreement shall be amended to reflect the increased funding.

- 3.6.2. The City may request the Contractor to implement Night Aerial Firefighting by use of night vision goggles (“NVG”) on an as-needed basis, including with the anticipation of significant fire weather which could lead to large fire growth. The City shall provide 72 hours of notice to the Contractor in advance. The duration of the request shall be for a minimum of three (3) nights, with the option to extend, at the NVG Operations and NVG Crew Charge rates as specified in Section 6.5 of this Agreement.
- 3.6.3. The City may request the Contractor’s use of external load/cargo hook capabilities by removing the firefighting water tank and installing the Contractor’s cargo hook to accomplish lift missions at the contracted hourly rate. The Contractor shall provide the necessary gear and equipment to perform general long line vertical reference external load operations to support the City at no additional charge. If the City requests a mission requiring the precision setting of loads, then Contractor shall mobilize an available aft seat pilot to perform the mission, subject to pilot availability and mutually agreed to by the City and the Contractor. The charges for the external load operations are specified in Section 6.6 of this Agreement.

4.0 FIRE DEPARTMENT RESPONSIBILITIES

- 4.1. The LAFD shall provide aircraft fuel, either through repayment or by fuel dispensement. The Contractor shall document and submit fuel reports with monthly invoices. The Contractor is responsible for providing a fuel tender vehicle and driver(s) for incident needs, and shall make all arrangements necessary to operate fuel tender and dispense fuel to the aircraft. In the event that the aircraft is approved by the LAFD to respond to a neighboring jurisdiction, the fuel tender and required staff shall be maintained in a state of readiness for response at all times.
- 4.2. The LAFD shall provide all Class “A” foam.
- 4.3. The daily standby facility shall be located at the Van Nuys Airport, adjacent to the LAFD Air Operations Section, with the Air Operations Section Commander providing day-to-day supervision. The LAFD shall provide an area within the Air Operations Section for the Helitanker personnel, during standby hours.

The LAFD shall provide telephones, copiers, scanners, fax, and other incidentals, as needed and as approved by the Department.

- 4.4. The LAFD shall provide direction to the Contractor in areas relating to policy, information and procedural requirements. At the start of the annual operational period, the LAFD shall plan a meeting with the Contractor's Project Manager and assigned staff to provide a thorough briefing of the operational expectations, including, but not limited to: Radio communications, Helicopter Coordinator orientation/policy, employee expectations, Helitanker operational parameters, etc.

5.0 JOINT RESPONSIBILITIES

5.1. Meetings

- 5.1.1. Both Parties agree to attend formal meetings and informal consultations with each other on an as-needed basis to discuss and agree on needed actions regarding the helitanker operations

5.2. Annual Scheduling of Performance Period

- 5.2.1. Both Parties agree to meet on an annual basis, no later than April 15, to begin discussions regarding the scheduling of the performance period for the following fiscal year. The City shall notify the Contractor in writing by no later than May 1 of the need for a base performance period of more than the guaranteed minimum of 150 days the following fiscal year. The performance period shall commence on August 1 unless otherwise mutually agreed to by the Parties.

6.0 COMPENSATION AND METHOD OF PAYMENT

6.1. Daily Stand-By Rate for Exclusive-Use Aircraft Equipped With Composite Main Rotor Blade

This amount is based on the daily rate, a calendar day, per fiscal year for a specific performance period of a minimum of one hundred fifty (150) days per year, and a maximum of one hundred eighty (180) days per year as outlined in Attachment B, attached hereto and incorporated by reference herein. These rates do not include flight hours or extensions to the base period.

The daily rate is subject to a 2% increase for FY 2026-27, and each year thereafter, as reflected in TABLE 1 below.

TABLE 1: ESTIMATED STAND-BY COSTS

Fiscal Year	150-Day Option Daily Rate	150-Day Option Annual Cost	180-Day Option Daily Rate	180-Day Option Annual Cost
2025-26	\$ 29,138	\$ 4,370,700	\$ 28,628	\$ 5,153,040
2026-27	\$ 29,721	\$ 4,458,150	\$ 29,201	\$ 5,256,180
2027-28	\$ 30,316	\$ 4,547,400	\$ 29,786	\$ 5,361,480
2028-29	\$ 30,923	\$ 4,638,450	\$ 30,382	\$ 5,468,760
Estimated 4-Year Total:		\$ 18,014,700		\$ 21,239,460

6.2. Flight Hour Rate

The hourly flight rate shall be charged as a separate line item in each invoice. The billable hourly flight rate shall be calculated based on incident dispatched flight time, and shall not include pilot orientation, proficiency, maintenance flights, or training time. The flight hour rate is subject to a 2% increase for FY 2026-27, and each year thereafter Any flight hours shall be billed at the hourly rate reflected in TABLE 2 below.

TABLE 2: HOURLY FLIGHT RATE

Fiscal Year	Flight Hour Rate
2025-26	\$ 6,324
2026-27	\$ 6,451
2027-28	\$ 6,581
2028-29	\$ 6,713

6.3. Normal Stand-by Hours

Under the daily rate price, the Contractor shall provide the aircraft, pilots, support personnel, and other support functions for a minimum of ten (10) hours per day. Emergency operations may be conducted from dawn to dusk. Extended-phase fires may require operations during daylight hours that extend beyond the ten (10) hour standby time.

6.4. Daily Extension Charge for Time Exceeding the Performance Period

In the event that the City requires services before or after the base performance period, the Daily Extension Charge shall be dependent on the performance period agreed to July 1 of each year of the Agreement. The Daily Extension Charge shall be provided at the same rates as each 150-day and 180-day periods.

The LAFD shall notify the Contractor when the City determines that the services are needed. The Contractor shall assess its schedule and confirm that aircraft is available. If the aircraft is available, the Contractor shall provide the services needed. If the call is before noon, a full day of daily rate shall be paid by the City. If the call is after noon, one (1) half day of the daily rate shall be paid by the City. All flight time shall be subject to the current flight time rate. In the event that the Contractor provides fuel from the Contractor's fuel inventory, the City shall be billed for fuel usage at the then current prevailing fuel rates plus 5%.

The request the City shall be on a day-by-day basis, at the City's discretion, and shall not activate the base performance period.

Any request by the LAFD shall be subject to the Contractor's schedule and availability of an aircraft, and the Contractor reserves the right to decline any request.

In the event of a holdover after the base performance period, the LAFD shall notify the Contractor at least fourteen (14) days prior to departure, if the aircraft is needed to be held over. The Contractor shall assess its schedule and confirm the aircraft is available. Any holdover is subject to the availability of additional funds by the Mayor and City Council, and shall be subject to the Contractor's schedule and availability of an aircraft.

6.5. As-Needed Night Vision Goggle (NVG) Operations

In the event the City requires NVG Operations, the City shall provide the Contractor with 72 hours advance notice, for a minimum of three (3) nights of work, with the charges to begin on the first night. The cost for the NVG operations shall be \$120,000 annually, payable either in a lump sum at the beginning of the contract period or added to the daily rate starting at the beginning of the contract period (\$800 per day for the 150-day option or \$666.67 per day for the 180-day option), should the City opt to utilize the Contractor for NVG Operations. The NVG Crew Charge of \$1,663 per day shall be added upon request to activate the NVG option.

6.6. External Load Operations

The cost to the City for a mission requiring the precision setting loads where the Contractor mobilizes an available aft seat pilot to perform the mission shall

be \$1,500 per day the aft seat pilot works. The City shall not be charged the cost of the round trip travel of the aft seat pilot.

6.7. Operations Outside of the City

In the event that the City requests that the Contractor provide services outside of the City's boundaries pursuant to Section 3.3, the City shall compensate the Contractor for flight time at the hourly flight rate in one-tenth (0.10) increments.

6.8. Method of Payment

6.8.1. Invoices

The Contractor shall submit monthly invoices to:

Brett R. Willis, Battalion Chief
Air Operations
Los Angeles Fire Department
16617 Arminta St.
Van Nuys, CA 91406

The invoice shall contain the following:

- a. Name and address of the Contractor;
- b. Name and address of the Fire Department;
- c. Date of the invoice and period covered;
- d. Reference to the contract number;
- e. Description of the completed task and the number of hours used for each task;
- f. Payment terms, total due, and due date;
- g. Certification by the Contractor;
- h. Discounts and terms (if applicable); and
- i. Remittance address (if different from billing address).

6.8.2. The City shall make payment to the Contractor for the services performed after receipt and approval of the invoices by the City's Representative or designee. The City shall not unreasonably withhold approval of the invoices. In the event any invoice is not approved, the City's Representative or designee shall immediately send a notice to the Contractor setting forth therein the reason(s) said invoice was not approved. Upon receipt of such notice, the Contractor may re-invoice the City for the accepted portion of the invoice or cure the defect identified in the notice from the City's Representative or designee. The City shall pay the revised invoice as soon as practical after its submission. If the City's Representative or designee contests all or a portion of the invoice, the

City's Representative or designee and the Contractor shall use their best efforts to resolve the disputed portion or portions of the invoice.

6.8.3. Notwithstanding any other provision in this Agreement, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payment as provided in said Agreement. Contractor agrees that services provided by Contractor, purchases made by Contractor, or expenses incurred by Contractors in excess of said appropriation(s) shall be free and without charge to City and City shall have no obligation to pay for said services, purchase's or expenses. Contractor shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until City appropriates additional funds for this Agreement.

6.8.4. Failure to adhere to these policies may result in nonpayment or non-approval of demands, pursuant to Charter Section 262(a), which requires the Controller to inspect the quality, quantity, and condition of services, labor, materials, supplies, or equipment received by any City office or department, and approve demands before they are drawn on the Treasury.

7.0 RESPONSIBILITY TO PROVIDE SERVICES IN ACCORDANCE WITH APPLICABLE STANDARDS AND REQUIREMENT TO POSSESS ALL VALID PERMITS AND LICENSES

Contractor warrants that the work performed hereunder shall be completed in a manner consistent with the professional standards among those firms in the Contractor's profession, doing the same or similar work, under the same or similar circumstances. The Contractor shall possess and maintain valid licenses and permits required to perform the services described.

8.0 COMPLIANCE WITH STATUTES AND REGULATIONS

The Contractor, in the performance of this Agreement, shall comply with all applicable statutes, rules, regulations, and orders of the United States, the State of California, the County of Los Angeles, and the City. The Contractor shall comply with new, amended, or revised laws, regulations, and procedures that apply to the performance of this Agreement.

9.0 MISCELLANEOUS

9.1 Standard Provisions

By entering into this Agreement with the City, the Contractor agrees to abide by the Standard Provisions for City Contracts (Rev. 1/25 [v.2]), attached hereto and incorporated herein as Attachment A.

9.2 Disclosure of Border Wall Contracting Ordinance

Unless otherwise exempt in accordance with the provisions of this Ordinance, this Agreement is subject to the Disclosure of Border Wall Contracting Ordinance, Section 10.50 of the Los Angeles Administrative Code, as may be amended from time to time. Contractor certifies that it has complied with the applicable provisions of this Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Agreement.

9.3 Publicity/Case Studies

Contractor shall refer all inquiries from the news media to City, shall immediately contact City to inform City of the inquiry, and shall comply with the procedures of City's Public Affairs staff regarding statements to the media relating to this Agreement or Contractor's services hereunder. Contractor shall not use City as a reference or case study absent receipt of City's prior written approval. Contractor shall further provide City with the opportunity to review and approve any such reference or case study prior to publication. In no event may Contractor use any City marks in conjunction with a reference or case study.

9.4 Non-Exclusive Agreement

The City and Contractor understand and agree that this is a non-exclusive Agreement to provide services to the City and the LAFD and that the City or the LAFD reserve the right to enter into an agreement with other contractors to provide similar services during the term of this Agreement.

9.5 No Third-Party Beneficiaries

Nothing herein is intended to create a third-party beneficiary in any subcontractor. The City has no obligation to any subcontractor. No privity is created with any subcontractor by this Agreement. Even if the Contractor uses subcontractors, Contractor remains responsible for complete and satisfactory performance of the terms of this Agreement.

9.6 Order of Precedence

This Agreement, and any exhibits, attachments or documents incorporated herein by inclusion or by reference, constitutes the complete and entire Agreement between the City and the Contractor. In the event of any

inconsistency between the body of this Agreement and the Attachments, the order of precedence shall be as follows:

- 1) This Agreement between the City of Los Angeles and Contractor
- 2) Attachment A – Standard Provisions for City Contracts (Rev. 1/25 [v.2])
- 3) Attachment B – Projected Annual Costs

9.7 Entire Agreement

This Agreement, and any attachments or documents incorporated herein by inclusion or reference, constitutes the full and complete Agreement between the Parties and supersedes any prior representation, understandings, communications, commitments, agreements, or proposals, oral or written. Any changes to this Agreement shall be in a written amendment, signed by the duly authorized representatives of both Parties. No verbal agreement or conversation with any officer or employee of either Party shall affect or modify any of the terms and conditions of this Agreement. The Parties acknowledge that they have read and understand the Agreement and had an opportunity to consult with counsel of their choosing. Neither Party shall be deemed the drafter of this Agreement. Ambiguities, if any, in this Agreement shall not be construed against any Party merely because this Agreement or any of its provisions have been prepared by a particular Party.

9.8 Counterparts/Number of Pages

This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The Parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures. This Agreement includes fifteen (15) pages and two (2) Attachments.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

**THE CITY OF LOS ANGELES,
A Municipal Corporation**

**HELICOPTER EXPRESS, INC.,
A Georgia Corporation**

By signing below, the signatory attests that they have no personal, financial, beneficial or familiar interest in this contract.

By*: _____
Scotty Runyan
Vice President

By: _____
Ronnie R. Villanueva
Fire Chief

Date: _____

Date: _____

By**: _____
Dave Ferguson
Chief Financial Officer

**APPROVED AS TO FORM:
HYDEE FELDSTEIN SOTO, City Attorney**

Date: _____

By: _____
Stephanie Cao
Deputy City Attorney

*Approved signature methods for California Corporations:

A. Two signatures: One of the Chairman of the Board of Directors, President, or Vice President, and one of the Secretary, Chief Financial Officer, or Assistant Treasurer. The signature of a single individual holding offices in each category is also acceptable.

Or

B. One signature of a corporate-designated individual together with a properly attested resolution of the Board of Directors or copy of the Bylaws authorizing the individual to sign.

Date: _____

**ATTEST:
PETTY F. SANTOS, Interim City Clerk**

By: _____
Deputy City Clerk

Date: _____

City Agreement Number: _____

ATTACHMENT A

STANDARD PROVISIONS FOR CITY CONTRACTS (Rev. 1/25 [v.2])

STANDARD PROVISIONS FOR CITY CONTRACTS
TABLE OF CONTENTS

PSC-1	<u>Construction of Provisions and Titles Herein</u>	1
PSC-2	<u>Applicable Law, Interpretation and Enforcement</u>	1
PSC-3	<u>Time of Effectiveness</u>	1
PSC-4	<u>Integrated Contract</u>	2
PSC-5	<u>Amendment</u>	2
PSC-6	<u>Excusable Delays</u>	2
PSC-7	<u>Waiver</u>	2
PSC-8	<u>Suspension</u>	3
PSC-9	<u>Termination</u>	3
PSC-10	<u>Independent Contractor</u>	5
PSC-11	<u>Contractor’s Personnel</u>	5
PSC-12	<u>Assignment and Delegation</u>	6
PSC-13	<u>Permits</u>	6
PSC-14	<u>Claims for Labor and Materials</u>	6
PSC-15	<u>Current Los Angeles City Business Tax Registration Certificate Required</u>	6
PSC-16	<u>Retention of Records, Audit and Reports</u>	6
PSC-17	<u>Bonds</u>	7
PSC-18	<u>Indemnification</u>	7
PSC-19	<u>Intellectual Property Indemnification</u>	7
PSC-20	<u>Intellectual Property Warranty</u>	8
PSC-21	<u>Ownership and License</u>	8
PSC-22	<u>Data Protection</u>	9
PSC-23	<u>Insurance</u>	9

TABLE OF CONTENTS (Continued)

PSC-24 Best Terms..... 9

PSC-25 Warranty and Responsibility of Contractor..... 10

PSC-26 Mandatory Provisions Pertaining to Non-Discrimination in Employment..... 10

PSC-27 Child Support Assignment Orders..... 10

PSC-28 Living Wage Ordinance..... 11

PSC-29 Service Contractor Worker Retention Ordinance..... 11

PSC-30 Access and Accommodations..... 11

PSC-31 Contractor Responsibility Ordinance..... 12

PSC-32 Business Inclusion Program..... 12

PSC-33 Slavery Disclosure Ordinance..... 12

PSC-34 First Source Hiring Ordinance..... 12

PSC-35 Local Business Preference Ordinance..... 12

PSC-36 Iran Contracting Act..... 12

PSC-37 Restrictions on Campaign Contributions in City Elections..... 12

PSC-38 Contractors' Use of Criminal History for Consideration of Employment Application.....13

PSC-39 Limitation of City's Obligation to Make Payment to Contractor.....13

PSC-40 Compliance with Identity Theft Laws and Payment Card Data Security Standards.....14

PSC-41 Compliance with California Public Resources Code Section 5164..... 14

PSC-42 Possessory Interests Tax..... 14

PSC-43 Confidentiality..... 15

PSC-44 Contractor Data Reporting..... 15

Exhibit 1 Insurance Contractual Requirements..... 16

STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

PSC-3. Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-4. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

PSC-5. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

PSC-6. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-7. Waiver

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-8. Suspension

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services

suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

PSC-9. Termination

A. Termination for Convenience

CITY may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
 - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.
 - c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

- e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.
- 6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.
- 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.
- 8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

PSC-10. Independent Contractor

CONTRACTOR is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

PSC-11. Contractor's Personnel

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

CONTRACTOR shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement of any

Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

PSC-12. Assignment and Delegation

CONTRACTOR may not, unless it has first obtained the written permission of **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-13. Permits

CONTRACTOR and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

PSC-14. Claims for Labor and Materials

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

PSC-15. Current Los Angeles City Business Tax Registration Certificate Required

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

PSC-16. Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding

performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

PSC-17. Bonds

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

PSC-18. Indemnification

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-19. Intellectual Property Indemnification

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive

and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-20. Intellectual Property Warranty

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

PSC-21. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

CONTRACTOR agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.

PSC-22. Data Protection

- A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the "City Data"). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR'S** discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY'S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY'S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.
- B. If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

PSC-23. Insurance

During the term of this Contract and without limiting **CONTRACTOR'S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY'S** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-24. Best Terms

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR'S** customers for similar goods and services provided under this Contract.

PSC-25. Warranty and Responsibility of Contractor

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-27. Child Support Assignment Orders

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure

the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-28. Living Wage Ordinance

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-29. Service Contractor Worker Retention Ordinance

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-31. Contractor Responsibility Ordinance

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

PSC-32. Business Inclusion Program

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Regional Alliance Marketplace for Procurement ("RAMP") at <https://www.rampla.org/s/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through RAMP. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

PSC-33. Slavery Disclosure Ordinance

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-34. First Source Hiring Ordinance

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-35. Local Business Preference Ordinance

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-36. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with **CITY** for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR'S** principals, and **CONTRACTOR'S** Subcontractors expected to receive at least \$100,000 for performance

under the Contract, and the principals of those Subcontractors (the "Restricted Persons") shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

"Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract # _____ . Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles ("**CITY**") officials and candidates for elected **CITY** office for twelve months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960."

PSC-38. Contractors' Use of Criminal History for Consideration of Employment Applications

CONTRACTOR shall comply with the City Contractors' Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-39. Limitation of City's Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services,

provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act (“FACTA”), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (“PCI DSS”). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

PSC-41. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR’S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

PSC-42. Possessory Interests Tax

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

PSC-43. Confidentiality

All documents, information, City Data (as that term is defined in PSC-22), and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively "Confidential Information") are confidential. **CONTRACTOR** shall not provide, and shall prohibit its employees and subcontractors from providing or disclosing, any Confidential Information or their contents or any information therein either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

PSC-44. Contractor Data Reporting

If Contractor is a for-profit, privately owned business, Contractor shall, within 30 days of the effective date of the Contract and on an annual basis thereafter (i.e., within 30 days of the annual anniversary of the effective date of the Contract), report the following information to City via the Regional Alliance Marketplace for Procurement ("RAMP") or via another method specified by City: Contractor's and any Subcontractor's annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner ("Contractor/Subcontractor Information"). Contractor shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by City.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

- 1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
- 3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
- 4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
- 5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

- 6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Required Insurance and Minimum Limits

Name: Helicopter Express, Inc.

Date: 03/14/2024

Agreement/Reference: Exclusive Use Helitaker Firefighting Services 2024-2029

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL) WC Statutory
EL \$1,000,000

Waiver of Subrogation in favor of City Longshore & Harbor Workers
 Jones Act

General Liability City of Los Angeles must be named as an additional insured party. \$50,000,000

Products/Completed Operations Sexual Misconduct
 Fire Legal Liability
 Aircraft Hull & Liability Coverage Requirement - \$50,000,000

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work) \$1,000,000

Professional Liability (Errors and Omissions) _____

Discovery Period _____

Property Insurance (to cover replacement cost of building - as determined by insurance company) _____

All Risk Coverage Boiler and Machinery
 Flood Builder's Risk
 Earthquake _____

Pollution Liability _____

Surety Bonds - Performance and Payment (Labor and Materials) Bonds 100% of the contract price

Crime Insurance _____

Other: The following provisions should be included under the Aircraft Hull & Liability and Aviation GL coverages:

- Waiver of Subrogation in favor of Additional Insureds
- Operators policy to be Primary without contribution from Additional Insureds
- Severability of Interests to apply in favor of Additional Insureds
- Breach of Warranty to apply in favor of Additional Insureds
- Additional Insureds would not be responsible for any premiums.

ATTACHMENT B

PROJECTED ANNUAL COSTS

ATTACHMENT B

PROJECTED ANNUAL COSTS

**150-Day Stand-By Service Period Option for Composite Main Rotor Blade Aircraft
(FY 2025-26 through FY 2028-29)**

Fiscal Year	150-day Option Daily Rate*	150-day Option Annual Cost	Night Vision Goggle Annual Cost (\$800/Day)	Total Projected Annual Cost**
2025-26	\$ 29,138	\$ 4,370,700	\$ 120,000	\$ 4,490,700
2026-27	\$ 29,721	\$ 4,458,150	\$ 120,000	\$ 4,578,150
2027-28	\$ 30,316	\$ 4,547,400	\$ 120,000	\$ 4,667,400
2028-29	\$ 30,923	\$ 4,638,450	\$ 120,000	\$ 4,758,450
Estimated 4-Year Total:		\$ 18,014,700	\$ 480,000	\$ 18,494,700

**180-Day Stand-By Service Period Option for Composite Main Rotor Blade Aircraft
(FY 2025-26 through FY 2028-29)**

Fiscal Year	180-day Option Daily Rate*	180-day Option Annual Cost	Night Vision Goggle Annual Cost (\$666.67/Day)	Total Projected Annual Cost**
2025-26	\$ 28,628	\$ 5,153,040	\$ 120,000	\$ 5,273,040
2026-27	\$ 29,201	\$ 5,256,180	\$ 120,000	\$ 5,376,180
2027-28	\$ 29,786	\$ 5,361,480	\$ 120,000	\$ 5,481,480
2028-29	\$ 30,382	\$ 5,468,760	\$ 120,000	\$ 5,588,760
Estimated 4-Year Total:		\$ 21,239,460	\$ 480,000	\$ 21,719,460

* Rates are subject to a 2% increase for FY 2026-27, and each year thereafter.

** Projected Annual Costs do not reflect the External Load Operations and the time exceeding the performance period due to significant fire weather. The Daily Extension Charge will be provided at the same daily rate for the 150-day and 180-day periods.