

**City and County of San Francisco  
Office of Contract Administration  
Purchasing Division**

**Second Amendment**

THIS SECOND AMENDMENT (“Amendment”) is made as of **March 18, 2024**, in San Francisco, California, by and between Carahsoft Technology Corp. (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Director of the Office of Contract Administration.

**Recitals**

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the performance period, increase the contract amount, and update standard contractual clauses; and

WHEREAS, Contractor was selected pursuant to San Francisco Administrative Code Section 21.5(b) and Section 21.30 pursuant to waiver **OCAWVR0008957** granted by the Office of Contract Administration, and this Amendment is consistent with that waiver; and

WHEREAS, this Amendment is consistent with an approval obtained from the City’s Board of Supervisors under [insert resolution number] approved on [insert date of Board action] in the amount of [insert Dollar Amount] for the period commencing [Insert Start Date] and ending [Insert End Date]; and

WHEREAS, the Department has filed Ethics Form 126f4 (Notification of Contract Approval) because this Agreement, as amended herein, has a value of \$100,000 or more in a fiscal year and will require the approval of the Board of Supervisors; and

Now, THEREFORE, the parties agree as follows:

**Article 1      Definitions**

The following definitions shall apply to this Amendment:

1.1      **Agreement.** The term “Agreement” shall mean the Agreement dated August 19, 2016 between Contractor and City, as amended by the:

First Amendment,                      dated July 1, 2021

**Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

**Article 2      Modifications of Scope to the Agreement**

The Agreement is hereby modified as follows:

2.1 **Term of the Agreement.** Section 3.a Term of the Agreement currently reads as follows:

**3a. Term:** Subject to Section 2, the term of this Agreement shall be from July 1, 2016 to June 30, 2025. Each SaaS Subscription ordered under this agreement shall be for a one-year term or less. Orders shall NOT auto-renew.

***Such section is hereby amended in its entirety to read as follows:***

**3a. Term:** Subject to Section 2, the term of this Agreement shall be from July 1, 2016 to **June 30, 2030**. Each SaaS Subscription ordered under this agreement shall be for a one-year term or less. Orders shall NOT auto-renew.

**b. Option to Renew.** The City has one (1) option to renew the Agreement for a period of five (5) years. The City may extend this Agreement beyond the expiration date by exercising an option at the City’s sole and absolute discretion and by modifying this Agreement as provided in Section 45, “Modification of Agreement.”

2.2 **Guaranteed Not to Exceed Maximum Price.** Section 3.b. Guaranteed Not to Exceed Maximum Price of the Agreement currently reads as follows:

**3b. Guaranteed Not to Exceed Maximum Price.** The Guaranteed Not-To-Exceed Maximum Price for the 9-year term shall be \$9,725,000 (Nine Million Seven Hundred Twenty-Five Thousand Dollars). SaaS Subscriptions may be renewed by a Purchase Order annually. SaaS subscriptions may include transfers from non-Carahsoft resellers.

***Such section is hereby amended in its entirety to read as follows:***

**3b. Guaranteed Not to Exceed Maximum Price:** The Guaranteed Not-To-Exceed Maximum Price for the 14-year base term shall be **\$20,625,109** (Twenty Million Six Hundred Twenty Five Thousand and One hundred Nine Dollars).SaaS Subscriptions may be renewed by a Purchase Order annually. SaaS subscriptions may include transfers from non-Carahsoft resellers.

2.3 **Discount Pricing Term.** Discount Pricing Term Exhibit 4C-1 Definition Section 1 Discount Pricing Term of the Agreement currently reads as follows:

**1. Discount Pricing Term.** The term for the pricing identified in Table 1a, 1b, 1c, 1d, 2 shall commence on July 1, 2021 and expire on June 30, 2025 (the “Discount Pricing Term”).

***Such section is hereby amended in its entirety to read as follows:***

**1. Discount Pricing Term.** The term for the pricing identified in Table 1a, 1b, 1c, 1d, 2 shall commence on July 1, 2021 and expire on **June 30, 2030** (the “Discount Pricing Term”).

**2.4 Renewals.** Exhibit 4C-1 Definition Section 5 Renewals of the Agreement currently reads as follows:

**b.** If the renewal occurs in year 5 of the Discount Pricing Term, price increase for the relevant Salesforce subscription licenses shall not exceed 5%, provided the number of subscriptions by product ordered is equal to or greater than the number of subscriptions by product ordered in the immediately preceding term. For renewals in the final year of the Discount Pricing Term, the Order End Date must be co terminated to the expiration of the Discount Pricing Term.

**Such section is hereby amended in its entirety to read as follows:**

**b. Renewals.** During the Discount Pricing Term, any pricing increase during a renewal order term, unless expressly noted, shall not exceed 0% during years 1-4 of the Pricing Addendum. For renewal order terms beginning during the period from July 1, 2025 to June 30, 2028, unless otherwise noted the price increase shall not exceed:

- i) 0% of the pricing for the relevant Services in the immediately prior subscription term provided the renewal is for a 12 month term (except in the final year of the Pricing Addendum) and the number of subscriptions by product ordered is equal to or greater than the number of subscriptions by product in the immediately preceding term; or
- ii) 5% of the pricing for the relevant Services in the immediately prior subscription term provided that the renewal is for a 12 month term (except in the final year of the Pricing Addendum) and the number of the subscriptions by product ordered is equal to ninety percent (90%) of the number of subscription by product in the immediately preceding term.

For renewal order terms beginning during the period July 1, 2028 to June 30, 2030, unless otherwise noted the price increase shall not exceed 5% of the pricing for the relevant Services in the immediately prior subscription term provided that a) the number of subscriptions by product ordered is equal to or greater than the number of subscriptions by product in the immediately preceding term and b) the renewal term is for a 12 month term unless a short term is necessary in order to ensure the Order Term End Date is co-terminated to the expiration date of the Pricing Addendum.

**The following is added as a Pricing Note to Table 1d:**

Customer acknowledges that Carahsoft on behalf of SFDC may repackage the MuleSoft Services into new generally available products or make updates to the then-current product name (“Repackaged Service”). In the event Customer exercises a renewal option after which the Repackaged Service has been released, Carahsoft on behalf of SFDC will provide the Repackaged Service to Customer provided that if such Repackaged Service is bundled with additional features not previously available to Customer in the Service,

Customer's right to use the Repackaged Service will be subject to contract terms that restrict Customer from using such additional features and that limit Customer's access in the Repackaged Service to only those features that were included in the Service before it was repackaged, renamed, or bundled into a Repackaged Service. Customer may unrestrict such additional features for an additional fee.

### Article 3 Updates of Standard Terms to the Agreement

The Agreement is hereby modified as follows:

3.1 **HIPAA Business Associate Addendum.** The following is hereby added to the Agreement.

**Exhibit 8.1 HIPAA Business Associate Addendum.** Unless and until the current Business Associate Addendum ("BAA") between Carahsoft and CCSF is amended or replaced pursuant to good faith negotiations between the parties (i) no PHI may be uploaded other than to the Services expressly covered under the current BAA and (ii) Services covered under the current BAA are only covered to the extent they are hosted on Salesforce first party infrastructure. Carahsoft shall not sell any product (with the exception of renewals) hosted on the AWS or any other third party infrastructure to the City under this Agreement until a new BAA is in place. If the Parties cannot reach mutually agreeable terms on a new BAA, CCSF agrees to leave the existing BAA in place for the remainder of the Agreement or, if necessary, terminate this Agreement without cause.

3.2 **Article 29 Data and Security.** Article 29 is hereby replaced in its entirety to read as follows:

#### **29.1 Nondisclosure of Private, Proprietary or Confidential Information.**

**29.1.1 Protection of Private Information.** If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

**29.1.2 City Data; Confidential Information.** In the performance of Services, Contractor may have access to, or collect on City's behalf, City Data, which may include proprietary or Confidential Information that if disclosed to third parties may damage City. If City discloses proprietary or Confidential Information to Contractor, or Contractor collects such information on City's behalf, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or Confidential Information.

#### **29.4 Management of City Data.**

**29.4.1 Use of City Data.** Contractor agrees to hold City Data received from, or created or collected on behalf of, City, in strictest confidence. Contractor shall not use or

disclose City Data except as permitted or required by the Agreement or as otherwise authorized in writing by City. Any work by Contractor or its authorized subcontractors using, or sharing or storage of, City Data outside the United States is prohibited, absent prior written authorization by City. Access to City Data must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. City Data shall not be distributed, repurposed or shared across other applications, environments, or business units of Contractor. Contractor is provided a limited non-exclusive license to use City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to City Data, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

**29.4.2 Disposition of City Data.** Upon request of City or termination or expiration of this Agreement, Contractor shall promptly, but in no event later than thirty (30) calendar days, return all City Data given to, or collected or created by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from City that City Data has been successfully transferred to City, Contractor shall within ten (10) business days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractor's environment(s), work stations that were used to process the data or for production of the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five (5) business days of the purge. Secure disposal shall be accomplished by "clearing," "purging" or "physical destruction," in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88 or most current industry standard.

**29.5. Ownership of City Data.** The Parties agree that as between them, all rights, including all intellectual property rights, in and to City Data and any derivative works of City Data is the exclusive property of City.

**29.6 Loss or Unauthorized Access to City's Data; Security Breach Notification.**

Contractor shall comply with all applicable laws that require the notification to individuals in the event of unauthorized release of PII, PHI, or other event requiring notification. Contractor shall notify City of any actual or potential exposure or misappropriation of City Data (any "Leak") within twenty-four (24) hours of the discovery of such, but within twelve (12) hours if the Data Leak involved PII or PHI. Contractor, at its own expense, will reasonably cooperate with City and law enforcement authorities to investigate any such Leak and to notify injured or potentially injured parties. The remedies and obligations set forth in this subsection are in addition to any other City may have. City shall conduct all media communications related to such Leak.

**Article 4      Effective Date**

Each of the modifications set forth in Articles 2 and 3 shall be effective on and after the date of this Amendment.

**Article 5      Legal Effect**

Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

**[SIGNATURES ON FOLLOWING PAGE]**

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY

Recommended by:

\_\_\_\_\_  
Michael Makstman  
Acting City CIO, Executive Director  
Department of Technology

Approved as to Form:

David Chiu  
City Attorney

By: \_\_\_\_\_  
Margarita Gutierrez  
Deputy City Attorney

Approved:

Sailaja Kurella  
Director of the Office of Contract  
Administration, and Purchaser

By: \_\_\_\_\_

CONTRACTOR

Carahsoft Technology Corp.

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*allison mackin* March 22, 2024 | 7:58 AM PDT  
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\_\_\_\_\_  
Allison Mackin  
Sales Manager  
Carahsoft Technology Corp.  
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Reston, VA 20190

City Supplier number: 0000023400