

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

First Amendment

THIS FIRST AMENDMENT (“Amendment”) is made as of December 1, 2024, in San Francisco, California, by and between SSP Data, Inc. (“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 competitively selected pursuant to an Invitation for Bids entitled OCA DT | IT - Palo Alto Licenses and Support issued through Sourcing Event ID 0000008252 and this Amendment is consistent with the terms of the IFB and the awarded Contract; and

WHEREAS, this Contract is deemed exempt from Chapter 14B of the San Francisco Administrative Code because the agreement is for commodities and, as such, there is no Local Business Enterprise (“LBE”) subcontracting participation requirement for this Agreement; and

WHEREAS, this Amendment is consistent with an approval obtained on

WHEREAS, approval for the Agreement was obtained on March 6, 2023 from the Civil Service Commission under PSC number 44632-22/23 in the amount of \$8,500,000 for the period of five years; 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 May 22, 2023.

1.2 **San Francisco Labor and Employment Code.** As of January 4, 2024, San Francisco Administrative Code Chapters 21C (Miscellaneous Prevailing Wage Requirements), 12B (Nondiscrimination in Contracts), 12C (Nondiscrimination in Property Contracts), 12K (Salary History), 12P (Minimum Compensation), 12Q (Health Care Accountability), 12T (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions), and 12U (Sweatfree Contracting) are redesignated as Articles 102 (Miscellaneous Prevailing Wage Requirements), 131 (Nondiscrimination in Contracts), 132 (Nondiscrimination in Property Contracts), 141 (Salary History), 111 (Minimum Compensation), 121 (Health Care Accountability), 142 (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions), and 151 (Sweatfree Contracting) of the San Francisco Labor and

Employment Code, respectively. Wherever this Agreement refers to San Francisco Administrative Code Chapters 21C, 12B, 12C, 12K, 12P, 12Q, 12T, and 12U, it shall be construed to mean San Francisco Labor and Employment Code Articles 102, 131, 132, 141, 111, 121, 142, and 151, respectively.

1.3 **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 Section 2 of the Agreement currently reads as follows:

2.1 **Term.** The term of this Agreement shall commence on June 1, 2023 and expire three years from the start date, unless earlier terminated as otherwise provided herein.

2.2 **Options to Renew.** The City has three (3) options to renew the Agreement for a period of one year each. 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 11.5, "Modification of this Agreement."

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

2.1 The term of this Agreement shall commence on June 1, 2023 and expire on December 31, 2029, unless earlier terminated as otherwise provided herein.

2.2 Section 3.3.1. Payment of the Agreement currently reads as follows:

3.3.1 **Payment. Calculation of Charges.** Contractor shall provide an invoice to the City on a monthly basis for goods delivered and/or Services completed in the immediate preceding month, unless a different schedule is set out in Appendix C, "Calculation of Charges." Compensation shall be made for goods and/or Services identified in the invoice that the City, in his or her sole discretion, concludes has been satisfactorily performed. In no event shall the amount of this Agreement exceed \$4,353,000.00. The breakdown of charges associated with this Agreement appears in Appendix A, "Calculation of Charges." In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any services covered by this Agreement.

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

3.3.1 **Payment. Calculation of Charges.** Contractor shall provide an invoice to the City on a monthly basis for goods delivered and/or Services completed in the immediate preceding month, unless a different schedule is set out in Appendix C, "Calculation of Charges." Compensation shall be made for goods and/or Services identified in the invoice that the City, in his or her sole discretion, concludes has been satisfactorily performed. In no event shall the amount of this Agreement exceed \$40,000,000.00. The breakdown of charges associated with this Agreement appears in Appendix A, "Calculation of Charges." In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any services covered by this Agreement.

2.3 **Appendix A.** Appendix A is hereby replaced in its entirety by Appendix A, attached to this Amendment and fully incorporated within the Agreement. To the extent the Agreement refers to Appendix A in any place, the true meaning shall be Appendix A, which is a correct and updated version.

Article 3 Updates of Standard Terms to the Agreement

The Agreement is hereby modified as follows:

3.1 **Section 4.2 Qualified Personnel.** Section 4.2 Qualified Personal of the Agreement is hereby replaced in its entirety to read as follows:

Section 4.2 Qualified Personnel. Contractor represents and warrants that it is qualified to perform the Services required by City, and that all Services will be performed by competent personnel with the degree of skill and care required by current and sound professional procedures and practices. Contractor will comply with City’s reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City’s request, must be supervised by Contractor. Contractor shall commit sufficient resources for timely completion within the project schedule

3.2 **Article 13 Data and Security.** Article 13 Data and Security is hereby replaced in its entirety to read as follows:

Article 13 Data and Security

13.1 Nondisclosure of Private, Proprietary or Confidential Information.

13.1.1 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.

13.1.2 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.

13.2 Payment Card Industry (“PCI”) Requirements. (Reserved)

13.3. Business Associate Agreement. (See Agreement Section 13.6 and Appendix E)

13.4 Management of City Data

13.4.1 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.

13.4.2 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.

13.5. 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.

13.6 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. Contractor shall pay for the provision to the affected individuals of twenty-four (24) months of free credit monitoring services, if the Leak involved information of a nature reasonably necessitating such credit monitoring.] 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.

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

CITY
Recommended by:

CONTRACTOR
SSP Data, Inc.

Michael Makstman
City CIO, Executive Director
Department of Technology

Sandesh Mutha
President
PO Box 1486
El Cerrito, CA 94530

Approved as to Form:

David Chiu
City Attorney

City Supplier Number: 0000010594

By: _____
William Sanders
Deputy City Attorney

Approved:

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

By: _____



Appendix A
Calculation of Charges

Enterprise Software and Support	Qty	UOM
Year 1 for DT only		
Enterprise License Agreement, ATP, DNS, ADV URL, ADV WF, GP, 3 year, Tier B	1	LOT
Enterprise Support Agreement, 3 years Platinum Support, Tier B	1	LOT
Extended Expertise (PA-Series) - Year 1	1	LOT
Prorated Credit for unused subscriptions	1	LOT
Year 1 Total		\$ 4,353,000.00

Table 1: Estimated Citywide Software and Support Cost for Year 2 - 6

Agency	Year 2 Balance (7 Months)	Year 3 (12 Months)	Year 4 (12 Months)	Year 5 (12 Months)	Year 6 (12 Months)
San Francisco Public Utilities Commission	\$310,560.59	\$532,389.58	\$553,685.16	\$575,832.57	\$598,865.87
San Francisco Police Department	\$81,753.33	\$140,148.56	\$145,754.50	\$151,584.69	\$157,648.07
Hetch Hetchy Water & Power	\$26,515.48	\$45,455.11	\$47,273.31	\$49,164.24	\$51,130.81
San Francisco Public Library	\$222,973.53	\$382,240.34	\$397,529.95	\$413,431.15	\$429,968.40
Cal Academy of Science	\$61,639.55	\$105,667.81	\$109,894.52	\$114,290.30	\$118,861.91
City College of San Francisco	\$50,542.52	\$86,644.32	\$90,110.09	\$93,714.49	\$97,463.07
San Francisco Water Emergency Transport	\$4,779.40	\$8,193.26	\$8,521.00	\$8,861.83	\$9,216.31
San Francisco Fine Arts Museum	\$24,744.59	\$42,419.29	\$44,116.06	\$45,880.70	\$47,715.93
Asian Art Museum	\$18,088.22	\$31,008.38	\$32,248.72	\$33,538.66	\$34,880.21
Superior Court of California 	\$16,782.66	\$28,770.27	\$29,921.08	\$31,117.93	\$32,362.65

County of San Francisco					
San Francisco Unified School District	\$161,958.65	\$277,643.41	\$288,749.14	\$300,299.11	\$312,311.07
San Francisco International Airport	\$296,207.71	\$507,784.65	\$528,096.03	\$549,219.87	\$571,188.67
San Francisco Department of Technology	\$0.00	\$1,250,000.00	\$1,300,000.00	\$1,352,000.00	\$1,406,080.00
Department of Emergency Management	\$0.00	\$0.00	TBD	TBD	TBD
Totals	\$1,276,546.23	\$3,438,364.97	\$3,575,899.57	\$3,718,935.55	\$3,867,692.97

As-Needed Products Not Named Above

Total Estimated Spend Years 2-6

\$ 43,000,000.00

Average Percentage Discount off the Manufacturer's List -Price
(enter discounts as a negative value).

-50%

Total Projected Cost

\$ 21,500,000.00

Palo Alto Networks Enterprise Agreement Includes Platinum Level Support, Advanced Threat Prevention, Advanced URL, Advanced WildFire, Global Protect, SD-WAN, and DNS Subscriptions.

Please be advised that the figures for years 4,5 and 6 are budgetary estimates only and represent our best projections of the anticipated costs for those years.

Table 2: Minimum Discount Rates for Future Purchase Orders of As-Needed Products



SF.GOV



Net New Purchases*	Tier 1 = up to \$250K	Tier 2 = 250,001-1,500,000	Tier 3 = 1,500,001-5,000,000	Tier 4 = above \$5,000,000
Hardware**	40%	45%	50%	56%
Strata Subscriptions**	40%	45%	50%	53%
Cortex**	50%	55%	60%	70%
Prisma**	40%	45%	50%	56%
Support**	12%	14%	16%	20%

* Based on Manufacturer List Price

** Minimum Discount