



**COMMUNITY DEVELOPMENT COMMISSION/
HOUSING AUTHORITY
of the County of Los Angeles**

700 W. Main Street • Alhambra, CA 91801

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**Hilda L. Solis
Mark Ridley-Thomas
Sheila Kuehl
Janice Hahn
Kathryn Barger**
Commissioners

Monique King-Viehlend
Executive Director

December 11, 2018

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

The Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors/Commissioners:

**APPROVE SUPPLEMENTAL FUNDS, REJECT LOW BID AND AWARD CONSTRUCTION
CONTRACT FOR THE LOS NIETOS COMMUNITY AND SENIOR CENTER PROJECT
(DISTRICT 4) (3 VOTES)**

SUBJECT

Approval of the recommended actions will reject the bid of the apparent lowest bidder, provide supplemental funds to the current project budget, and authorize the Executive Director of the Community Development Commission (Commission), or her designee, to award and execute a construction contract for the Los Nietos Community and Senior Center Project (Project).

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Chief Executive Officer, or her designee, to amend the current funding agreement between the County and the Commission for up to \$544,399.

**IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE COMMUNITY
DEVELOPMENT COMMISSION:**

1. Acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), find that the Commission has considered the attached Notice of Exemption for the Project, which was

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

2-D December 11, 2018

CELIA ZAVALA
EXECUTIVE OFFICER

prepared by the City of Santa Fe Springs as lead agency; and find that this Project will not cause a significant impact on the environment.

2. Find that Klassic Engineering & Construction, Inc. (KECI), the apparent lowest bidder for the Project, does not meet all of the mandatory minimum qualification requirements established for the Project as set forth in the bid documents, and reject the bid from KECI, on that basis.

3. Find that PCN3, Inc. (PCN3), the second lowest bidder, is the apparent lowest responsive and responsible bidder for construction of the Project, authorize the Executive Director, or her designee, to award and execute a construction contract for the Project with PCN3 for \$3,586,504 in the form previously approved by County Counsel, and to establish the effective date of the contract, upon receipt of acceptable performance and payment bonds and evidence of required contract insurance, and to take actions necessary and appropriate to fully deliver the Project.

4. Approve the transfer and incorporation into the FY 2018-2019 approved budget of \$544,399 in unspent funds available to the Fourth District from previously completed projects, to increase the current Project budget of \$5,451,800 to \$5,996,199.

5. Authorize the Executive Director, or her designee, upon her determination and, as necessary and appropriate, to terminate the contractor's right to proceed with the performance of the Contract or to terminate the Contract for convenience.

6. Approve a contingency amount of 10% of the Construction Contract amount using the same source of funds for unforeseen Project costs and authorize the Executive Director, or her designee, to approve individual changes or additions in the work being performed under the Contract, and use the contingency amount for such changes or additions pursuant to the authority and subject to the limitations set forth in California Public Contract Code Section 20142.

7. Authorize the Executive Director, or her designee, to approve and accept the Project at completion on behalf of the County.

8. Authorize the Executive Director, or her designee, to amend the current funding agreement between the County and the Commission for up to \$5,996,199.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find that the proposed Project is exempt from the provisions of CEQA, find that the apparent lowest bidder does not meet all of the mandatory minimum qualification requirements established for the Project as set forth in the bid documents, and reject its bid on that basis, and authorize the Executive Director, or her designee, to award and execute a construction contract with the next lowest responsive and responsible bidder, provided that the bidder has satisfied the conditions of contract award, and provide supplemental funds to increase the current Project budget to fully fund the amount of the lowest responsive and responsible bid for hard costs and increase in incidental soft costs. The Commission is overseeing the development and construction of the Project on behalf of the County.

Los Nietos Community and Senior Center is located at 11640 East Slauson Avenue in unincorporated Los Nietos. The services provided by the center include, but are not limited to, form completion assistance, translation services, food bank, meal services, resource fairs, flu shot clinic, and assistance in reporting elder abuse. The scope of the proposed Project includes extensive

refurbishment of the interior and exterior of the existing 12,000 square foot facility originally built in 1977. The Project scope of work includes, but is not limited to, new interior walls, new openings in the exterior walls, new interior and exterior finishes, drought tolerant landscaping, LEED certification, indoor & outdoor exercise areas, an internet café, community rooms, a food pantry, and administrative offices.

On June 19, 2018, the Board approved a Board Motion to adopt the plans and specifications for the Project, and instructed the Executive Officer of the Board to advertise the Project for bids.

The Board Motion also indicated the possible need for additional funds if the apparent lowest, responsive, and responsible bid amount exceeded the current hard cost budget of \$3,042,105. As anticipated, a steady rise in construction activity resulting from national disasters and other economic factors, along with new tariffs on materials have contributed to an escalation in construction costs. As a result, the lowest, responsive and responsible bid amount of \$3,586,504 exceeds the current hard cost budget of \$3,042,105 by \$544,399. Therefore, it is recommended that the Board authorize the transfer of \$544,399 in unspent funds available to the Fourth District from previously completed projects to supplement the current budget and to fund construction related costs. This will result in a new total Project budget of \$5,996,199.

For the reasons detailed below, the Commission's Construction Management Unit (CMU) recommends that the Board find that the apparent lowest bidder, KECl, does not meet all of the minimum mandatory qualification requirements established for the Project, as set forth in the bid documents, and reject its bid on that basis. The CMU further recommends that the Board award and authorize the Executive Director, or her designee, to execute a construction contract with the next apparent lowest responsive and responsible bidder, PCN3, in the form previously approved by County Counsel, to establish the effective date of the contract, upon receipt of acceptable performance and payment bonds and evidence of required contract insurance, and to take actions necessary and appropriate to fully deliver the Project.

In addition, authority is requested for the Executive Director, or her designee, to approve individual changes or additions in the work being performed under the Contract using the contingency amount for such changes or additions, pursuant to the authority and subject to the monetary limitations set forth in California Public Contract Code section 20142.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. On September 27, 2016, the Board authorized the Commission to accept and incorporate \$5,100,000 in surplus principal and interest funds remaining from other projects completed by the Commission in the 4th Supervisorial District. On August 8, 2017, the Board authorized the transfer of an additional \$351,800 from unspent South Whittier Library Project capital funds for costs related to achieving LEED certification on the Project. Currently, the total Board-approved project budget is \$5,451,800. Your approval to transfer an additional \$544,399 in unspent funds available to the Fourth District from previously completed projects would result in a final, total project budget of \$5,996,199.

Approval of a 10% contingency in the amount of \$358,650 is requested and included in the total Project budget for unforeseen costs. In addition, authority is requested for the Executive Director, or her designee, to approve individual changes or additions in the work being performed under the Contract, using the contingency amount for such changes or additions, pursuant to the authority and subject to the monetary limitations set forth in California Public Contract Code section 20142.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 31, 2017, your Board approved a contract with Carde Ten Architects in the amount of \$596,450 for design and related services to refurbish and upgrade the site.

A total of \$5,451,800 is currently allocated to Los Nietos Community and Senior Center Project, located at 11640 East Slauson Avenue. Refurbishments to the 12,000 square foot building originally constructed in 1977 will include, but are not limited to, new interior and exterior finishes, drought tolerant landscaping, LEED certification, indoor & outdoor exercise areas, an internet café, community rooms, a food pantry, and administrative offices.

In accordance with the Board's Civic Art Policy amended on August 11, 2015, the Project budget includes 1% of design and construction costs allocated to the Civic Art Fund.

A standard construction contract, including terms and conditions supporting the Board's ordinances, policies, and programs, including, but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs, Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015) will be used.

The plans and specifications include the contractual provisions and material requirements necessary for the Project and are on file with the Commission's Construction Management Unit.

It is anticipated that the Project will be completed in 365 days following the required commencement date identified in the Notice to Proceed. The Commission will act on behalf of the County of Los Angeles, the owner of the Project, to approve and accept the Project upon completion.

In order to boost the local economy and enhance employment opportunities for Qualified Local Residents and Targeted Workers, the selected contractor and its subcontractors will adhere to the Countywide Local and Targeted Worker Hire Policy adopted by the Board on September 6, 2016, for the Project.

Participation by Community Business Enterprises (CBE) on the Project is encouraged through the Commission's CBE Outreach Program and by monitoring the good-faith efforts of bidders to subcontract with CBEs.

A construction contract will be executed with the apparent lowest responsive and responsible bidder for the Project, in the form previously approved by County Counsel, upon receipt of acceptable performance and payment bonds and evidence of required contract insurance.

ENVIRONMENTAL DOCUMENTATION

As a responsible agency with respect to the proposed Project, the Commission has reviewed the exemption determination of the City of Santa Fe Springs, the lead agency for the proposed project, which found that the proposed project is exempt pursuant to State CEQA guidelines section 15301. The Commission is a responsible agency for this project and in its independent judgment determines that the recommended actions with respect to its approvals are exempt pursuant to Class 1 of the Guidelines based on the record of the project.

The proposed Project is within a class of projects that have been determined not to have a significant

effect on the environment in that they meet the criteria set forth in Section 15301 of the CEQA Guidelines and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. The proposed refurbishments for Los Nietos Community and Senior Center Project include, but are not limited to, new interior and exterior finishes, drought tolerant landscaping, LEED certification, indoor & outdoor exercise areas, an internet café, community rooms, a food pantry, and administrative offices.

The Project scope does not constitute a change or expansion of the existing use. In addition, there are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption inapplicable based on the Project records.

In addition, the Project will not adversely affect natural watercourses, wetlands, environmentally sensitive areas, or require removal of scenic resources, rare plants or mature trees.

Accordingly, a Notice of Exemption was recorded by the City of Santa Fe Springs, as lead agency, with the County Clerk on January 11, 2018, in accordance with Section 15062 of the State CEQA Guidelines.

CONTRACTING PROCESS

An advertisement for construction bids was issued for the Project in accordance with the County's standard Instruction Sheet for Publishing Legal Advertisements. As requested by the Board on February 3, 1998, this contract opportunity was listed on the "Doing Business with Us" website. As required by the Board, language has been incorporated into the Project's bid documents stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees that they may be eligible for the Federal Earned Income Credit under the Federal Income Tax Law (Federal Income Tax Law, Internal Revenue Service Notice 1015).

On August 10, 2018, eight (8) bids were received, and KECI was identified as the apparent lowest bidder. On August 28, 2018, the CMU notified KECI that documents submitted did not meet the Mandatory Minimum Requirements for Bidder Qualifications for the Project, and KECI was given until September 6, 2018 to provide additional evidence to prove that it meets these requirements. KECI provided certain additional information, and on September 11, 2018, the CMU informed KECI that the additional information submitted also did not meet the requirements. The letter advised KECI that a qualification hearing was scheduled for September 19, 2018, pending confirmation of availability of all parties. KECI was given the option to either attend the hearing in person, or submit the matter on the basis of documentary evidence. The notice included specific options and instructions for KECI to confirm its intent to attend the hearing or submit documentary evidence, in writing, by mail, electronic mail, or facsimile, by 5:00 p.m., September 17, 2018. The written correspondence was required to be addressed to the Commission's Procurement Officer. KECI failed to timely confirm its intent to attend the hearing or to otherwise submit documentary evidence in writing, and ultimately withdrew its bid for the Project.

For the reasons set forth above, the CMU recommends that the Board find that KECI does not meet the minimum mandatory qualification requirements established for the Project as set forth in the bid documents, and reject KECI's bid on that basis. The CMU further recommends that the Board award and authorize the Executive Director, or her designee, to execute a construction contract with PCN3, the next apparent lowest responsive and responsible bidder who meets all of the minimum mandatory qualification requirements of the Project.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow for the exterior and interior refurbishment, accessibility upgrades, and other related building and site improvements to the Project, resulting in enhanced services and effective resources to the community for many years to come.

Respectfully submitted,



MONIQUE KING-VIEHLAND
Executive Director

MKV:SS:kl

Enclosures

ATTACHMENT A

Summary of Outreach Activities

Construction Contract to refurbish the existing community and senior center located at 11640 East Slauson Avenue in unincorporated Los Nietos.

On June 27, 2018, the following outreach was initiated to identify a contractor to complete the refurbishment of an approximately 12,000 square foot community and senior center.

A. Advertising

Announcements appeared in the Dodge Construction News/Green Sheet.

Announcements were also posted on the Commission and County websites.

B. Distribution of Bid Packages

A Notice to Bidders was electronically mailed to 1,674 vendors on the Commission's vendor list. The solicitation package was downloaded 78 times.

C. Pre-Bid Conference and Site Walk

On July 12, 2018, a mandatory pre-bid conference and site walk was conducted. Twenty-six firms were in attendance.

D. Bid Results

On August 10, 2018, a total of eight (8) bids were received and publically opened. The bid result was as follows:

<u>Company</u>	<u>Base Bid Amount</u>
1. Klassic Engineering & Construction, Inc.:	\$ 3,561,356.00 (Rejected)
2. PCN3, Inc.:	\$ 3,586,503.90
3. CWS Systems:	\$ 3,853,000.00
4. Morillo Construction:	\$ 4,598,000.00
5. Novus Construction:	\$ 4,749,514.00
6. New Creation Builders:	\$ 4,777,503.84
7. Kemcorp Construction Corp:	\$ 4,971,000.00
8. Royal Construction:	\$ 5,088,000.00

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employee</u>
PCN3, Inc.	Minority	Total: 40 37 minorities 3 women 93% minority 8% women

The Commission conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women.

The recommended award of contract is being made in accordance with the Commission's policies and federal regulations, and without regard to race, creed, color, or gender.

Contract Summary

Project Name: Los Nietos Community and Senior Center
Location: 11640 East Slauson Avenue, unincorporated Los Nietos
Bid Number: CDC18-076
Bid Date: August 10, 2018
Contractor: PCN3, Inc.
Services: Construction services to refurbish existing community center
Contract Documents: Part A – Instructions to Bidders, General Conditions and Sample Construction Contract, Attachment A – Asbestos Survey Report, Attachment B – Lead Inspection Report, Part B – Plans and Specifications; Part C – Bidder’s Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all addenda to the Contract Documents.

Notice to Proceed and Completion: The work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within three hundred sixty five (365) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Commission the sum of **One Thousand Two Hundred Dollars and Zero Cents (\$1,200.00)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Commission shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **Three Million Five Hundred Eighty Six Thousand Five Hundred and Three Dollars and Ninety Cents (\$3,586,503.90)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

Contract Contingency: \$358,650.00

THIS NOTICE WAS POSTED

ON January 11 2018

UNTIL February 12 2018

REGISTRAR – RECORDER/COUNTY CLERK



2018 009720



FILED
Jan 11 2018

Dean C. Logan, Registrar – Recorder/County Clerk

Electronically signed by PHYLLIS BARBER

11710 Telegraph Road · CA · 90670-3679 · (562) 868-0511 · Fax (562) 868-7112 · www.santafesprings.org

"A great place to live, work, and play"

Received

FEB 26 2018

Notice of Exemption

Planning Department

To: Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

From: City of Santa Fe Springs
Planning Department
11710 E. Telegraph Road
Santa Fe Springs, CA 90670-3658

County Clerk
County of Los Angeles
Environmental Filings
12400 E. Imperial Highway #2011
Norwalk, CA 90650

Project Title: Development Plan Approval (DPA) Case No. 934

Project Location - Specific: 11640 E. Slauson Avenue

Project Location - City: Santa Fe Springs **Project Location - County:** Los Angeles

Description of Project: A request for approval to apply an exterior façade and appurtenant improvements to an existing ±12,474 sq. ft. government building utilized as a library and senior community center.

Name of Public Agency Approving Project: City of Santa Fe Springs

Date of Public Agency Approving Project: January 8, 2018

Name of Person or Agency Carrying Out Project: Community Development Commission (CDC) Los Angeles County

Exempt Status: (check one)

Ministerial (Sec. 21080(b)(1); 15268);

Declared Emergency (Sec. 21080(b)(3); 15269(a));

Emergency Project (Sec. 21080(b)(4); 15269(b)(c));

Categorical Exemption. State type and section number: Section 15301 – Class 1(Existing Facilities)

Reasons why project is exempt: The project entails minor exterior modifications (alterations) to an already existing facility. No additional square footage is proposed and the existing uses will remain unchanged. Consequently, staff finds that no further environmental documents are required for CEQA purposes.

William K. Rounds, Mayor • Jay Sarno, Mayor Pro Tem
City Council
Richard J. Moore • Juanita Trujillo • Joe Angel Zamora
Interim City Manager
Don Powell

Lead Agency Contact Person: Jesus Torres Campos Telephone/Extension: (562) 868-0511 x 7356
Planning Intern

If filed by applicant:

1. Attach certified document of exemption finding.

2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: Jesus Torres Campos Date: January 10, 2018 Title: Planning Intern

Signed by Lead Agency Date received for filing at OPR: _____

Signed by Applicant _____

2018 009720



FILED
Jan 11 2018

Dean C. Logan, Registrar - Recorder/County Clerk

Electronically signed by PHYLLIS BARBER

William K. Rounds, Mayor • Jay Sarno, Mayor Pro Tem
City Council
Richard J. Moore • Juanita Trujillo • Joe Angel Zamora
Interim City Manager
Don Powell

**COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

FOR

**Los Nietos Community and Senior Center
11640 East Slauson Avenue, Whittier, CA 90606**

BID NUMBER CDC 18-076

BID DUE DATE: August 10, 2018 @ 2:00 PM

**COMMUNITY DEVELOPMENT COMMISSION
COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

This CONSTRUCTION CONTRACT (or "Contract") is made this ___ day of _____, 2018 by and between the **Community Development Commission** of the County of Los Angeles, a body corporate and politic, hereinafter referred to as the "**Commission**", and **PCN3, Inc.**, hereinafter referred to as the "**Contractor**".

WITNESSETH, that the Commission and the Contractor, for the consideration stated herein, mutually agree as follows:

- A. The County of Los Angeles is the Owner of that certain real property, commonly known as the Los Nietos Community and Senior Center, located at 11640 East Slauson Avenue, Whittier, CA 90606, hereinafter referred to as the "Property".
- B. Community Development Commission of The County of Los Angeles is administering construction of the Project as agent of the owner and hereinafter referred to as "Commission".
- C. The term "Work" includes performance, as set forth in the Contract Documents by the Contractor, for all improvement work on, in and about the Properties.
- D. Commission desires the Contractor to perform the Work on the terms and conditions hereinafter set forth, and Contractor agrees to perform said Work on terms and conditions set forth below.

ARTICLE 1
THE CONSTRUCTION CONTRACT

1.1 The Construction Contract means and includes all of the "Contract Documents". The Contract Documents which form the Construction Contract are incorporated herein by this reference and are made a part of this Construction Contract as if fully set forth herein. The Contract Documents consist of the following component parts:

- PART A Instructions to Bidders, General Conditions of the Contract, Attachments A-D and General Conditions Section 00 70 00
 - PART B General Requirements and Technical Specifications
 - PART C Bidder's Documents, Representations, Certifications, Bid and Other Statements of Bidder
- DRAWINGS
ALL ADDENDA TO THE ABOVE CONTRACT DOCUMENTS.

ARTICLE 2
STATEMENT OF WORK

- 2.1 Contractor agrees to perform in a professional manner, to the satisfaction of the Commission's Executive Director, all Work described in the Contract Documents referenced in Article 1.
- 2.2 The Contractor shall furnish all labor, material, equipment and services and perform and complete all Work required for the project identified as Bid No. CDC 18-076 for the Commission. All such Work shall be in strict accordance with the Specifications and Drawings, identified as Part B, all as prepared by Carde-Ten Architects.

- 2.3 Data provided in the Specifications and Drawings are believed to actually depict the conditions to be encountered by the Contractor, but Commission does not guarantee such data as being all-inclusive or complete in any respect. Nothing contained herein shall relieve Contractor from making any and all investigations through non-destructive observations of the Properties which are reasonably necessary to apprise him/herself of the condition of the Properties. Contractor hereby accepts the project in an "as is" condition and herein warrants that all such investigations have been performed by him/her, and hereby expressly waives any and all rights under this Construction Contract, or in law, to additional compensation and/or time adjustments for alleged unknown subsurface and/or latent conditions that could be reasonably discovered or inferred based upon standard industry construction practices and techniques.

ARTICLE 3
TIME OF COMMENCEMENT AND COMPLETION

- 3.1 The Work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within three-hundred and sixty-five (365) calendar days following the required commencement date.
- 3.2 The Contractor and the Commission agree that, since the determination of actual damages for any delay in completion would be extremely difficult or impracticable to determine in the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Commission the sum of Twelve Hundred Dollars (\$1200.00) as liquidated damages for each calendar day of delay, until the Work is accepted by the Commission. The Contractor shall not be charged with liquidated damages because of any delay in the completion of the Work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor.

The Commission may withhold, or cause to be withheld, from any monies payable on account of Work performed by the Contractor or subcontractor any accrued liquidated damages, amounts necessary to cover stop notices or alleged labor underpayments.

ARTICLE 4
CONTRACT SUM

- 4.1 The Commission shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of Three Million, Five Hundred Eighty-Six Thousand, Five Hundred Three Dollars and Ninety Cents (\$ 3,586,503.90). The Contractor represents and warrants that he/she shall pay his/her employees, and all individuals performing Work, not less than the prescribed minimum wages in accordance with the current Prevailing Wage Determination published by the Department of Industrial Relations.
- 4.2 The Contract Sum set forth herein includes the payment by Contractor of all sales and use taxes required by any local codes, or any law existing or which may hereafter be adopted by federal, state or governmental authority, taxing the materials, services required or labor furnished, and of any other tax levied by reason of the Work to be performed hereunder.
- 4.3 The Contract Sum is not subject to escalation, the Contractor having satisfied him/herself with said Contract Price, which includes all labor and material increases anticipated throughout the duration of this Construction Contract.

- 4.4 The Commission's obligation is payable only and solely from funds appropriated from Fourth Supervisorial District Capital Project funds for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.
- 4.5 In the event this Contract extends into the succeeding fiscal year and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The Commission will endeavor to notify the Contractor in writing within ten (10) days of receipt of the non-appropriation notice.

ARTICLE 5
PROGRESS PAYMENTS

- 5.1 Based upon applications for payment submitted by the Contractor to the Commission, and after approval by the Construction Management Unit, the Commission shall make progress payments on account of the Contract Sum to the Contractor, as provided in the Instruction to Bidders of the Construction Contract.
- 5.2 Approved applications for progress payments will be paid by the thirtieth day of each month, provided that application for payment has been submitted to the Commission on or before the first working day of the month. Payment shall be subject to all provisions of General Conditions Section #66 of the Instructions to Bidders incorporated by reference into the Contract.
- 5.3 The Contractor and each Subcontractor shall submit all required Labor Compliance forms to the Commission before the start of construction. The Contractor shall submit to the Commission all of its payrolls for each pay period within seven (7) days after the pay period has ended. The Contractor shall also collect, review and submit to the Commission all of its subcontractors' payrolls for each pay period within seven (7) days after the pay period has ended. Contractor's failure to submit its payrolls or any subcontractor payrolls within seven (7) days after the pay period has ended, is a violation of this Contract and entitles the Commission to withhold up to ten percent (10%) from any pending progress payment until all such payrolls are received. Repeated, ongoing or flagrant failures by the Contractor to submit the required forms, its payrolls or the payrolls of its subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this Contract which may result in the Commission terminating the Contract for default.

ARTICLE 6
PROJECT CLOSEOUT

- 6.1 Prior to occupancy of any dwelling unit, building, or other portion of the project, the Commission shall receive a certificate from the Contractor that such portion of the project is ready for occupancy, and shall cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the Work, including all phases thereof, is finally completed, and all requirements of this Construction Contract have been satisfied. The Commission shall cause the Notice of Completion to be recorded with the County Recorder.
- 6.2 Upon Issuance of a Notice of Completion, final payment shall be made to the Contractor of the entire unpaid balance of the Contract Sum, including any sums due to the Contractor for changes in the Work approved by the Commission pursuant to the General Conditions, Section #69 of the Instruction to Bidders, less any amounts which Commission is entitled to receive from the Contractor under the terms of this Contract or amounts necessary to cover stop notices or alleged labor underpayments, and less the ten percent (5%) retention withheld, pursuant to the General Conditions, Section #66 of the Instruction to Bidders.

- 6.3 In addition to all other requirements, a Notice of Completion shall be issued only when Commission has received the following:
- A. A Certificate of Completion, executed by Commission.
 - B. All guarantees and warranties issued by the manufacturers or installers of equipment or other component parts of the project. Contractor guarantees that the equipment, materials, and workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials and workmanship for a period of one (1) year following date of final acceptance of the project.
 - C. The waiver and release of all liens, claims of liens, or stop notice rights of the Contractor and all subcontractors, and the Contractor's Certificate and Release.
 - D. Verification from the Architect that Contractor has removed all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials from the project site. If the Contractor has failed to remove any of such items, the Commission may remove such items, and the Contractor shall pay the Commission for all costs incurred in connection with such removal.
- 6.4 After recordation of the Notice of Completion, and expiration of the thirty-day period for filing of stop notices, the Commission shall use reasonable efforts to settle all claims and disputes, notify the Contractor of final acceptance of the project, and make final payment of the entire unpaid balance of the Contract Sum, including the five percent (5%) retention, less any amounts which the Commission is entitled to receive from the Contractor under the terms of this Construction Contract, including liquidated damages, and less amounts necessary to cover stop notices or alleged labor underpayments.

ARTICLE 7
BREACH AND TERMINATION

- 7.1 Waiver by the Commission of any breach of this Construction Contract shall not constitute a waiver of any other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective Work or improper materials.
- 7.2 In addition to any right of termination reserved to the Commission by Section #57 of the General Conditions of the Instruction to Bidders, the Commission may terminate this Construction Contract or performance under this Construction Contract, if the Contractor is adjudged bankrupt, a receiver is appointed because of the Contractor's insolvency, or the Contractor makes a general assignment for the benefit of its creditors, fails to make prompt payment to subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to construct the project in accordance with the Drawings and Specifications, or otherwise substantially violates any provision of the Contract Documents.
- 7.3 The Commission shall give the Contractor and his/her surety written notice prior to terminating this Construction Contract or performance under this Construction Contract, pursuant to Section #57 of the General Conditions of the Instruction to Bidders, provided that the Contractor shall, upon receipt of such notice, immediately stop the installation of improvements, or other permanent construction work encompassing part of the project. Upon termination, the Commission may take possession of the project and all materials, equipment, tools, and construction equipment and machinery owned by the Contractor and located at the project site, and may finish the project by whatever method it may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment under this Construction Contract.

- 7.4 The Commission shall not be deemed to have waived any of its other rights or remedies against the Contractor by exercising its right of termination under this Article.
- 7.5 Termination for Cause: This Contract may be terminated by the Commission upon written notice to the Contractor for cause (failure to perform satisfactorily any of the Contract terms, conditions, and Work items) with no penalties upon termination or upon the occurrence of any of the following events:
- A. Continuing failure of the Contractor to perform any Work required to be performed hereunder in a timely and professional manner, or Contractor is not properly carrying out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor; and should the Contractor neglect or refuse to provide a means for a satisfactory compliance with this Contract and with the direction of the Commission within the time specified in such notices, the Commission shall have the power to suspend the performance of this Contract by Contractor in whole or in part.
 - B. Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which the Commission may immediately terminate this Contract.
 - C. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the Work to be done under said Contract is abandoned for more than three (3) days by the Contractor, then notice of deficiency thereof in writing will be served upon the Contractor. Should the Contractor fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Commission shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
 - D. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
 - E. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the Commission shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the Commission become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.
- 7.6 Termination for Improper Consideration: The Commission may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Construction Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any Commission officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by the Commission officer or employee to solicit such improper consideration. The Report shall be made to the Commission's Executive Director or designee.

Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

- 7.7 Termination for Convenience: The Commission reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in such termination.
- 7.8 The Commission's Quality Assurance Plan: The Commission or its agent will evaluate Contractor's performance under this Contract on not less than a quarterly basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor deficiencies which the Commission determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Commission and the Contractor. If improvement does not occur consistent with the corrective action measures, the Commission may terminate this Contract or pursue other penalties as specified in this Contract.
- 7.9 Non-payment after expiration or termination: Contractor shall have no claim against the Commission for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment, it shall immediately notify the Commission and shall immediately repay all such funds to the Commission. Payment by the Commission for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the Commission's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

ARTICLE 8 MISCELLANEOUS PROVISIONS

- 8.1 Contractor shall give all notices and comply with all laws, rules, regulations, ordinances and orders of any governmental entity relating to the Work. Should Contractor become aware that any provision of the Construction Contract is at variance with any such rule, law, regulation, ordinance or order; he/she shall promptly give notice in writing to the Commission of such variance.
- 8.2 It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses and phrases of this Construction Contract are severable, and if any phrase, clause, sentence, paragraph or section of this Construction Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Construction Contract.
- 8.3 Anything mentioned in the Specifications and not shown on the Drawings, or shown on the Drawings and not mentioned in the Specifications, shall be of like effect as if shown or mentioned in both. In case of difference between Drawings and Specifications, the Specifications shall govern. In case of discrepancy within the Drawings, or within the Specifications, the matter shall be promptly submitted to the Contracting Officer, who shall promptly make a determination

in writing. Any adjustment by the Contractor without such a determination by the Contracting Officer shall be at its own risk and expense. The Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

- 8.4 Anything mentioned in the bid documents relating to LEED requirements shall be adhered to. In the case of any discrepancies, the more stringent requirement shall prevail and the matter shall be promptly submitted to the Contracting Officer, who shall promptly make a determination and clarification in writing.

ARTICLE 9
CONTRACTOR APPROVAL

9.1 Contractor's Adherence to the Child Support Compliance Program

Contractor shall: 1) fully comply with all applicable State and Federal reporting requirements relating to employment reporting for its employees; and, 2) comply with all lawfully served Wage and Earnings Assignment Orders and Notice of Assignment and continue to maintain compliance during the term of any contract that may be awarded pursuant to this solicitation. Failure to comply may be cause for termination of a contract or initiation of debarment proceedings against the non-compliant contractor.

9.2 Contractor's Warranty of Adherence to Commission's Child Support Compliance Program

Contractor acknowledges that the Commission has established a goal of ensuring that all individuals who benefit financially from the Commission through a contract, are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by the Commission's Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall, during the term of this Contract, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department (CSSD) Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

9.3 Termination For Breach of Warranty to Comply with Commission's Child Support Compliance Program

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 9.2, "Contractor's Warranty of Adherence to Commission's Child Support Compliance Program" shall constitute default under this Contract. Without limiting the rights and remedies available to the Commission under any other provision of this Contract, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the Commission may terminate this Contract pursuant to Paragraphs under 7.5- "Termination for Cause" and pursue debarment of Contractor, pursuant to Commission Policy.

9.4 Post L. A.'s Most Wanted Parents List

Contractor acknowledges that the Commission places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is the Commission's policy to encourage the Commission contractors to voluntary post the

Commission's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. District Attorney will supply Contractor with the poster to be used.

ARTICLE 10
ADDITIONAL PROVISIONS

- 10.1 This Construction Contract and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California.
- 10.2 This Construction Contract contains the entire agreement between the parties. No variations, modifications, or changes hereto shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party. All prior negotiations, representations and/or contracts between the parties relative to the subject matters hereof shall be superseded hereby and have no further force and effect.
- 10.3 No consent or waiver, expressed or implied, by either party to or of any breach or default by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of such other party hereunder. Failure on the part of either party to complain of any such act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.
- 10.4 Contractor shall procure and maintain insurance at Contractor's expense for the duration of this Contract from an insurance company that is admitted to write insurance in California or that has a rating of or equivalent to A:VIII by A. M. Best & Company. Any deviation from this rule shall require specific approval by the Commission:

GENERAL INSURANCE REQUIREMENTS:

- A. Without limiting Contractor's indemnifications of the Commission provided herein, the Contractor and/or the entities with which Contractor contracts, shall procure and maintain at their own expense the insurance described in this section for the duration of this Contract, unless otherwise set forth herein. Such insurance shall be secured from carriers admitted in California, or authorized to do business in California. Such carriers shall be in good standing with the California Secretary of State's Office and the California Department of Insurance. Such carriers must be admitted and approved by the California Department of Insurance or must be included on the California Department of Insurance List of Approved Surplus Line Insurers (hereinafter "LASLI"). Such carriers must have a minimum rating of or equivalent to A:VIII in A.M. Best's Insurance Guide. The Contractor shall, concurrent with the execution of this Contract, deliver to the Commission certificates of insurance with original endorsements evidencing the general liability and automobile insurance coverage required by this Contract. If original endorsements are not immediately available, such endorsements may be delivered subsequent to the execution of this Contract, but no later than 30 days following execution of this Contract. The Contractor shall deliver satisfactory evidence of issuance of property insurance and worker's compensation insurance described below at such time that such exposures are at risk. Contractor shall deliver satisfactory evidence of issuance of Professional Liability Coverage once the professionals are hired for the Project or Contractor begins to provide professional services, whichever comes first. The certificate and endorsements shall be signed by a person authorized by the insurers to bind coverage on its behalf. The Contractor shall provide the Commission with certificates of insurance and applicable endorsements each year during the term of this Contract to evidence its annual compliance with the insurance requirements set forth herein. The Commission reserves the right to require complete certified copies of all policies at any time. Said insurance shall be in

a form acceptable to the Commission and all deductible amounts must be provided in advance to the Commission for its approval. In the event such insurance does provide for deductibles or self-insurance, the Contractor agrees that it and/or the entities with which it contracts, will defend, indemnify and hold harmless the Commission, the Housing Authority of the County of Los Angeles (“Housing Authority”), the County of Los Angeles (“County”) and their elected and appointed officers, officials, representatives, employees, and agents in the same manner as they would have been defended, indemnified and held harmless if full coverage under any applicable policy had been in effect. Each policy shall be endorsed to stipulate that the Commission is to be given at least thirty (30) days’ written notice in advance of any cancellation or any reduction in limit(s) for any policy of insurance required herein. The Contractor shall give the Commission immediate notice of any insurance claim or loss which may be covered by insurance. The Contractor represents and warrants that the insurance coverage required herein will also be provided by any entities, subcontractors, with which the Contractor contracts as detailed below. All certificates of insurance and additional insured endorsements shall carry the following identifier:

The Los Nietos Community and Senior Center
11640 East Slauson Avenue, Whittier, CA 90606

- B. The insurance policies shall be primary insurance and non contributory with respect to the Commission. The insurance policies shall contain a waiver of subrogation for the benefit of the Commission. Failure on the part of the Contractor and/or any entities with which the Contractor contracts, including, but not limited to any design professionals and subcontractors, to procure or maintain the insurance coverage required herein shall constitute a material breach of this Contract pursuant to which the Commission may, at its sole discretion immediately terminate this Contract and exercise all other rights and remedies set forth herein, and without waiving such default or limiting the rights or remedies of the Commission, procure or renew such insurance and pay any and all premiums in connection therewith and all monies so paid by the Commission shall be immediately repaid by the Contractor to the Commission upon demand including interest thereon at the default rate. In the event of such a breach, the Commission shall have the right, at its sole election, to participate in and control any insurance claim adjustment or dispute with the insurance carrier. The Contractor’s failure to assert or delay in asserting any claim shall not diminish or impair the Commission’s rights against the Contractor or the insurance carrier.
- C. When the Contractor, or any entity with which the Contractor contracts, is naming the Commission, the Housing Authority of the County of Los Angeles, or the County of Los Angeles (hereinafter collectively referred to as "Public Agencies") as an additional insured on the general liability insurance policy set forth below, then the additional insured endorsement shall contain language similar to the language contained in ISO form CG 20 10 11 85. In the alternative and in the Commission's sole and absolute discretion, it may accept both CG 20 10 10 01 and CG 20 37 10 01 in place of CG 20 10 11 85.
- D. The following insurance policies shall be maintained by Contractor and any entity with which the Contractor contracts for the duration of this Contract, unless otherwise set forth herein:

- a. **Commercial General Liability:** Commercial General Liability insurance (written on ISO policy form CG 00 01), including coverage for bodily injury, personal injury, death, property damage and contractual liability, with limits of not less than the following:

General Aggregate	\$4,000,000
Products/Completed Operations Aggregate	\$4,000,000
Personal and Advertising Injury	\$2,000,000
Each Occurrence	\$2,000,000

- a.1 **Additional Insured Endorsement:** The Commission, Housing Authority, the County, its officers, officials, employees, agents and volunteers ("Public Agencies

and their Agents"), shall be named and covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used). The Contractor shall also require that all tiers of its subcontractors provide Commercial General Liability insurance of not less than One Million Dollars (\$2,000,000) for each occurrence Two Million Dollars (\$4,000,000) General Aggregate). The Contractor shall further require all tiers of its subcontractors to provide additional insured status in favor of the Contractor and Public Agencies and each of their elected and appointed officers, officials, representatives, employees and agents, on such policy.

- a.2 **Primary and Non-contributory Endorsement:** The insurance policies set forth herein shall contain an endorsement providing primary and non-contributory insurance coverage with respect to the Commission, Housing Authority and County.
 - a.3 **Products, Completed and Ongoing Operations Endorsement:** The insurance policies set forth herein shall contain an endorsement providing Products, Completed and Ongoing Operations insurance coverage with respect to the Commission, Housing Authority and County.
 - a.4 **Waiver of Subrogation:** The insurance policies shall contain a waiver of subrogation for the benefit of the Commission, Housing Authority and County.
 - a.5 **XCU Endorsement:** Policy shall include an endorsement for explosion, collapse, and underground ("XCU") hazards, property damage liability.
- b. **Property Insurance:** Based upon the specifics of the Project, the Commission has the right to require Contractor to obtain either "Basic Form" or "Special Form" property insurance as follows:
- i. "Basic Form" insurance coverage shall include, without limitation, insurance against the perils of fire and physical loss or damage including, without duplication of coverage, vandalism, malicious mischief and extended coverage, collapse, earth movement (excluding earthquake), flood (if the property is located in a Special Flood Hazard Area). The amount of the property coverage shall at all times exceed the actual cash value (ACV) of all existing structures, improvements and fixtures on the Property. Said insurance shall be maintained for the duration of this Contract. The Commission and their elected and appointed officers, officials, representatives, employees, and agents shall be named as additional insureds on such policy.
 - ii. "Special Form" property insurance coverage shall include, without limitation, builders risk insurance and insurance against the perils of fire and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, flood, false work, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements. The amount of the property coverage shall at all times exceed the full replacement value of materials supplied or installed by

others and all existing structures, improvements and fixtures on the Property. There shall not be a “co-insurance” clause. If a coinsurance waiver is not commercially available at reasonable rates, the Commission may waive this requirement. Said insurance shall be maintained for the duration of this Contract. The Commission and their elected and appointed officers, officials, representatives, employees, and agents shall be named as additional insureds on such policy.

- c. **Worker’s Compensation:** Contractor's employees, if any, shall be covered by Workers' Compensation insurance in an amount and in such form as to meet all applicable requirements of the Labor Code of the State of California and Employers Liability limits as follows:

Each Accident	\$1,000,000
Disease-policy limit	\$1,000,000
Disease-each employee	\$1,000,000

Coverage must include a waiver of subrogation in favor of the Public Agencies and their Agents. The Contractor shall require that the identical worker’s compensation insurance requirements be incorporated into the Contractor’s contract with any other entities with which it contracts in relation to the Project. Said entities shall maintain the insurance for the duration of this Contract or the duration of the construction that is the subject of their contracts with Contractor, whichever is greater.

- c.1 **Waiver of Subrogation:** The insurance policies shall contain a waiver of subrogation for the benefit of the Commission, Housing Authority and County.
- c.2 **Alternate Employer Endorsement:** If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the Public Agencies as the Alternate Employer, and the endorsement form shall be modified to provide that the Commission will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor’s operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen’s compensation law or any federal occupational disease law

- d. **Automobile Liability:** Combined single limit automobile liability insurance (written on ISO form CA 00 01) up to One Million Dollars (\$1,000,000) per accident for bodily injury and property damage. Such insurance shall include coverage of all "owned", "hired", and "non-owned" vehicles, or alternatively coverage for "any auto". The Contractor shall require that the identical automobile liability insurance requirements be incorporated into the Contractor’s contract with any other entities with which it contracts in relation to the Project. Said entities shall maintain the insurance for the duration of this Contract or the duration of the construction that is the subject of their contracts with Contractor, whichever is greater.

- e. **Performance Security Requirements:** Prior to execution of the Contract, the Contractor shall file surety bonds with the Commission in the amounts and for the purposes noted below, and on bond forms provided by the Commission. All bonds issued in compliance with the Contract shall be duly executed by a solvent surety company that is authorized by the State of California, is listed in the U.S. Department of Treasury’s Listing of

Approved Sureties (Annual Circular 570) and is satisfactory to the Commission, and it shall pay all premiums and costs thereof and incidental thereto (see <http://www.fms.treas.gov/c570/>).

- i. **Materials and Labor Bond (Payment Bond):** Shall be in the sum of not less than 100% of the Contract price to assure the payment of claims of material men supplying materials to the Contractor, subcontractors, mechanics, and laborers employed by the Contractor on the Work. This bond shall be so conditioned as to inure to the benefit of persons furnishing materials for or performing labor upon the Work. This bond shall be maintained by the Contractor in full force and effect until the Work is completed and accepted by the Commission, and until all claims for materials, labor, and subcontracts are paid.
- ii. **Bond for Faithful Performance:** Shall be in the sum of not less than 100% of the Contract price to assure the faithful performance of the Contract. This bond shall be so conditioned as to assure the faithful performance by the Contractor of all Work under said Contract, within the time limits prescribed, including any maintenance and warranty provisions, in a manner that is satisfactory and acceptable to the Commission, that all materials and workmanship supplied by the Contractor will be free from original or developed defects, and that should original or developed defects or failures appear within a period of one (1) year from the date of acceptance of the Work by the Commission, the Contractor shall, at Contractor's own expense, make good such defects and failures and make all replacements and adjustments required, within a reasonable time after being notified by the Commission to do so, and to the approval of the Commission. This bond shall be maintained by the Contractor in full force and effect during the performance of the Work of the Contract and for a period of one (1) year after acceptance of the Work by the Commission.
- iii. Each bond shall be signed by both the Contractor (as Principal) and the surety. Should any surety or sureties upon said bonds or any of them become insufficient or be deemed unsatisfactory by the Commission, the Contractor shall replace said bond or bonds with good and sufficient sureties within ten (10) days after receiving notice from the Commission that the surety or sureties are insufficient or unsatisfactory. Should any surety or sureties be deemed insufficient or unsatisfactory, no payment(s) shall be deemed due or will be made under this Contract until the new sureties shall qualify and be accepted by the Commission.

- g. **Pollution Liability Insurance:** and or Asbestos Pollution Liability and/or Errors & Omissions applicable to the work being performed including coverage for bodily injury, personal injury, death, property damages, and environmental damage with limits of not less than the following:

General Aggregate	\$2,000,000
Completed Operations	\$2,000,000
Each Occurrence	\$1,000,000

Said policy shall also include, but not be limited to: coverage for any and all remediation costs, including, but not limited to, brownfield restoration and clean-up costs, and coverage for the removal, repair, handling, and disposal of asbestos and/or lead containing materials where applicable. The Commission, Housing Authority, County and their Agents shall be covered as additional insureds on the pollution liability insurance policy. If the general liability insurance policy and/or the pollution liability insurance policy is written on a claims-made form, then said policy or policies shall also comply

with all of the following requirements:

(i) The retroactive date must be shown on the policy and must be before the date of this Contract or the beginning of the Work;

(ii) Insurance must be maintained and evidence of insurance must be provided for the duration of this Contract or for five (5) years after completion of the Work, whichever is greater;

(iii) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Contract, then the contractor must purchase an extended period coverage for a minimum of five (5) years after completion of Work;

(iv) A copy of the claims reporting requirements must be submitted to the Commission for review; and

(v) If the work or services that are the subject of this Contract involve lead based paint or asbestos identification/remediation, then the Contractors Pollution Liability shall not contain any lead-based paint or asbestos exclusions. If the services involve mold identification / remediation, the Contractors Pollution Liability shall not contain a mold exclusion and definition of "Pollution" shall include microbial matter including mold.

Contractor agrees that it will require that all of the above mentioned insurance requirements in this section 10.4 be incorporated in its contract with any entity with which it contracts in relation to this Contract or in relation to the Work, Project, or property that is the subject of this Contract.

10.5 Compliance With Laws

The Contractor agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85. If the compensation under this Contract is in excess of \$100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

Contractor shall comply with the following laws:

Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)

Title VI provides that no person shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or be subjected to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

Executive Order 11246 and 11375, Equal Opportunity in Employment (Nondiscrimination in Employment by Government Contractors, Subcontractors, and Contractors)

During the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Commission's contracting officer, advising the labor union or workers' representatives of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulation and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, will permit access to his/her books, records, and accounts by the Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance; provided however, that in the event the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

State Prevailing Wage Requirements

This construction project is funded in whole with public funds. The Contractor shall be responsible for complying with all labor requirements of the State of California prevailing wage laws, regulations, codes, etc. which are applicable to this contract. They include, but are not limited to, the following: California Labor Code Section 1770 et seq., which requires contractors to pay their workers based on the prevailing wage rates established and issued by the Department of Industrial Relations, Division of Labor Statistics. **The applicable wage decision for this project is LOS2018-1**, these rates can be obtained on the website at www.dir.ca.gov, or by contacting the Community Development Commission, Construction Management Unit, Labor Compliance Team for prevailing wage rates on file. See Section 31A through 37 in Part A, "Instructions to Bidders and General Conditions for Construction Contract," of this Contract.

Compliance with Senate Bill 854 (Public Works Contract Registration Requirements)

This project is a public work as defined in Section 1720 of the California Labor Code, and subject to compliance monitoring and enforcement by the Department of Industrial Relations (DIR).

A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to requirements of Section 4104 of the California Public Contract Code, or engage in the performance of any contract for public works, unless currently registered with the Department of Industrial Relations and qualified to perform public work pursuant to California Labor Code section 1725.5.

The Commission shall not accept any bid nor award any contract without proof of the contractor and subcontractor's current registration to perform the project. A copy of the confirmed registration from the Department of Industrial Relations website <https://efiling.dir.ca.gov/PWCR/Search.action> must be attached in Part C of your submitted bid package (sample attached). The bid submitted by an unregistered contractor shall be basis for considering the bid non-responsive [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1].

An inadvertent error in listing an unregistered subcontractor pursuant to Labor Code section 1725.5 in a bid proposal shall be grounds for considering the bid non-responsive, unless:

- (1) The subcontractor is registered prior to the bid opening.
- (2) Within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee specified in subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.
- (3) The subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code.

All contractors and subcontractors must furnish certified payroll records directly to the Labor Commissioner (aka Division of Labor Standards Enforcement) in a format prescribed by the Labor Commission.

In addition certified payroll records must also be submitted to the Community Development Commission, Labor Compliance Unit pursuant to the General Conditions Section 37 of Part A of the Solicitation package.

The prime contractor is required to post job site notices prescribed below:

8 Calif. Code Reg. §16451(d):

“This public works project is subject to monitoring and investigative activities by the Compliance Monitoring Unit (CMU) of the Division of Labor Standards Enforcement, Department of Industrial Relations, State of California. This Notice is intended to provide information to all workers employed in the execution of the contract for public work and to all contractors and other persons having access to the job site to enable the CMU to ensure compliance with and enforcement of prevailing wage laws on public works projects.

“The prevailing wage laws require that all workers be paid at least the minimum hourly wage as determined by the Director of Industrial Relations for the specific classification (or type of work) performed by workers on the project. These rates are listed on a separate job site posting of minimum prevailing rates required to be maintained by the public entity which awarded the public works contract. Complaints concerning nonpayment of the required minimum wage rates to workers on this project may be filed with the CMU at any office of the Division of Labor Standards Enforcement (DLSE).

Local Office Telephone Number:

*Division of Labor Standards Enforcement Office
320 W. Fourth Street, Suite 450
Los Angeles, CA 90013
(213) 620-6330*

“Complaints should be filed in writing immediately upon discovery of any violations of the prevailing wage laws due to the short period of time following the completion of the project that the CMU may take legal action against those responsible.

“Complaints should contain details about the violations alleged (for example, wrong rate paid, not all hours paid, overtime rate not paid for hours worked in excess of 8 per day or 40 per week, etc) as well as the name of the employer, the public entity which awarded the public works contract, and the location and name of the project.

“For general information concerning the prevailing wage laws and how to file a complaint concerning any violation of these prevailing wage laws, you may contact any DLSE office. Complaint forms are also available at the Department of Industrial Relations website found at www.dir.ca.gov/dlse/PublicWorks.html.”

10.6 Access and Retention of Records

The Contractor shall provide access to the Commission, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to the specific Contract for the purpose of making audits, examinations, excerpts and transcriptions. The Contractor is required to retain the aforementioned records for a period of five (5) years after the Commission pays final payment and other pending matters are closed.

10.7 Conflict of Interest

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venturer or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Commission. Upon execution of this Contract and during its term, as appropriate, the Contractor shall disclose in writing to the Commission, any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Commission's interest and the interests of the third parties.

10.8 Indemnification

- A. In the event that Contractor is not providing professional services, Contractor agrees to indemnify, defend and hold harmless the Commission, and their elected and appointed officials, officers, representatives, employees, and agents (hereinafter collectively referred to as "Agents"), from and against any and all liability, demands, damages, claims, causes of action, fees (including reasonable attorney's fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), that arise out of, pertain to, or relate to this Agreement, the services, work, and/or materials provided pursuant to this Agreement, the Property, or Project. Contractor shall not be required to indemnify, defend, and hold harmless the Commission and its Agents from any Liabilities that arise from the active negligence, sole negligence or willful misconduct of the Commission, Commission's agents, servants, or independent contractors who are directly responsible to the Commission. Such indemnification language shall also be incorporated in Contractor's contracts with any subcontractors in favor of the Commission.
- B. In the event that Contractor is providing professional services, Contractor agrees to indemnify, defend and hold harmless the Commission and their Agents from and against any and all Liabilities that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Contractor. Such indemnification language, in favor of the Commission, shall also be incorporated in Contractor's contracts with any design professionals in favor of the Commission.
- C. These indemnification provisions shall remain in full force and effect and survive the termination and/or expiration of this Agreement. Contractor agrees to require any entities with which it contracts to agree to and abide by the above mentioned indemnification requirements in favor of the Commission, as applicable to each of them.
- D. The Commission reserves the right, at its sole and absolute discretion, to amend at any time the insurance and indemnity provisions contained herein.
- E. Contractor shall assume all risks and bear all cost for loss of, damage to, or missing or stolen equipment, tools, vehicles, and materials owned, hired, leased, or used by the Contractor for this Project.

10.9 Subcontracting

The Contractor may subcontract only those specific portions of the work allowed in the original specifications covered by this Contract with prior written approval by the Commission.

10.10 Assignment By Contractor

The Contractor shall not assign its rights or delegate its duties under the Contract, or both, whether in whole or in part, without the prior written consent of the Commission, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, Commission consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the Commission to any approved delegate or assignee on any claim under the Contract shall be deductible, at the Commission's sole discretion, against the claims, which the Contractor may have against the Commission. However, the Commission reserves the right to assign this Contract to another public agency without the consent of the Contractor.

Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the Commission in accordance with applicable provisions of this Contract.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Commission's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

10.11 Confidentiality of Reports

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Commission.

10.12 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the Contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

10.13 Safety Standards and Accident Prevention

The Contractor shall comply with all applicable Federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, on his/her own responsibility, reasonably necessary to protect the life and health of employees on the job and the public and to protect property in connection with the performance of this Contract.

10.14 Drug Free Workplace Act of the State of California

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

10.15 Copyright

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All documents become the property of the Commission and the Commission holds all the rights to said data.

10.16 Independent Contractor

The Contractor shall perform the services as contained herein as an independent contractor and shall not be considered an employee of the Commission, or under Commission supervision or control. This Contract is by and between the Contractor and the Commission, and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, between the Commission and the Contractor.

10.17 Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

10.18 Notices

The Commission shall provide Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that the Commission has actual knowledge of such injury or damage. The Commission shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the representative of each Party.

Commission:
Community Development Commission
Scott Stevenson, Contracting Officer
Attn: Bill Yee, Manager
700 W. Main Street
Alhambra, CA 91801

Contractor:
PCN3, Inc.
5450 Katella Ave., Suite 101
Los Alamitos, CA 90720

Notices shall be deemed delivered on the third day after posting by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. Commission and Contractor may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

10.19 Interpretation

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if it were drafted by both parties hereto.

10.20 Employees of Contractor

Workers' Compensation: Contractor understands and agrees that all persons furnishing services to the Commission pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of Contractor. Contractor shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injury arising from an accident connected with services provided to the Commission under this Contract.

Professional Conduct: The Commission does not and will not condone any act, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activity or behavior that might be construed

as harassment. The Commission will properly investigate all charges of harassment by residents, employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

10.21 Patent Rights

The Commission will hold all the patent rights with respect to any discovery or invention which arises or is developed in the course of, or under, this Contract.

10.22 Notice to Employees Regarding the Federal Earned Income Credit

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Attachment A, Internal Revenue Service Notice 1015.

10.23 Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the project.

10.24 Contractor Responsibility and Debarment

- A. A responsible contractor is a contractor, consultant, vendor, or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Commission, Housing Authority, and County to conduct business only with responsible contractors.
- B. The Contractor is hereby notified that if the Commission acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Commission may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on Commission contracts for a specified period of time, which generally will not to exceed five years but may exceed five years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the Commission.
- C. The Commission may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor, consultant, vendor, or operating agency has done any of the following: (1) violated any term of a contract with the Commission, Housing Authority, or County, or a nonprofit corporation created by the Commission, Housing Authority, or County (2) committed any act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the Commission, Housing Authority, or County or any other public entity, or a nonprofit corporation created by the Commission, Housing Authority, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Commission, Housing Authority, County, or any other public entity.
- D. If there is evidence that the Contractor may be subject to debarment, the Commission will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing

Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Commission shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.

- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The Commission may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the Commission.
- H. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

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

- I. These terms shall also apply to subcontractors and subconsultants of County, Commission, or Housing Authority contractors, consultants, vendors and operating agencies.

10.25 Compliance With Jury Service Program

- 1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
- 2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the Commission or a subcontract with a Commission

contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Commission contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Commission, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the Commission under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify the Commission if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The Commission may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the Commission's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this Section of the Contract may constitute a material breach of the Contract. In the event of such material breach, the Commission may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future Commission, Housing Authority, or County contracts for a period of time consistent with the seriousness of the breach.

10.26 Notice to Employees regarding The Safely Surrendered Baby Law

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheets are set forth in Attachment B of this Contract and are also available on the Internet at www.babysafela.org for printing purposes.

10.27 Contractor's Acknowledgment of Commission's Commitment to the Safely Surrendered Baby Law

The Contractor acknowledges that the Commission places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Commission's policy to encourage all Commission contractors to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

10.28 Contractor's Charitable Contributions Compliance

The Supervision of Trustees and Fundraisers for Charitable Purpose Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purpose Act requirements. By requiring Contractors to complete the Charitable Contributions Certification as included in Attachment C of the Contract

Documents, the Commission/Authority seeks to ensure that all Commission/Authority contractors that receive or raise charitable contributions comply with California law in order to protect the Commission/Authority and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

10.29 Contractor's Warranty Of Compliance With County's Defaulted Property Tax Reduction Program
The Contractor acknowledges that the County of Los Angeles (County) has established a goal of ensuring that all individuals and businesses that benefit financially from the County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the Contractor qualifies for an exemption or exclusion, the Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with the County's Defaulted Tax Program pursuant to Los Angeles County Code, Chapter 2.206.

10.30 Termination For Breach Of Warranty To Maintain Compliance With County's Defaulted Property Tax Reduction Program
Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 10.29, "Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this Contract. Without limiting the rights and remedies available to the Commission under any other provision of this Contract, failure of the Contractor to cure such default within 10 days of notice shall be grounds upon which the Commission may terminate this contract and/or pursue debarment of the Contractor, pursuant to County's Defaulted Property Tax Reduction Program, to Los Angeles County Code, Chapter 2.206.

10.31 Local Small Business Enterprise Preference Program

This contract is subject to the provisions of the Los Angeles County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification as a Local Small Business Enterprise.

If Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the Commission any difference between the contract amount and what the Commission's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the County Office of Small Business of this information prior to responding to a solicitation or accepting a contract award.

10.32 Local & Targeted Worker Hiring Program

This contract is subject to the provisions of the Local & Targeted Worker Hiring Program.

In order to boost the local economy and enhance employment opportunities for local construction workers and targeted local workers, the County of Los Angeles requires the Builder and its Subcontractors to employ Qualified Local Residents to perform at least 30% of the total California construction labor hours and Qualified Targeted Workers to perform one third of the local hire requirement or at least 10% of the total California construction labor hours. See Attachment F for the Program requirements.

Contractor shall employ staff experienced with the County's Local and Targeted Worker Hiring Program to fulfill this requirement or obtain the services of a Consultant who specializes in this work to administer the Program.

10.33 Time Off for Voting

The Contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than ten (10) days before every statewide election, every Contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

10.34 Social Enterprise (SE) Preference Program

This contract is subject to the provisions of the Los Angeles County's ordinance entitled Social Enterprise (SE) Preference Program Ordinance (Los Angeles County Code Chapter 2.205) to enhance contracting and procurement opportunities for social enterprise businesses within Los Angeles County by providing a bid price reduction, or preference (5% for construction services and 15% for non-construction – all other goods and services), to bids submitted by certified social enterprises. The SE preference may not be combined with any other County program preference.

To qualify for the SE Preference Program, a bidder must request the preference in the bid, and must be:

- A business qualified as a SE and has been in operation for at least one (1) year providing transitional or permanent employment to a Transitional Workforce or providing social, environmental and/or human justice services; and
- A business that certified by the Department of Consumer and Business Affairs (DCBA) as a SE.

The preference percentage is used only to determine the recommended bidder or propose and does not alter the amount of the resultant contract award. A contract awarded to a SE on the basis of the percent preference will be for the amount of the actual bid or proposal. In no case, however, can the preference dollar amount exceed \$50,000 per construction solicitation and \$150,000 per non-construction solicitation.

10.35 Disabled Veterans Business Enterprise (DVBE) Preference Program

This contract is subject to the provisions of the Los Angeles County's ordinance entitled Disabled Veterans Business Enterprise (DVBE) Preference Program Ordinance (Los Angeles County Code Chapter 2.211) to enhance contracting and procurement opportunities for local disabled veteran businesses within Los Angeles County by providing a bid price reduction, or preference (5% for construction services and 15% for non-construction – all other goods and services), to bids submitted by certified DVBEs. The DVBE preference may not be combined with any other County program preference.

To qualify for the DVBE Preference Program, a bidder must request the preference in the bid, and must be:

- A business certified by the State of California as a DVBE; or
- A business that verified as a service-disabled veteran-owned small business by the Veterans Administration.
- A business certified as DVBE with other certifying agencies pursuant to the Department of Consumer and Business Affairs' (DCBA) inclusion policy that meets the criteria set forth by the agencies in 1 and 2 above.

The preference percentage is used only to determine the recommended bidder or propose and does not alter the amount of the resultant contract award. A contract awarded to a DVBE on the basis of the percent preference will be for the amount of the actual bid or proposal. In no case, however, can the preference dollar amount exceed \$50,000 per construction solicitation and \$150,000 per non-construction solicitation.

10.36 Compliance with County's Zero Tolerance Human Trafficking

Contractor acknowledges that the County has established a Zero Tolerance Human Trafficking Policy prohibiting contractors from engaging in human trafficking.

If a Contractor or member of Contractor's staff is convicted of a human trafficking offense, the County shall require that the Contractor or member of Contractor's staff be removed immediately from performing services under the Contract. County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of Contractor's staff pursuant to this paragraph shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

10.37 Mandatory Use of Labor Compliance Software.

The Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA) has adopted eComply Solutions ("eComply"), a web based compliance management software solution, for use on this Project. As a contractor on this Project, I agree to (1) attend training to learn how to use eComply, (2) register with eComply (3) use eComply to submit all certified payroll reports/related documents for this Project and (4) require that each of your subcontractors and their respective sub-tiers comply with requirements (1 through 3) referenced herein. Information relating to training times and registration will be provided before the project begins. Failure to comply with this requirement may result in potential termination of this contract, and/or other penalties against the contractor, including assessment and withholding of liquidated damages as set forth in Section 3.2 of this contract.

IN WITNESS WHEREOF, the parties hereto have executed this Construction Contract on the date and year first written above.

OWNER
COMMUNITY DEVELOPMENT
COMMISSION OF THE COUNTY OF
LOS ANGELES, A BODY
CORPORATE AND POLITIC

CONTRACTOR
PCN3, INC.

License Number: 786518

By: _____
MONIQUE KING-VIEHLAND

By: _____
BRIAN ABGHARI

Title: EXECUTIVE DIRECTOR

Title: PRESIDENT

Date: _____

Date: _____

APPROVED AS TO PROGRAM:

BUSINESS ADDRESS

SCOTT STEVENSON

5450 Katella Avenue

Title: CONTRACTING OFFICER

Suite 101

Date: _____

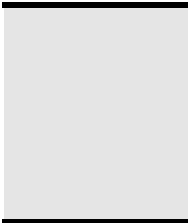
Los Alamitos, CA 90720

APPROVED AS TO FORM
Office of County Counsel,
MARY C. WICKHAM,
County Counsel

By: _____
Deputy

CORPORATE SEAL

Required Signatures:



- If sole proprietor, one signature of sole proprietor.
- If partnership, the signature of at least one general partner authorized to sign contracts on behalf of the partnership.
- If Corporation, the signatures of those officers required to sign contracts on behalf of the Corporation, and the Corporate Seal.

ATTACHMENT A



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2009)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2009 are less than \$48,279 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 8, 2010.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice from the IRS website at www.irs.gov or by calling 1-800-829-3676.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see Pub. 596, Earned Income Credit (EIC), or the instructions for Form 1040, 1040A, or 1040EZ.

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2009 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2009 and owes no tax but is eligible for a credit of \$829, he or she must file a 2009 tax return to get the \$829 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2010 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Notice **1015** (Rev. 12-2009)
Cat. No. 205991

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



In Los Angeles County: 1 877 BABY SAFE 1 877 222 9723

www.babysafela.org

Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



ATTACHMENT C

BACKGROUND AND RESOURCES: CALIFORNIA CHARITIES REGULATION

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fundraising practices and documentation. Charities with over \$2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A bidder/proposer on Commission and/or Housing Authority contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

RESOURCES

The following resource references are offered to assist bidders/proposers who engage in charitable contributions activities, however, each bidder/proposer is responsible to research and determine its own legal obligations and properly complete the Charitable Contributions Certification form.

In California, supervision of charities is the responsibility of the Attorney General, whose website, <http://caag.state.ca.us/>, contains much information helpful to regulated charitable organizations.

1. LAWS AFFECTING NONPROFITS

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: <http://caag.state.ca.us/charities/statutes.htm>.

2. SUPPORT FOR NONPROFIT ORGANIZATIONS

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the *Center for Nonprofit Management*, 606 S. Olive St #2450, Los Angeles, CA 90014 (213) 623-7080 <http://www.cnmsocal.org/>, and statewide, the *California Association of Nonprofits*, <http://www.canonprofits.org/>. Both organizations' websites offer information about how to establish and manage a charitable organization.

The above information, including the organizations listed, is for informational purposes only. Nothing contained in this sub-section shall be construed as an endorsement by the Commission of such organizations.



CHARITABLE CONTRIBUTIONS CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act, which regulates those receiving and raising charitable contributions.

CERTIFICATION

YES

NO

Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a Community Development Commission (CDC) and/or Housing Authority contract, it will timely comply with them and provide the CDC and/or Housing Authority a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

()

()

OR

YES

NO

Proposer of Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

()

()

Signature

Date

Name and Title (please type or print)

Request for taxpayer identification and certification

ATTACHMENT F

Form W-9 (Rev. January 2003) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do not send to the IRS.
--	--	---

Print or type See Specific Instructions on page 2.	Name	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ <input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 3.

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

	Social security number
	or
	Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
- I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

- The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- The treaty article addressing the income.
- The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
- The type and amount of income that qualifies for the exemption from tax.
- Sufficient facts to justify the exemption from tax under the terms of the treaty article.

ATTACHMENT F

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments (29% after December 31, 2003; 28% after December 31, 2005). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2);
 2. The United States or any of its agencies or instrumentalities;
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities;
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities; or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation;
 7. A foreign central bank of issue;
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;

ATTACHMENT F

- 9. A futures commission merchant registered with the Commodity Futures Trading Commission;
- 10. A real estate investment trust;
- 11. An entity registered at all times during the tax year under the Investment Company Act of 1940;
- 12. A common trust fund operated by a bank under section 584(a);
- 13. A financial institution;
- 14. A middleman known in the investment community as a nominee or custodian; or
- 15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

If the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments; attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see How to get a TIN below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see Limited liability company (LLC) on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note: See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.ssa.gov/online/ss5.html. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at www.irs.gov.

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

ATTACHMENT F

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see Exempt from backup withholding on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, or to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 30% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.



ATTACHMENT E

**COUNTY OF LOS ANGELES
DEFAULTED PROPERTY TAX REDUCTION PROGRAM
(Los Angeles County Code 2.206)**

- 2.206.010 Findings and declarations.
- 2.206.020 Definitions.
- 2.206.030 Applicability.
- 2.206.040 Required solicitation and contract language.
- 2.206.050 Administration and compliance certification.
- 2.206.060 Exclusions/Exemptions.
- 2.206.070 Enforcement and remedies.
- 2.206.080 Severability.

2.206.010 Findings and declarations.

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.
- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.
- G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.040 Required solicitation and contract language.

All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

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- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within 10 days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

- A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.
- B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.060 Exclusions/Exemptions.

- A. This chapter shall not apply to the following contracts:
 - 1. Chief Executive Office delegated authority agreements under \$50,000;
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
 - 3. A purchase made through a state or federal contract;
 - 4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
 - 5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
 - 6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.
 - 7. Program agreements that utilize Board of Supervisors' discretionary funds;
 - 8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
 - 9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
 - 10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
 - 11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
 - 12. A non-agreement purchase worth a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or

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13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
 14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

- A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.
- B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.
- C. For Contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:
 1. Recommend to the Board of Supervisors the termination of the contract; and/or,
 2. Pursuant to chapter 2.202, seek the debarment of the contractor; and/or,
 3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. No. 2009-0026 § 1 (part), 2009.)

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SECTION 01910

LOCAL & TARGETED WORKER HIRING PROGRAM REQUIREMENT

PART 1 – GENERAL

1.01 SUMMARY

A. This section includes:

1. Part 1 – General
 - 1.01 – Summary
 - 1.02 – Definitions
 - 1.03 – Local and Targeted Worker Hiring Requirement
2. Part 2 - Products (Not Used)
3. Part 3 - Execution
 - 3.01 - Administration and Compliance
 - 3.02 - Community Service Provider Network
4. Part 4 - Forms
 - 4.01 - Form 01910-1: Craft Employee Request Form
 - 4.02 - Form 01910-2: Targeted Worker Certification Form
 - 4.03 - Form 01910-3: Local Worker Status Report

B. In order to boost the local economy and enhance employment opportunities for local construction workers and disadvantaged local workers, the County of Los Angeles requires the Builder and its Subcontractors to employ qualified Local Workers to perform at least 30% of the total California craft worker hours and qualified Targeted Workers to perform one third of the local hire requirement or at least 10% of the total California project craft worker hours. Local residency is defined by zip codes in two preference areas within the County of Los Angeles; the Primary Residency Preference Area within a five-mile radius of the project followed by a Secondary Residency Preference Area that includes zip codes having an unemployment rate in excess of 200% of the County average, as described below.

1.02 DEFINITIONS

Whenever the following terms appear in this Section, they will have the following meanings:

A. **California Project Craft Worker Hours** - Includes all craft worker hours performed on project work by California residents.

B. **Construction-Related Community-Based Service Organization** - A non-profit organization that assists potential construction workers on public works

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projects or private development projects by providing access to training, support services, and job readiness skills.

C. Community Service Provider - Any public agency or non-profit organization that provides pre-apprenticeship construction training; referral of trained local construction workers to contractors; and/or comprehensive employment support services.

D. Craft Employee Request Form - The form used by contractors to request dispatch of craft workers (including apprentices and journeymen), who are Local Workers or Disadvantaged Local Workers, from a Community Service Provider or union hiring hall. The form is submitted by the contractor, completed and fulfilled by a Community Service Provider or union, and submitted to the Local Worker Coordinator as proof of compliance.

E. Targeted Worker - An individual who resides in a zip code listed on Sections 1.03.8 or 1.03.C; and possesses one or more of the barriers to employment below. Certification may be obtained from a Community Service Provider, or additional organization(s) approved by the County of Los Angeles and:

1. Has a documented annual income at or below 100 percent of the Federal Poverty Level;
2. No high school diploma or GED;
3. A history of involvement with the criminal justice system;
4. Protracted unemployment (receiving unemployment benefits for at least 6 months);
5. Is a current recipient of government cash or food assistance benefits;
6. Is homeless or has been homeless within the last year;
7. Is a custodial single parent;
8. Is a former foster youth; or
9. Is a veteran, or is the eligible spouse of a veteran of the United States armed forces, under Section 2(a) of the Jobs for Veterans Act (38 U.S.C.4215[a]).
10. Eligible Migrant and seasonal farmworkers
11. English Language Learners
12. Older Individuals (55+)
13. Disabled
14. Individuals with Low levels of Literacy

**Poverty Guidelines
U.S. Department of Health and Human Services**

Persons in Family	Poverty Guideline
1	\$10,830
2	\$14,570
3	\$18,310
4	\$22,050
5	\$25,790
6	\$29,530
7	\$33,270
8	\$37,010
For families with more than 8 persons, add \$3,740 for each additional person.	

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F. Local Hire Participation Compliance Rectification Amount – The Local Hire Participation Compliance Rectification Amount represents the amount that the County will release in direct proportion to the actual local worker participation levels achieved by the Builder, as documented in the Local Hire Status Report and as forecasted in the Manpower Utilization Plan. The Local Hire Participation Compliance Rectification Amount will be determined by multiplying "the Monthly Local Hire Participation Compliance Value of \$10,000 by the number of months expired since the Notice to Proceed multiplied by the fraction (percentage) generated from dividing the Cumulative Actual Local Hire Participation (numerator) by the Cumulative Forecast Local Hire Participation (denominator).

G. Local Hire Status Report – Submitted on the first and third Monday of each month to the Local Worker Coordinator, the Local Hire Status Report contains, at a minimum, the following information:

- Total number of all workers (apprentices and journeymen), hours worked and wages earned on the project
- Total number of Local Workers (apprentices and journeymen), hours worked, and wages earned (by Primary and Secondary Residency Preference Areas)
- Total number of Disadvantaged Local Workers (apprentices and journeymen), hours worked, and wages earned (by Primary and Secondary Residency Preference Areas)
- Total number of hours worked by Local Workers and Disadvantaged Local Workers by subcontractor
- Demographic profile of all worker categories (Local, Disadvantaged Local Worker, non-local), including race and gender.

H. Local Small Business Enterprise (Local SBE) – A small business certified by the County of Los Angeles Office of Small Business as having their principal office in the County for at least the most recent twelve months and possessing a Small Business Enterprise (SSE) certification from the State of California Department of General Services.

I. Local Worker – An individual who resides in the County of Los Angeles in a zip code within a five-mile radius of the project, or where the unemployment rate exceeds 150% of the Los Angeles County's average unemployment rate, as listed in Sections 1.03.B and 1.03.C.

J. Local Worker Coordinator – The individual assigned by the County of Los Angeles to monitor the Builder's compliance with the Local and Targeted Worker hiring requirement.

K. Manpower Utilization Plan – A plan that contains the manpower schedule for the hiring of Local and Targeted Workers, and the assignment and use of the subcontractors' workforce to meet the Local Worker hiring requirement.

L. Monthly Local Hire Participation Contract Compliance Value – The Monthly Local Hire Participation Compliance Value of \$10,000 is the monthly amount that may be withheld for non-compliance with the Manpower Utilization Plan and the local hire requirement. The Monthly Local Hire Participation

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Contract Compliance Value is the monetary factor used to calculate the liquidated damages that ultimately will be deducted from amounts otherwise payable to the Builder under contract.

M. Pre-apprenticeship Training Programs – Programs administered by a public agency or non-profit organization that provides pre-apprenticeship training using a government approved curriculum. Trainees in these programs are provided an introduction to various construction trades through hands-on construction and in-classroom training. Graduates of these programs are seeking a career in construction.

N. Primary Residency Preference Area – The area that includes those zip codes that are within a five-mile radius of the project within the County of Los Angeles (including incorporated cities and unincorporated communities) as listed in Section 1.03.B.

O. Secondary Residency Preference Area – Defined by zip codes within the County of Los Angeles (including incorporated cities and unincorporated communities) outside the Primary Residency Preference Area, where the unemployment rate exceeds 200% of the Los Angeles County's average unemployment rate as listed in Section 1.03.C.

P. WorkSource Centers – A network of public and private partners working together to support workers and businesses by serving their employment and training needs. Centers are funded by the Federal Workforce Investment Act (WIA) and most services are available at no cost.

1.03 LOCAL AND TARGETED WORKER HIRING REQUIREMENT

A. The Builder and its Subcontractors shall at a minimum meet these local worker hiring requirements:

1. Local Workers shall perform at least 30% of the total California project craft worker hours.
2. Disadvantaged Local Workers shall perform at least 10% of total California project craft worker hours. These hours may be applied towards the 30% Local Worker requirement.

B. Primary Residency Preference Area – Contractors shall first attempt to meet the Local Worker participation requirement by employing qualified workers with residency in these zip codes. This area includes all zip codes within a five-mile radius of the project in the County of Los Angeles (including incorporated cities and unincorporated communities. See Appendix 01910-4).

01910-4

90001	90002	90003	90043	90044	90047	90059	90061	90220	90222
90247	90248	90249	90250	90260	90301	90302	90303	90304	90305
90504	90506	90747	x	x	x	x	x	x	x

01910-5

90001	90002	90003	90007	90011	90015	90021	90023	90037	90043
90044	90047	90058	90059	90061	90062	90201	90270	90280	90262
90222	90305	90303	90089	x	x	x	x	x	x

C. Secondary Residency Preference Area – Contractors shall employ qualified Local Workers from these County of Los Angeles zip codes after

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documented effort has been made to employ available qualified workers, including new apprentice hires, from the Primary Residency Preference Area. This area within the County of Los Angeles (including incorporated cities and unincorporated communities) includes zip codes Where the unemployment rate exceeds: 200% of the Los Angeles County's average unemployment rate.

90004	90005	90006	90007	90008	90012	90013	90014	90015	90016
90017	90018	90019	90020	90021	90022	90023	90024	90025	90026
90027	90028	90029	90031	90032	90033	90037	90038	90040	90042
90043	90045	90049	90057	90062	90063	90065	90071	90073	90095
90230	90301	90302	90303	90304	90401	90404	90602	90605	90606
90638	90639	90640	90650	90670	90706	90710	90712	90731	90744
90745	90802	90804	90806	90810	90813	90814	90815	90840	91042
91103	91104	91204	91304	91306	91324	91325	911330	91331	91335
91342	91343	91351	91352	91401	91402	91405	91406	91601	91602
91605	91606	91702	91706	91711	91731	91732	91733	91744	91745
91746	91748	91754	91766	91767	91768	91770	91789	93534	93535
93536	93543	93550	93552	93591	90011	90255	90280	90262	90221
90746	90502	90501	90278	90245	90221	90220	90248	90247	90249
90250	X	X	X	X	X	X	X	X	x

D. All Local Workers reside within the areas defined by Section 1.03.B, and Section 1.03.C.

E. Work hours performed on project work by residents of California, excluding the hours performed by material fabricators, designers, project office staff, or vendors, shall be included in the calculation of total California project craft worker hours for the purposes of the percentage requirements set forth in Sections 1.03.A.1 and 1.03.A.2.

F. The Local and Targeted Worker Hiring participation requirement will not discriminate against or give preference to any particular individual or group based on race, color, gender, sexual orientation, age, or disability.

G. The Builder will have Community Service Providers certify Targeted Local Workers by using the East Rancho Dominguez Recreation & Senior Center Disadvantaged Local Worker Certification Form found at the end of this section. The Builder and its Subcontractors may submit Disadvantaged Local Workers, including their employees, for certification to these or other organizations approved by the County of Los Angeles.

PART 2 - PRODUCTS (NOT USED)

PART 3 - EXECUTION

3.01 ADMINISTRATION & COMPLIANCE

A. The Builder and its Subcontractors shall use the Craft Employee Request Form (Form 01910-1) found at the end of this section for all requests for dispatch of craft workers (including apprentices and journeymen), who are qualified Local Workers or qualified Targeted Local Workers, from a Community Service Provider, union hiring hall, or other source.

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- B. The Builder and its Subcontractors, prior to commencing work, shall submit a Manpower Utilization Plan to the Project Manager that contains the manpower plan and schedule for the hiring of qualified Local Workers and qualified Targeted Local Workers, and the assignment and use of the subcontractors' workforce to meet the local worker hiring requirement. The Builder, thereafter, will submit updates to the Manpower Utilization Plan to reflect changes in project conditions, schedule, or subcontractors.
- C. The Builder shall submit a Local Hire Status Report using LCP Tracker to the Local Worker Coordinator on the first and third Monday of each month that contains, at a minimum, the information below:
- Total number of all workers (apprentices, journeymen, foremen, and superintendents), hours worked, and wages earned on project.
 - Total number of Local Workers (apprentices, journeymen, foremen, and superintendents), hours worked, and wages earned (by Primary and Secondary Residency Preference Areas).
 - Total number of Targeted Local Workers (apprentices, journeymen, foremen, and superintendents), hours worked, and wages earned (by Primary and Secondary Residency Preference Areas).
 - Total number of hours worked by Local Workers and Targeted Local Workers by subcontractor.
 - Demographic profile of all worker categories (Local, Targeted Local Worker, and Non-Local), including race and gender.
- D. The Builder and its subcontractors shall first meet the Local Worker participation requirement by employing qualified workers from the Primary Residency Preference Area. If the Builder is unable to meet their entire Local Worker need from this area, it must submit to the Local Worker Coordinator a statement on company letterhead certifying that it secured all available qualified local workers from this area during a 48-hour period before pursuing manpower from the Secondary Residency Preference Area.
- E. The Builder's compliance with the approved Manpower Utilization Plan will be evaluated monthly using the Local Hire Status Report, as described in Section 3.01.C. To this end, the County will release the Local Hire Participation Compliance Rectification Amount in direct proportion to the actual local hire participation levels achieved by the Design-Builder and as forecasted in the Manpower Utilization Plan. The Local Hire Participation Compliance Rectification Amount will be determined by multiplying the Monthly Local Hire Participation Contract Compliance Value of \$10,000 by the number of months expired since the Notice to Proceed multiplied by the fraction (percentage) generated from dividing the Cumulative Actual Local Hire Participation (numerator) by the Cumulative Forecast Local Hire Participation (denominator).

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Monthly Local Hire Participation Contract Compliance Value	X	Number of Months Since Notice to Proceed (NTP)	X	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Cumulative Actual Local Hire Participation</td> <td style="border-bottom: 1px solid black; width: 20px;"></td> </tr> <tr> <td style="text-align: center;">Cumulative Forecast Local hire Participation</td> <td></td> </tr> </table>	Cumulative Actual Local Hire Participation		Cumulative Forecast Local hire Participation		=	Local Hire Participation Compliance Rectification Amount
Cumulative Actual Local Hire Participation										
Cumulative Forecast Local hire Participation										
(\$10,000)	(Multiply)		(Multiply)	(Divide)	(Equals)					

F. On a monthly basis, the County will release the Local Hire Participation Compliance Rectification Amount, minus the total value of previous releases, in direct proportion to the actual local hire participation levels achieved by the Builder consistent with the Manpower Utilization Plan. If the cumulative local hire participation exceeds the cumulative forecast local hire participation, the County will release the Local Hire Participation Compliance Rectification Amount based on a value not to exceed 100%.

Local Hire Participation Compliance Rectification Amount	—	Cumulative Value of Previous Monthly Releases	=	Current Month's Release
(Minus)			(Equals)	

G. At the conclusion of the project, the County will conduct a final evaluation of the Builder's compliance with the Manpower Utilization Plan as described in Section 3.01.B and execute a final release of funds, if applicable, as described in Section 3.01.F. The Builder's failure to comply with the Manpower Utilization Plan or meet the Local Worker Hiring Requirement in Section 1.03.A by the conclusion of the project shall result in the County imposing liquidated damages and deducting such amount otherwise owed to the Builder in its final payment. The County will not be required to pay interest on any amounts withheld during the term of the contract.

H. The County and Builder specifically agree that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained due to the Builder's inability to achieve Local Worker Hiring Requirement in Section 1.03.A.

I. The Builder shall submit the Local Hire Status Report, as provided at the end of this section, with the monthly pay application and as required in Section 3.01.C, to demonstrate progress in meeting the Manpower Utilization Plan. Failure to submit the Local Hire Status Report shall be deemed to constitute zero percent local hire participation for the month and the County may retain the Monthly Local Hire Participation Contract Compliance Value of \$10,000 for that month.

J. The County of Los Angeles may issue a Local Small Business Enterprise (LSBE) contractor a waiver from the local hiring requirement if the total " number of workers used by the subcontractor is four (4) or less, the work performed requires a specialized certification or license, and the work will be performed in one day. The Builder will submit a waiver request to the

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Local Worker Coordinator for review and approval one month prior to the subcontractor commencing work.

3.02 COMMUNITY SERVICE PROVIDERS

The Builder and its Subcontractors shall use Community Service Providers that provide qualified pre-apprenticeship construction training, construction-related community based organizations, and WorkSource Centers to facilitate the recruitment and placement of Local and Targeted Local Workers. With County concurrence, additional local resources known to the Builder may be used.

A. PRE-APPRENTICESHIP TRAINING PROGRAMS

1. "WE BUILD" TRAINING PROGRAM

East Los Angeles Occupational Center 2100 Marengo Street Los Angeles, CA 90031 Phone: 323-223-1283	Maxine Waters Employment Preparation Center 10925 S. Central Avenue Los Angeles, CA 90059 323-564-1431
East Los Angeles Skills Center 3921 Selig Place Los Angeles, CA 90032 Phone: 323-224-5970	North Valley Occupational Center 11450 Sharp Avenue North Hills, CA 91345 818-365-9645
Los Angeles Technology Center 3721 W. Washington Boulevard Los Angeles, CA 90018 323-732-0153	West Valley Occupational Center 6200 Winnetka Avenue Woodland Hills, CA 91367 818-346-3540

2. YOUTH BUILD

LA CAUSA YouthBuild 5400 East Olympic Blvd, Suite 210 Los Angeles, CA 90022 Phone: 323-887-2500	CCEO Youthbuild 17216 S. Figueroa Street Gardena, CA 90248 Phone: 310-225-3060
Los Angeles Conservation Corps P.O. Box 15868 Los Angeles, CA 90015 Phone: 213-747-1872	AYE of Catholic Charities of Los Angeles 3250 Wilshire Blvd., Suite 1010 Los Angeles, CA 90010 Phone: 310-225-3060

3. FLINTRIDGE CENTER/PASADENA CITY COLLEGE

Flintridge Center
 236 W. Mountain Street, Suite 106
 Pasadena, CA 91103
 Phone: 626-449-0839

B. WORKSOURCE CENTERS:

Los Angeles Urban League WorkSource Business & Career Center 12700 Avalon Boulevard Los Angeles, CA 90061 Tel. (323) 600-1106	UAW WorkSource Center 3965 S. Vermont Avenue Los Angeles, CA 90037 Tel. (323) 752-2115
Jordan Downs WorkSource Satellite 2101 E 101st Street Los Angeles, CA 90002 Tel. (323) 249-7751	Metro North WorkSource Center 342 San Fernando Road Los Angeles, CA 90031 Tel. (323) 539-2000
South LA WorkSource Center (CCI) 7518-26 S. Vermont Avenue Los Angeles, CA 90044	Harbor WorkSource Center 1851 N. Gaffey Street, Suite F San Pedro, CA 90731

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Tel. (323) 752-2115	Tel. (310) 732 - 5700
Southeast LA-Watts WorkSource Center (WLCAC) 10950 S. Central Avenue Los Angeles, CA 90059 Tel. (323) 563-5682	Northeast WorkSource Portal/Roybal Youth & Family 2130 E First Street, Suite 305 Los Angeles. CA 90033 Tel. (323) 352-5100
Wilshire-Metro WorkSource Center 3550 Wilshire Blvd., Suite 500 Los Angeles, 90010 Tel. (213) 365-9829	West Adams-Baldwin Hills WorkSource 3344 S. La Cienega Boulevard Los Angeles, CA 90016
Hub Cities WorkSource 2677 Zoe Avenue Career Center Huntington Park, CA 90255 (323) 586-4700	Inglewood One-Stop Business & 110 South La Brea Avenue Inglewood, CA 90301 Tel. (310) 680-3700
Career Transition Center 3447 Atlantic Avenue Long Beach, CA 90807 Tel. (562) 570-9675	South Bay One-Stop business and Career Center -Gardena 16801 South Western Avenue Gardena, CA 90274 Tel. (310) 217-9579
Center for Working Families 1900 Atlantic Avenue Long Beach, CA 90806 Tel. (562) 570-4795	Torrance Career Center 1220 Engracia Avenue Torrance, CA 90501 Tel. (310)782-2102
Cerritos Career Center 10900 E. 183rd Street, Suite 350 Cerritos, CA 90703 Tel. (800) 481-6555	Norwalk/EDD Career Center 12715 Pioneer Boulevard Norwalk, CA 90650 Tel (562) 929-9112
Women at Work Burbank 1949 Avenida del Oro, Suite 300 Pasadena, CA 91106 Tel. (626) 796-6870	WorkForce Connection 301 East Olive Avenue, Suite 101 Burbank, CA 91502 Tel. (818) 238-5021
Foothill Employment & Training Connection-Pasadena Community College Community Education Center 3035 E. Foothill Boulevard Pasadena, CA 91107 Tel. (636) 585-3209	Verdugo Jobs Center 1255 S. Central Avenue Glendale, CA 91204 Tel. (818) 409-0476
WorkSource California Career Partners 3505 North Hart Avenue, Suite 124 Rosemead, CA 91770 Tel. (626) 572-7272	Employment Development Department 933 S. Glendora Avenue West Covina CA 91790 Tel. (626) 814-8234
Central San Gabriel Valley WorkSource 11635 East Valley Boulevard El Monte CA 91732 Tel. (626) 258-0365	LA Works One-Stop Career Center 5200 Irwindale Avenue, Suite 210 Irwindale, CA 91706 Tel. (626) 960-3964
Canoga Park-West Hills WorkSource 21010 Vanowen Street St., Ste 116 Canoga Park, CA 91303 Tel. (818)-596-4448	Sun Valley WorkSource Center 9024 Laurel Canyon Blvd. Sun Valley, CA 91352 Tel. (818) - 504 - 0334
Van Nuys-North Sherman Oaks WorkSource Center 15400 Sherman Way, Ste 140 Van Nuys, CA 91406 Tel. (818) - 781 - 2522	Northeast San Fernando Valley WorkSource Center at Mission College 11623 Glenoaks Boulevard Pacoima, CA 91331 818-890-9400

C. CONSTRUCTION-RELATED COMMUNITY-BASED SERVICE ORGANIZATIONS

1. Alameda Corridor Jobs Coalition (ACJC)

2905 S. Vermont Avenue
Los Angeles, CA 90007
323-731-6606

ATTACHMENT F

2. Playa Vista Jobs

4112 S. Main Street
Los Angeles, CA 90037
323-432-3955

3. Unity in the Community

3570 Rodeo Place
Los Angeles, CA 90016
323-294-2982

PART 4. FORMS (CONTINUED ON NEXT PAGE)

4.01 Form 00 19 12-1: Craft Employee Request Form

4.02 Form 01910-2: Targeted Local Worker Certification Form

4.03 Form 01910-3: Local Worker Status Report

ATTACHMENT G

SOCIAL ENTERPRISE (SE) PREFERENCE PROGRAM

The Commission will give preference to businesses that are certified as a Social Enterprise (SE), consistent with SE Preference Program Ordinance (Los Angeles County Code Chapter 2.205) to enhance contracting and procurement opportunities for social enterprise businesses within Los Angeles County by providing a bid price reduction, or preference (5% for construction services and 15% for non-construction - all other goods and services), to bids submitted by certified social enterprises. The SE preference may not be combined with any other County program preference.

The SE Preference Program conflicts with Section 3 preferences and other HUD procurement-related directives. Therefore, **the Commission applies the SE Preference Program only to procurements of \$10,000 or more that are exclusively non-federally funded, or 100% County funded.** To qualify for the SE Preference Program, a bidder must request the preference in the bid, and must be:

- 1) a business qualified as a SE and has been in operation for at least one (1) year providing transitional or permanent employment to a Transitional Workforce or providing social, environmental and/or human justice services; and
- 2) a business that certified by the Department of Consumer and Business Affairs (DCBA) as a SE.

The preference percentage is used only to determine the recommended bidder or proposer and does not alter the amount of the resultant contract award. A contract awarded to a SE on the basis of the percent preference will be for the amount of the actual bid or proposal. In no case, however, can the preference dollar amount exceed \$50,000 per construction solicitation and \$150,000 per non-construction solicitation.

Certified SEs must not request the preference unless the certification process has been completed and certification affirmed. The Commission will verify SE certification prior to applying the preference. Sanctions and financial penalties may apply to a business that knowingly and with intent to defraud seeks to obtain or maintain certification as a certified SE.

Information about the SE certification regulations is available on the Department of Consumer and Business Affairs website at <http://dcba.lacounty.gov/wps/portal/dca>.

Certified SEs requesting the SE preference must submit the *Request for Consideration–SE Preference* form and attachment, located in Part C Bidder's Documents, with the bid. Failure to submit this form with the bid will result in no preference being applied to the bid.

ATTACHMENT G

INSTRUCTIONS:

All bidders/proposers responding to this solicitation and requesting a Social Enterprise (SE) preference must:

1. Submit this form and a SE Certification Letter with the bid/proposal; and
2. Be certified as a SE by the Department of Consumer and Business Affairs (DCBA) effective on the closing date of this solicitation.

FIRM NAME: _____

SE VENDOR CERTIFICATION NUMBER: _____

- As a Social Enterprise certified by the DCBA, I request this bid/proposal be considered for the SE preference.
- Attached is my SE Certification letter issued by the DCBA.

DECLARATION:

I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.

Print Authorized Name: _____

Authorized Signature: _____

Title: _____ Date: _____

ATTACHMENT H

**DISABLED VETERANS BUSINESS ENTERPRISE (DVBE)
PREFERENCE PROGRAM**

The Commission will give preference to businesses that are certified as a Disabled Veterans Business Enterprise (DVBE) Preference Program Ordinance (Los Angeles County Code Chapter 2.211) to enhance contracting and procurement opportunities for local disabled veteran businesses within Los Angeles County by providing a bid price reduction, or preference (5% for construction services and 15% for non-construction - all other goods and services), to bids submitted by certified DVBEs. The DVBE preference may not be combined with any other County program preference.

The DVBE Preference Program conflicts with Section 3 preferences and other HUD procurement-related directives. Therefore, **the Commission applies the DVBE Preference Program only to procurements of \$10,000 or more that are exclusively non-federally funded, or 100% County funded.**

To qualify for the DVBE Preference Program, a bidder must request the preference in the bid, and must be:

- 1) a business certified by the State of California as a DVBE; or
- 2) a business verified as a service-disabled veteran-owned small business by the Veterans Administration.
- 3) a business certified as DVBE with other certifying agencies pursuant to the Department of Consumer and Business Affairs's (DCBA) inclusion policy that meets the criteria set forth by the agencies in 1 and 2 above.

The preference percentage is used only to determine the recommended bidder or proposer and does not alter the amount of the resultant contract award. A contract awarded to a DVBE on the basis of the percent preference will be for the amount of the actual bid or proposal. In no case, however, can the preference dollar amount exceed \$50,000 per construction solicitation and \$150,000 per non-construction solicitation.

Certified DVBEs must not request the preference unless the certification process has been completed and certification affirmed. The Commission will verify DVBE certification prior to applying the preference. Sanctions and financial penalties may apply to a business that knowingly and with intent to defraud seeks to obtain or maintain certification as a certified DVBE.

Information about the DVBE certification regulations is available on the Department of Consumer and Business Affairs website at <http://dcba.lacounty.gov/wps/portal/dca>.

Certified DVBEs requesting the DVBE preference must submit the *Request for Consideration–DVBE Preference* form and attachment, located in Part C Bidder's Documents, with the bid. Failure to submit this form with the bid will result in no preference being applied to the bid.

ATTACHMENT H

**REQUEST for CONSIDERATION
LOS ANGELES COUNTY
DISABLED VETERANS BUSINESS ENTERPRISE (DVBE)
PREFERENCE PROGRAM**

INSTRUCTIONS:

All bidders/proposers responding to this solicitation and requesting a Disabled Veterans Business Enterprise (DVBE) preference must:

1. Submit this form and a DVBE Certification Letter with the bid/proposal; and
2. Be certified as a DVBE by the Department of Consumer and Business Affairs (DCBA) effective on the closing date of this solicitation.

FIRM NAME: _____

SE VENDOR CERTIFICATION NUMBER: _____

- As a Disabled Veterans Business Enterprise certified by the DCBA, I request this bid/proposal be considered for the SE preference.
- Attached is my DVBE Certification letter issued by the DCBA.

DECLARATION:

I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.

Print Authorized Name: _____

Authorized Signature: _____

Title: _____ Date: _____

ATTACHMENT I

Bidder's Acknowledgement of County's Commitment to Zero Tolerance Human Trafficking

On October 4, 2016, the Los Angeles County Board of Supervisors approved a motion taking significant steps to protect victims of human trafficking by establishing a zero tolerance human trafficking policy. The policy prohibits contractors engaged in human trafficking from receiving contract awards or performing services under a County Contract.

The Contractors are required to complete and submit in Part C, *Appendix 7 - Required Forms, Zero Tolerance Human Trafficking Policy Certification*, certifying that they are in full compliance with the County's Zero Tolerance Human Trafficking provision as defined in Section 10.36. (Compliance with County's Zero Tolerance Human Trafficking Policy in *Attachment I – Sample Standard Contract*. Further, contractor are required to comply with the requirements under the said provision for the term of any contract awarded pursuant to this solicitation.

ATTACHMENT I

**ZERO TOLERANCE HUMAN TRAFFICKING
POLICY CERTIFICATION**

Company Name:		
Company Address:		
City:	State:	Zip Code:
Telephone Number:	Email address:	
Solicitation Name:		

BIDDER/PROPOSER CERTIFICATION

The Community Development Commission of the County of Los Angeles/Housing Authority of the County of Los Angeles (Commission/Housing Authority) has taken significant steps to protect victims of human trafficking by establishing a zero tolerance human trafficking policy that prohibits contractors found to have engaged in human trafficking from receiving contract awards or performing services under a County contract.

The Bidder/Proposer acknowledges and certifies compliance with Section 10.36 (Compliance with County's Zero Tolerance Human Trafficking Policy) of the proposed Contract and agrees that bidder/proposer or a member of his staff performing work under the proposed Contract will be in compliance. The Bidder/Proposer further acknowledges that noncompliance with the County's Zero Tolerance Human Trafficking Policy may result in rejection of any bid/proposal, or cancellation of any resultant Contract, at the sole judgment of the Commission/Housing Authority.

I declare under penalty of perjury the laws of the State of California that the information herein is true and correct and that I am authorized to represent this company.

Print Name:	Title:
Signature:	Date: