COUNTY OF LOS ANGELES
CHIEF INFORMATION OFFICE
500 West Temple Street
493 Kenneth Hahn Hall of Administration
Los Angeles, CA 90012

JON W. FULLINWIDER
CHIEF INFORMATION OFFICER

Telephone: (213) 974-2008
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REVISED

October 18, 2005

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

Dear Supervisors:

AGREEMENT BETWEEN COUNTY OF LOS ANGELES AND VARGIS LLC FOR DIGITAL AERIAL IMAGERY DATA AND SERVICES

(3-VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Chief Information Officer to execute a one-year Agreement between the County of Los Angeles and VARGIS LLC, presented in substantially the form of the attached, and all related documents, in the amount of $3,800,000, to provide for the acquisition of countywide aerial imagery products including digital terrain datasets, 2 foot elevation contours, 4 inch pixel resolution color orthogonal and infrared imagery. The effective date of the Agreement shall be the date of execution of the Agreement by County and VARGIS LLC.

PURPOSE OF RECOMMENDED ACTION

Approval of this Agreement will enable VARGIS LLC to acquire high resolution orthogonal imagery and associated products of the entire Los Angeles County region. This imagery represents the first of three deliverables that will be distributed to members of the Los Angeles Region-Imagery Acquisition Program (LAR-IAP), wherein County's participation was initially approved by your Board on August 30, 2005. The two remaining deliverables (oblique imagery products and a quality control report) will be obtained through separate agreements that will subsequently be presented to your Board for approval.

The primary objective of LAR-IAP is to significantly reduce the cost of this imagery for the entire county region by sharing acquisition and processing costs with multiple County Departments and other public entities. The cost savings to participants for all four (4) imagery products will be approximately 40% less compared to the cost of independently obtaining these required images.

JUSTIFICATION

The integration of high quality aerial imagery with Geographical Information Systems (GIS) has been demonstrated to significantly increase worker productivity and quality, and improved service to constituents. The County Quality and Productivity Commission (QPC) awarded the Department of Public Works (DPW), Department of Regional Planning (DRP) and the Chief Information Office (CIO) the Silver Eagle Award (#2 of the "Top 10" Productivity and Quality projects in 2003). This project was also showcased at the 2004 National Association of Counties Annual Conference (NACo).

Orthoginal and oblique imagery and associated data allows users to zoom in on any parcel and see all sides of buildings to measure heights, look at structures from several different angles, find elevation for any point on the image, etc. The imagery is helping departments in many activities especially with property assessment, facilities management, flood control, road design, planning and zoning activities, and zoning enforcement.

The CIO contracted for a GIS study in 2002 to review the use of GIS across County Departments. The study identified that 90% of the data and GIS expertise was maintained in six (6) County Departments and there was no formal mechanism to support resource and data sharing between all County Departments. The study also determined that 75% of the County Departments indicated that their operations would benefit from the availability of geography information, including imagery. This growing demand for GIS data and improved data sharing has also expanded the demand for access to updated imagery.

Based on the growing interest and desire for GIS imagery and data among County Departments, the opportunity to acquire enhanced imagery and the potential savings through cost sharing, the QPC, CIO, and Chief Administrative Office (CAO) recognized the benefits of expanding the shared cost model for aerial imagery to County Departments and other cities and agencies. With this encouragement and support, the CIO and DRP have moved forward with the formation of the LAR-AIP.

FISCAL IMPACT/FINANCING

The Agreement with VARGIS LLC is one of three procurements necessary to complete the objectives of the LAR-IAP. The total cost of the LAR-IAP is estimated at $5.6 million and the County's share of this cost will be reduced by the amounts contributed by the

participating public entities. To date, the written and verbal expressions of interest received by County from public entities interested in participating in the LAR-IAP will reduce the net County obligation to $3.2 million (a 40% savings) which will be allocated among and paid by participating County Departments.

Funds have been allocated from a loan from the Quality and Productivity Commission and an approved grant from the Information Technology Fund to ensure full funding of this program until such time that contributions have been received from participating public entities.

This program is structured to require no additional Net County Costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The initial term of the Agreement is one year from the date of execution. The Agreement provides that County may, in its sole discretion, amend the Agreement to extend the term for an additional two years in one-year increments. Any amendment to the Agreement which changes the term or maximum contract sum, or materially affects the scope of work or any other term or condition of the Agreement shall require the prior approval of your Board.

The Agreement has been approved as to form by County Counsel.

CONTRACTING PROCESS

Notice of this competitive procurement was posted on the Internal Services Vendor website and notices were also sent by mail to 18 vendors who participated in this limited market space. Twelve firms attended the Proposers' Conference and included firms from New York, Virginia, Texas as well as local firms.

Bids were received from six (6) proposers and all were found to meet the minimum requirements. A bid evaluation panel was established that included representatives from County Departments and key public entities. The panel used an objective scoring process that included scores for technical approach, quality control, schedule, vendor qualifications, licensing strategies, and evaluation of sample imagery, acceptance of County Terms and Conditions and cost.

Total scores ranged from a low of 462 points to a high of 819 of 1000 points. The average bid was $4.0 million and VARGIS, this highest scoring vendor, had a bid of $3.8 million.

STRATEGIC PLAN GOALS

The LAR-IAP supports the following County Strategic Goals:

1. Service Excellence
   The acquired imagery will assist in providing the public with personalized spatially specific information and direct services through web-based spatially enabled imagery (land use, law enforcement, access to County service locations, etc.).

2. Workforce Excellence
   Use of this imagery, combined with other data layers (parcel data, street networks, service boundaries, political boundaries, etc.), will allow the County workforce to make better decisions by adding a visual context to constituent issues and needs. Imagery will also provide information to correct errors in parcel, land use and permit tabular data.

3. Organizational Effectiveness
   The use of standardized imagery will introduce a common language tool to all County Departments and outside participating agencies to visualize the same land use issues in the same way through a common geospatial image and data layers. The service delivery systems are more efficient because the cost of the imagery and tools are shared and will allow participating departments and agencies to concentrate on their core missions.

4. Fiscal Responsibility
   By sharing the cost for acquiring this data, the County will save 40% over the cost of obtaining this necessary imagery independently.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Establishment of the LAR-IAP will achieve the following benefits:

- Cost savings: 40% on imagery acquisition costs based on the collaboration with other public entities, volume discount pricing and cost-sharing through the joint acquisition strategy.

- Cost savings: 50%-75% reduction in the indirect costs associated with the legal and procurement process by eliminating multiple procurements of the same product.

- Increased worker productivity: High levels of precision in digital aerial imagery tools will reduce time spent on site visits and provide a more comprehensive view of land use issues.

- Enhanced decision support: Digital imagery will aid in understanding and providing a context to constituent issues regarding land use issues at Board meetings, community meetings, hearings, etc.

- Service enhancement: Unifying digital aerial imagery will improve communication among all LA County government entities.

- Service enhancement: Integration of digital aerial imagery with GIS parcel databases and other GIS layers will provide a better context for improving the decision-making process.

- Future cost avoidance: Elimination of multiple acquisitions from agencies for the same area.

CONCLUSION

The approval of this Agreement will allow the LAR-IAP to move forward with the orthogonal aerial images and associated products for the LAR-IAP and achieve the goal of cost saving and increased benefits to our constituents through meaningful public agency collaboration and partnerships.

Respectfully submitted,

JON W. FULLINWIDER
Chief Information Officer

JWF:JM:ygd

Attachment

c: County Counsel
Executive Officer, Board of Supervisors
Chief Administrative Officer
Chair, Information System Commission
Director, Regional Planning Department
Director, Department of Public Works

AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

VARGIS LLC

FOR

DIGITAL AERIAL IMAGERY DATA AND SERVICES

FOR

THE LOS ANGELES REGION IMAGERY ACQUISITION CONSORTIUM

THIS AGREEMENT is made and entered into this ____ day if _____, 2005 by and between the County of Los Angeles (hereinafter "County") and VARGIS LLC, a [redacted] corporation (hereinafter "Contractor").

RECITALS

WHEREAS, Contractor is engaged in the business of digital aerial imaging; and

WHEREAS, County has released a Request for Proposals for Proposals (RFP) for Digital Aerial Imagery Data and Services for the Los Angeles Region Image Acquisition Consortium (LAR-IAC); and

WHEREAS, in response to County's Request for Proposals, Contractor has submitted its Proposal and was selected by County, and desires and is prepared, to provide such LAR-IAC Digital Aerial Imagery Data and Services.

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, County and Contractor agree as follows:

1. APPLICABLE DOCUMENTS AND INTERPRETATION

1.1 Applicable Documents

1.1 The provisions of this document along with Exhibits A, B, C, D, E, F, G, H, I and J, attached hereto, and Exhibits K and L, not attached hereto, all described in Paragraph 1.2 below and incorporated herein by reference, collectively form and throughout and hereinafter are referred to as the "Agreement".

1.2 Interpretation

In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule or the contents or description of any task, deliverable, service or other work, or otherwise, between and/or among this base document and/or the Exhibits and the Attachments and the Schedules thereto, such conflict or inconsistency shall be resolved by giving precedence first to the body of the Agreement, and then to the Exhibits, the Attachments and the Schedules thereto, according to the following descending priority:

Exhibit A	Statement of Work	
	Attachment A.1	Imagery Methodology
	Attachment A.2	Technical Capacity and Specifications {Include Hardware Capacity}
	Attachment A.3	Data Processing Capacity and Specifications
	Attachment A.4	Quality Assurance and Quality Control Guidelines {Include QA/QC Process}

	Attachment A.5	Acceptance Criteria
Exhibit B	Schedule of Payments	
Exhibit C	Project Schedule {Include Implementation Plan}	
Exhibit D	Project Participation	
	Attachment D.1	Subscribers
	Attachment D.2	Participating Entities
	Attachment D.3	Subscriber Agreement
Exhibit E	County's Administration	
Exhibit F	Contractor's Administration	
Exhibit G	Contractor Employee Acknowledgment, Confidentiality and Assignment Agreement	
Exhibit H	Contractor's EEO Certification	
Exhibit I	Jury Service Ordinance	
Exhibit J	Safely Surrender Baby Law	
Exhibit K	Request for Proposals (RFP) for Digital Aerial Imagery Data and Services (Incorporated by Reference)	
Exhibit L	Contractor's Proposal to the RFP for Digital Aerial Imagery Data and Services (Incorporated by Reference)	

1.3 Entire Agreement

The body of this Agreement, together with the Recitals and all Exhibits, Attachments and Schedules, constitutes the complete and exclusive agreement between the parties and supersedes all previous and contemporaneous agreements, whether written or oral, and any and all communications and negotiations between the parties relating to the subject matter of this Agreement. Nothing in this Agreement shall be interpreted based upon any prior discussions and negotiations, or upon any additions or deletions made as a result thereof. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or provisions.

2. DEFINITIONS

2.1 Acceptable Flying Conditions

As used herein, the term "Acceptable Flying Conditions" shall mean acceptable conditions (including weather) for flying, as specified in Attachment A.4 (Quality Assurance and Quality Control Guidelines).

2.2 Acceptance; Accepted

As used herein, the terms "Acceptance" and "Accepted" shall County's written approval of the work hereunder in accordance with Paragraph 14.1 (Acceptance Criteria).

2.3 Acceptance Criteria

As used herein, the term "Acceptance Criteria" shall mean agreed upon objective standards for verifying that the tasks, subtasks, goods, services and other work provided by Contractor hereunder meets or exceeds the Acceptance requirements, as set forth in Paragraph 14.1 (Acceptance Criteria).

2.4 Approved Department

As used herein, the term "Approved Department" shall mean any County Department approved by County in accordance with the terms of this Agreement to acquire License and other benefits hereunder.

2.5 Approved Participant

As used herein, the term "Approved Participant" shall mean any Participating Entity approved by County in accordance with the terms of this Agreement to acquire License and other benefits hereunder.

2.6 Board

As used herein, the term "Board" shall mean County's Board of Supervisors.

2.7 Business Day(s); business day(s)

As used herein, the terms "Business Day(s)" and "business day(s)", whether singular or plural, shall mean any day(s) of eight (8) working hours during a single day, as specified by the applicable Subscriber, Monday through Friday, excluding County observed holidays.

2.8 Contract Sum

As used herein, the term "Contract Sum" shall have the mean the total monetary amount payable by County to Contractor hereunder, as set forth in Paragraph 6.1 (Contract Sum).

2.9 Contractor; VARGIS

As used herein, the term "Contractor" shall mean VARGIS LLC.

2.10 Contractor's Project Manager

As used herein, the term "Contractor's Project Manager" shall have the meaning set forth in Paragraph 4.1 (Contractor's Project Manager").

2.11 County

As used herein, the term "County" shall mean the County of Los Angeles, California.

2.12 County's Contract Monitor

As used herein, the term "County's Contract Monitor" shall have the meaning set forth in Paragraph 3.3 (County's Contract Monitor).

2.13 County's Project Director

As used herein, the term "County's Project Director" shall have the meaning set forth in Paragraph 3.1 (County's Project Director).

2.14 County's Project Manager

As used herein, the term "County's Project Manager" shall have the meaning set forth in Paragraph 3.2 (County's Project Manager).

2.15 Data Product

As used herein, the term "Data Product" shall mean images of land and other data, including Documentation, provided and licensed by Contractor to County under this Agreement, including the Statement of Work with all Attachments thereto.

2.16 Day(s)

As used herein, the term "day(s)", whether singular or plural, shall mean calendar day(s) and not business day(s), unless otherwise expressly specified.

2.17 Deficiency; Deficiencies

As used herein, the terms "Deficiency(ies)", whether singular or plural, and "Deficient" shall mean and include defect(s) in design, development, materials and/or workmanship; error(s); deviations from published and/or mutually agreed upon standards, including Acceptance Criteria; deviation(s) from any of the requirement(s) including the Specifications; or any non-conformance with Documentation under this Agreement.

2.18 Deliverable(s)

As used herein, the term "deliverable(s)", whether singular or plural, shall mean any task(s), subtask(s), deliverable(s), good(s), service, work or other legal consideration, including number Deliverables in the Statement of Work, provided or to be provided by Contractor under this Agreement.

2.19 Department(s)

As used herein, the term "Department(s)", whether singular or plural, shall mean any one of County's department(s).

2.20 Director; CIO

As used herein, the terms "Director" and "CIO" shall mean County's Chief Information Officer.

2.21 Dispute Resolution Procedure

As used herein, the term "Dispute Resolution Procedure" shall mean the procedure for resolution of the disputes arising under this Agreement described in Paragraph 63 (Dispute Resolution Procedure).

2.22 Documentation

As used herein, the term "Documentation" shall mean any and all written and electronic publications relating to the Data Product and other work provided by Contractor under this Agreement, including, but not limited to, reference, technical, user and training materials, guides and information, delivered, or otherwise made available, by Contractor under this Agreement.

2.23 Effective Date

As used herein, the term "Effective Date" shall mean the date of execution of this Agreement by County and Contractor.

2.24 Extended Term

As used herein, the term "Extended Term(s)", whether singular or plural, shall have the meaning set forth in Paragraph 5.1 (Contract Term).

2.25 Final Acceptance

As used herein, the term "Final Acceptance" shall mean Contractor's successful completion of all tasks and subtasks and County's Acceptance in accordance with the terms of this Agreement of all Deliverables set forth in the Statement of Work.

2.26 Initial Term

As used herein, the term "Initial Term" shall have the meaning set forth in Paragraph 5.1 (Contract Term).

2.27 LAR-IAC

As used herein, the term " LAR-IAC" shall mean Los Angeles Region Imagery Acquisition Consortium.

2.28 License

As used herein, the term "License" shall have the meaning set forth in Paragraph 13 (License).

2.29 Maximum Flying Period

As used herein, the term "Maximum Flying Period" shall mean the maximum number of days under Acceptable Flying Conditions allotted under this Agreement for Contractor to complete flying, as specified in Attachment A.4 (Quality Assurance and Quality Control Guidelines).

2.30 Milestone(s)

As used herein, the term "Milestone(s)", whether singular or plural, shall have the meaning set forth in Paragraph 11.2 (Milestones).

2.31 Participating Entity; Participating Entities

As used herein, the term "Participating Entity(ies)", whether singular or plural, shall mean non-County entities listed on Attached D.2 (Participating Entities).

2.32 Project Control Document; PCD

As used herein, the terms "Project Control Document" and "PCD" shall mean the detailed project plan developed by Contractor and delivered to County in accordance with Exhibit A (Statement of Work).

2.33 Project Schedule

As used herein, the term "Project Schedule" shall mean the project schedule, including the implementation plan, for completion of the work hereunder, specified in Exhibit C (Project Schedule).

2.34 Proposal

As used herein, the term "Proposal" shall mean Contractor's proposal in response to County's Request for Proposals, incorporated herein by reference as Exhibit L (Contractor's Proposal to the RFP for Digital Aerial Imagery Data and Services).

2.35 Quality Assurance and Quality Control; QA/QC

As used herein, the terms "Quality Assurance and Quality Control" and "QA/QC" shall mean the process for quality assurance and quality control set forth in Exhibit A (Statement of Work) pursuant to the QA/QC Guidelines.

2.36 QA/QC Guidelines

As used herein, the term "QA/QC Guidelines" shall mean the guidelines for Quality Assurance and Quality Control set forth in Attachment A.4 (Quality Assurance and Quality Control Guidelines).

2.37 Request for Proposals; LAR-IAC Request for Proposals

As used herein, the terms "Request for Proposals" and "LAR-IAC Request for Proposals" shall mean County's Request for Proposals (RFP) for Digital Aerial Imagery Data and Services for the Los Angeles Region Imagery Acquisition Consortium (LAR-IAC), incorporated herein by reference under Exhibit K (Request for Proposals (RFP) for Digital Aerial Imagery Data and Services), with all addenda, amendments and modifications thereto.

2.38 Schedule of Payments

As used herein, the term "Schedule of Payments" shall mean a schedule of payments, fees and rates specified in Exhibit B (Schedule of Payments).

2.39 Specifications

As used herein, the term "Specifications" shall mean and include any or all of the following, as applicable:

1. All specifications, requirements, guidelines and standards identified in this Agreement, including, but not limited to, QA/QC Guidelines and Acceptance Criteria;
2. All specifications, requirements, guidelines and standards identified in the Request for Proposals;
3. All specifications, requirements, guidelines and standards identified in Contractor's Proposal; and
4. The Documentation, to the extent not inconsistent with any of the foregoing items defining Specifications.

2.40 State

As used herein, the term "State" shall mean the State of California.

2.41 Statement of Work

As used herein, the term "Statement of Work" shall mean tasks, subtasks, deliverables, goods, services and other work provided by Contractor under this Agreement, as specified in Exhibit A (Statement of Work).

2.42 Subscriber

As used herein, the term "Subscriber" shall mean any Approved Department or Approved Participant listed on Attachment D.1 (Subscribers).

2.43 Subscriber Agreement

As used herein, the term "Subscriber Agreement" shall mean any agreement, including a memorandum of understanding, entered into by County and a County Department or a Participating Entity for the purpose of authorizing such County Department or Participating Entity to become a Subscriber in as an Approved

Department or Approved Participant under this Agreement. A form Subscriber Agreement is attached hereto as Attachment D.3 (Subscriber Agreement).

2.44 User(s)

As used herein, the term "User(s)", whether singular or plural, shall mean the users of Subscribers authorized to use the Data Product in accordance with this Agreement.

3. ADMINISTRATION OF AGREEMENT – COUNTY

A listing of all County administration referenced in this Paragraph 3 below is designated in Exhibit E (County's Administration). County shall notify Contractor in writing of any change in the names or addresses shown.

3.1 County's Project Director

3.1.2 County's Project Director will be responsible for ensuring that the objectives of this Agreement are met.

3.1.3 County's Project Director shall provide direction to Contractor in the areas relating to County policy, information requirements and procedural requirements.

3.2 County's Project Manager

3.2.1 County's Project Manager will be responsible for ensuring that the technical standards and requirements of this Agreement are met.

3.2.2 County's Project Manager will advise County's Project Director as to Contractor's performance with respect to requirements and technical standards.

3.2.3 County's Project Manager will have the right to inspect any and all tasks, deliverables, goods, services and other work provided by or on behalf Contractor under this Agreement.

3.3 County's Contract Monitor

3.3.1 County's Contract Monitor will be responsible for overseeing the day-to-day administration of this Agreement.

3.3.2 County's Contract Monitor will report to County's Project Manager.

3.4 Changes to Agreement

County's Project Director, County's Project Manager and County's Contract Monitor are not authorized to make any changes in any of the terms and conditions of this Agreement and are not authorized to further obligate County in any respect whatsoever, except as otherwise provided in Paragraph 8 (Change Notices and Amendments).

4. ADMINISTRATION OF AGREEMENT – CONTRACTOR

A listing of all County administration referenced in this Paragraph 3 below is designated in Exhibit E (County's Administration). County shall notify Contractor in writing of any change in the names or addresses shown.

4.1 Contractor's Project Manager

4.1.1 Contractor's Project Manager is designated in Exhibit F (Contractor's Administration). Contractor shall notify County in writing of any change in the name or address of Contractor's Project Manager.

4.1.2 Contractor's Project Manager shall responsible for Contractor's day-to-day activities and Contractor's performance of all its tasks and subtasks as related to this Agreement and ensuring Contractor's compliance with this Agreement.

4.1.3 Contractor's Project Manager shall meet and confer with County's Project Manager on a regular basis to review project progress and discuss project coordination. Such meetings shall be conducted at a time and place convenient to County's Project Manager.

4.2 Approval of Contractor's Staff

4.2.1 County has the absolute right to approve or disapprove each member or proposed member of Contractor's staff, including, but not limited to, Contractor's Project Manager, prior to and during their performance of any work hereunder, as well as so approving or disapproving any proposed deletions from or other changes in such staff. County's Project Director may require replacement of any member of Contractor's staff performing, or offering to perform, work hereunder, including, but not limited to, Contractor's Project Manager. Contractor shall provide County with a resume of each such proposed initial staff member, including, but not limited to, Contractor's Project Director, and proposed substitute and an opportunity to interview such person prior to his/her performance of any work hereunder.

4.2.2 In addition, Contractor represents and warrants that it shall, to the maximum extent possible, take all necessary steps to ensure continuity over time of the membership of the group constituting Contractor's staff, including, but not limited to, Contractor's Project Manager. Contractor shall promptly fill any staff vacancy with personnel having qualifications at least equivalent to those of the staff member(s) being replaced.

4.2.3 In fulfillment of its responsibilities under this Agreement, Contractor shall utilize, and permit utilization of, only staff fully trained and experienced, and as appropriate, licensed or certified in the technology, trades, tasks and subtasks required by this Agreement. Contractor shall supply sufficient staff to discharge its responsibilities hereunder in a timely and efficient manner.

4.2.4 In the event Contractor should ever need to remove any staff from performing work under this Agreement, Contractor shall provide County with notice at least fifteen (15) days in advance, except in circumstances in which such notice is not possible, and shall work with County on a mutually agreeable transition plan so as to provide an acceptable replacement and ensure project continuity.

4.3 Contractor's Staff Identification

4.3.1 Contractor shall provide all staff assigned to this Agreement with a photo identification badge in accordance with County specifications. Specifications may change at the discretion of County and Contractor will be provided new specifications as required. The format and content of the badge is subject to the County's approval prior to the Contractor implementing the use of the badge. Contractor staff, while on duty or when entering a County facility or its grounds, shall prominently display the photo identification badge on the upper part of the body.

4.3.2 Contractor shall notify the County within one business day when staff is terminated from working on this Agreement. Contractor is responsible to retrieve and immediately destroy the staff's County photo identification badge at the time of removal from the Agreement.

4.3.3 If County requests the removal of Contractor's staff, Contractor is responsible to retrieve and immediately destroy the contractor's staff's County photo identification badge at the time of removal from working on the Agreement.

4.4 Security Clearance

4.4.1 At any time prior to or during the term of this Agreement, County may require that all Contractor staff performing work under this Agreement undergo and pass, to the satisfaction of County, a background investigation, as a condition to beginning and continuing to work under this Agreement. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of Contractor, whether or not Contractor's staff passes or fails the background clearance investigation.

4.4.2 County may request that Contractor's staff be immediately removed from working on the Agreement at any time during the term of the Agreement. County will not provide to Contractor or Contractor's staff any information obtained through the County conducted background clearance.

4.4.3 County may immediately deny or terminate facility access to Contractor's staff that does not pass such investigation(s) to the satisfaction of County, if background or conduct is incompatible with County facility access, at the sole discretion of County.

4.5 Reports by Contractor

In order to control expenditures and to ensure the reporting of all goods, services, and other work provided by Contractor, Contractor shall provide County's Project Manager, with a copy to County's Project Director, written monthly reports, which shall include, at a minimum, the following information:

A. Period covered by the report.
B. All goods, services and other work provided by Contractor during the reporting period.
C. Issues resolved.
D. Issues to be resolved.
E. Changes in Contractor's line of goods or services.
F. Any other information which County may reasonably require from time-to-time.

5. TERM

5.1 Contract Term

The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect for one (1) year (hereinafter "Initial Term"), unless sooner terminated or extended, in whole or in part, as provided in this Agreement. Upon expiration of the Initial Term or any Extended Term (as defined in Paragraph 5.3 (Definition of Term), County may, in its sole discretion, extend this Agreement for additional two (2) consecutive one-year terms (hereinafter "Extended Term(s)") one (1) year at a time by giving a thirty (30) day written notice to Contractor, provided that if this Agreement is not so extended, the remaining option(s) shall automatically lapse.

5.2 License Term

Notwithstanding the foregoing, the License for Data Product provided by Contractor to County and any and all Subscribers under this Agreement shall continue in perpetuity in accordance with Paragraph 13 (License).

5.3 Definition of Term

As used throughout this Agreement, the word "term" shall include the Initial Term and any Extended Term(s).

5.4 Notice of Expiration

Contractor shall notify County when the Agreement is within two (2) months from the expiration of the then current term by sending a written notification to County's Project Director at the address provided in Exhibit E (County's Administration).

6. CONTRACT PRICES AND FEES

6.1 Contract Sum

The Contract Sum under this Agreement shall be the maximum monetary amount payable by County to Contractor for providing work under and during the term of this Agreement. All work completed by Contractor must be approved in writing by County. The Contract Sum, including all applicable taxes, authorized by County hereunder shall not exceed a total of [redacted] for the term of this Agreement.

Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the Contract Sum authorized under this Agreement. Upon occurrence of this event, Contractor shall send written notification to County's Project Director at the address herein provided in Exhibit E (County's Administration).

6.2 Subscribers

In the event a Subscriber, upon County approval pursuant to the terms of this Agreement, elects to acquire a License provided by Contractor hereunder, by executing a Subscriber Agreement, such election by the Subscribers shall not increase the Contract Sum, or any obligation by County to Contractor.

6.3 Other Expenses

Contractor shall not be entitled to payment or reimbursement for any tasks, subtasks, deliverables, goods, services or other work provided, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein.

7. INVOICES AND PAYMENTS

7.1 Approval of Invoices

All invoices submitted by Contractor for payment must have the written approval of County's Project Manager, or his/her designee, prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval, which approval shall not be unreasonably withheld.

7.2 Invoices

Contractor shall invoice County only for tasks, subtasks, goods, services and other work provided by Contractor in accordance with Exhibit A (Statement of Work) or otherwise under this Agreement.

7.2.1 Each invoice submitted by Contractor shall include charges owed to Contractor by County under the terms of this Agreement and shall indicate:

A. The Agreement Number;

B. Tasks, subtasks, goods, services and other work for which payment is claimed;

C. The date of written notification of receipt of such tasks, subtasks, goods, services and other work by County's Project Manager;

D. Indication of any applicable withhold amount for payments claimed or reversals thereof;

E. Indication of any applicable credits due County under the terms of this Agreement or reversals thereof.

7.2.2 Contractor shall invoice County for all tasks, subtasks, goods, services and other work provided under this Agreement and approved in writing by County pursuant to Exhibit B (Schedule of Payments) and the terms of this Agreement.

7.2.3 All invoices under this Agreement shall be submitted in two (2) copies to the following address:

John McIntire, Associate CIO
Chief Information Office
320 W. Temple Street, Suite 493
Los Angeles, California 90012

7.3 Sales/Use Tax

The fees set forth in Exhibit B (Schedule of Payments) shall include applicable California and other state and local sales/use taxes on all tasks, subtasks, goods, services and other work procured by County pursuant to or otherwise due as a result of this Agreement. All California sales/use taxes shall be paid directly by Contractor to the State or other taxing authority. Contractor shall be solely liable and responsible for any and all California and other state and local sales/use taxes billed by Contractor to County and paid by County to Contractor in accordance with this Agreement. In the event Contractor fails to pay such California or any other state or local sales/use tax and such taxes have been paid by County to Contractor, Contractor shall reimburse County for any and all tax amounts paid by County as a result of such failure and any attorneys' fees, including costs, associated therewith. In addition, Contractor shall be solely responsible for all taxes based on Contractor's income or gross revenue, or personal property taxes levied or assessed on Contractor's personal property to which County does not hold title.

7.4 Transportation Charges

Contactor shall bear the full risk of loss due to total or partial destruction of the goods, including any data loaded on CDs or other computer media, until such items are delivered to County. All transportation and related insurance charges for shipment of such goods shall be paid directly by Contractor to the applicable carrier.

Contractor shall be solely liable and responsible for, any and all transportation and related insurance charges.

7.5 Discrepancies

In the event discrepancies are found during the invoice review as provided in Paragraph 7.2.2 above, County's Project Manager, or his/her designee, will notify Contractor of such discrepancies and submit a list of disputed charges as soon as practicable, but no later than within thirty (30) days from the receipt of such disputed invoice by County. Contractor shall review the disputed charges and send a written explanation detailing the basis for the charges as soon as practicable, but no later than within thirty (30) days of receipt of County's notice of discrepancies and disputed charges. "Discrepancies" as used in this Paragraph 7 shall mean the details on the invoice or the receiving report which do not conform to the Schedule of Payments.

If no notice of invoice discrepancies is received by Contractor within thirty (30) days from the date of County's receipt of the invoice, the invoice shall be deemed undisputed and qualified for payment in its entirety and County's written approval discussed in Paragraph 7.1 (Approval of Invoices) shall be deemed completed.

7.6 Payments

Unless otherwise specified herein, payment to Contractor shall be made in accordance with this Agreement and the Schedule of Payments, provided Contractor is not in default under any provision of this Agreement and Contractor's invoices have not been disputed pursuant to Paragraph 7.5 (Discrepancies) above.

7.7 County's Right to Withhold Payment

Notwithstanding any other provision of this Agreement, and in addition to any rights of County given by law or provided in this Agreement, County may upon written notice to Contractor withhold payment for any work under this Agreement while Contractor is in default hereunder, provided that Contractor has been notified of such default and such default has not been cured within thirty (30) days of notice from County, or at any time that Contractor has not provided to County tasks, subtasks, deliverables, goods, services or other work in accordance with the Statement of Work.

8. CHANGE NOTICES AND AMENDMENTS

8.1 No representative of either County or Contractor, including those named in this Agreement and Exhibits E (County's Administration) and F (Contractor's Administration), is authorized to make any changes in any of the terms, obligations or conditions of this Agreement, except through the procedures set forth in this Paragraph 8.

8.2 County reserves the right to change any portion of the work required under this Agreement and to any other provisions of this Agreement. All such changes shall be

accomplished only as provided in this Paragraph 8.

8.3 For any change requested by County which does not affect the scope of work, term, Contract Sum, or any term or condition included in this Agreement, a Change Notice shall be prepared and executed by County's Project Director and Contractor's Project Manager.

8.4 Except as otherwise provided in this Agreement, for any change requested by County which affects the scope of work, term, Contract Sum, or any term or condition included in this Agreement, a negotiated written Amendment to this Agreement shall be prepared and executed by each of County's Board of Supervisors and Contractor's authorized representative.

8.5 County and Contractor have agreed upon a project schedule for the work described in Exhibit C (Project Schedule). Notwithstanding any other provision of this Paragraph 8, changes to the Project Schedule shall be made only upon mutual agreement, in writing, by County's Project Director and Contractor's Project Manager, provided that County's Project Director's and Contractor's Project Manager's agreement to alter the Project Schedule shall not prejudice either party's right to claim that such alterations constitute an Amendment to this Agreement that shall be governed by the terms of Paragraph 8.4 above.

8.6 Notwithstanding any other provision of this Paragraph 8, to the extent that extensions of time for Contractor performance do not impact either the scope of work or cost of this Agreement, County's Project Director, in his/her sole discretion, may grant Contractor extensions of time in writing for the work listed in Exhibit C (Project Schedule), provided that such extensions in the aggregate may not exceed a total of six (6) months.

8.7 Notwithstanding any other provision of this Paragraph 8 or Paragraph 26 (Termination for Convenience), Director shall take all appropriate action to carry out any orders of County's Board of Supervisors or Chief Administrative Officer relating to this Agreement, and, for this purpose, Director is authorized to: (i) issue a written notice(s) of partial or total termination of this Agreement pursuant to Paragraph 26 (Termination for Convenience) or (ii) add and/or change certain terms and conditions of the Agreement during the term of this Agreement. All such orders shall be implemented without further action by County's Board of Supervisors, by executing an Amendment to this Agreement signed by the Director and Contractor's authorized representative, which Amendment shall either reduce the scope of work and the Contract Sum or add and/or change certain terms and conditions hereunder.

8.8 Facsimile

Except for the parties' initial signatures to this Agreement, which must be provided in "original" form and not by facsimile, County and Contractor hereby agree to regard facsimile representations of original signatures of authorized officials of each party, when appearing in appropriate places on the Change Notices prepared pursuant to this Paragraph 8 and received via communications facilities, as legally sufficient evidence

that such original signatures have been affixed to Change Notices to this Agreement, such that the parties need not follow up facsimile transmissions of such documents by subsequent (non-facsimile) transmissions of "original" versions of the documents.

9. WORK

9.1 Scope of Work

Contractor shall on a timely basis provide, complete, deliver and implement all tasks, subtasks, deliverables, goods, services and other work set forth in this Agreement and Exhibit A (Statement of Work), with all Attachments thereto, at the rates and prices specified in Exhibit B (Payment Schedule), with all Schedules thereto, and in accordance with Exhibit C (Project Schedule).

9.2 Standard of Services

Contractor's services and other work required by this Agreement shall conform to high professional standards, as they exist in Contractor's profession or field of practice. If Contractor's services and other work provided under this Agreement fail to conform to such high professional standards, upon notice from County specifying the failure of performance, Contractor shall, at Contractor's sole expense, re-perform such services or other work. Contractor shall, at its own expense, correct any data in which, and to the extent that, errors have been caused by Contractor.

9.3 Approval of Work

All tasks, deliverables, goods, services and other work provided by Contractor must have the written approval of County's Project Director. In no event shall County be liable or responsible for any payment prior to such written approval. Contractor agrees that should tasks, subtasks, deliverables, goods, services or other work, other than those set forth in Exhibit B (Schedule of Payments), with all Schedules thereto, be performed without the prior written modification of this Agreement in accordance with Paragraph 8 (Change Notices and Amendments), they are deemed gratuitous and Contractor shall have no claim.

9.4 Right to Reject

County reserves the right to reject any tasks, subtasks, deliverables, goods, services, and/or other work not approved by County pursuant to Paragraph 9.3 (Approval of Work) above or other provisions of this Agreement.

10. SUBSCRIBER AGREEMENT

10.1 Licensing to Subscribers

A County Department or a Participating Entity may acquire the License and other benefits provided by Contractor hereunder upon County approval pursuant to the terms of this Agreement and notification to Contractor. Upon such election by the

County Department or the Participating Entity and approval by County, (i) the County Department or the Participating Entity shall become a Subscriber in the form of an Approved Department or Approved Participant, as applicable, for the purpose of this Agreement; (ii) Attachment D.1 (Subscribers) shall be updated to include the newly added Approved Department or Approved Participant by a Change Notice in accordance with Paragraph 8 (Change Notices and Amendments); and (iii) County and the newly added Subscriber shall execute a Subscriber Agreement, or its functionally equivalent, and any other required agreements, in order to entitle such Subscriber to the License and other benefits of this Agreement. Should it become necessary that an Approved Participant enter into an agreement with Contractor, in no event shall County be liable or responsible for any of the Approved Participant's actions under such agreement with Contractor.

10.2 Licensing by Contractor

Contractor may license Data Product to the entities listed on Attachment D.2 (Participating Entities) and any other Federal, State and local governments and agencies, and utility companies only upon County approval as provided in this Agreement. Otherwise, Contractor may license Data Product to any private agencies or companies only with the prior written County approval and in accordance with the royalty terms negotiated between County and Contractor for such licensing.

11. PROJECT SCHEDULE; MILESTONES

11.1 Project Schedule

Contractor shall all tasks, deliverables, goods, services and other work hereunder in accordance with the Project Schedule set forth in Exhibit C (Project Schedule) following a detailed work plan identified in the Project Control Document developed by Contractor pursuant to Exhibit A (Statement of Work). The Project Schedule shall, at a minimum, include the following elements:

1. Deliverable Number;
2. Description;
3. Delivery Date; and
4. Any other information required by County under this Agreement or the Project Control Document.

11.2 Milestones

The Project Schedule sets forth dates for completion of each key Deliverable (hereinafter "Milestone(s)"). A Milestone Deliverable shall be deemed completed for purposes of this Paragraph 11.2 on the earliest date that all of the tasks, subtasks, deliverables, goods, services and other work required for completion of such Milestone are completed and delivered to County, provided that all of such tasks, deliverables, goods, services and other work required for completion of such Milestone are thereafter approved in writing by County pursuant to Paragraph 9.3 (Approval of Work). The determination of whether each Milestone has been so

completed and so approved, and of the date upon which such Milestone was completed, shall be made by County's Project Director as soon as practicable after County is informed by Contractor that such Milestone has been completed and is given all the necessary information, data and documentation to verify such completion. A failure by Contractor to complete any Milestone by the applicable date set forth above, as such date may be modified pursuant to Paragraph 8.6 or Paragraph 81 (Notice of Delays), may be cause for assessment of credits by County, as provided in Paragraph 11.3 (Credits to County) below, or termination for default pursuant to Paragraph 25 (Termination for Default).

11.3 Credits to County

11.3.1 Credits for Delays

In the event Contractor fails to complete and successfully provide Deliverables marked as Milestones in the Project Schedule by the applicable due dates set forth in such Project Schedule, County shall be entitled to credit in the amount of Five Hundred Dollars ($500.00) for each day that Contractor delays completion of such Milestone Deliverable beyond the applicable due date for such Milestone. County may deduct any credits assessed pursuant to this Paragraph 11.3 from any payments otherwise due to Contractor under this Agreement.

If a Milestone Deliverable delay is caused by insufficient number of flying days under Acceptable Flying Conditions, the due dates in the Project Schedule starting from the affected Milestone will be extended by the number of days the flying period under the Acceptable Flying Conditions is short of the Maximum Flying Period.

11.3.2 Reversal of Credits

County will reverse the credits assessed under this Paragraph 11.3 in the event Contractor timely achieves Final Acceptance or completes the last Deliverable marked as a Milestone in the Project Schedule by the due date for such Milestone, as determined by County.

11.3.3 Unsatisfactory QA/QC

In the event the Data Product fails to comply with the QA/QC Requirements set forth in Attachment A.4 (Quality Assurance and Quality Control Guidelines), Contractor shall provide cure within thirty (30) days of County's notice of such non-compliance. Any delays in the Project Schedule resulting from Contractor's cure of non-compliance shall be subject to assessment of credits in provided above in this Paragraph 11.3.

11.3.4 Other Remedies

This Paragraph 11.3 shall not in any way restrict or limit County's right to any other relief resulting from Contractor's breach of this Agreement, including, without limitation, County's right to terminate this Agreement for default.

12. WARRANTIES

12.1 Warranty Period

Contractor hereby represents and warrants that, commencing upon Final Acceptance and continuing for three (3) months thereafter (hereafter "Warranty Period"), the Data Product provided by Contractor under this Agreement shall be free from any and all Deficiencies and shall conform to the Specifications.

12.2 Notification of Deficiencies

In the event of a Deficiency, as determined by County's Project Director, County's Project Director will notify Contractor of the problem(s) within five (5) working days, but failure by County to notify Contractor within such time period shall not affect Contractor's warranty obligations under this Agreement. Contractor shall undertake corrective action by re-flying or re-processing the defective components of the Data Product action within the applicable time specified in Paragraph 12.3 (Response to Deficiency Notifications) below. If such notice to Contractor is given orally, County will also provide written confirmation of the corrective action request to Contractor within ten (10) days of such oral notification, but County's failure to do so shall not relieve Contractor of any duty hereunder. Contractor's response time shall not be stayed pending receipt of County's written confirmation.

12.3 Response to Deficiency Notifications

For any Deficiency during the Warranty Period, as determined by County's Project Director, Contractor shall promptly commence corrective measures including re-flying and/or re-processing, within five (5) business days, and correct, within twenty (20) business days of receipt of notice from County. In the event that Contractor fails to correct such Deficiency within such twenty (20) business day period, Contractor shall provide County with a detailed explanation of the status of the problem(s) and corrective action(s) taken as well as detailed plan(s) for resolution of the problem(s). The correction of all Deficiencies shall be at no cost to County during the Warranty Period.

12.4 Further Warranties

Contractor further represents, warrants, covenants and agrees that throughout the term of this Agreement:

1. Contractor shall strictly comply with the descriptions and representations (including, but not limited to, Deliverable documentation, performance capabilities, accuracy, completeness, characteristics, Specifications, Acceptance Criteria, configurations, standards, functions and requirements applicable to the Data Product), as further set forth in Exhibit A (Statement of Work) with all Attachments thereto, and shall be free from any and all Deficiencies, errors and omissions.

2. All tasks, subtasks, Deliverables, goods, services and other work shall be performed in a timely and professional manner by qualified personnel.

3. Contractor shall not cause any unplanned interruption of the operations of, or accessibility to County's systems through any device, data transfer, method or means including, without limitation, the use of any "virus", "lockup", "time bomb", or "key lock", "worm", "back door" or "Trojan Horse" device or program, or any disabling code, which has the potential or capability of compromising the security of County's confidential or proprietary information or of causing any unplanned interruption of the operations of, or accessibility of County's systems or any user, or which could alter, destroy, or inhibit the use of County's systems, or the data contained therein (collectively referred to for purposes of this Paragraph 12.4.3 as "Disabling Device(s)"), which could block access to or prevent the use of County's systems by County or users. Contractor represents, warrants and agrees that it has not purposely placed, nor is it aware of, any Disabling Device on any component provided to County under this Agreement, nor shall Contractor knowingly permit any subsequently delivered Data Product to contain any Disabling Device, other than lock-offs contained on the delivered media which only prevents its use contained on such media.

4. County shall be entitled to use the Data Product without interruption of use, subject only to County's obligation to make the required payments under this Agreement. Contractor represents and warrants that this Agreement is neither subject nor subordinate to any right or claim of any third party, including, without limitation, Contractor's creditors.

5. Contractor shall not subordinate this Agreement or any of its rights hereunder to any third party without the prior written consent of County, and without providing in such subordination instrument for non-disturbance of County's use of the Data Product in accordance with this Agreement.

6. Contractor is duly authorized to grant to County all rights, including, but not limited to, License and ownership rights, granted by this Agreement with respect to all Data Product.

12.5 Breach of Warranty Obligations

In the event Contractor fails to timely perform its obligations set forth in this Paragraph 12, then County may, after written notice to Contractor and in the event Contractor, after a reasonable time, has still failed to perform such warranty obligations, perform any required correction, replacement or other work, debit Contractor therefor at County's direct actual cost of outside labor and materials and County's burdened rates for labor (including, without limitation, salary, employee benefits and reimbursement policies). Such debit shall be made against any amounts owed by County to Contractor under this Agreement.

12.6 Warranty Pass-Through

Contractor shall assign to County to the fullest extent permitted by law or by this Agreement, and shall otherwise ensure that the benefits of any applicable warranty or indemnity offered by any manufacturer of any software or any other product or service provided hereunder fully extend to, and are enjoyed by, County.

13. LICENSE

13.1 License Grant

In consideration for the payment of the fees by County and subject to the terms and conditions of this Agreement, Contractor hereby grants to County a perpetual, irrevocable, non-exclusive license (hereinafter "License") for all Users as provided in this Paragraph 13.

13.2 License Term

The License granted under this Agreement shall commence upon the earlier of the delivery of the Data Product to County or the Effective Date, and, provided undisputed payments for such License are made as provided herein, shall continue in perpetuity and without regard to the end of the term of this Agreement.

13.3 Scope of License

The License granted by Contractor under this Agreement provides County with the following rights:

(1) Installation

To install or otherwise load the Data Product on an unlimited number of computers, servers, local area networks and wide area networks.

(2) Documentation

To use, modify and distribute the Documentation included in a hard copy format and, when available, electronically or on digital media, including CD-ROM.

(3) Access and Use

To use access and use the Data Product by an unlimited number of Users without limitations.

(4) Copy

To reproduce, and otherwise make unlimited number of copies of, the Data Product.

(5) Derivative Works

To modify, or otherwise prepare derivative works of, the Data Product by the Users.

13.4 License Restrictions

County will not resell, or otherwise distribute, the Data Product outside of the realm of County Departments or the Participating Entities.

14. ACCEPTANCE

14.1 Acceptance Criteria

Deliverables shall be deemed "Accepted" by County upon their conformance to the QA/QC Guidelines and/or Attachment A.5 (Acceptance Criteria) (hereinafter collectively "Acceptance Criteria"), as applicable, at County's sole discretion. County will pay Contractor for such Deliverables in accordance with Exhibit B (Schedule of Payments) if and only if these Deliverables were Accepted by County.

14.2 Final Acceptance

The Data Product shall achieve Final Acceptance by County, when following County's Acceptance of the QA/QC Deliverables County, in its sole discretion, determines that the Data Product does not contain any Deficiencies and meets the Specifications, following which determination, County will make the last payment due Contractor under the Schedule of Payments.

15. PROPRIETARY CONSIDERATIONS

15.1 County Materials

Contractor and County agree that all materials, plans, reports, Acceptance Criteria, test plans, the Project Control Document, all training materials, departmental procedures and processes, deliverables, data and any other information developed by County or by Contractor pursuant to and for delivery to County under this Agreement (collectively "County Materials"), and all copyrights, patent rights, trade secret rights and other proprietary rights therein shall be the sole property of County. Contractor hereby assigns and transfers to County all of Contractor's right, title, and interest in and to all County Materials developed under this Agreement, provided that notwithstanding such County ownership, Contractor may retain possession of all working papers prepared by Contractor. During and for a minimum of five (5) years subsequent to the term of this Agreement, Contractor shall retain any and all such working papers. County shall have the right to inspect any and all such working papers, make copies thereof, and use the working papers and the information contained therein.

15.2 Transfer to County

Upon request of County, Contractor shall execute all documents requested by County and shall perform all other acts requested by County to assign and transfer to, and vest in, County all Contractor's right, title and interest in and to the County Materials, including, but not limited to, all copyrights, patents and trade secret rights. County shall have the right to register all copyrights and patents in the name of County of Los Angeles. Further, County shall have the right to assign, license or otherwise transfer any and all County's right, title and interest, including, but not limited to, copyrights and patents, in and to the County Materials.

15.3 Copyright Notice

As requested in writing by County's Project Director, Contractor shall affix the following notice to County Materials developed under this Agreement: "©Copyright 200_ (or such other date of first publication), County of Los Angeles. All rights reserved". Contractor shall affix such notice as directed by County.

15.4 Contractor Obligations

Contractor shall protect the security of and keep confidential all County Materials obtained or developed under this Agreement. Further, Contractor shall use whatever reasonable security measures are necessary to protect all such County Materials from loss or damage by any cause, including fire and theft.

15.5 Proprietary and Confidential

Any and all County Materials which are developed or were originally acquired by Contractor outside the scope of this Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County's Project Director as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "PROPRIETARY" or "CONFIDENTIAL".

15.6 County Obligations

Notwithstanding any other provision of this Agreement, County shall not be obligated in any way under this Agreement for:

1. Any disclosure of any materials which County is required to make under the California Public Records Act or otherwise by law; and

2. Any Contractor's proprietary and/or confidential materials not plainly and prominently marked with restrictive legends.

15.7 Survival

The provisions of this Paragraph 15 shall survive the expiration or termination of this Agreement.

16. CONTRACTOR RESPONSIBILITIES

All data and information provided by County to Contractor under this Agreement (hereinafter "County Data") shall be used by Contractor solely for performance of its obligations hereunder. Upon completion of work under this Agreement, Contractor shall permanently delete all County Data from all of its systems and shall return the original media back to County. During the term of this Agreement and thereafter, Contractor shall not resell, copy or otherwise distribute by any means any of County Data. Notwithstanding the foregoing, County does not represent the accuracy of the content of such County Data.

17. INDEMNIFICATION

17.1 Contractor shall indemnify, defend and hold harmless County, its Special Districts, elected and appointed officers, Subscribers, employees and agents (hereinafter "County Indemnitees"), from and against any and all third party liability, including but not limited to, demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Agreement. Any legal defense pursuant to Contractor indemnification obligations under this Paragraph 17 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County in writing, which approval shall not be unreasonably withheld. In any event, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as required by law or this Agreement, County shall be entitled to reimbursement for all such costs and expenses.

17.2 Notwithstanding the foregoing, (a) Contractor's liability for any losses of County or any third party resulting from this Agreement shall be limited to the greater of (i) two times the Contract Sum or (ii) the policy limit amount of any applicable commercial insurance policy which is required to be maintained by Contractor or the responsible subcontractor during the term of this Agreement; and (b) Contractor's liability on indemnification claims resulting from this Agreement shall apply only to claims, notices of which were provided by County to Contractor during the Initial Term or a three year period thereafter.

18. INSURANCE

18.1 Insurance Programs

Without limiting Contractor's indemnification of County and during the term of this Agreement, Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at Contractor's own expense.

18.2 Insurance Coverage Requirements

18.2.1 General Liability Insurance written on ISO policy form CG 00 01, or its equivalent, with limits of not less than the following:

General Aggregate	$2 million
Products/Completed Operations Aggregate	$1 million
Personal and Advertising Injury	$1 million
Each Occurrence	$1 million

18.2.2 Professional Liability Insurance covering liability arising from errors, omissions or wrongful acts of Contractor, its officers or employees, in the performance of work hereunder, with a combined single limit of not less than two million dollars ($2,000,000) per claim.

18.2.3 Automobile Liability Insurance written on ISO policy form CA 00 01, or its equivalent, with a limit of liability of not less than $1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

18.2.4 Workers' Compensation and Employers' Liability Insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. In all cases, the above insurance shall also include Employers' Liability coverage with limits of not less than the following:

Each Accident	$1 million
Disease - Policy Limit	$1 million
Disease - Each Employee	$1 million

18.3 Evidence of Insurance

Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to: Chief Information Office, 500 West Temple Street, Room 493, Los Angeles, CA 90012, prior to commencing work under this Agreement. Such certificates or other evidence shall, at a minimum:

(1) Specifically identify this Agreement;

(2) Clearly evidence all coverages required in this Agreement;

(3) Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;

(4) Include copies of the additional insured endorsement to the commercial general liability and aircraft liability policies, adding the County of Los Angeles, it Special Districts, its officials, officers and employees, and Subscribers as insureds for all activities arising from this Agreement; and

(5) Identify any deductibles or self-insured retentions for County's approval. County retains the right to require Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to County, or, require Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims, administrations and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

18.4 Insurer Financial Ratings

Insurance is to be provided by an insurance company acceptable to County with an A.M. Best rating of not less than A:VII, unless otherwise approved by County.

18.5 Notification of Incidents, Claims or Suits

Contractor shall report to County:

(1) Any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor and/or County. Such report shall be made in writing within twenty-four (24) hours of occurrence.

(2) Any third-party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Agreement.

(3) Any injury to a Contractor employee which occurs on County property. This report shall be submitted on a County "Non-Employee Injury Report" to County's Project Director.

(4) Any loss, disappearance, destruction, misuse or theft of any kind whatsoever of County property, monies or securities entrusted to Contractor under the terms of this Agreement.

18.6 Insurance Coverage Requirements for Subcontractors

Contractor shall ensure that all subcontractors performing work under this Agreement meet the insurance requirements of this Agreement, at no cost to County, be either:

(1) Contractor providing evidence of insurance covering the activities of subcontractors, or

(2) Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage naming the County of Los Angeles as an additional insured on their liability policies. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

18.7 Failure to Maintain Coverage

In the event that Contractor fails to comply with any of the insurance requirements of this Agreement, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all costs incurred by County. Specifically, failure by Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute a material breach of the contract, upon which County may immediately terminate or suspend this Agreement in accordance with Paragraph 25 (Termination for Default) and pursue any remedies to which it is entitled by law. County, at its sole option, may obtain damages from Contractor resulting from such breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance.

19. INTELLECTUAL PROPERTY INDEMNIFICATION

19.1 Contractor represents and warrants: (i) that Contractor has the full power and authority to grant the License, ownership and all other rights granted by this Agreement to County; (ii) that no consent of any other person or entity is required by Contractor to grant such rights other than consents that have been obtained and are in effect; (iii) that County is entitled to use the Data Product without interruption, subject only to County's obligation to make the required payments under this Agreement; (iv) that this Agreement and the Data Product licensed or acquired herein, are neither subject to any liens, encumbrances, or pledges nor subordinate to any right or claim of any third party, including Contractor's creditors; (v) that during the term of this Agreement, Contractor shall not subordinate this Agreement or any of its rights hereunder to any third party without the prior written consent of County, and without providing in such subordination instrument for non-disturbance of County's use of the Data Product (or any part thereof) in accordance with this Agreement; and (vi) that neither the performance of this Agreement by Contractor, nor the License to or ownership by, and use by, County and its users of the Data Product in accordance with this Agreement will in any way violate any non-disclosure agreement, nor constitute any infringement or other violation of any copyright, trade secret, trademark, service mark, patent, invention, proprietary information, or other rights of any third party.

19.2 Contractor shall indemnify, hold harmless and defend County, its Special Districts, elected and appointed officers, Subscribers, employees and agents (hereinafter "County Indemnitees"), from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees and attorney's fees, as such are incurred, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure or misappropriation, arising from or related to the Data Product or the utilization of Contractor's other work product under this Agreement (hereinafter collectively "Infringement Claim(s)"). Any legal defense pursuant to Contractor's

indemnification obligations under this Paragraph 19 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County in writing. Notwithstanding the foregoing, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as required by law or this Agreement, County shall be entitled to reimbursement for all such costs and expenses.

19.3 County shall notify Contractor, in writing, as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure. Upon such notice by County, Contractor shall, at no cost to County, as remedial measures, either: (i) procure the right, by license or otherwise, for County to continue to use the Data Product or affected Data Product component(s), or part(s) thereof, to the same extent of County's License or ownership rights under this Agreement; or (ii) to the extent Contractor is unable to procure such right, replace or modify the Data Product or component(s) with data set or component(s) of at least equivalent quality and qualifications, in County's determination, until it is determined by County that the Data Product and all components become non-infringing, non-misappropriating and non-disclosing.

19.4 If Contractor fails to complete the remedial measures in Paragraph 19.3 above within forty-five (45) days of the date of the written notice from County, County shall have the right to take such remedial measures it deems reasonable to mitigate any impairment of its use of the Data Product or its components, or damages or other costs or expenses associated with the infringement claim(s) (hereinafter "Remedial Acts"). Contractor shall indemnify County for all amounts paid and all direct and indirect costs associated with such Remedial Acts by County. Failure by Contractor to pay such amounts and costs within ten (10) days of invoice by County shall, in addition to, and cumulative to all other remedies, entitle County to immediately withhold payments due to Contractor under this Agreement up to the total of the amounts and costs paid in connection with such Remedial Acts by County.

20. AUTHORIZATION WARRANTY

Contractor represents and warrants that the person executing this Agreement or any Amendment thereto pursuant to Paragraph 8 (Change Notices and Amendments) for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition and obligation of this Agreement, and that all requirements of Contractor have been fulfilled to provide such actual authority.

21. ASSIGNMENT AND DELEGATION

21.1 Contractor shall not assign its rights and/or delegate its duties under this Agreement, whether in whole or in part, without the prior written consent of County, in its sole discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph 21, County's consent shall require a written amendment to this Agreement, which is formally approved and executed by the parties. Any payments by County to any delegatee or assignee on any claim

under this Agreement, in consequence of any such consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off, recoupment, or other reduction for any claims which County may have against Contractor, whether under this Agreement or otherwise.

21.2 Shareholders and/or partners of 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 effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Agreement, approval thereof by County shall be required, which approval shall not be unreasonably withheld. Consent to any such transfer may be refused if County finds that the transferee(s) is (are) lacking in experience, capability, and financial ability to perform Agreement services. This in no way limits any County's right found elsewhere in this Agreement to terminate the Agreement.

22. SUBCONTRACTING

22.1 County has relied, in entering into this Agreement, on the reputation of and on obtaining the personal performance of Contractor itself. Consequently, no performance of this Agreement, or any portion thereof, shall be subcontracted by Contractor without the prior written approval of County as provided in this Paragraph 22. Any attempt by Contractor to subcontract any performance under this Agreement without the prior written consent of County shall be null and void and shall be deemed a material breach of this Agreement, upon which County may immediately terminate this Agreement.

22.2 If Contractor desires to subcontract any portion of its performance under this Agreement, Contractor shall provide to County, in writing, a request for written approval to enter into the particular subcontract, which request shall include:

1. The reason(s) for the particular subcontract;

2. Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected;

3. A detailed description of the work to be performed by the proposed subcontractor;

4. A draft copy of the proposed subcontract, which shall contain at a minimum all standard County required provisions.

5. Unless otherwise determined unnecessary by County, copies of Certificates of Insurance from the proposed subcontractor which establish that the subcontractor maintains all the programs of insurance required by Paragraph 18 (Insurance).

6. Other pertinent information and/or certifications requested by County.

22.3 County will review Contractor's request to subcontract and determine, in its sole discretion, whether or not to consent to such request on a case-by-case basis.

22.4 Contractor shall indemnify, defend and hold harmless County, its Special Districts, elected and appointed officers, Subscribers, employees and agents (hereinafter "County Indemnitees"), from and against any and all claims, demands, liabilities, damages, costs and expenses, including, but not limited to, defense costs and legal, accounting or other expert consulting or professional fees in any way arising from or related to Contractor's use of any subcontractor, including, without limitation, any officers, employees or agents of any subcontractor, in the same manner as required for Contractor, its officers, employees and agents, under this Agreement.

22.5 Notwithstanding County's consent to any subcontracting, Contractor shall remain fully responsible for any and all performance required of it under this Agreement, including those which Contractor has determined to subcontract, including, but not limited to, the obligation to properly supervise, coordinate and perform all work required under this Agreement. All subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. Furthermore, County approval of any subcontract shall not be construed to limit in any way Contractor's performance, obligations, or responsibilities, to County, nor shall such approval limit in any way any of County's rights or remedies contained in this Agreement. Additionally, County's approval of any subcontract shall not be construed in any way to constitute the determination of the allowableness or appropriateness of any cost or payment under this Agreement.

22.6 County's consent to any subcontracting shall not waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Agreement. Contractor shall notify its subcontractors of this County's right prior to subcontractors commencing performance under this Agreement. Contractor shall assure that any subcontractor personnel not approved in writing by County shall be immediately removed from the provision of any services under the particular subcontract or that other action is taken as requested by County. Further, in the event that County consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such subcontractor is deemed by County to be in material breach of its subcontract or this Agreement. County shall not be liable or responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of Contractor or any subcontractor, for any claims, demands, damages, liabilities, losses, costs, or expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, in any way arising from or related to County's exercise of such right.

22.7 Notwithstanding County's consent to any subcontracting, Contractor shall be solely liable and responsible for any and all payments and other compensation to all subcontractors, and their officers, employees, agents, and successors in interest, for any services performed by subcontractors under this Agreement.

22.8 In the event that County consents to any subcontracting, for each subcontract entered into by Contractor, Contractor shall deliver to the County's Project Director, immediately after the effective date of the subcontract but in no event later than the date any work is performed under the subcontract:

1. A fully executed copy of each subcontract entered into by Contractor;

2. An executed Contractor Employee Acknowledgment, Confidentiality and Assignment Agreement, attached as Exhibit G, for each subcontractor employee approved to perform work under this Agreement; and

3. Certificates of Insurance, which establish that the subcontractor maintains all the programs of insurance required by Paragraph 18 (Insurance).

22.9 In the event that County consents to any subcontracting, such consent shall apply to each particular subcontract only and shall not be, or be construed to be, a waiver of this Paragraph 22 or a blanket consent to any further subcontracting.

23. DISCLOSURE OF INFORMATION

23.1 Contractor shall not disclose any details in connection with this Agreement, including but not limited to any of its terms or conditions or any circumstances which occur during the performance of this Agreement, to any party except as may be otherwise provided herein or required by law.

23.2 However, in recognizing Contractor's need to identify its services and related clients in order to sustain itself, County shall not inhibit Contractor from publicizing its role under this Agreement under the following conditions:

1. Contractor shall develop all publicity material in a professional manner.

2. During the term of this Agreement, Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of County's Project Director, which consent shall not be unreasonably withheld.

3. Contractor may, without the prior written consent of County, indicate in its proposals and sales that it has been awarded this Agreement with the County of Los Angeles, provided that the requirements of this Paragraph 23 shall apply.

24. CONFIDENTIALITY

24.1 Contractor shall maintain the confidentiality of all its records, data and information, including, but not limited to, billing and County records, in accordance with all applicable Federal, State and County laws, regulations, ordinances and directives relating to confidentiality. Contractor shall inform all of its officers, employees, and

agents performing work hereunder of the confidentiality provisions of this Agreement. Contractor shall provide to County an executed Contractor Employee Acknowledgment, Confidentiality and Assignment Agreement (Exhibit G) for each of its employees performing work under this Agreement in accordance with Paragraph 33 (Independent Contractor Status).

Contractor shall indemnify, defend and hold harmless County, its Special Districts, elected and appointed officers, Subscribers, employees and agents (hereinafter "County Indemnitees"), from and against any and all loss, damage, liability, and expense, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, arising from any disclosure of such records and information by Contractor, its officers, employees, or agents, except for any disclosure authorized by this Paragraph 24.

With respect to any identifiable information concerning any patient that is obtained by Contractor or any other records and information, Contractor shall: (1) not use any such records or information for any purpose whatsoever other than carrying out the express terms of this Agreement; (2) promptly transmit to County all requests for disclosure of any such records or information; (3) not disclose, except as otherwise specifically permitted by this Agreement, any such records or information to any person or organization other than County without County's prior written authorization that the records are, or information is, releasable; and (4) at the expiration or termination of this Agreement, return all such records and information to County or maintain such records and information according to the written procedures sent to Contractor by County for this purpose.

24.2 Contractor acknowledges that a breach by Contractor of this Paragraph 24 may result in irreparable injury to County that may not be adequately compensated by monetary damages, and that, in addition to County's other rights under this Paragraph 24 and at law and in equity, County shall have the right to injunctive relief to enforce the provisions of this Paragraph 24.

25. TERMINATION FOR DEFAULT

25.1 County may, by written notice to Contractor, terminate the whole or any part of this Agreement if:

1. Contractor fails to timely provide and/or satisfactorily perform any task, subtask, deliverable, goods, service or other work within the times specified in this Agreement; or

2. Contractor fails to demonstrate a high probability of timely fulfillment of the performance requirements under this Agreement, or of any obligations of this Agreement, and in either case, fails to demonstrate convincing progress toward a cure within ten (10) days (or such longer period as County may authorize in writing by County's Project Director) after receipt of the notice from County; or

3. Contractor fails to make progress as to endanger performance of this Agreement in accordance with its terms; or

4. Contractor fails to perform or comply with any other provisions of this Agreement or materially breaches this Agreement,

and does not cure such failure or fails to correct such breach within ten (10) days of receipt of written notice from County specifying such failure or breach.

25.2 In the event that County terminates this Agreement in whole or in part as provided in this Paragraph 25 or in Paragraph 27 (Termination for Insolvency), then:

1. County shall have the right, for all Users, including the Subscribers, to continued use in perpetuity of the Data Product in accordance with the terms set forth in Paragraph 13 (License), the Documentation any other work product developed by Contractor for the remainder of this Agreement; and

2. County shall have the right to allow its employees, contractors and all Users, including the Subscribers, to utilize all such Data Product, related Documentation and other work product; and

3. Contractor shall deliver to County all completed work and work in progress, including the Data Product and Documentation; and

4. County shall have the right to procure, upon such terms and in such a manner as County may deem appropriate, goods, services, and other work, similar to those so terminated, and Contractor shall be liable to County for, and shall promptly pay to County by cash payment, any and all excess costs incurred by County, as determined by County, to procure and furnish such similar goods, services, and other work; and

5. Contractor and County shall continue the performance of this Agreement to the extent not terminated under the provisions of Paragraph 27 (Termination for Insolvency) and/or this Paragraph 25; and

6. Contractor understands and agrees that the County has obligations that it cannot satisfy without the Data Product, and that a failure to satisfy such obligations could result in irreparable damage to County and the entities it serves. Therefore, Contractor agrees that in the event of any termination of this Agreement, as a result of the breach hereof by Contractor, or for any other reason, Contractor shall fully cooperate with County in the transition of County to a new data product.

25.3 If, after County has given notice of termination under the provisions of this Paragraph 25, it is determined by County that Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 26 (Termination for Convenience).

25.4 The rights and remedies of County provided in this Paragraph 25 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

26. TERMINATION FOR CONVENIENCE

26.1 This Agreement may be terminated, in whole or in part, permanently or from time to time, when such action is deemed by County to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective, which shall be no less than thirty (30) calendar days after the notice is sent. In the event County has purported to terminate this Agreement for default by notice pursuant to Paragraph 25 (Termination for Default) and it has later been determined that Contractor was not in default, no additional notice shall be required upon such termination.

26.2 After receipt of a notice of termination, and except as otherwise directed by County, Contractor shall:

1. Stop work under this Agreement on the date and to the extent specified in such notice;

2. Transfer and deliver to County Data Product and all other completed work and work in progress; and

3. Complete performance of such part of the work as shall not have been terminated by such notice.

26.3 After receipt of a notice of termination, Contractor shall submit to County, in the form and with any certifications as may be prescribed by County, Contractor's termination claim and invoice. Such claim and invoice shall be submitted promptly, but no later than thirty (30) days from the effective date of termination and shall include Contractor's reasonable cost of demobilization and or other cost of termination approved by County.

27. TERMINATION FOR INSOLVENCY

27.1 County may terminate this Agreement immediately at any time upon the occurrence of any of the following:

1. Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay or has admitted in writing its inability to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the United States Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the United States Bankruptcy Code, provided that Contractor shall not be deemed insolvent if it has ceased in the normal course of business to pay its

debts which are disputed in good faith and which are not related to this Agreement as determined by County;

2. The filing of a voluntary or involuntary petition to have Contractor declared bankrupt, where the involuntary petition is not dismissed within sixty (60) days;

3. The appointment of a receiver or trustee for Contractor; or

4. The execution by Contractor of an assignment for the benefit of creditors.

27.2 The rights and remedies of County provided in this Paragraph 27 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

27.3 Contractor agrees that if Contractor as a debtor-in-possession, or if a trustee in bankruptcy, rejects this Agreement, County may elect to retain its rights under this Agreement, as provided under Section 365(n) of the United States Bankruptcy Code (11 United States Code, Section 365(n)). Upon written request of County to Contractor or the trustee in bankruptcy, as applicable, Contractor or such trustee shall allow County to exercise all of its rights and benefits under this Agreement including, without limitation, such Section 365(n) (including, without limitation, the right to continued use of all source and object code versions of the BCP Software and related Documentation), and shall not interfere with the rights and benefits of County as provided therein. The foregoing shall survive the termination or expiration of this Agreement for any reason whatsoever.

28. TERMINATION FOR IMPROPER CONSIDERATION

28.1 County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, Amendment or extension of the Agreement or the making of any determinations with respect to Contractor's performance pursuant to this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

28.2 Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to County's Auditor-Controller Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

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

29. TERMINATION FOR GRATUITIES

County may, by written notice to Contractor, terminate the right of Contractor to proceed under this Agreement upon one (1) calendar day's notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by Contractor, or any agent or representative of Contractor, to any officer, employee, or agent of County with a view toward securing an agreement or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing, of such agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

30. EFFECT OF TERMINATION OR EXPIRATION

Upon expiration or termination of this Agreement, including for cause under Paragraphs 25 (Termination for Default), 28 (Termination for Improper Consideration) and 29 (Termination for Gratuities) and at will under Paragraph 26 (Termination for Convenience), Contractor shall grant to County a perpetual royalty-free License to be enjoyed by County and Subscribers pursuant to the terms of Paragraph 13 (License).

31. BUDGET REDUCTIONS

In the event that County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, County reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year services provided by Contractor under the Agreement. County's notice to Contractor regarding said reduction in payment obligation shall be provided within 30 calendar days of the Board's approval of such actions. Contractor shall continue to provide all of the services set forth in the Agreement.

32. NON-APPROPRIATION OF FUNDS

County's obligation may be limited if it is payable only and solely from funds appropriated for the purpose of this Agreement. Notwithstanding any other provision of this Agreement, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then County shall, at its sole discretion, either (i) terminate this Agreement as of June 30 of the last fiscal year for which funds were appropriated or (ii) reduce the work provided hereunder in accordance with the funds appropriated. County will notify Contractor in writing of any such non-appropriation of funds at its election at the earliest possible date.

33. INDEPENDENT CONTRACTOR STATUS

33.1 This Agreement is by and between County and Contractor and is not intended and shall not be construed to create the relationship of agent, servant, employee,

partnership, joint venture or association as between County and Contractor. The employees and agents of one party are not and shall not be, or construed to be, the employees or agents of the other party for any purpose whatsoever. Contractor shall function as, and in all respects is, an independent contractor.

33.2 Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement, all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.

33.3 Contractor shall be solely liable and responsible for providing all workers' compensation insurance and benefits, liability insurance, employer taxes, compensation, and benefits to, or on behalf of, all persons performing work pursuant to this Agreement. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, payroll taxes, disability insurance or benefits, or Federal, State or local taxes, or other compensation, benefits or taxes for any personnel provided by or performing work on behalf of Contractor.

33.4 Notwithstanding the provisions of this Paragraph 33, the employees and agents of Contractor shall, while on the premises of County, comply with all rules and regulations of the premises, including, but not limited to, security requirements.

33.5 Contractor shall provide to County an executed Contractor Employee Acknowledgment, Confidentiality and Assignment Agreement (Exhibit G) for each of its employees performing work under this Agreement. Such agreements shall be delivered to County's Project Director, on or immediately after the Effective Date, but in no event later than the date any such employee first performs work under this Agreement.

34. RECORDS AND AUDITS

34.1 Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Agreement in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Agreement, provided such access rights do not constitute an unlawful invasion of the privacy rights of any Contractor employee and would not in the reasonable opinion of Contractor subject Contractor to legal liability. Contractor agrees that County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Agreement. All such material, including, but not limited to, all financial records, time cards and other employment records, and proprietary data and information, shall be kept and maintained by Contractor and, to the extent legally permissible or not indiscriminately marked as "proprietary" or "confidential", as applicable, shall be made available to County during the term of this Agreement and for a period of five

(5) years thereafter, unless County's written permission is given to dispose of any such material prior to such time.

All such Contractor's material shall be maintained at, or within forty-eight (48) hours of County's request therefore be transferred by Contractor to, a location in Los Angeles, Orange, Riverside or San Bernardino County, provided that if any such material is located outside of, or upon County's request transferred by Contractor within forty-eight (48) hours to, any one of these counties, then, at County's option, Contractor shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy or transcribe such material at such other location.

34.2 In the event that an audit is conducted of Contractor specifically regarding this Agreement by any Federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report with County's Auditor-Controller within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Agreement. County will make a reasonable effort to maintain the confidentiality of such audit report(s).

34.3 Failure on the part of Contractor to comply with any of the provisions of this Paragraph 34 shall constitute a material breach of this Agreement upon which County may terminate or suspend this Agreement.

34.4 Financial Statements

Beginning one (1) year after the Effective Date and every year thereafter, until the termination of this Agreement, Contractor shall submit to County a complete set of financial statements for the twelve (12) month period. Such statements shall, at a minimum, include a Balance Sheet (Statement of Financial Position), and Income Statement (Statement of Operations). If audited statements are available, they shall be submitted to meet this requirement. In addition, Contractor shall submit a statement regarding any pending litigation since the Contractor last reported same to County. County reserves the right to request these financial statements on a more frequent basis and will so notify Contractor in writing.

34.5 Public Records Act

34.5.1 Any documents submitted by Contractor, all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to this Paragraph 34 and those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Agreement become the exclusive property of County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order to court of competent jurisdiction.

34.5.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a bid marked "trade secret", "confidential" or "proprietary", Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorneys' fees, in action or liability arising under the Public Records Act.

35. WARRANTY AGAINST CONTINGENT FEES

35.1 Contractor represents and warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

35.2 For breach of this warranty, County shall have the right to terminate this Agreement for default and, at its sole discretion, deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

36. MOST FAVORED PUBLIC ENTITY

If Contractor's prices decline, or should Contractor, at any time during the term of this Agreement, provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Agreement, then such lower prices shall be immediately extended to County. County shall have the right, at County's expense, to utilize a County auditor or an independent auditor to verify Contractor's compliance with this Paragraph 36 by review of Contractor's books and records.

37. CONFLICT OF INTEREST

37.1 No County employee whose position with County enables such employee to influence the award of this Agreement or any competing agreements, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in this Agreement. No officer or employee of Contractor, who may financially benefit from the performance of work hereunder, shall in any way participate in County's approval or ongoing evaluation of such work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such work.

37.2 Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which do or could create a conflict of interest. If a party hereafter becomes aware of any facts, which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, but is

not limited to, identification of all persons implicated and a complete description of all relevant circumstances.

38. COUNTY'S QUALITY ASSURANCE PLAN

County, or its agent, will evaluate Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with the terms, conditions and performance standards of this Agreement. Contractor deficiencies, which County determines are severe or continuing and that may place performance of this Agreement in jeopardy, if not corrected, will be reported to the County's Board of Supervisors. The report will include improvements and/or corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may, at its sole option, terminate this Agreement, in whole or in part, pursuant to Paragraph 25 (Termination for Default) or Paragraph 26 (Termination for Convenience), or impose other penalties as specified in this Agreement.

39. FORCE MAJEURE

39.1 Except with respect to defaults of any subcontractor(s), Contractor shall not be liable for reasonable delays in the completion of work under this Agreement, if its failure to perform arises out of, and only, fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes or freight embargoes, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of Contractor.

39.2 If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both Contractor and subcontractor, and without any fault or negligence of either of them, Contractor shall not be liable for reasonable delays in the completion of the work, unless the work to be furnished by the subcontractor was obtainable from other sources in sufficient time to permit Contractor to meet the required schedule. Contractor agrees to use all reasonable commercial efforts to obtain such goods or services from other sources. As used in this Paragraph 39, the term "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

39.3 Notwithstanding anything herein to the contrary, County shall not be liable for any additional costs incurred by Contractor, or any subcontractor hereto arising out of or resulting from *force majeure* event.

40. UNLAWFUL SOLICITATION

Contractor shall inform all of its employees who provide services hereunder of the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of California Business and Professions Code (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of

such provisions by its employees. Contractor shall utilize the attorney referral service of all those bar associations within Los Angeles County that have such a service.

41. RESOLICITATION OF BIDS AND PROPOSALS

41.1 Contractor acknowledges that, prior to the expiration or earlier termination of this Agreement, County, in its sole discretion, may exercise its right to invite bids or request proposals for the continued provision of the goods and services delivered or contemplated under this Agreement. County shall make the determination to resolicit bids or request proposals in accordance with applicable County policies.

41.2 Contractor acknowledges that County, in its sole discretion, may enter into an agreement for the future provision of goods and services, based upon the bids or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it obtains no greater right to be selected through any future invitation for bids or request for proposals by virtue of its present status as Contractor.

42. COMPLIANCE WITH APPLICABLE LAWS

42.1 Contractor's activities hereunder shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, guidelines and directives, and all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference. Contractor shall have up to fifteen (15) days to correct any noncompliance with County rules, regulations, ordinances, guidelines and directives following written notice from County including written copies of such applicable rules, regulations, ordinances, guidelines and/or directives.

42.2 Contractor shall indemnify, defend and hold harmless County, its Special Districts, elected and appointed officers, Subscribers, employees and agents (hereinafter "County Indemnitees"), from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, arising from or related to any violation on the part of Contractor, its employees, agents or subcontractors of any such laws, rules, regulations, ordinances, guidelines or directives. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 42.2 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by in writing by County, which approval shall not be unreasonably withheld. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as required by law or this Agreement, County shall be entitled to reimbursement for all such costs and expenses.

43. FAIR LABORS STANDARDS

Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend and hold harmless County, its Special

Districts, elected and appointed officers, Subscribers, employees and agents (hereinafter "County Indemnitees"), from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs and attorneys' fees arising under, any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by Contractor's employees for which County may be found jointly or solely liable.

44. NONDISCRIMINATION AND COMPLIANCE WITH CIVIL RIGHTS LAWS

44.1 Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries and holding companies will be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental handicap, marital status, sexual orientation or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

44.2 Contractor shall, pursuant to Los Angeles County Code Section 4.32, certify to and comply with the provisions of the Contractor's EEO Certification (Exhibit H).

44.3 Contractor shall ensure that applicants and employees are treated equally during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental handicap, marital status or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

44.4 Contractor certifies and agrees that it will deal with its subcontractors, bidders or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental handicap, marital status or political affiliation, except to the extent necessary to comply with applicable Federal and State anti-discrimination laws and regulations.

44.5 Contractor certifies that it, its affiliates, subsidiaries and holding companies are in compliance with all Federal, State, and local laws, including, but not limited to:

1. Title VII, Civil Rights Act of 1964;
2. Section 504, Rehabilitation Act of 1973;
3. Age Discrimination Act of 1975;
4. Title IX, Education Amendments of 1973, as applicable; and
5. Title 43, Part 17, Code of Federal Regulations, Subparts A & B,

and that no person shall, on the grounds of race, creed, color, national origin, political affiliation, marital status, sex, age, or handicap, be subject to discrimination as to any privileges or uses gained under this Agreement or under any project, program or activity supported by this Agreement.

44.6 Contractor shall allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 44 when so requested by County.

44.7 If County finds that any of the provisions of this Paragraph 44 have been violated, such violation shall, at the election of County, constitute a material breach of this Agreement upon which County may terminate or suspend this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated State or Federal anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Agreement.

44.8 The parties agree that in the event Contractor is found to have violated the anti-discrimination provisions of this Agreement, and that such discrimination was directly associated with the performance of services provided under this Agreement, County may require, pursuant to Los Angeles County Code Section 4.32.010 (E), that Contractor pay the sum of Five Hundred Dollars ($500) for each such violation, in lieu of terminating or suspending this Agreement, as liquidated damages are extremely difficult to ascertain or calculate precisely. In the alternative, County may elect to terminate this Agreement pursuant to Paragraph 25 (Termination for Default).

45. RESTRICTIONS ON LOBBYING

45.1 Federal Funds Projects

If any Federal funds are to be used to pay portion for any of Contractor's work under this Agreement, Contractor shall fully comply with all certification and disclosure requirements prescribed by Section 319 of Public law 101-121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully complies with all such certification and disclosure requirements.

45.2 County Projects

Contractor, and each County lobbyist or County lobbying firm, as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with County Lobbyist Ordinance shall constitute a material breach of this Agreement, upon which County may immediately terminate or suspend this Agreement.

46. NONDISCRIMINATION IN SERVICES

46.1 Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ancestry, sex, age, or physical or mental

handicap, in accordance with all applicable requirements of Federal and State law. For the purpose of this Paragraph 46, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of the facility, providing any service or benefit to any person which is not equivalent or is not provided in an equivalent manner or at an equivalent time to that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit.

46.2 Contractor shall ensure that recipients of services under this Agreement are provided services without regard to race, color, religion, national origin, ancestry, sex, age, or condition of physical or mental handicap.

47. EMPLOYMENT ELIGIBILITY VERIFICATION

47.1 Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding employment of aliens and others and that all its employees performing services under this Agreement meet the citizenship or alien status requirements contained in Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). In the event Contractor fails to comply with the provisions of this Paragraph 47, County may, in its sole discretion, terminate this Agreement for default.

47.2 Contractor shall obtain from all employees performing under this Agreement, prior to commencing any work hereunder, all verifications and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for the period prescribed by law.

47.3 Contractor shall indemnify, defend, and hold harmless County, its Special Districts, elected and appointed officers, Subscribers, employees and agents (hereinafter "County Indemnitees"), from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, arising out of or in connection with any employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Agreement. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 47 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County in writing, which approval shall not be unreasonably withheld. Notwithstanding the foregoing, County shall have the right to participate in any such defense, at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as required by law or this

Agreement, County shall be entitled to reimbursement for all such costs and expenses.

48. CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF / RE-EMPLOYMENT LIST

Should Contractor require additional or replacement personnel after the Effective Date to perform the work set forth herein, Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff or qualified former County employees who are on a re-employment list during the term of this Agreement.

49. CONSIDERATION OF HIRING GAIN / GROW PROGRAM PARTICIPANTS

Should Contractor require additional or replacement personnel after the Effective Date, Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program and General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to Contractor.

In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

50. PROHIBITION AGAINST INDUCEMENT OR PERSUASION

50.1 Contractor and County agree that, during the term of this Agreement and for a period of one (1) year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party.

50.2 Notwithstanding the foregoing, County shall be entitled to make offers of employment to employees of Contractor necessary or desirable to perform work described in this Agreement, in the event that: (i) County has the right to terminate this Agreement pursuant to Paragraph 27 (Termination for Insolvency); (ii) this Agreement is terminated by County due to Contractor's default pursuant to Paragraph 25 (Termination for Default); (iii) Contractor and County have followed the dispute resolution procedure set forth in Paragraph 63 (Dispute Resolution Procedure), and have otherwise exhausted other administrative remedies, if any, as determined by County; or (iv) Contractor either announces the withdrawal of support of, or otherwise no longer provides services County deems essential to, the ongoing support of the System.

50.3 The prohibition in this Paragraph 50 shall not apply to any hiring action initiated through a public announcement.

51. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION / TERMINATION OF AGREEMENT

Contractor shall have no claim against County 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 County and shall immediately repay all such funds to County. Payment by County for Services rendered after expiration / termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

52. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM

52.1 This Agreement is subject to the provisions of the County's ordinance entitled Local 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 or denial of certification of any entity as a Local Small Business Enterprise.

52.2 If Contractor has obtained County 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 County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;

2. In addition to the amount described in subparagraph 1 above, be assessed a penalty in an amount of not more than 10 percent of the Contract Sum; 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 if Contractor is no longer eligible for certification as a result in a change of their status and Contractor failed to notify the State and the County's Office of Affirmative Action Compliance of this information.

53. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

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

53.2 As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable State and Federal provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement 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 County's Child Support Services Department Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5245(b).

54. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 53 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute a default by Contractor under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within ninety (90) days of notice by County's Child Support Services Department shall be grounds upon which County's Board of Supervisors may terminate this Agreement pursuant to Paragraph 25 (Termination for Default) and pursue debarment of Contractor pursuant to Paragraph 57 (Contractor Responsibility and Debarment).

55. COMPLIANCE WITH JURY SERVICE PROGRAM

55.1 Jury Service Program

This Agreement is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service Program (hereinafter "Jury Service Program" or "Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code (hereinafter "County Code").

55.2 Written Employee Jury Service Policy

55.2.1 Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to

a written policy that provides that its Employees (as defined in Paragraph 55.2.2 below) shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with Contractor or that Contractor deducts from the Employee's regular pay the fees received for jury service.

55.2.2 For purposes of this Paragraph 55, "Contractor" means a person, partnership, corporation or other entity which has an agreement with County or a subcontract with Contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County agreements 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 County, 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 County under this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph 55. The provisions of this Paragraph 55 shall be inserted into any such subcontract and a copy of the Jury Service Program shall be attached to the agreement.

55.2.3 If Contractor is not required to comply with the Jury Service Program when the Agreement 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 County 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. County may also require, at any time during this Agreement and at its sole discretion, that Contractor demonstrate to County'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.

55.3 Contractor's violation of this Paragraph 55 of this Agreement may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate this Agreement with Contractor and/or bar Contractor from the award of future County agreements for a period of time consistent with the seriousness of the breach.

56. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

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 Internal Revenue Service Notice 1015.

57. CONTRACTOR RESPONSIBILITY AND DEBARMENT

57.1 A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

57.2 Contractor is hereby notified that, in accordance with Chapter 2.202 of the Los Angeles Code, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the contract, debar Contractor from bidding on County contracts for a specified period of time not to exceed three (3) years and terminate any or all existing contracts Contractor may have with County, including this Agreement.

57.3 County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated any term of a contract with County, or a nonprofit corporation created by County, (2) committed any act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity or a nonprofit corporation created by 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 County or any other public entity.

57.4 If there is evidence that Contractor may be subject to debarment, County's Project Director, or his/her designee, will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before County's Contractor Hearing Board.

57.5 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor, County's Project Director, or his/her designee, and County's Departments shall be provided with an opportunity to object to the tentative proposed decision prior to its presentation to County's Board of Supervisors.

57.6 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 Contractor Hearing Board shall be presented to County's Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

57.7 The terms and procedures of this Paragraph 57 shall also apply to subcontractors, consultants and partners of Contractor performing work under this Agreement.

58. COUNTY AUDIT SETTLEMENTS

If, at any time during or after the term of this Agreement, or at any time after the expiration of termination thereof, representatives of County conduct an audit of Contractor regarding the work performed under this Agreement, and if such audit finds that County's dollar liability for such work is less than payments made by County to Contractor, then the difference, together with County's reasonable costs of audit, shall, at County's sole discretion, either be: (i) repaid by Contractor to County by cash payment upon demand; or (ii) deducted from any amounts due to Contractor from County, whether under this Agreement or otherwise. If such audit finds that County's dollar liability for such work is more than payments made by County to Contractor, then the difference shall be repaid by County to Contractor, but in no event shall County's payments to Contractor exceed the Contract Sum identified in Paragraph 6.1 (Contract Sum).

59. FEDERAL ACCESS TO RECORDS

If, and to the extent that, Section 1861(v)(1)(i) of the Social Security Act (42 United States Code Section 1395x(v)(1)(i) is applicable, Contractor agrees that for a period of five (5) years following the furnishing of services under this Agreement, Contractor shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Comptroller General of the United States or to any of their authorized representatives, the agreements, books, documents and records of Contractor which are necessary to verify the nature and extent of the costs of services provided hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars ($10,000) or more over a twelve month period with a related organization (as that term is defined under Federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents, and records of the subcontractor.

60. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS AND CERTIFICATES

Contractor shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations and certificates required by all Federal, State, and local laws, ordinances, rules, regulations, guidelines and directives, which are applicable to Contractor's services under this Agreement. Contractor shall further ensure that all of its officers, employees, agents and subcontractors who perform services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation and certificate required by all applicable Federal, State, and local laws, ordinances, rules, regulations, guidelines and directives shall be provided, in duplicate, to Chief Information Officer, 500 West Temple Street, Room 493, Los Angeles, California 90012.

61. NO THIRD PARTY BENEFICIARIES

Notwithstanding any other provision of this Agreement, Contractor and County do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement, except that this provision shall not be construed to diminish Contractor's indemnification obligations hereunder.

62. GOVERNING LAW, JURISDICTION AND VENUE

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California applicable to agreements made and to be performed within the State. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California. As with respect to claims that are subject to exclusive Federal subject matter jurisdiction, Contractor agrees and consents to the exclusive jurisdiction of the Federal District Court of the Central District of California.

63. DISPUTE RESOLUTION PROCEDURE

63.1 Contractor and County agree to act immediately to mutually resolve any disputes which may arise with respect to this Agreement. All such disputes shall be subject to the provisions of this Paragraph 63 (hereinafter "Dispute Resolution Procedure). Time is of the essence in the resolution of disputes.

63.2 Contractor and County agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for any performance which County, in its sole discretion, determines should be delayed as a result of such dispute.

If Contractor fails to continue without delay its performance hereunder which County, in its sole discretion, determines should not be delayed as a result of such dispute, then any additional costs which may be incurred by Contractor or County as a result of Contractor's failure to continue to so perform shall be borne by Contractor, and Contractor shall make no claim whatsoever against County for such costs. Contractor shall promptly reimburse County for such County costs, as determined by County, or County may deduct all such additional costs from any amounts due to Contractor from County.

If County fails to continue without delay to perform its responsibilities under this Agreement which County, in its sole discretion, determines should not be delayed as a result of such dispute, then any additional costs incurred by Contractor or County as a result of County's failure to continue to so perform shall be borne by County, and County shall make no claim whatsoever against Contractor for such costs. County shall promptly reimburse Contractor for all such additional Contractor costs subject to the approval of such costs by County.

63.3 In the event of any dispute between the parties with respect to this Agreement, Contractor and County shall submit the matter to County's Project Manager and Contractor's Project Manager for the purpose of endeavoring to resolve such dispute.

63.4 In the event that the Project Managers are unable to resolve the dispute within a reasonable time not to exceed ten (10) days from the date of submission of the dispute, then the matter shall be immediately submitted to County's Project Director (with a copy to County's Contract Monitor) for further consideration and discussion to attempt to resolve the dispute.

63.5 In the event that the County's Project Director and Contractor's Project Manager are unable to resolve the dispute within a reasonable time not to exceed ten (10) days from the date of submission of the dispute, then the matter shall be immediately submitted to Contractor's President and the Director. These persons shall have ten (10) days to attempt to resolve the dispute.

63.6 In the event that at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under this Agreement and/or its rights and remedies as provided by law.

63.7 All disputes utilizing this dispute resolution procedure shall be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all three (3) levels described in this Paragraph 63, the efforts to resolve a dispute shall be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.

63.8 Notwithstanding any other provision of this Agreement, County's right to terminate this Agreement pursuant to Paragraph 27 (Termination for Insolvency), Paragraph 25 (Termination for Default), Paragraph 28 (Termination for Improper Consideration), Paragraph 26 (Termination for Convenience), or any other termination provision hereunder, and County's right to seek injunctive relief to enforce the provisions of Paragraphs 15 (Proprietary Considerations) and 24 (Confidentiality), shall not be subject to this Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of County's rights, and shall not be deemed to impair any claims that Contractor may have against County or Contractor's rights to assert such claims after any such termination or such injunctive relief has been obtained.

64. ASSIGNMENT BY COUNTY

This Agreement may be assigned in whole or in part by County, without the further consent of Contractor, to a party which is not a competitor of Contractor and which agrees in writing to perform County's obligations under this Agreement.

65. WAIVER

No breach by Contractor of any provision of this Agreement can be waived unless done in writing. No waiver by County of any breach of any provision of this

Agreement shall constitute a waiver of any other breach or of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Agreement shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

66. CONTRACTOR PERFORMANCE DURING CIVIL UNREST AND DISASTER

Contractor recognizes that County provides services essential to the residents of the communities it serves, and that these services are of particular importance at the time of a riot, insurrection, civil unrest, natural disaster or similar event. Notwithstanding any other provision of this Agreement, full performance by Contractor during any riot, insurrection, civil unrest, natural disaster or similar event is not excused if such performance remains physically possible without related danger to Contractor's or subcontractors' employees and suppliers. During any such event in which the health or safety of any of Contractor's staff members would be endangered by performing their services on-site, such staff members may perform any or all of their services remotely. Failure to comply with this requirement shall be considered a material breach of this Agreement by Contractor, for which County may immediately terminate this Agreement.

67. DAMAGE TO COUNTY FACILITIES, BUILDINGS AND GROUNDS

66.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

66.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand or, without limitation of all County's other rights and remedies provided by law or under this Agreement, County may deduct such costs from any amounts due Contractor from County under this Agreement.

68. FORMS AND PROCEDURES

All forms and procedures used by Contractor in implementation of the provisions of this Agreement shall be subject to review and approval by County prior to use by Contractor. Such forms and procedures shall not conflict in any way with this Agreement and shall incorporate the terms and conditions of this Agreement. In the event of any conflict between such forms and procedures and this Agreement, the provisions of this Agreement shall prevail.

69. MINIMUM AGE, LANGUAGE SKILLS AND LEGAL STATUS OF CONTRACTOR PERSONNEL AT FACILITY

Contractor cannot assign employees under the age of eighteen (18) to perform work under this Agreement. All of Contractor's employees working at County facilities must be able to communicate in English. Contractor's employees must be United States citizens or legally present and permitted to work in the United States.

70. VALIDITY AND SEVERABILITY

70.1 Validity

The invalidity, unenforceability or illegality of any provision of this Agreement shall not render the other provisions hereof invalid, unenforceable or illegal, unless the essential purposes of this Agreement shall be materially impaired thereby.

70.2 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 this Agreement, if practicable, and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid in its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law. If any provision of this Agreement is adjudged void or invalid for any reason whatsoever, but would be valid if part of the wording thereof were deleted or changed, then such provision shall apply with such modifications as may be necessary to make it valid and effective.

71. NOTICES

71.1 All notices or demands required or permitted to be given or made under this Agreement, unless otherwise specified, shall be in writing and shall be addressed to the parties at the following addresses and delivered: (i) by hand with signed receipt; (ii) by first-class registered or certified mail, postage prepaid; or (iii) by facsimile or electronic mail transmission followed within twenty-four (24) hours by a confirmation copy mailed by first-class registered or certified mail, postage prepaid. Notices shall be deemed given at the time of signed receipt in the case of hand delivery, three (3) days after deposit in the United States mail as set forth above, or on the date of facsimile or electronic mail transmission if followed by timely confirmation mailing. Addresses may be changed by either party by giving ten (10) days prior written notice thereof to the other party.

71.2 Director shall have the authority to issue all notices or demands which are required or permitted to be issued by County under this Agreement.

71.3 To County

Chief Information Office
500 West Temple Street, Room 493
Los Angeles, California 90012
Attention: Jon W. Fullinwider

Facsimile:(213) 633-4733
Email: [TBD]

71.4 To Contractor

_____
_____
_____
Attention: _____
Facsimile: _____
Email: _____

71.5 Each party may change the names of the people designated to receive notices pursuant to this Paragraph 71 by giving written notice of the change to the other party, subject to County's right of approval in accordance with Paragraph 4.2 (Approval of Contractor's Staff).

72. ARM'S LENGTH NEGOTIATIONS

This Agreement is the product of arm's length negotiations between Contractor and County. Consequently, each party has had the opportunity to receive advice from independent counsel of its own choosing. This Agreement is to be interpreted fairly as between the parties and not strictly construed as against either party.

73. NON-EXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Agreement shall not restrict County from acquiring similar, equal or like goods and/or services from other entities or sources.

74. ACCESS TO COUNTY FACILITIES

Contractor, its employees and agents, will be granted access to County facilities, subject to Contractor's prior notification to County's Project Director, for the purpose of executing Contractor's obligations hereunder. Access to County facilities shall be restricted to normal business hours, 8:00 a.m. until 5:00 p.m., Pacific Time, Monday through Friday, except County observed holidays. Access to County facilities outside of normal business hours must be approved in writing in advance by County's Project Director, which approval shall not be unreasonably withheld. Contractor shall have no tenancy, or any other property or other rights, in County facilities. While present at County facilities, Contractor's personnel shall be accompanied by County personnel at all times, unless this requirement is waived in writing prior to such event by County's Project Director.

75. COUNTY FACILITY OFFICE SPACE

In order for Contractor to perform services hereunder and only for the performance of such services, County may elect, subject to County's standard administrative and

security requirements, to provide Contractor with office space and equipment, as determined at the discretion of the County's Project Director, at County facilities, on a non-exclusive use basis. County will also provide Contractor with reasonable telephone service in such office space for use only for purposes of this Agreement. County disclaims any and all responsibility for the loss, theft or damage of any property or material left at such County office space by Contractor.

76. PHYSICAL ALTERATIONS

Contractor shall not in any way physically alter or improve any County facility without the prior written approval of Director, County's Project Director, County's Project Manager and County's Director of Internal Services Department, in their discretion.

77. CONTRACTOR'S OFFICES

Contractor's business offices are located at _____. Contractor shall notify in writing Chief Information Office, 500 West Temple Street, Room 493, Los Angeles, California 90012, Attention: John McIntire, of any change in its business address at least ten (10) working days prior to the effective date thereof.

78. STAFF PERFORMANCE WHILE UNDER THE INFLUENCE

Contractor shall use reasonable efforts to ensure that no employee of Contractor shall perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic or other substance, which might impair his/her physical or mental performance.

79. CAPTIONS AND PARAGRAPH HEADINGS

Captions and paragraph headings used in this Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement.

80. SURVIVAL

The provisions in the following Paragraphs shall survive the expiration or termination of this Agreement for any reason:

9.3 Approval of Work
12. Warranties
13. License
17. Indemnification
18. Insurance
15. Proprietary Considerations
19. Intellectual Property Indemnification

23. Disclosure of Information
24. Confidentiality
25. Termination for Default
26. Termination for Convenience
27. Termination for Insolvency
28. Termination for Improper Consideration
29. Termination for Gratuities
34. Records and Audits
42. Compliance with Applicable Laws
43. Fair Labor Standards
47. Employment Eligibility Verification
58. County Audit Settlements
59. Federal Access to Records
61. No Third Party Beneficiaries
62. Governing Law, Jurisdiction and Venue
70. Validity and Severability

81. NOTICE OF DELAYS

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall immediately, but no later than within one (1) business day, give to the other party notice thereof, with all relevant information with respect to such actual or potential delay, by telephoning the appropriate personnel of that party, followed by a written notification within one (1) business day.

82. RECYCLED PAPER

Consistent with the Board's policy to reduce the amount of solid waste deposited at the County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible for the purpose of this Agreement.

83. SAFELY SURRENDER BABY LAW

83.1 As required by applicable law, 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 Surrender Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at http://www.babysafela.org for printing purposes.

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

AGREEMENT
BETWEEN COUNTY OF LOS ANGELES
AND

_____

IN WITNESS WHEREOF, the Los Angeles County Board of Supervisors has caused this Agreement to be subscribed by its Chairperson and the seal of such Board to be hereto affixed and attested by the Executive Officer thereof, and Contractor has caused this Agreement to be subscribed in its behalf by its authorized officer, effective as of the date approved by such Board.

COUNTY OF LOS ANGELES

By _____
GLORIA MOLINA
Chair, Board of Supervisors

ATTEST:
VIOLET VARONA-LUKENS
Executive Officer
County of Los Angeles
Board of Supervisors

By _____
Deputy

_____
Contractor

Signed: _____

Printed: _____

Title: _____

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
County Counsel

By _____
VICTORIA MANSOURIAN
Deputy County Counsel

APPENDIX A
SAMPLE AGREEMENT

TABLE OF EXHIBITS/ATTACHMENTS

EXHIBIT/ATTACHMENT

A	STATEMENT OF WORK (NOT ATTACHED TO SAMPLE)	
	ATTACHMENT A.1	Imagery Methodology
	ATTACHMENT A.2	Technical Capacity and Specifications
	ATTACHMENT A.3	Data Processing Capacity and Specifications
	ATTACHMENT A.4	Quality Assurance and Quality Control Guidelines
	ATTACHMENT A.5	Acceptance Criteria
B	SCHEDULE OF PAYMENTS (NOT ATTACHED TO SAMPLE)	
C	PROJECT SCHEDULE (NOT ATTACHED TO SAMPLE)	
D	PROJECT PARTICIPATION	
	ATTACHMENT D.1	Subscribers
	ATTACHMENT D.2	Participating Entities
	ATTACHMENT D.3	Subscriber Agreement
E	COUNTY'S ADMINISTRATION	
F	CONTRACTOR'S ADMINISTRATION	
G	CONTRACTOR EMPLOYEE ACKNOWLEDGMENT, CONFIDENTIALITY AND ASSIGNMENT AGREEMENT	
H	CONTRACTOR'S EEO CERTIFICATION	
I	JURY SERVICE ORDINANCE	
J	SAFELY SURRENDER BABY LAW	
K	REQUEST FOR PROPOSALS (INCORPORATED BY REFERENCE)	
L	CONTRACTOR'S PROPOSAL (INCORPORATED BY REFERENCE)	

EXHIBIT A
STATEMENT OF WORK

EXHIBIT B
SCHEDULE OF PAYMENTS

EXHIBIT C
PROJECT SCHEDULE

EXHIBIT D
PROJECT PARTICIPATION

EXHIBIT H
CONTRACTOR'S EEO CERTIFICATION

_____
Contractor Name

_____
Address

_____
Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

1.	The Contractor has a written policy statement prohibiting discrimination in all phases of employment.	Yes ☐	No ☐
2.	The Contractor periodically conducts a self analysis or utilization analysis of its work force.	Yes ☐	No ☐
3.	The Contractor has a system for determining if its employment practices are discriminatory against protected groups.	Yes ☐	No ☐
4.	Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.	Yes ☐	No ☐

_____
Authorized Official's Printed Name and Title

_____ _____
Authorized Official's Signature Date

EXHIBIT E
COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY'S PROJECT DIRECTOR:

Name: _____
Title: _____
Address: _____
_____

Telephone: _____
Facsimile: _____
E-Mail Address: _____

COUNTY'S PROJECT MANAGER:

Name: _____
Title: _____
Address: _____
_____

Telephone: _____
Facsimile: _____
E-Mail Address: _____

COUNTY'S CONTRACT MONITOR:

Name: _____
Title: _____
Address: _____
_____

Telephone: _____
Facsimile: _____
E-Mail Address: _____

EXHIBIT F
CONTRACTOR'S ADMINISTRATION

_____
CONTRACTOR'S NAME

CONTRACT NO. _____

CONTRACTOR'S PROJECT MANAGER:

Name: _____
Title: _____
Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____
Title: _____
Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

Name: _____
Title: _____
Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

Notices to Contractor shall be sent to the following address:

Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

EXHIBIT G

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY AND ASSIGNMENT AGREEMENT

CONTRACTOR NAME: _____

CONTRACT NUMBER: _____

CONTRACTOR/EMPLOYER NAME: _____

EMPLOYEE NAME: _____

GENERAL INFORMATION:

The organization identified above ("Contractor") is under contract ("Contract") to provide certain goods and services to the County of Los Angeles ("County"). The County requires each employee of this Contractor performing services under this Contract to understand his/her obligations with respect to the personal and proprietary data with which he/she will be in contact, and to acknowledge such obligations by executing this Contractor Employee Acknowledgment, Confidentiality and Assignment Agreement.

EMPLOYEE STATUS ACKNOWLEDGMENT:

The Contractor referenced above is my sole employer under the above-referenced Contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of services under the above-referenced Contract.

I understand and agree that I am not an employee of the County for any purpose whatsoever and I do not have and will not acquire any rights or benefits of any kind whatsoever from the County by virtue of my performance under such Contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of services under the above-referenced Contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this Contract and/or any future contracts.

CONFIDENTIALITY AGREEMENT:

My work may be concerned with services provided by the County, and therefore I may have access to confidential data and information pertaining to private individuals and/or entities receiving such services. I may also have access to proprietary information belonging to other organizations doing business with the County. The County has a legal obligation to keep confidential all such data and information in its possession, especially data and information concerning health, criminal and welfare recipient records. I understand that, by virtue of my involvement in County work, I too must protect the confidentiality of such data and information. I understand I must sign this agreement to be eligible to perform work for my employer under the County Contract. I have read this agreement and have taken due time to consider it prior to signing.

I agree not to disclose to, nor reproduce for the benefit of, any unauthorized person any data or information obtained while performing work under the above-referenced Contract between my employer and the County. I agree to forward all requests for disclosure or copying of any such data or information in my possession or care to

my immediate supervisor. The parties hereby acknowledge and agree that no obligation of confidentiality applies to residual knowledge learned (such as ideas, concepts know-how or techniques) and experience gained by me as a result of performing the work hereunder. In addition, nothing herein shall prevent me or Contractor from providing to others similar services to the Services, subject to any obligations of confidentiality.

I agree to keep confidential all health, criminal and welfare recipient records, all data and information pertaining to persons and/or entitles receiving services from the County, all design concepts, algorithms, programs, formats, documentation, Contractor's proprietary information, and all other original materials produced, created or provided to or by me under the above-referenced Contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all unauthorized disclosures or copying of confidential or proprietary data or information, whether accidental or intentional, and whether by myself and/or by any other person, of which I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this Contract or upon termination of my employment with employer, whichever occurs first.

SIGNED: _____ DATE: ____/____/____

PRINTED: _____ POSITION: _____

ASSIGNMENT OF PROPRIETARY RIGHTS:

As used in this agreement, "Works" means (i) any inventions, trade secrets, ideas, original works of authorship or Confidential Information (as defined below) that I conceive, develop, discover or make in whole or in part during my employment with Contractor which relates to the Contract, (ii) any inventions, trade secrets, ideas, original works of authorship or Confidential Information (as defined below) that I conceive, develop, discover or make in whole or in part during or after my employment with Contractor which are made through the use of any of Contractor's equipment, facilities, supplies, trade secrets or time, or which result from any work I perform for Contractor, and (iii) any part or aspect of any of the foregoing. "Confidential Information" means all information or material disclosed to or known by me as a consequence of my employment with Contractor, including third party information or information disclosed by County that Contractor treats as confidential, and any information disclosed to or developed by me or embodied in or relating to the Works.

All Works shall belong exclusively to Contractor whether or not fixed in a tangible medium of expression. Without limiting the foregoing, to the maximum extent permitted under applicable law, all Works shall be deemed to be "works made for hire" under the United States Copyright Act, and Contractor shall be deemed to be the author thereof.

If and to the extent any Works are determined not to constitute "works made for hire," or if any rights in the Works do not accrue to Contractor as a work made for hire, I irrevocably assign and transfer to Contractor to the maximum extent permitted by law all right, title and interest in the Works, including but not limited to all copyrights, patents, trade secret rights, and other proprietary rights in or relating to the Works. Without limiting the foregoing, I irrevocably assign and transfer to Contractor all economic rights to the Works, including without limitation the exclusive and unrestricted right to reproduce, manufacture, use, adapt, modify, publish, distribute, sublicense, publicly perform and communicate, translate, lease, import, export, transfer, convey and otherwise exploit the Works.

I expressly approve any and all modifications, uses, publications and other exploitation of the Works that Contractor or any successor or transferee of Contractor may elect to make, and I expressly agree that no such

modifications, uses, publications or exploitations will or may cause harm to my honor or reputation, or will be deemed to constitute a distortion or mutilation of the Works.

I agree to provide any assistance reasonably requested by Contractor, now and in the future, to obtain United States or foreign letters patent and copyright registrations covering inventions and original works of authorship belonging or assigned to Contractor. I shall execute any transfers of ownership of letters patent or assignments of copyrights or other proprietary rights transferred or assigned hereunder (including short form assignments intended for recording with the U.S. Copyright Office, the U.S. Patent and Trademark Office or any other entity). If Contractor is unable for any reason whatsoever, including my mental or physical incapacity, to secure my signature to apply for or to pursue any application for any United States or foreign letters patent or copyright registrations or on any document transferring or assigning any patent, copyright or other proprietary right that I am obligated to transfer or assign, I irrevocably designate and appoint Contractor and its duly authorized officers and agents as my agent and attorney in fact, to act for and on its behalf and stead to execute and file any such applications and documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations or transfers or assignments thereof or of any other proprietary rights with the same legal force and effect as if executed by me. This appointment is coupled with an interest and is irrevocable.

This agreement shall be construed in accordance with the provisions of Section 2870 of the California Labor Code (the text of which follows) relating to inventions made by an employee. Accordingly, this agreement is not intended and shall not be interpreted to assign to or vest in Contractor any of my rights in any inventions developed entirely on my own time without using Contractor's equipment, supplies, facilities, or trade secret information, except for those inventions that either relate at the time of conception or reduction to practice of the invention to Contractor's business or the actual or demonstrably anticipated research or development of Contractor, or result from any work I performed for Contractor.

California Labor Code Section 2870. Employment Agreements; Assignment of Rights

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

I expressly acknowledge and agree that I wish to remain anonymous and not to have my name or any pseudonyms used in connection with any Works, goods or services I provide under this agreement or the above referenced Contract.

I acknowledge that violation of this agreement may cause irreparable harm to County, which may not be compensated by monetary damages, and may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal and equitable redress, including, without limitation, injunctive relief.

SIGNED: _____ DATE: ____/____/____

PRINTED: _____ POSITION: _____

EXHIBIT J

SAFELY SURRENDERED BABY LAW

Certainly we would prefer that women seek help while they are pregnant, not after giving birth, to receive proper medical care and counseling. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in a hospital emergency room.

The California Safely Surrendered Baby Law:

Allows a distressed birth parent(s) to legally, confidentially, and safely surrender their baby

Provides a safe place for babies

Protects the parent(s) from arrest or prosecution for abandonment as long as the baby has not been abused or neglected

Does not require that names be given when the baby is surrendered

Permits parents to bring a baby within 3 days of birth to any hospital emergency room in California

In California, no one ever has to abandon a child again.

State of California
Gray Davis, Governor
Health and Human Services Agency
Grantland Johnson, Secretary
Department of Social Services
Rita Saenz, Director

PUB 400 (5/02)

no shame.
no blame.
no names.

now there's a way to safely surrender your baby

What is the Safely Surrendered Baby Law?

It's a new law. Under this law, a person may surrender their baby confidentially. As long as the baby has not been abused or neglected, the person may do so without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for an infant can legally, confidentially and safely surrender their baby within 3 days of birth. All that is required is that the baby be brought to a hospital emergency room in California. If there are additional places, they will be listed on the back of this brochure. As long as the child shows no signs of abuse or neglect, no name or other information is required. A bracelet will be placed on the baby for identification. A matching bracelet will be given to the parent. The bracelet will help connect the parent to the baby if the parent wants the baby back.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows another person to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week.

Does a parent have to tell anything to the people taking the baby?

No. Nothing is required. However, hospital personnel will give the parent a medical information questionnaire that is designed to gather family medical history. This could be very useful in caring for the child but it is up to the parent to complete it.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a foster or pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

What if a parent wants the baby back?

The parent(s) may take the bracelet back to the hospital. Hospital personnel will provide information about the baby.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being hurt or killed because they were abandoned.

You may have heard tragic stories of babies left in dumpsters or public toilets. The persons who committed these acts 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 nowhere to turn for help, they abandoned their infants.

Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

The Eighteenth Safely Surrendered Baby in California

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law.

This baby was the eighteenth child protected under California's Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed in a foster home for short-term care while the adoption process was started.

Every baby deserves a chance for a healthy life. If you or someone you know is considering giving up a child, learn about your options.

Los Angeles County

Safely Surrendered Baby Hotline

(877)BABY SAFE

Toll Free (877) 222-9723

- Call for Information on How to Safely Surrender a Newborn Infant Under the Safely Surrendered Baby Law
- Referrals Provided to Designated Safe Haven Sites
- Referrals Provided to Other Support Services

- Guaranteed Confidentiality
- 7 Days a Week
- 24 Hours a Day
- English and Spanish and 140 Other Languages Spoken

INFO LINE OF LOS ANGELES

INFO LINE of Los Angeles has been in business since 1981.
INFO LINE of Los Angeles is an AIRS accredited agency.

Calls from the media should be directed to Thelma Bell or Michele Yoder at (626) 350-1841.

EXHIBIT K
REQUEST FOR PROPOSALS

INCORPORATED BY REFERENCE

EXHIBIT L
PROPOSAL

INCORPORATED BY REFERENCE

EXHIBIT I
Jury Service Ordinance

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full- time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies.

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more such contracts or subcontracts.

B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.

C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:

1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or

2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or

3. A purchase made through a state or federal contract; or

4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-3700 or a successor provision; or

5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.4.0 or a successor provision; or

6. A purchase card pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision; or

7. A non-agreement purchase with 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

8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section PP-11 00 or a successor provision.

D. "Full time" means 40 hours or more worked per week or a lesser number of hours if the lesser number is a recognized industry standard as determined by the chief administrative officer or the contractor has a long-standing practice that defines a full-time schedule as less than 40 hours per week.

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11,2002. Contracts that commence after May 28,2002, but before July 11,2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable.

2.203.040 Contractor Jury Service Policy.

A 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 employees' regular pay the fees received for jury service.

2.203.050 Other Provisions.

A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.

B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract.

2.203.060 Enforcement and Remedies.

For a 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.

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.070. Exceptions.

A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.

B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.

C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:

1. Has ten or fewer employees during the contract period; and,

2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than $500,000; and,

3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed $500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

2.203.090. 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.