



FESIA A. DAVENPORT  
Acting Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE OPERATIONS CLUSTER

**DATE:** January 6, 2021  
**TIME:** 2:00 p.m. – 4:00 p.m.  
**LOCATION:** **TELECONFERENCE CALL-IN NUMBER: 1(323)776-6996**  
**TELECONFERENCE ID: 605696861#**

To join via phone, dial 1(323)776-6996, then press 605696861#.

**YOU CAN ALSO JOIN THIS MEETING BY CLICKING ON THE FOLLOWING LINK:**

[Click here to join the meeting](#)

**DUE TO THE CLOSURE OF ALL COUNTY BUILDINGS, MEMBERS OF THE PUBLIC  
WILL NEED TO CALL IN TO PARTICIPATE IN THE MEETING.**

### **AGENDA**

Members of the Public may address the Operations Cluster on any agenda item after all Informational Items are presented.  
Two (2) minutes are allowed for each item.

1. **Call to order – Tamela Omoto-Frias/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**  
**(5 minutes)**
  - A) Board Letter:  
APPROVAL OF CONTRACT FOR UNEMPLOYMENT INSURANCE CLAIMS THIRD PARTY ADMINISTRATIVE SERVICES WITH TALX CORPORATION, DBA EQUIFAX WORKFORCE SOLUTIONS  
DHR – Maggie Martinez, Assistant Director
  - B) Board Letter:  
APPROVAL OF A FIVE-YEAR AMENDMENT TO AN EXISTING LEASE OF DEPARTMENT OF PUBLIC WORKS FOR THE CONTINUED USE OF OFFICE AND PARKING SPACE AT 1000 SOUTH FREMONT AVE., A9 EAST, ALHAMBRA  
CEO/RE/DPW – Michael Navarro, Chief Program Specialist

**CONTINUED ON PAGE 2**

C) Board Letter:  
APPROVAL OF AN EIGHT-YEAR AMENDMENT TO AN EXISTING  
LEASE OF THE DEPARTMENT OF PUBLIC HEALTH FOR THE  
CONTINUED USE OF OFFICE AND PARKING SPACE AT 1000  
SOUTH FREMONT AVE., A9 EAST, ALHAMBRA  
CEO/RE/DPH – Michael Navarro, Chief Program Specialist

D) Board Letter:  
ESTABLISHING COUNTY OF LOS ANGELES COMMUNITY  
FACILITIES DISTRICT NO. 2021-01 (VALENCIA-FACILITIES) AND  
COMMUNITY FACILITIES DISTRICT NO. 2021-02 (VALENCIA-  
SERVICES)  
TTC – Keith Knox, Treasurer and Tax Collector and  
Amy Bodek, Director of Regional Planning

3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

4. **Public Comment**  
(2 minutes each speaker)

5. **Adjournment**

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**FUTURE AGENDA TOPICS**

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**CALENDAR LOOKAHEAD:**

ISD – REQUEST AUTHORITY TO AMEND THE CONTRACT TERM FOR AS-  
NEEDED ARCHITECTURAL AND ENGINEERING SERVICES MASTER  
AGREEMENTS

CEO/RE – TEN-YEAR LEASE OF DEPARTMENT OF PUBLIC HEALTH,  
DEPARTMENT OF PUBLIC SOCIAL SERVICES, AND DEPARTMENT OF  
CHILDREN AND FAMILY SERVICES, 9320 TELSTAR AVE., EL MONTE

## BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	1/6/2021	
<b>BOARD MEETING</b>	1/26/2021	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	All Supervisorial Districts	
<b>DEPARTMENT</b>	Department of Human Resources (DHR)	
<b>SUBJECT</b>	Approval of Contract for Unemployment Insurance Claims Third-Party Administrative Services with TALX Corporation, dba Equifax Workforce Solutions	
<b>PROGRAM</b>		
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	The contract term will expire on January 31, 2021. The initial five-year term for the new contract is through January 31, 2026 with two optional one-year extensions through January 31, 2028.	
<b>COST &amp; FUNDING</b>	Total cost: Services are utilized as needed.	Funding source: Costs are billed to departments utilizing the services.
	TERMS (if applicable): N/A	
	Explanation: Services are provided on an as-needed basis.	
<b>PURPOSE OF REQUEST</b>	The services provided under this contract are essential for the County to provide administrative services to County employees filing unemployment compensation benefits insurance claims upon termination of employment or reduction of hours. This contract was the result of a competitive solicitation.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	The County has used a third-party administrator to provide these services since 1978. Services include claims administration, auditing of charges and credits for claims reported by the State of California Employment Development Department, representation at hearings before the State Unemployment Insurance Appeals Board, record keeping, and conducting training seminars for County HR personnel.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email: <ul style="list-style-type: none"> <li>Maggie Martinez, Assistant Director</li> <li>(213) 351-2921</li> </ul>	



**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

# COUNTY OF LOS ANGELES

## DEPARTMENT OF HUMAN RESOURCES

HEADQUARTERS  
579 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-2406 FAX (213) 621-0387

BRANCH OFFICE  
3333 WILSHIRE BOULEVARD • LOS ANGELES, CALIFORNIA 90010  
(213) 738-2084 FAX (213) 637-0820

January 26, 2021

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

Dear Supervisors:

**APPROVAL OF CONTRACT FOR UNEMPLOYMENT INSURANCE CLAIMS THIRD-  
PARTY ADMINISTRATIVE SERVICES WITH TALX CORPORATION, DBA EQUIFAX  
WORKFORCE SOLUTIONS  
(ALL DISTRICTS – 3 VOTES)**

**SUBJECT**

Approve contract with TALX Corporation, dba Equifax Workforce Solutions (Equifax) to provide third-party administrative services for County employees filing unemployment compensation benefits insurance claims upon termination of employment or reduction of hours. The term of the contract will be five years, with two one-year options to extend the contract.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Delegate authority to the Department of Human Resources (DHR) Director of Personnel, or her designee, to sign a Contract substantially similar to the attached agreement (Attachment I) with Equifax for unemployment insurance claims administrative services for the County of Los Angeles, effective February 1, 2021, for five years through January 31, 2026 with two optional one-year extensions through January 31, 2028.
2. Delegate authority to the DHR Director of Personnel, or her designee, to i) exercise options to extend the Contract for up to two years; and ii) execute amendments to the Contract to add, delete and/or change certain non-substantive terms and conditions as well as terms and conditions required by the Board or the Chief Executive Office, and to maintain compliance with applicable law, subject to review and approval by County Counsel.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

*To Enrich Lives Through Effective and Caring Service*



The Department of Human Resources (DHR) currently has a contract with Equifax for unemployment claims administration. The existing contract will expire on January 31, 2021. Approval of the new contract with Equifax will ensure continued administration of unemployment insurance claims.

The County has used the services of a third-party administrator (TPA) to provide comprehensive unemployment insurance claims administration since January 1978. Unemployment insurance claims administration includes: comprehensive claims administration, auditing of charges and credits for claims reported by the State of California Employment Development Department, representation at hearings before the State of California Unemployment Insurance Appeals Board, record keeping, comprehensive reporting, and conducting training seminars for County human resources personnel. Unemployment insurance claims administration services must be performed by an outside TPA because the County does not have, and could not develop at a reasonable cost, the expertise and reporting systems to perform these services. Equifax is a multi-state unemployment insurance claims administrator.

#### Implementation of Strategic Plan Goals

The recommended action is consistent with the principles of the Countywide Strategic Plan Goal III.3 – Operational Effectiveness, Fiscal Responsibility, and Accountability by ensuring that County employees filing claims for unemployment compensation benefits upon termination of employment or reduction of hours receive the benefits they are entitled to in a timely and efficient manner. The Contract will also ensure that claims are processed in a fiscally responsible manner, in accordance with the intended provisions of the County Code.

#### **FISCAL IMPACT/FINANCING**

Under the current Contract, Equifax is paid a fixed annual fee of \$22,725 for all services. There were 1,410 cases processed in 2018, and 1,705 cases processed in 2019, for a prorated cost per case of \$13.33 to \$16.12. During 2020, the number of cases spiked drastically to 3,040 cases in the second quarter and 2,331 cases in the third quarter with the onset of COVID-19. In the fourth quarter of 2020, cases have decreased to 1,625. DHR has negotiated a new fixed annual rate with an additional \$15 per case charge for excess cases to compensate the Contractor for their increased services, while keeping County costs as low as possible. Based on current case data, it is estimated that contract costs in 2021 and 2022 would be approximately \$74,000 annually. Funding for this contract is included in the Fiscal Year 2020-2021 adopted budget and will be included in budget requests for subsequent years. The contract and annual renewal options have no cost of living adjustments.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

This contract, effective February 1, 2021, upon Board approval, will provide TPA administration of unemployment insurance claims services to assist the County in meeting its legal responsibilities to extend unemployment compensation benefits to County employees and to control unemployment insurance claims cost by reducing administrative costs and providing recommendations to improve results. The contract term is five years, through January 31, 2026. The term of the contract may be extended for two additional one-year

periods, through January 31, 2028, at the County's option.

County Counsel has approved the contract as to form. DHR has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended contract.

### **CONTRACTING PROCESS**

On August 10, 2020, DHR released an Invitation for Bids (IFB) for Unemployment Insurance Claims Administrative Services and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" website. Notice of the IFB was sent to three vendors that DHR researched and identified as providers of unemployment insurance TPA services for organizations of a size comparable to the County. No bids were received in response to the initial IFB.

DHR released another IFB on September 15, 2020 and received one response, from the current contractor, Equifax. This bid was reviewed by DHR and determined to be responsive and responsible in meeting the minimum requirements of the IFB.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There is no impact on current services. The new contract with Equifax provides for the continuation of all existing unemployment insurance claims services.

### **CONCLUSION**

Upon approval by the Board, please return three adopted copies of this Board letter to DHR. It is requested that the Executive Officer notify DHR's Administrative Services Division at (213) 974-1454 when the documents are available.

Respectfully submitted,

LISA M. GARRETT  
Director of Personnel

LMG:PAM:  
MGM:BK:MA

Enclosures

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors



**CONTRACT**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**AND**

**TALX CORPORATION, dba EQUIFAX WORKFORCE  
SOLUTIONS**

**FOR**

**UNEMPLOYMENT INSURANCE CLAIMS  
ADMINISTRATION SERVICES**

# TABLE OF CONTENTS

<b>RECITALS .....</b>	<b>1</b>
<b>1.0 APPLICABLE DOCUMENTS.....</b>	<b>2</b>
<b>2.0 DEFINITIONS.....</b>	<b>2</b>
<b>3.0 WORK .....</b>	<b>3</b>
<b>4.0 TERM OF CONTRACT .....</b>	<b>4</b>
<b>5.0 CONTRACT SUM .....</b>	<b>4</b>
<b>6.0 ADMINISTRATION OF CONTRACT - COUNTY .....</b>	<b>7</b>
6.1 County's Project Director .....	7
6.2 County's Project Manager .....	7
6.3 County's Contract Project Monitor .....	7
<b>7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR.....</b>	<b>7</b>
7.1 Contractor's Project Manager .....	7
7.2 Approval of Contractor's Staff .....	8
7.3 Contractor's Staff Identification .....	8
7.4 Background and Security Investigations .....	9
7.5 Confidentiality .....	9
<b>8.0 STANDARD TERMS AND CONDITIONS.....</b>	<b>10</b>
8.1 Amendments and Change Orders .....	10
8.2 Assignment and Delegation/Mergers or Acquisitions .....	11
8.3 Authorization Warranty .....	12
8.4 Budget Reductions .....	12
8.5 Complaints .....	12
8.6 Compliance with Applicable Laws .....	13
8.7 Compliance with Civil Rights Laws .....	14
8.8 Compliance with County's Jury Service Program .....	14
8.9 Conflict of Interest .....	15
8.10 Consideration of Hiring County Employees Targeted for Layoff or Re-Employment List.....	16
8.11 Consideration of Hiring Gain-Grow Participants.....	16
8.12 Contractor Responsibility and Debarment.....	17
8.13 Contractor's Acknowledgement of County's Commitment to the Safely Surrendered Baby Law.....	19

## TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
8.14	Contractor's Warranty of Adherence to County's Child Support Compliance Program.....	19
8.15	County's Quality Assurance Plan.....	20
8.16	Damage to County Facilities, Buildings or Grounds .....	20
8.17	Employment Eligibility Verification .....	20
8.18	Facsimile Representations.....	21
8.19	Fair Labor Standards.....	21
8.20	Force Majeure .....	21
8.21	Governing Law, Jurisdiction, and Venue.....	22
8.22	Independent Contractor Status .....	22
8.23	Indemnification .....	23
8.24	General Provisions for All Insurance Coverage .....	23
8.25	Insurance Coverage .....	27
8.26	Liquidated Damages .....	29
8.27	Most Favored Public Entity .....	30
8.28	Nondiscrimination and Affirmative Action.....	30
8.29	Non Exclusivity .....	32
8.30	Notice of Delays .....	32
8.31	Notice of Disputes .....	32
8.32	Notice to Employees Regarding the Federal Earned Income Credit.....	32
8.33	Notice to Employees Regarding the Safely Surrendered Baby Law .....	32
8.34	Notices .....	33
8.35	Prohibition Against Inducement or Persuasion .....	33
8.36	Public Records Act .....	33
8.37	Publicity.....	34
8.38	Record Retention and Inspection/Audit Settlement.....	34
8.39	Recycled Bond Paper.....	35
8.40	Subcontracting .....	35
8.41	Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program.....	37
8.42	Termination for Convenience.....	37
8.43	Termination for Default .....	37

## TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
8.44	Termination for Improper Consideration .....	39
8.45	Termination for Insolvency.....	39
8.46	Termination for Non-Adherence of County Lobbyist Ordinance .....	40
8.47	Termination for Non-Appropriation of Funds .....	40
8.48	Validity .....	40
8.49	Waiver.....	40
8.50	Warranty Against Contingent Fees .....	41
8.51	Warranty of Compliance with County's Defaulted Property Tax Reduction Program .....	41
8.52	Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program .....	41
8.53	Time Off For Voting.....	41
8.54	Compliance with County's Zero Tolerance Policy on Human Trafficking ...	42
8.55	Intentionally Omitted .....	42
8.56	Compliance with Fair Chance Employment Practices .....	42
8.57	Compliance with the County Policy of Equity .....	42
8.58	Prohibition from Participation in Future Solicitation(s) .....	43
<b>9.0</b>	<b>UNIQUE TERMS AND CONDITIONS.....</b>	<b>43</b>
9.1	Local Small Business Enterprise (LSBE) Preference Program.....	43
9.2	Ownership of Materials, Software and Copyright.....	44
9.3	Patent, Copyright and Trade Secret Indemnification .....	45
9.4	Social Enterprise (SE) Preference Program .....	46
9.5	Intentionally Omitted .....	47
9.6	Intentionally Omitted .....	47
9.7	Data Destruction .....	47
9.8	Disabled Veteran Business Enterprise (DVBE) Preference Program .....	47
	SIGNATURES.....	48

**CONTRACT FOR  
UNEMPLOYMENT INSURANCE CLAIMS ADMINISTRATION SERVICES**

**TABLE OF CONTENTS OF EXHIBITS**

**STANDARD EXHIBITS**

A	Statement of Work
B	Pricing Sheet
C	Intentionally Omitted
D	Contractor's EEO Certification
E	County's Administration
F	Contractor's Administration
G	Forms Required at the Time of Contract Execution
H	Jury Service Ordinance
I	Safely Surrendered Baby Law
J	Business Associate Agreement Under HIPAA
K	Charitable Contributions
L	Contract Discrepancy Report
M	Performance Requirements Summary (PRS) Chart

**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
TALX CORPORATION, dba EQUIFAX WORKFORCE SOLUTIONS  
FOR  
UNEMPLOYMENT INSURANCE CLAIMS ADMINISTRATION SERVICES**

This Contract and Exhibits made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2021 by and between the County of Los Angeles, hereinafter referred to as County and TALX Corporation, dba Equifax Workforce Solutions, hereinafter referred to as Contractor. Equifax Workforce Solutions is located at 11432 Lackland Road, St. Louis, MO 63146.

**RECITALS**

WHEREAS, the County may contract with private businesses for Unemployment Insurance Claims Administration Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Unemployment Insurance Claims Administration Services; and

WHEREAS, the California Legislature passed legislation to implement the Federal Unemployment Compensation Amendments of 1976 (Public Law No. 94-566), hereinafter called the "Federal Amendments," which require that unemployment compensation benefits be extended to state and local government employees as of January 1, 1978 on penalty of loss of federal tax credits and subsidy funds within California; and

WHEREAS, this Contract is authorized pursuant to California Government Code Section 31000.



NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Contractor agree as follows:

## **1.0 APPLICABLE DOCUMENTS**

Exhibits A, B, C, D, E, F, G H, I, and K are attached to and form a part of this Contract. 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, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority.

### **Standard Exhibits:**

- 1.1 Exhibit A - Statement of Work
- 1.2 Exhibit B - Pricing Sheet
- 1.3 Exhibit C - Contractor's Proposed Schedule
- 1.4 Exhibit D - Contractor's EEO Certification
- 1.5 Exhibit E - County's Administration
- 1.6 Exhibit F - Contractor's Administration
- 1.7 Exhibit G - Forms Required at the Time of Contract Execution
- 1.8 Exhibit H - Jury Service Ordinance
- 1.9 Exhibit I - Safely Surrendered Baby Law

### **Unique Exhibits:**

#### **Business Associate Agreement under Health Insurance Portability and Accountability Act (HIPAA)**

- 1.11 Exhibit K - Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)

## **2.0 DEFINITIONS**

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as

used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Board or Board of Supervisors:** The County of Los Angeles Board of Supervisors.
- 2.2 **Business Day:** Monday through Friday excluding County observed holidays.
- 2.3 **Contract:** This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services and other work
- 2.4 **Contractor:** The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an agreement with the County to perform or execute the work covered by this contract.
- 2.5 **Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award as further described in Sub-paragraph 7.1 (Contractor's Project Manager) of this Contract.
- 2.6 **County Contract Project Monitor:** Person with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.
- 2.7 **County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager.
- 2.8 **County Project Manager:** Person designated by County's Project Director to manage the operations under this Contract.
- 2.9 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.10 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

### 3.0 WORK

- 3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth herein.

- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

#### **4.0 TERM OF CONTRACT**

- 4.1 The term of the Contract shall commence effective February 1, 2021 and shall continue for a period of five (5) years (the "Initial Term"), unless terminated earlier in whole or in part, as provided in the Contract.
- 4.2 The County has the option, at the Director of Personnel's (Director) discretion and upon notice to the Contractor no later than thirty (30) calendar days prior to the end of the then-current period of the Term, to extend the term of this Contract for up to two additional one-year periods (each an "Option Term"). As used herein, the "Term" shall mean the Initial Term and, if extended, each Option Term, as the case may be.
- 4.3 The Contractor shall notify DHR when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to DHR at the address herein provided in Exhibit E - County's Administration.

#### **5.0 CONTRACT SUM**

- 5.1 The rates payable by the County to the Contractor for performing all tasks, deliverables, goods, Services, and any other Work required under this Contract shall be as set forth on Exhibit B (Pricing Sheet) of this Contract. Such rates shall be firm and fixed for the term of this Contract. The Maximum Contract Sum for this Contract, authorized by County hereunder shall in no event, expressly or by implication, exceed \$525,000, including a two-year extension as specified in Subparagraph 4.2.
- 5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's express prior written approval.
- 5.3 The Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon

occurrence of this event, the Contractor shall send written notification to DHR at the address herein provided in Exhibit E - County's Administration.

**5.4 No Payment for Services Provided Following Expiration/ Termination of Contract**

The Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the 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 Contract shall not constitute a waiver of County's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

**5.5 Invoices and Payments**

5.5.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A - Statement of Work and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments shall be as provided in Exhibit B - Pricing Schedule, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.

5.5.2 The Contractor's invoices shall be submitted monthly, in arrears and shall be priced in accordance with Exhibit B - Pricing Sheet of this Contract. Each invoice submitted by Contractor shall include, but not be limited to:

- a. County's Contract Number;
- b. Contractor's name, address and telephone number;
- c. Billing Date;
- d. Invoice Number;
- e. Date(s) Services provided; and
- f. Total amount of invoice

5.5.3 The Contractor's invoices shall contain the information set forth in Exhibit A - Statement of Work describing the tasks, deliverables,

goods, Services, Work hours, and facility and/or other Work for which payment is claimed.

5.5.4 The Contractor shall submit the monthly invoices to the County by the 15<sup>th</sup> calendar day of the month following the month of service.

5.5.5 All invoices under this Contract shall be submitted in two (2) copies to the County Project Manager at the address specified in Exhibit E - County's Administration of this Contract.

**5.5.6 County Approval of Invoices**

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

**5.5.7 Local Small Business Enterprises (LSBE) Prompt Payment Program**

Certified LSBEs will receive prompt payment for services they provide to County Departments. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice.

**5.6 Intentionally Omitted**

**5.7 Default Method of Payment: Direct Deposit or Electronic Funds Transfer**

5.7.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/ contract with the County shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

5.7.2 The Contractor shall submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

5.7.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct

deposit shall supersede this requirement with respect to those payments.

- 5.7.4 At any time during the duration of the agreement/contract, a Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), shall decide whether to approve exemption requests.

## **6.0 ADMINISTRATION OF CONTRACT – COUNTY**

A listing of all County Administration referenced in the following sub-paragraphs is designated in Exhibit E - County's Administration. The County shall notify the Contractor in writing of any change in the names or addresses shown.

### **6.1 County's Project Director**

Responsibilities of the County's Project Director include:

- ensuring that the objectives of this Contract are met; and
- providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements.

### **6.2 County's Project Manager**

The responsibilities of the County's Project Manager include:

- meeting with the Contractor's Project Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

### **6.3 County's Contract Project Monitor**

The County's Project Monitor is responsible for overseeing the day-to-day administration of this Contract. The Project Monitor reports to the County's Project Manager.

## **7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR**

### **7.1 Contractor's Project Manager**

- 7.1.1 The Contractor shall provide a Contractor Project Manager who will act as the Contractor's liaison with the County and who will be responsible for the day-day management of the Contract. The Contractor's Project Manager is designated in Exhibit F - Contractor's Administration of this Contract. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager or when a Contractor Project Manager designee is required.
- 7.1.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Project Manager and County's Contract Project Monitor on a regular basis, at least quarterly, in person or by phone, to review project progress and discuss project coordination needs.
- 7.1.3 The Contractor's Project Manager must have full authority to act for Contractor on all matters relating to the operation of the Contract.

## **7.2 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Project Manager.

## **7.3 Contractor's Staff Identification**

All of Contractor's employees assigned to County facilities are required to have a County Identification (ID) badge on their person and visible at all times. Contractor bears all expense of the badging.

- 7.3.1 Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility. Contractor personnel may be asked to leave a County facility by a County representative if they do not have the proper County ID badge on their person.
- 7.3.2 Contractor shall notify the County within one business day when staff is terminated from working under this Contract. Contractor shall retrieve and return an employee's ID badge to the County on the next business day after the employee has terminated employment with the Contractor.
- 7.3.3 If County requests the removal of Contractor's staff, Contractor shall retrieve and return an employee's ID badge to the County on

the next business day after the employee has been removed from working on the County's Contract.

#### **7.4 Background and Security Investigations**

- 7.4.1 Each of Contractor's staff performing services under this Contract who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.
- 7.4.2 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from performing services under the Contract at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.
- 7.4.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.
- 7.4.4 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.4 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

#### **7.5 Confidentiality**

- 7.5.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 7.5.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting



and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.5, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.5 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. 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 determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

- 7.5.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.5.4 Contractor shall sign and adhere to the provisions of Exhibit G1 - Contractor Acknowledgement and Confidentiality Agreement.
- 7.5.4 Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit G2 - Contractor Employee Acknowledgment and Confidentiality Agreement.
- 7.5.5 Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit G3 - Contractor Non-Employee Acknowledgment and Confidentiality Agreement.

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 Amendments and Change Orders**

- 8.1.1 For any change which affects the scope of work, term, Contract Sum, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the Contractor and by the Director of Personnel or designee.
- 8.1.2 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as

required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and the Director of Personnel or designee.

- 8.1.3 The County's Board of Supervisors or Chief Executive Officer or designee, may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the Contractor and by the Director of Personnel.

## **8.2 Assignment and Delegation/Mergers or Acquisitions**

- 8.2.1 The Contractor shall notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.
- 8.2.2 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.
- 8.2.3 Shareholders, partners, members, or other equity holders 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 the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.
- 8.2.4 Any assumption, assignment, delegation, or takeover of any of the

Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. 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.

### **8.3 Authorization Warranty**

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

### **8.4 Budget Reductions**

In the event that the 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, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

### **8.5 Complaints**

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.5.1 Within 30 business days after Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

8.5.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

- 8.5.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.
- 8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.
- 8.5.5 The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within three (3) business days of receiving the complaint.
- 8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.7 Copies of all written responses shall be sent to the County's Project Manager within one (1) business days of mailing to the complainant.

## **8.6 Compliance with Applicable Laws**

- 8.6.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. 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 determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County

in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

## **8.7 Compliance with Civil Rights Laws**

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with Exhibit D - Contractor's EEO Certification.

## **8.8 Compliance with County's Jury Service Program**

### **8.8.1 Jury Service Program:**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

### **8.8.2 Written Employee Jury Service Policy**

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this sub-paragraph, "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

County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the 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 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

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

## **8.9 Conflict of Interest**

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such

employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

- 8.9.2 The 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 Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph shall be a material breach of this Contract.

#### **8.10 Consideration of Hiring County Employees Targeted for Layoff or Re-Employment List**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the 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 life of this Contract.

#### **8.11 Consideration of Hiring Gain-Grow Participants**

- 8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the 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 or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor. Contractors shall report all job openings with job requirements to: [GAINGROW@DPSS.LACOUNTY.GOV](mailto:GAINGROW@DPSS.LACOUNTY.GOV) and [BSERVICES@WDACS.LACOUNTY.GOV](mailto:BSERVICES@WDACS.LACOUNTY.GOV) and DPSS will refer qualified GAIN/GROW job candidates.

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

## **8.12 Contractor Responsibility and Debarment**

### **8.12.1 Responsible Contractor**

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 the County's policy to conduct business only with responsible Contractors.

### **8.12.2 Chapter 2.202 of the County Code**

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

### **8.12.3 Non-responsible Contractor**

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

### **8.12.4 Contractor Hearing Board**

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed



debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
3. 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 the 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.
4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing

on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

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

#### **8.12.5 Subcontractors of Contractor**

These terms shall also apply to Subcontractors of County Contractors.

#### **8.13 Contractor's Acknowledgement of County's Commitment to the Safely Surrendered Baby Law**

The contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The contractor understands that it is the County's policy to encourage all County contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster, in Exhibit I (Safely Surrender Baby Law), in a prominent position at the contractor's place of business. The contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. Information and posters for printing are available at [www.babysafela.org](http://www.babysafela.org).

#### **8.14 Contractor's Warranty of Adherence to County's Child Support Compliance Program**

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

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of

law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

#### **8.15 County's Quality Assurance Plan**

The County or its agent(s) will monitor the contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing the contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report to the Board will include improvement/corrective action measures taken by the County and the contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

#### **8.16 Damage to County Facilities, Buildings or Grounds**

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

#### **8.17 Employment Eligibility Verification**

- 8.17.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of

employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

- 8.17.2 The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both 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 Contract.

### **8.18 Facsimile Representations**

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to sub-paragraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

### **8.19 Fair Labor Standards**

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees 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 the Contractor's employees for which the County may be found jointly or solely liable.

### **8.20 Force Majeure**

- 8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault

or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

## **8.21 Governing Law, Jurisdiction, and Venue**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

## **8.22 Independent Contractor Status**

8.22.1 This Contract is by and between the County and the 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 the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The 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 the Contractor.

8.22.3 The Contractor understands and agrees that all persons

performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

8.22.4 The Contractor shall adhere to the provisions stated in subparagraph 7.5 - Confidentiality.

### **8.23 Indemnification**

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

### **8.24 General Provisions for All Insurance Coverage**

Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

#### **8.24.1 Evidence of Coverage and Notice to County**

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies

of any required Contractor and/or Sub-Contractor insurance policies at any time.

- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles  
Department of Human Resources  
Administrative Division/Contracts  
500 W. Temple Ave, Los Angeles, CA 90012  
Attention: Merrye Atkinson

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third-party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

#### **8.24.2 Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under

Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

#### **8.24.3 Cancellation of or Change in Insurance**

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

#### **8.24.4 Failure to Maintain Insurance**

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

#### **8.24.5 Insurer Financial Ratings**

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

#### **8.24.6 Contractor's Insurance Shall Be Primary**



Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

#### **8.24.7 Waivers of Subrogation**

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

#### **8.24.8 Sub-Contractor Insurance Coverage Requirements**

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

#### **8.24.9 Deductibles and Self-Insured Retentions (SIRs)**

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

#### **8.24.10 Claims Made Coverage**

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

#### **8.24.11 Application of Excess Liability Coverage**

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as (“follow form” over) the underlying primary policies, to satisfy the Required Insurance provisions.

#### 8.24.12 **Separation of Insureds**

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

#### 8.24.13 **Alternative Risk Financing Programs**

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

#### 8.24.14 **County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County’s determination of changes in risk exposures.

### 8.25 **Insurance Coverage**

8.25.1 **Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

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

8.25.2 **Automobile Liability** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor’s use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

- 8.25.3 **Workers Compensation and Employers' Liability** insurance or qualified self- insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

### **Unique Insurance Coverage**

- **Professional Liability/Errors and Omissions**

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

- **Technology Errors & Omissions Insurance**

Insurance for liabilities arising from errors, omissions, or negligent acts in rendering or failing to render computer or information technology services and technology products. Coverage for violation of software copyright should be included. Technology services should at a minimum include (1) systems analysis; (2) systems programming; (3) data processing; (4) systems integration; (5) outsourcing including outsourcing development and design; (6) systems design, consulting, development and modification; (7) training services relating to computer software or hardware; (8) management, repair and maintenance of computer products, networks and systems; (9) marketing, selling, servicing, distributing, installing and maintaining computer hardware or software; (10) data entry, modification, verification, maintenance, storage, retrieval or preparation of data output, and any other services provided by the vendor with limits of not less than \$10 million.

- **Privacy/Network Security (Cyber) Liability**

Insurance coverage providing protection against liability for (1) privacy breaches [liability arising from the loss or disclosure of confidential information no matter how it occurs]; (2) system breach; (3) denial or loss of service; (4) introduction, implantation, or spread of malicious software code; (5) unauthorized access to or use of computer systems with limits of not less than \$2 million. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

- **Miscellaneous Coverage**

Garage, Builder's Risk, Installation Floater, Owners and Contractors Protective Liability, Pollution (Environmental) Liability, Asbestos Liability, Railroad Protective Liability, Earthquake, Flood, Terrorism, Motor Truck Cargo Liability, Equipment Breakdown, Aircraft Liability, Marine Protection and Indemnity, Fine Art, Fiduciary.

## **8.26 Liquidated Damages**

8.26.1 If, in the judgment of the Director of Personnel, or his/her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Director of Personnel, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the Director of Personnel, or his/her designee, in a written notice describing the reasons for said action.

8.26.2 If the Director of Personnel, or his/her designee, determines that there are deficiencies in the performance of this Contract that the Director of Personnel, or his/her designee, deems are correctable by the Contractor over a certain time span, the Director of Personnel, or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Director of Personnel, or his/her designee, may:

(a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or

(b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary (PRS) Chart, as defined in Appendix C, Technical Exhibit 2, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or

(c) Upon giving five (5) days' notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.26.3 The action noted in sub-paragraph 8.26.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.26.4 This sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or sub-paragraph 8.26.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

## **8.27 Most Favored Public Entity**

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract 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 Contract, then such lower prices shall be immediately extended to the County.

## **8.28 Nondiscrimination and Affirmative Action**

8.28.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all

applicable Federal and State anti-discrimination laws and regulations.

- 8.28.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D (Contractor's EEO Certification).
- 8.28.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, 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.
- 8.28.4 The 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 disability, marital status, or political affiliation.
- 8.28.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.28.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this sub-paragraph 8.28 when so requested by the County.
- 8.28.7 If the County finds that any provisions of this sub-paragraph 8.28 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the

Contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

## **8.29 Non Exclusivity**

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

## **8.30 Notice of Delays**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

## **8.31 Notice of Disputes**

The Contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the Director of Personnel or designee shall resolve it.

## **8.32 Notice to Employees Regarding the Federal Earned Income Credit**

The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

## **8.33 Notice to Employees Regarding the Safely Surrendered Baby Law**

The contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The

information is set forth in Exhibit I (Safely Surrendered Baby Law) of this Contract. Additional information is available at [www.babysafela.org](http://www.babysafela.org).

#### **8.34 Notices**

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E (County's Administration) and F (Contractor's Administration). Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The (Director of Personnel or his /her designee) shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

#### **8.35 Prohibition Against Inducement or Persuasion**

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one 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. No bar exists against any hiring action initiated through a public announcement.

#### **8.36 Public Records Act**

8.36.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to sub-paragraph 8.38 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Invitation for Bids (IFB) used in the solicitation process for this Contract, become the exclusive property of the 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." The 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 issued by a court of competent jurisdiction.

8.36.2 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," the Contractor agrees to defend and indemnify the County from all costs and expenses,



including reasonable attorney's fees, in action or liability arising under the Public Records Act.

### **8.37 Publicity**

8.37.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the 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 the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

8.37.2 The Contractor may, without the prior written consent of County, indicate in its bids and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this sub-paragraph 8.37 shall apply.

### **8.38 Record Retention and Inspection/Audit Settlement**

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other

costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

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

8.38.2 Failure on the part of the Contractor to comply with any of the provisions of this sub-paragraph 8.38 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.38.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

### **8.39 Recycled Bond Paper**

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

### **8.40 Subcontracting**

8.40.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any

attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

- 8.40.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:
- A description of the work to be performed by the Subcontractor;
  - A draft copy of the proposed subcontract; and
  - Other pertinent information and/or certifications requested by the County.
- 8.40.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.
- 8.40.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.40.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.
- 8.40.6 The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.
- 8.40.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8 The Contractor shall obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. The Contractor shall ensure delivery of all such documents to the Project Director or designee before any Subcontractor employee may perform any work hereunder.

#### **8.41 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program**

Failure of the Contractor to maintain compliance with the requirements set forth in sub-paragraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to sub-paragraph 8.43 - Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

#### **8.42 Termination for Convenience**

8.42.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

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

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.42.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with sub-paragraph 8.38, Record Retention and Inspection/Audit Settlement.

#### **8.43 Termination for Default**

8.43.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:

- Contractor has materially breached this Contract; or

- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.43.2 In the event that the County terminates this Contract in whole or in part as provided in sub-paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.

8.43.3 Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in sub-paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. 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 the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this sub-paragraph 8.43.3, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.

8.43.4 If, after the County has given notice of termination under the provisions of this sub-paragraph 8.43, it is determined by the

County that the Contractor was not in default under the provisions of this sub-paragraph 8.43, or that the default was excusable under the provisions of sub-paragraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to sub-paragraph 8.42 - Termination for Convenience.

- 8.43.5 The rights and remedies of the County provided in this sub-paragraph 8.43 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.44 Termination for Improper Consideration**

- 8.44.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.
- 8.44.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.44.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

#### **8.45 Termination for Insolvency**

- 8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:
- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased 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 Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of the County provided in this subparagraph 8.45 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.46 Termination for Non-Adherence of County Lobbyist Ordinance**

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

#### **8.47 Termination for Non-Appropriation of Funds**

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

#### **8.48 Validity**

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

#### **8.49 Waiver**

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and

remedies set forth in this sub-paragraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.50 Warranty Against Contingent Fees**

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

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

#### **8.51 Warranty of Compliance with County's Defaulted Property Tax Reduction Program**

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

#### **8.52 Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program**

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.51 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

#### **8.53 Time Off For Voting**



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

#### **8.54 Compliance with County's Zero Tolerance Policy on Human Trafficking**

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

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

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

#### **8.55 Intentionally Omitted**

#### **8.56 Compliance with Fair Chance Employment Practices**

Contractor shall comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract.

#### **8.57 Compliance with the County Policy of Equity**

The contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity (CPOE) (<https://ceop.lacounty.gov/>). The contractor further acknowledges that the County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. The contractor, its

employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the contractor, its employees or its subcontractors to uphold the County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject the contractor to termination of contractual agreements as well as civil liability.

#### **8.58 Prohibition from Participation in Future Solicitation(s)**

A Proposer, or a Contractor or its subsidiary or Subcontractor ("Proposer/Contractor"), is prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has provided advice or consultation for the solicitation. A Proposer/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has developed or prepared any of the solicitation materials on behalf of the County. A violation of this provision shall result in the disqualification of the Contractor/Proposer from participation in the County solicitation or the termination or cancellation of any resultant County contract. This provision shall survive the expiration, or other termination of this Agreement.

### **9.0 UNIQUE TERMS AND CONDITIONS**

#### **9.1 Local Small Business Enterprise (LSBE) Preference Program**

- 9.1.1 This Contract is subject to the provisions of the County's ordinance entitled LSBE Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.
- 9.1.2 The 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 LSBE.
- 9.1.3 The 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 LSBE.
- 9.1.4 If the Contractor has obtained certification as a LSBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the 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 subdivision (1), be assessed a penalty in an amount of not more than ten (10) percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

## **9.2 Ownership of Materials, Software and Copyright**

- 9.2.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all of the Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the Contractor's work under this Contract.
- 9.2.2 During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.
- 9.2.3 Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Proprietary"

or "Confidential" on each appropriate page of any document containing such material.

- 9.2.4 The County will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of the Contractor.
- 9.2.5 Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under sub-paragraph 9.3.4 for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by sub-paragraph 9.3.3 or for any disclosure which the County is required to make under any state or federal law or order of court.
- 9.2.6 All the rights and obligations of this sub-paragraph 9.3 shall survive the expiration or termination of this Contract.

### **9.3 Patent, Copyright and Trade Secret Indemnification**

- 9.3.1 The Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, 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, arising from or related to the operation and utilization of the Contractor's work under this Contract. County shall inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support the Contractor's defense and settlement thereof.
- 9.3.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, the Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:
- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
  - Replace the questioned equipment, part, or software product with a non-questioned item; or

- Modify the questioned equipment, part, or software so that it is free of claims.

9.3.3 The Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by the Contractor, in a manner for which the questioned product was not designed nor intended.

#### **9.4 Social Enterprise (SE) Preference Program**

9.4.1 This Contract is subject to the provisions of the County's ordinance entitled SE Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

9.4.2 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 an SE.

9.4.3 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 an SE.

9.4.4 If Contractor has obtained County certification as an SE 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, Contractor shall:

1. Pay to the 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 subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

**9.5 Intentionally Omitted**

**9.6 Intentionally Omitted**

**9.7 Data Destruction**

Contractor(s) and Vendor(s) that have maintained, processed, or stored the County of Los Angeles' ("County") data and/or information, implied or expressed, have the sole responsibility to certify that the data and information have been appropriately destroyed consistent with the National Institute of Standards and Technology (NIST) Special Publication SP 800-88 titled *Guidelines for Media Sanitization*. (Available at: <http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-88-Rev.%201>)

The data and/or information may be stored on purchased, leased, or rented electronic storage equipment (e.g., printers, hard drives) and electronic devices (e.g., servers, workstations) that are geographically located within the County, or external to the County's boundaries. The County must receive within ten (10) business days, a signed document from Contractor(s) and Vendor(s) that certifies and validates the data and information were placed in one or more of the following stored states: unusable, unreadable, and indecipherable.

Vendor shall certify that any County data stored on purchased, leased, or rented electronic storage equipment and electronic devices, including, but not limited to printers, hard drives, servers, and/or workstations are destroyed consistent with the current National Institute of Standard and Technology (NIST) Special Publication SP-800-88, *Guidelines for Media Sanitization*. Vendor shall provide County with written certification, within ten (10) business days of removal of any electronic storage equipment and devices, that validates that any and all County data was destroyed and is unusable, unreadable, and/or undecipherable.

**9.8 Disabled Veteran Business Enterprise (DVBE) Preference Program**

9.8.1 This Contract is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in Chapter 2.211 of the Los Angeles County Code.

9.8.2 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 DVBE.

9.8.3 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 DVBE.

9.8.4 If Contractor has obtained certification as a DVBE 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, Contractor shall:

1. Pay to the 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 subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

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IN WITNESS WHEREOF, County and Contractor have caused this Contract to be executed by their duly authorized officers on the day, month and year first above written.

TALX CORPORATION dba  
EQUIFAX WORKFORCE SOLUTIONS

By \_\_\_\_\_  
Name

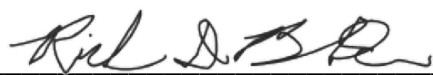
\_\_\_\_\_  
Title

COUNTY OF LOS ANGELES  
DEPARTMENT OF HUMAN RESOURCES

By \_\_\_\_\_  
Lisa M. Garrett  
Director of Personnel

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA  
Acting County Counsel

By  \_\_\_\_\_  
Richard D. Bloom  
Principal Deputy County Counsel



# **UNEMPLOYMENT CLAIMS ADMINISTRATION SERVICES**

## **STATEMENT OF WORK (SOW)**

### **1.0 SCOPE OF WORK**

The Contractor Third Party Administrator (TPA) shall provide all of the work detailed below to the County's Unemployment Insurance Program (UIP), adopted pursuant to the Federal Unemployment Compensation Amendments of 1976 (Public Law No. 94-566), in accordance with the requirements set forth below.

The Contractor shall take all necessary steps to provide Unemployment Insurance Claims Administration Services (Services) that will ensure thorough and accurate claim processing and help reduce unemployment insurance claims costs.

The goals of the UIP are to:

1. Provide a comprehensive unemployment insurance claims administration service;
2. Provide necessary information/techniques for managing the County's unemployment insurance cost control program;
3. Ensure that all unemployment insurance claims and payments are legal and accurate; and
4. Fulfill the County's legal and statutory unemployment insurance requirements.

### **2.0 ADDITION/DELETION OF FACILITIES, SPECIFIC TASKS AND/OR WORK HOURS**

All changes must be made in accordance with sub-paragraph 8.1, Amendments and Change Notices, of the Contract.

### **3.0 QUALITY CONTROL**

The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan shall be submitted to the County Contract Project Monitor for review. The plan shall include, but may not be limited to the following:

- 3.1 Method of monitoring to ensure that Contract requirements are being met; and
- 3.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.

## **4.0 QUALITY ASSURANCE PLAN**

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in the Contract, Paragraph 8.0, Standard Terms and Conditions, Sub-paragraph 8.15, County's Quality Assurance Plan.

### **4.1 Monthly Meetings**

Contractor is required to attend scheduled monthly meetings, either in-person or telephonically, at the County's sole discretion.

### **4.2 Contract Discrepancy Report (Appendix C, Exhibit 1)**

Verbal notification of a Contract discrepancy will be made to the Contract Project Monitor as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.

The County Contract Project Monitor will determine whether a formal Contract Discrepancy Report shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Contract Project Monitor within five (5) workdays, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the County Contract Project Monitor within ten (10) workdays.

### **4.3 County Observations**

In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

## **5.0 DEFINITIONS**

- 5.1 CLAIM: Any unemployment-related claim document officially generated by a state agency which requires management by Contractor as set forth in this Exhibit A (Statement of Work). In the event an unemployment claim was

not previously managed by Contractor and does not require any further case management by Contractor, it shall not be considered a "claim" for the purposes of this Exhibit A (Statement of Work) or Exhibit B (Pricing Sheet).

- 5.2 CLAIM NOTICE: Notice that an employee has filed for temporary income while due to unemployment
- 5.3 HEARING: Where employers and claimants are given a chance to present their evidence
- 5.4 NON-PROTESTABLE: Claim that involves poor work performance, attendance, isolated incident, or good faith error
- 5.5 PROTESTABLE: Claim that involves violation of a known company policy, absence/tardiness, insubordination, misappropriation or mishandling of client funds, under influence of drugs/alcohol at work

## **6.0 RESPONSIBILITIES**

The County's and the Contractor's responsibilities are as follows:

### **COUNTY**

#### **6.1 Personnel**

The County will administer the Contract according to the Contract, Paragraph 6.0 Administration of Contract - County. Specific duties will include:

- 6.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.
- 6.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.
- 6.1.3 Preparing Amendments in accordance with the Contract, Paragraph 8.0, Standard Terms and Conditions, Sub-paragraph 8.1 Amendments.

#### **6.2 Intentionally Omitted**

### **CONTRACTOR**

#### **6.3 Project Manager**

- 6.3.1 Contractor shall provide a full-time Project Manager and a designated alternate. County must have access to the Project

Manager during all hours, 365 days per year. Contractor shall provide a telephone number where the Project Manager may be reached on a twenty-four (24) hour per day basis.

6.3.2 Project Manager shall act as a central point of contact with the County.

6.3.3 Project Manager shall have three (3) years of experience performing the same or similar services as described in this Appendix B – SOW within the last five (5) years.

6.3.4 Project Manager/alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Project Manager/alternate shall be able to effectively communicate in English, both orally and in writing.

#### **6.4 Personnel**

6.4.1 The Contractor shall assign a sufficient number of employees to perform the required work. At least one employee on site shall be authorized to act for Contractor in every detail and must speak and understand English.

6.4.2 The Contractor shall be required to background check their employees as set forth in Sub-paragraph 7.4 – Background and Security Investigations, of the Contract.

#### **6.5 Intentionally Omitted**

#### **6.6 Materials and Equipment**

The purchase of all materials/equipment to provide the needed services is the responsibility of the Contractor. The Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

#### **6.7 Training**

The Contractor shall provide training programs for all new employees and continuing in-service training for all employees.

#### **6.8 Contractor's Office**

Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. The office shall be staffed during the hours of 8:00 a.m. to 5 p.m., Pacific Standard Time, Monday

through Friday, by at least one employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service shall be provided to receive calls. **The Contractor shall answer calls received by the answering service within twenty-four (24) hours of receipt of the call.**

## **7.0 HOURS/DAY OF WORK**

Work for this contract is to be performed Monday through Friday, excluding all holidays observed by the County of Los Angeles. County will provide a list of County-recognized holidays.

## **8.0 WORK SCHEDULES**

- 8.1 Contractor shall submit for review and approval a work schedule for each facility to the County Project Director no later than ten (10) working days prior to starting work. Said work schedules shall be set on an annual calendar identifying all the required on-going maintenance tasks and task frequencies. The schedules shall list the time frames by day of the week, morning, and afternoon the tasks will be performed.
- 8.2 Contractor shall submit revised schedules when actual performance differs substantially from planned performance. Said revisions shall be submitted to the County Project Manager for review and approval within five (5) working days prior to scheduled time for work.

## **9.0 UNSCHEDULED WORK**

- 9.1 The County Project Manager or his designee may authorize the Contractor to perform unscheduled work, including, but not limited to, repairs and replacements when the need for such work arises out of extraordinary incidents such as vandalism, acts of God, and third-party negligence; or to add to, modify or refurbish existing facilities.
- 9.2 Prior to performing any unscheduled work, the Contractor shall prepare and submit a written description of the work with an estimate of labor and materials. If the unscheduled work exceeds the Contractor's estimate, the County Project Director or his designee must approve the excess cost. In any case, no unscheduled work shall commence without written authorization.
- 9.3 When a condition exists wherein there is imminent danger of injury to the public or damage to property, Contractor shall contact County's Project Director for approval before beginning the work. A written estimate shall

be sent within twenty-four (24) hours for approval. Contractor shall submit an invoice to County's Project Director within ten (10) working days after completion of the work.

- 9.4 All unscheduled work shall commence on the established specified date. Contractor shall proceed diligently to complete said work within the time allotted.
- 9.5 The County reserves the right to perform unscheduled work itself or assign the work to another Contractor.

## **10.0 SPECIFIC WORK REQUIREMENTS**

### **10.1 TRANSITION PLAN FOR ASSUMPTION OF SERVICES FROM CURRENT THIRD PARTY ADMINISTRATOR (TPA)**

The Contractor shall:

- 10.1.1 Provide transitional services prior to providing the Unemployment Insurance Claims Administration Services described in this contract. The TPA shall not receive any fees under this Contract until after the County has received the certification described in Sub-paragraph 10.1.4 hereunder of this SOW.
- 10.1.2 Provide any requested consultation to the County Project Director or his/her designate during the transition;
- 10.1.3 Accomplish the following tasks during this transition period:
  - 10.1.3.1 Prepare a Manual of Tasks, Rules and Procedures detailing all of the steps necessary to transition employee records and accounts.
  - 10.1.3.2 Establish contacts with appropriate County departments, which include the County's Auditor-Controller, Chief Executive Office, and DHR.
  - 10.1.3.3 Obtain all necessary County and state licenses for doing business in the County as a TPA for the UIP.
  - 10.1.3.4 Hire necessary technical staff.
  - 10.1.3.5 Establish department master files.

- 10.1.3.6 Take receipt of the current TPA's participant files (hardcopy, diskette and/or microfiche, and electronic files).
- 10.1.4 Provide the County Project Director with a written certification indicating that it is able to assume all responsibilities for administering the UIP and sign a cooperation statement with the existing TPA. The written certification shall be provided to the County Project Director no later than February 1, 2021
- 10.1.5 Establish written and actual routines for handling claims processing.

## 10.2 CLAIMS ADMINISTRATION

The Contractor shall:

- 10.2.1 Provide comprehensive Unemployment Insurance Claims Administration Services as follows:
  - 10.2.1.1 Assume full responsibility for monitoring all claims received during this and prior contract periods for unemployment insurance benefits.
  - 10.2.1.2 Ensure that all necessary protests and/or appeals are made in each case where the payment of unemployment insurance benefits would be illegal or otherwise inappropriate under applicable State law.
  - 10.2.1.3 Receive notices of employee separations from County departments on a daily basis and index and store each such notice in Contractor's office.
  - 10.2.1.4 Respond appropriately to the State of California Employment Development Department (EDD) for each unemployment insurance benefit claim filed that indicates the County as the "last employer," and for which the County or the Contractor receives notice of such a claim from the EDD.
  - 10.2.1.5 Contact the appropriate County department and thoroughly review the separation incident prior to responding to each unemployment insurance benefit claim in cases where information provided by the County and/or its departments on any separation form is unclear or otherwise inadequate. **(Note: It is understood that State law imposes certain**

**penalties on employers that provide incorrect or misleading information in response to notices of unemployment insurance benefit claims from the EDD.)**

- 10.2.2 Serve as the principal contact for the purpose of all further communication with the EDD, request clarification of information provided as described in Sub-paragraph 10.2.1.4 and 10.2.1.5 above, request additional information from the EDD as needed, and respond appropriately to the EDD on County's behalf.
- 10.2.3 Receive notice of a claim determination directly from the EDD in each case where the Contractor has provided a response to a claim notice, review such determination and, if it is adverse to County's interest, perform further factual investigation as warranted.
- 10.2.4 Review the findings of any factual investigation, as described in Sub-paragraph 10.2.3 and, if there is a sufficient basis for appealing the claimant's separation or application or interpretation by the EDD, appeal the determination and request a hearing on the matter.
- 10.2.5 Receive directly from the EDD the notice of the date and time of each requested hearing, as described in Sub-paragraph 10.2.4.
- 10.2.6 Review again all pertinent material and contact appropriate County personnel to further review each case.
- 10.2.7 Identify material (usually personnel files, notices of warnings, etc.) that will be required as evidence at the hearing and make appropriate recommendations regarding the provision of County witnesses.
- 10.2.8 Review thoroughly the basis for appealing the determination, indicating the facts that must be established at the hearing in order that the proper decision be obtained.
- 10.2.9 Arrange for any pre-hearing meetings with affected County staff and/or County witnesses that may be required on the particular case, unless notified by the County that County personnel will provide hearing representation, and confirm the date, time and place of the hearing, ensuring that all individuals who are to attend the hearing are aware of same.



- 10.2.10 Present the County's case at all hearings, unless otherwise notified by the County that County personnel will provide hearing representation.
- 10.2.11 Receive notice from the EDD regarding the date and time that each hearing is to be conducted, in cases where the initial determination is favorable to the County and where the claimant has the opportunity to appeal the determination, and follow the procedure that is described in Sub-paragraphs 10.2.1 through 10.2.10.
- 10.2.12 Review adverse hearing decisions in essentially the same manner as discussed above, and, if sufficient grounds exist, pursue further appeal action in the same manner as described above.
- 10.2.13 Perform all work in strict compliance with rules and regulations of the EDD, and render no service that would constitute the practice of law.

### **10.3 COST VALIDATION**

The Contractor shall:

- 10.3.1 Convert information provided on EDD's quarterly notices of benefit charges assessed to the County (which include identification of the claimant and a statement of the amount of benefits actually paid to each claimant) to a computer-processable form; perform an audit to ensure that, in each case, benefit payments were made against a valid claim and that the charge is consistent with liability parameters established by Contractor for the claim; and resolve with the EDD any error messages generated by this auditing process, and obtain the proper financial resolution.
- 10.3.2 Complete and return all inquiries from the EDD.
- 10.3.3 Prepare a quarterly report that summarizes the above auditing process and that delineates the amount of reimbursement for which County will be liable.

### **10.4 RECORD KEEPING**

The Contractor shall:

- 10.4.1 Receive and upload electronic payroll information from the County's Auditor Controller including employee salary,

social security number, employee status, and employee separation information.

10.4.2 Enter employee separation information into Contractor's system after receiving employee separation notice from the County.

10.4.3 Maintain records providing information associated with an employee's account, including but not limited to claim date, reason for separation, claim status, and any other information necessary for the proper administration of an employee's account.

10.4.4 Maintain backup computer data file.

10.4.5 Maintain active separation and claims on an on-going basis.

10.4.6 Maintain benefit statements on an ongoing basis.

## **10.5 ADMINISTRATION AND MANAGEMENT REPORTS**

The Contractor shall:

10.5.1 Prepare, prior to February 1, 2021, a manual of tasks, rules, and procedures for operation of the UIP, including a description for the Contractor's employees of how all services will be performed and provided to clients by the Contractor, and review the manual, update it if necessary, and submit such changes at least annually to the County for review and approval.

10.5.2 Perform any and all administrative functions necessary to ensure thorough and accurate claim records for each claimant's accounts.

10.5.3 Process employee separation forms.

10.5.4 Review and inform the County of existing program limitations and administrative structures subject to improvement.

10.5.5 Research and resolve any discrepancies regarding a claimant's account with the appropriate County department;

10.5.6 Inform the County of recently enacted laws and regulations and all present or future legislative changes, or other changes which may have an impact upon the UIP, and propose any amendments to the UIP that may be required by changing conditions, laws or regulations.

- 10.5.7 Prepare and execute any changes or amendments describe in Sub-paragraph 10.5.6 via a Change Order or an Amendment as set forth in Sub-paragraph 8.1 –Amendments and Change Orders of the Contract.
- 10.5.8 Perform all required functions relating to Federal Unemployment Compensation Amendments of 1976 and thereafter.
- 10.5.9 Provide a comprehensive report of all claim activity for each calendar quarter with an annual cumulative report for the calendar year, and list claims in alphabetical order under each County agency listed in departmental code (alpha) order, including but not limited to the following items:
- Claimant: name, social security number, separation date, type and reason;
  - Claim status: non-protestable, protestable (favorable, unfavorable or pending decision);
  - Liability: maximum chargeable, removed liability, charges to date, reedits, remaining liability;
  - All relevant totals for individuals, County departments, and the entire County;
  - Percentages: protestable to non-protestable claims, win/loss ratios for protests and hearings.
- 10.5.10 Provide a brief statistical report that summarizes the activity reported above in Subsection 10.5.9 and include in the calendar year quarter and annual cumulation the following:
- Total claims activity this reporting period;
  - Initial chargeable liability;
  - Savings achieved or liability removed from account;
  - Total number of contested claims;
  - Total number of non-protestable claims;
  - Percentage of contested claims to total claims;
  - Number of protestable claims ruled in your favor;

- Number of protestable claims ruled unfavorable;
- Number of undecided or pending claims;
- Win ratio of claims ruled upon;
- Number of hearings attended;
- Percentage of hearings to total claims;
- Benefit charge credits received.

10.5.11 Provide a brief statistical report that summarizes the activity reported above in Subsection 10.5.10 and include in the calendar year quarter and annual cumulation the following:

- Total claims activity this reporting period;
- Maximum liability;
- Liability remaining.

10.5.12 Provide the County with a copy of each EDD quarterly Statement of Reimbursable Benefit Charges and include a cover letter detailing to the amount of reimbursement due EDD.

10.5.13 Provide a quarterly and annual report listing for each County department with the total actual unemployment benefit cost per each department, and overall County total cost. For budgetary reasons this report shall be based on the County fiscal year, which runs from July 1 to June 30.

10.5.14 Provide a quarterly report of the number and disposition of all administrative hearings and appeals, and provide separate totals for telephonic hearings and in person appearances.

10.5.15 Respond to reasonable requests for ad-hoc reports.

10.5.16 Provide timely news bulletins to the County detailing changes in State or Federal regulations related to Unemployment Insurance as needed.

10.5.17 Ensure that the Contractor's Project manager meets annually in person with the County to discuss annual reports and overall review of its performance.

## **10.6 DEPARTMENTAL SERVICE**

The Contractor shall:

- 10.6.1 Maintain a core of staff to provide information and services directly to County departments;
- 10.6.2 Offer a toll-free telephone line for departmental representatives to use for processing telephone claims and asking questions;
- 10.6.3 Review and explain, at the request of a departmental representative, a claimant's account and, if unavailable at the time of a phone call, call back the departmental representative on the next business day;
- 10.6.4 Provide special services for unique or emergent situations.

## **10.7 CONDUCTING SEMINARS**

The Contractor shall provide lecture-workshop training sessions for County staff, annually and as training needs are identified, which include but are not limited to the following subjects:

- Overview of the Federal and state unemployment insurance systems;
- Main provisions of unemployment insurance law, including explanation of California eligibility requirements;
- The roles and responsibilities of the County and the EDD;
- Management techniques that reduce unemployment insurance costs.

Once an agreed upon training date with the County is identified, the Contractor shall provide training on the scheduled date unless the County agrees to an alternate date.

## **10.8 TRAINING COUNTY HEARING REPRESENTATIVES**

The Contractor shall provide lecture-workshop training sessions for County employees as hearing representatives, as needed by the County. Once agreed-upon training dates with the County are identified, the

Contractor shall provide training on the scheduled dates unless the County agrees to an alternate date.

## **10.9 WEB BASED PROGRAM TO MONITOR UNEMPLOYMENT CLAIM PROCESS**

10.9.1 Contractor shall provide a web-based program for unemployment case management in a secure environment. The program shall allow County departments to monitor all stages of the unemployment claim process.

10.9.2 Program shall allow County departments to respond to claim requests, including uploading required documents to a case.

10.9.3 Program shall provide case summary, decisions, appeals, and the hearing process.

## **10.10 TRANSITION RESPONSIBILITIES UPON TERMINATION**

The Contractor shall:

10.10.1 Cooperate with the County, for one calendar month before the end of the Contract term, to the effective date of the termination in an orderly transfer of administrative responsibilities and records to the County or its representatives, and provide the same information and services as stated in this Sub-paragraph 10.10.

10.10.2 Cooperate in the transition to the new TPA, in the event that the County elects not to renew this contract at the end of its term, or otherwise terminates for default, convenience or insolvency, in accordance with the following terms:

10.10.2.1 Provide documents and computer files as described in this Sub-paragraph 10.10.2, and assist the new TPA and the County in learning the content of such documents and files, as will be mutually agreed upon between the Contractor and the County.

10.10.2.2 Provide any County data requirements that affect the transition to a new TPA, including, but not limited to, file descriptions and narratives for all input and output files, as mutually agreed upon between the Contractor and the County.

10.10.2.3 Provide, in hard copy and an easily transferable computerized format, all information that resides in the Contractor's computer files relating to County

claimant accounts, including claimant account history that the County reasonably requires for the transition and for the permanent records of the County.

10.10.2.4 Document fully the subcontracted procedures or third-party agreements.

10.10.2.5 Provide duplicate computer systems, programs and data files to the County for the proper administration of the UIP until the County shall secure or acquire computer systems and programs to perform the administration itself, in the event the County elects to do so, and to the extent the Contractor has developed and provided the County with computer systems, programs and data files for the County's sole use.

10.10.2.6 Ensure that the County's right to use the Contractor's systems, programs and related documentation, as described in this Sub-paragraph 10.10.2, shall exist for a period not to exceed twelve (12) calendar months following termination of this contract.

10.10.2.7 Train and assist any County personnel in operating the computer systems.

## **10.11 REPORTS AND INFORMATION UPON TERMINATION**

The Contractor shall provide the County with 1) a listing of any items requiring adjustments/correction as of the contract termination date; and 2) complete final administration and management reports for the UIP, including the latest activity by each claimant as specified in SOW, Sub-paragraph 10.5 – Administration and Management Reports, in the event that this Contract is terminated after the Contract term, and without regard to whether the County selects a new TPA or elects to assume the UIP administration directly.

## **10.12 COUNTY UI CLAIMS ACCOUNT NUMBER**

10.12.1 The Contractor shall ensure that its records and reports shall reflect the account number and claims activity of each of the County departments.

10.12.2 The Contractor shall use the account number (932-0440-2) issued by the EDD for County UI claims, effective January 1, 1997.

## **11.0 PERFORMANCE REQUIREMENTS SUMMARY**

A Performance Requirements Summary (PRS) chart, Exhibit 2 of Appendix C, lists required services that will be monitored by the County during the term of this Contract. The chart:

- References specific sections of the Contract;
- Lists required services;
- Indicates the method of monitoring; and
- Indicates the deductions/fees to be assessed for each service that is not satisfactorily performed.

All listings of services used in the Performance Requirements Summary (PRS) are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.



## PRICING SHEET

Pricing as set forth in the chart below shall cover all work described in the Contract and Exhibit A, Statement of Work, inclusive of all unemployment claims and related services, including hearings, auditing, reporting, and training, for the first 1,750 claims processed each contract year (February 1<sup>st</sup> – January 31<sup>st</sup>) and 10 hearing representations. Should the annual number of claims exceed 1,750, an additional fee of \$15 per claim will be due to Contractor. Should the annual number of hearings attended by Contractor or Contractor's representative exceed 10 hearings in one year, whether in person or by telephone, as permitted by law, an additional fee of \$200 will be due to Contractor for each additional hearing.

<b>Contract Term</b>	<b>Monthly</b>	<b>Annual</b>
Year 1 – Initial Term	\$1,894	\$22,728
Year 2 – Initial Term	\$1,932	\$23,184
Year 3 – Initial Term	\$1,970	\$23,640
Year 4 – Initial Term	\$2,010	\$24,120
Year 5 – Initial Term	\$2,050	\$24,600
Year 6 - First Option Term	\$2,091	\$25,092
Year 7 - Second Option Term	\$2,133	\$25,596

**INTENTIONALLY OMITTED**

**CONTRACTOR'S EEO CERTIFICATION**

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Contractor Name

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Address

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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 <input type="checkbox"/> | No <input type="checkbox"/> |
| 2. | The Contractor periodically conducts a self-analysis or utilization analysis of its work force.   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3. | The Contractor has a system for determining if its employment practices are discriminatory against protected groups.  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 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 <input type="checkbox"/> | No <input type="checkbox"/> |

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Authorized Official's Printed Name and Title

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Authorized Official's Signature

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Date

**COUNTY'S ADMINISTRATION**

CONTRACT NO. \_\_\_\_\_

**COUNTY PROJECT DIRECTOR:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**COUNTY PROJECT MANAGER:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**COUNTY CONTRACT PROJECT MONITOR:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**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:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT****FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION**

*Applicability of the forms below is based on the type of contract. A contract involving Information Technology (IT) services includes Copyright Assignment language whereas a non-IT Contract omits the Copyright Assignment language.*

*Additionally, a determination must be made whether the Contractor will complete a Confidentiality Agreement on behalf of its employees or whether the Contractor's employees and non-employees will complete the Confidentiality Agreements individually.*

**NON-IT CONTRACTS**

- G1      CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- OR**
- G2      CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- G3      CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

**IT CONTRACTS**

- G1-IT    CONTRACTOR ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT
- OR**
- G2-IT    CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT
- G3-IT    CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

**CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

CONTRACTOR NAME \_\_\_\_\_ Contract No. \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

**CONTRACTOR ACKNOWLEDGEMENT:**

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff 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.

**CONFIDENTIALITY AGREEMENT:**

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

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

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement and Confidentiality Agreement.

**EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above is my sole employer for purposes of 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 work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced 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 work 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 and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor 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 violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_



**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Non-Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

**NON-EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced 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 work 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 and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor 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 the above-referenced Contractor 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, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

**CONTRACTOR ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

CONTRACTOR NAME \_\_\_\_\_ Contract No. \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

**CONTRACTOR ACKNOWLEDGEMENT:**

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff 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.

**CONFIDENTIALITY AGREEMENT:**

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-

**CONTRACTOR ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT**

referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

**COPYRIGHT ASSIGNMENT AGREEMENT**

Contractor and Contractor's Staff agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired by Contractor and Contractor's Staff in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom shall be the sole property of the County. In this connection, Contractor and Contractor's Staff hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, Contractor and Contractor's Staff agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County, and to promptly perform all other acts requested by the County to carry out the terms of this agreement, including, but not limited to, executing an assignment and transfer of copyright in a form substantially similar to Exhibit M1, attached hereto and incorporated herein by reference.

The County shall have the right to register all copyrights in the name of the County of Los Angeles and shall have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject them to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

**EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above is my sole employer for purposes of 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 work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced 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 work 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 and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT**

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor 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 violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

**COPYRIGHT ASSIGNMENT AGREEMENT**

I agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired by me in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom shall be the sole property of the County. In this connection, I hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, I agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County, and to promptly perform all other acts requested by the County to carry out the terms of this agreement, including, but not limited to, executing an assignment and transfer of copyright in a form substantially similar to Exhibit M1, attached hereto and incorporated herein by reference.

The County shall have the right to register all copyrights in the name of the County of Los Angeles and shall have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY,  
AND COPYRIGHT ASSIGNMENT AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name \_\_\_\_\_ Contract \_\_\_\_\_

Non-Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

**NON-EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced 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 work 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 and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY,  
AND COPYRIGHT ASSIGNMENT AGREEMENT**

referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor 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 the above-referenced Contractor 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, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

**COPYRIGHT ASSIGNMENT AGREEMENT**

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I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

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. (Ord. 2002-0015 § 1 (part), 2002)

**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 purchase 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-1100 or a successor provision.



Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
  2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

### **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. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

### **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. (Ord. 2002-0015 § 1 (part), 2002)

### **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. (Ord. 2002-0015 § 1 (part), 2002)

### **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. (Ord. 2002-0015 § 1 (part), 2002)

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

Page 3 of 3

**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. (Ord. 2002-0015 § 1 (part), 2002)

**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. (Ord. 2002-0015 § 1 (part), 2002)

## **SAFELY SURRENDERED BABY LAW**

# *Safely* Surrendered



No shame. No blame. No names.

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

[www.babysafela.org](http://www.babysafela.org)



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

www.babysafela.org

# Safely Surrendered Baby Law

## What is the Safely Surrendered Baby Law?

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

*Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.*

## How does it work?

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

## What if a parent wants the baby back?

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

## Can only a parent bring in the baby?

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

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

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

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

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

## What happens to the baby?

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

## What happens to the parent or surrendering adult?

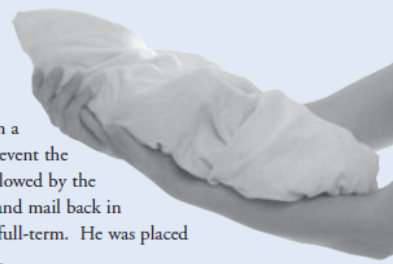
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

## Why is California doing this?

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

## A baby's story

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





# *Ley de* Entrega de Bebés *Sin Peligro*



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

Sin pena. Sin culpa. Sin nombres.

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

[www.babysafela.org](http://www.babysafela.org)



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

www.babysafela.org

# Ley de Entrega de Bebés Sin Peligro

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

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

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

## ¿Cómo funciona?

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

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

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

## ¿Sólo los padres podrán llevar al recién nacido?

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

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

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

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

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

## ¿Qué pasará con el bebé?

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

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

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

## ¿Por qué se está haciendo esto en California? ?

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

## Historia de un bebé

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





**BUSINESS ASSOCIATE AGREEMENT  
UNDER THE HEALTH INSURANCE PORTABILITY  
AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")**

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules").

Contractor performs or provides functions, activities or services to County that require Contractor in order to provide such functions, activities or services to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information, as defined by the HIPAA Rules. As such, Contractor is a Business Associate, as defined by the HIPAA Rules, and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement ("Business Associate Agreement") between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

**1. DEFINITIONS**

- 1.1 "Breach" has the same meaning as the term "breach" at 45 C.F.R. § 164.402.
- 1.2 "Business Associate" has the same meaning as the term "business associate" at 45 C.F.R. § 160.103. For the convenience of the parties, a "business associate" is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain services to, a covered entity that involve access by the business associate to Protected Health Information. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of another business associate. And in



reference to the party to this Business Associate Agreement "Business Associate" shall mean Contractor.

- 1.3 "Covered Entity" has the same meaning as the term "covered entity" at 45 C.F.R. § 160.103, and in reference to the party to this Business Associate Agreement, "Covered Entity" shall mean County.
- 1.4 "Data Aggregation" has the same meaning as the term "data aggregation" at 45 C.F.R. § 164.501.
- 1.5 "De-identification" refers to the de-identification standard at 45 C.F.R. § 164.514.
- 1.6 "Designated Record Set" has the same meaning as the term "designated record set" at 45 C.F.R. § 164.501.
- 1.7 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its workforce. (See 45 C.F.R. § 160.103.)
- 1.8 "Electronic Health Record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. (See 42 U.S. C. § 17921.)
- 1.9 "Electronic Media" has the same meaning as the term "electronic media" at 45 C.F.R. § 160.103. For the convenience of the parties, electronic media means (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the Internet, extranet or intranet, leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media if the information being exchanged did not exist in electronic form immediately before the transmission.
- 1.10 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" at 45 C.F.R. § 160.103, limited to Protected Health Information created or

received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

- 1.11 "Health Care Operations" has the same meaning as the term "health care operations" at 45 C.F.R. § 164.501.
- 1.12 "Individual" has the same meaning as the term "individual" at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).
- 1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.
- 1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 164.502 (b).
- 1.15 "Protected Health Information" has the same meaning as the term "protected health information" at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Protected Health Information.
- 1.16 "Required by Law" " has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.
- 1.17 "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103
- 1.18 "Security Incident" has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.
- 1.19 "Services" means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement,

Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

- 1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.
- 1.21 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" at 45 C.F.R. § 164.402.
- 1.22 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations. (See 45 C.F.R § 164.103.)
- 1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

## **2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION**

- 2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.
- 2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with the Covered Entity's applicable Minimum Necessary policies and procedures.
- 2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.
- 2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the Protected

Health Information is disclosed (i.e., the recipient) that it will be held confidentially and Used or further Disclosed only as Required by Law or for the purposes for which it was disclosed to the recipient and the recipient notifies Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

- 2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

**3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION**

- 3.1 Business Associate shall not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.
- 3.2 Business Associate shall not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sections 2.5 and 2.6.
- 3.3 Business Associate shall not Use or Disclose Protected Health Information for de-identification of the information except as set forth in section 2.2.

**4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION**

- 4.1 Business Associate shall implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.
- 4.2 Business Associate shall comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

**5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION**

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any

Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.

5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.

5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.

5.1.3. Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.

5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.

5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;

- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach

5.2.2 Business Associate shall make a written report without unreasonable delay and in no event later than three (3) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **HIPAA Compliance Officer at: Hall of Records, County of Los Angeles, Chief Executive Office, Risk Management Branch-Office of Privacy, 320 W. Temple Street, 7th Floor, Los Angeles, California 90012, PRIVACY@ceo.lacounty.gov**, that includes, to the extent possible:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;

- (e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;
- (f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;
- (g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and
- (h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.

5.2.3 If Business Associate is not able to provide the information specified in Section 5.2.1 or 5.2.2 at the time of the required report, Business Associate shall provide such information promptly thereafter as such information becomes available.

5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.

5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.

5.3.2 If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

## **6. WRITTEN ASSURANCES OF SUBCONTRACTORS**

6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is

made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.

- 6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.
- 6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.
- 6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.
- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

## **7. ACCESS TO PROTECTED HEALTH INFORMATION**

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or



Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.

- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.
- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the Individual with access to the Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

## **8. AMENDMENT OF PROTECTED HEALTH INFORMATION**

- 8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.
- 8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity.

## **9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION**

9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:

- (a) The date of the Disclosure;
- (b) The name, and address if known, of the entity or person who received the Protected Health Information;
- (c) A brief description of the Protected Health Information Disclosed; and
- (d) A brief statement of the purpose of the Disclosure.

9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate shall document the information specified in Section 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.

9.2 Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in accordance with Section 9.1.1 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528

9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 C.F.R. § 164.528.

## **10. COMPLIANCE WITH APPLICABLE HIPAA RULES**

10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with the requirements of

Subpart E that apply to Covered Entity's performance of such obligation(s).

- 10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

## **11. AVAILABILITY OF RECORDS**

- 11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.
- 11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

## **12. MITIGATION OF HARMFUL EFFECTS**

- 12.1 Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

## **13. BREACH NOTIFICATION TO INDIVIDUALS**

- 13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.
- 13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.
- 13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

- (a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;
- (b) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
- (c) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
- (d) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individual(s), and to protect against any further Breaches; and
- (e) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.

13.3 Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity shall not be responsible for any costs incurred by Business Associate in providing the notification required by 13.1 or in establishing the contact procedures required by Section 13.1.2.

#### **14. INDEMNIFICATION**

14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or

enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.

- 14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

## **15. OBLIGATIONS OF COVERED ENTITY**

- 15.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.
- 15.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

## **16. TERM**

- 16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 16.2 Notwithstanding Section 16.1, Business Associate's obligations under Sections 11, 14, and 18 shall survive the termination or expiration of this Business Associate Agreement.

## **17. TERMINATION FOR CAUSE**

- 17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not

cured the breach or ended the violation within the time specified by the non-breaching party, which shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.

- 17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

**18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION**

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.
- 18.2 Destruction for purposes of Section 18.2 and Section 6.6 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.
- 18.3 Notwithstanding Section 18.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.

- 18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.
- 18.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.
- 18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

**19. AUDIT, INSPECTION, AND EXAMINATION**

- 19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in section 17.
- 19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.

- 19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

## **20. MISCELLANEOUS PROVISIONS**

- 20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.
- 20.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.
- 20.3 No Third Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall



control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

- 20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 20.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 20.7 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

**CHARITABLE CONTRIBUTIONS CERTIFICATION**

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Company Name

---

Address

---

Internal Revenue Service Employer Identification Number

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

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

**Check the Certification below that is applicable to your company.**

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

**OR**

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

---

Signature

Date

---

Name and Title of Signer (please print)

Page 108

**PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART**

<b>SPECIFIC PERFORMANCE REFERENCE</b>	<b>SERVICE</b>	<b>MONITORING METHOD</b>	<b>DEDUCTIONS/FEEES TO BE ASSESSED</b>
Contract: Paragraph 7.0 – Administration of Contract - Contractor	Contractor shall notify the County in writing of any change in name or address of the Project Manager	Inspection & Observation	\$500 per occurrence
Contract: Sub- paragraph 8.38 – Record Retention & Inspection/Audit Settlement	Contractor to maintain all required documents as specified in Sub- paragraph 8.38	Inspection of files	\$500 per occurrence
Contract: Sub- paragraph 8.40 – Subcontracting	Contractor shall obtain County's written approval prior to subcontracting any work.	Inspection & Observation	\$500 per occurrence; possible termination for default of contract
SOW: Subparagraph 10.2 – Claims Administration	Contractor shall monitor all claims received as specified in Subsection 10.2.1.	Provide number of monthly claims & number of resolved claims timely.	\$500 per occurrence; possible termination for default of contract
SOW: Subparagraph 10.2 – Claims Administration	Contractor shall arrange pre- hearing meetings and present County's case at all hearings as specified in Subsections 10.2.9 and 10.2.10	Provide number of monthly hearings and win/loss ratio.	\$1,000 per occurrence; possible termination for default of contract

SOW: Subparagraph 10.3 – Cost Validation	Contractor shall audit EDD quarterly benefit charge notices, resolve any errors, and prepare a quarterly auditing report on time	Receipt of quarterly report summarizing auditing process	\$500 per occurrence; possible termination for default of contract
SOW: Subparagraph 10.4 – Record Keeping	Contractor shall provide record keeping tasks as specified in Subsection 10.4	Inspection of files	\$500 per occurrence; possible termination for default of contract

SOW: Subparagraph 10.5 – Administration and Management Reports	Contractor shall provide all administration and management tasks as specified in Subsection 10.5	Inspection & Observation  Receipt of reports/manual on time	\$500 per occurrence; possible termination for default of contract
SOW: Subparagraph 10.5.15 – Administration and Management Reports	Contractor shall provide timely news bulletins as specified in Subsection 10.5.15	Receipt of news bulletins	\$500 per occurrence; possible termination for default of contract
SOW: Subparagraph 10.6– Departmental Service	Contractor shall provide services to County Departments as specified in Subsection 10.6	Receipt of Department's complaint	\$500 per occurrence
SOW: Subparagraph 10.7– Conducting Seminars	Contractor shall provide training sessions for County staff annually and as needed	Receipt of training schedule	\$500 per occurrence

SOW: Subparagraph 10.8 – Training County Hearing Representatives	Contractor shall provide training for County staff as specified in Subsection 10.8	Receipt of training schedule	\$500 per occurrence
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# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	1/6/2021			
<b>BOARD MEETING</b>	1/26/2021			
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	5th			
<b>DEPARTMENT</b>	Department of Public Works (DPW)			
<b>SUBJECT</b>	Approve a proposed 5-year amendment to an existing lease for the continued use of 42,808 square feet of existing office space and 171 parking spaces at 1000 South Fremont Avenue, A9 East, Alhambra.			
<b>PROGRAM</b>	Traffic Safety and Mobility, Waterworks, Aviation Sewer Maintenance, Storm Water Engineering, and Storm Water Planning divisions			
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:			
<b>DEADLINES/ TIME CONSTRAINTS</b>	The existing lease expired on November 30, 2020 and includes a holdover clause which increases the base rent by 50 percent upon the lease expiration. The Landlord has agreed to waive the fee for the months of December and January.			
<b>COST &amp; FUNDING</b>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">           Total cost:            \$7,548,000 rental costs over the 5-year term includes the base rent, parking rent, the credit for the second, month base rent at no cost to the County and the commission credit.         </td><td style="width: 50%;">           Funding source:            The rental costs will be funded 100 percent by various Public Work funds.         </td></tr> </table> <p>TERMS (if applicable): The base rent is subject to fixed 3 percent increases per annum. Commencing on year five of the term, the annual parking rate will increase from \$900 per parking space to \$960 per parking space. The County has the right to terminate the proposed lease at the last day of the 49<sup>th</sup> month with 12 months' notice subject to payment of a termination fee not to exceed \$113,688.78 comprised of the unamortized \$49,635.60 TI Allowance and the \$64,053.18 Commission.</p> <p>Sufficient funding to cover the proposed rent, for the first year of the proposed amendment term are included in the Fiscal Year (FY) 20-2021 Rent Expense budget, and will be billed back to DPW. DPW has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed amendment will be part of the budget for DPW.</p>		Total cost: \$7,548,000 rental costs over the 5-year term includes the base rent, parking rent, the credit for the second, month base rent at no cost to the County and the commission credit.	Funding source: The rental costs will be funded 100 percent by various Public Work funds.
Total cost: \$7,548,000 rental costs over the 5-year term includes the base rent, parking rent, the credit for the second, month base rent at no cost to the County and the commission credit.	Funding source: The rental costs will be funded 100 percent by various Public Work funds.			
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and continue to adequately provide the necessary office space for DPW.			
<b>BACKGROUND (include internal/external issues that may exist)</b>	The proposed amendment will provide DPW the continued use of 42,808 square feet of office space and 171 parking spaces for the DPW divisions.			
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Michael Navarro CEO- Real Estate Division 213-974-4364    Mnavarro@ceo.lacounty.gov			



# County of Los Angeles **CHIEF EXECUTIVE OFFICE**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

FESIA A. DAVENPORT  
Acting Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
First District

HOLLY J. MITCHELL  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

January 26, 2021

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:

**FIVE YEAR AMENDMENT  
DEPARTMENT OF PUBLIC WORKS  
1000 SOUTH FREMONT AVENUE, ALHAMBRA  
(FIFTH DISTRICT)  
(3 VOTES)**

**SUBJECT**

Approval of a proposed five-year amendment to an existing lease to provide the Department of Public Works (DPW) continued use of 42,808 square feet of existing office space and 171 on-site parking spaces for its Traffic Safety and Mobility, Waterworks, Aviation, Sewer Maintenance, Storm Water Engineering, and Storm Water Planning divisions.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed amendment is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Acting Chief Executive Officer, or her designee, to execute the proposed amendment with Elite-TRC Alhambra Community LLC Landlord), for approximately 42,808 square feet of office space and 171 on-site parking spaces located at 1000 South Fremont Avenue, Alhambra, CA 91803 (Premises) for continued occupancy by DPW. The estimated total amendment cost is \$7,548,000 over the five-year term. The rental costs will be funded 100 percent by various Public Works Funds.



3. Authorize and direct the Acting Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the proposed amendment, and to take actions necessary and appropriate to implement the proposed amendment, including, without limitation, exercising early termination rights, an option to lease up to 9,206 square feet of additional office space, and an option to lease additional parking spaces, as needed and available.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The DPW Traffic Safety and Mobility, Waterworks, Aviation, Sewer Maintenance, Storm Water Engineering, and Storm Water Planning divisions have occupied the Premises since 2000. The existing lease expired on November 30, 2020, and is now in holdover and the base rent is subject to a 50 percent holdover fee., The Landlord has agreed to waive the holdover fee for the months of December 2020 and January 2021.

The facility is ideally located adjacent to Headquarters and is centrally located to serve the entire County. There are approximately 285 DPW employees at the Premises. The facility is located near public transportation routes and adjacent to major freeways.

Approval of the recommended actions will find that the proposed amendment is exempt from CEQA, and will allow DPW to continue operating at the Facility.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal 3 - *Realize Tomorrow's Government Today* - provides that our increasingly dynamic, and complex environment, challenges our collective abilities to respond to public needs and expectations. We want to be an innovative, flexible, effective, and transparent partner focused on advancing the common good.

The proposed amendment is consistent with the Strategic Asset Management Plan Goal 2 – Strengthen Connection between Service Priorities and Asset Decisions and Key Objective 4 – Guide Strategic Decision-Making.

The proposed amendment supports these goals and objective by continuing to provide office space for DPW divisions and employees supporting services at DPW Headquarters.

The proposed amendment conforms with the Asset Management Principles outlined in Enclosure A.

### **FISCAL IMPACT/FINANCING**

Sufficient funding to cover the proposed rent, for the first year of the proposed amendment term, is included in the Fiscal Year (FY) 2020-21 Rent Expense Budget, and will be billed back to DPW. DPW has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent and parking for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed amendment will be part of the budget for DPW. The rental costs will be funded 100 percent with various Public Works Funds.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In addition to the terms previously stated, the proposed amendment also includes the following provisions:

- The current effective annual base rental rate will increase upon commencement of the extended term from \$30.19 per square foot to \$30.87 per square foot. The new base rent is \$30.24 per square foot. However, the proposed amendment includes an area on the roof for communication equipment at an annual cost of \$26,870.52, subject to a fixed 3 percent increase per annum. By including this cost into the square foot rate, it adjusts the overall annual cost per square foot from \$30.24 to an effective rate of \$30.87. The department's use of the roof is a unique requirement which differs from the other leases the County has at this location. Base rent is subject to a fixed 3 percent increase per annum.
- The current annual parking rate will increase from \$780 per parking space to \$900 per parking space. Commencing on year five of the term, the annual parking rate will increase from \$900 per parking space to \$960 per parking space.
- The estimated maximum first year rental cost of \$1,475,254 including parking is adjusted to \$1,277,039 after deducting the one-time credits of \$110,112.85 for a rent abatement for the second month, and a commission credit of \$138,102.72 to be applied to the sixth and seventh month of the term.
- The Landlord will provide a total of \$477,296 base tenant improvement (TI) allowance which includes \$214,040 (\$5 per rentable square foot) plus a \$263,261 carryover TI allowance from the existing lease. This base TI allowance will be used to refurbish the Premises, including carpet, paint, furniture, and other minor improvements as needed. Any unused portion of the combined allowances will be credited toward the base rent.

- The Landlord is responsible for all operating and maintenance cost of the building, including utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs. The aggregate cost associated with the proposed amendment over the entire term is \$7,548,000, as shown on Enclosure B.
- The County has the right to terminate the proposed amendment at the last day of the 49<sup>th</sup> month with 12-months' notice, subject to a termination fee equal to the unamortized portion of the TI allowance not to exceed \$49,635.60 and the unamortized brokerage commission not to exceed \$64,053.18.
- An option to lease up to an additional 9,206 square feet of fully furnished office space, which was recently vacated by the Department of Human Resources, Consumer and Business Affairs, and the Auditor Controller, and 36 parking spaces, with notice no later than the last day of the sixth month following the commencement of the proposed amendment. This option space will be leased under the same terms and conditions of this proposed lease. The Landlord further agreed to provide a base TI allowance of \$46,030 (\$5.00 per square foot) for this option space, of which any unused amount would be applied as rent credits.
- Holdover at the proposed amendment expiration is permitted on the same lease terms and conditions except commencing on the seventh month, the monthly base rent will increase by 25 percent as a holdover fee. In the event the County and the Landlord enter into a subsequent amendment extending the County's use of the Premises, the Landlord will credit any holdover fee actually paid by the County.
- The proposed amendment term will be effective upon approval by the Board and full execution of the proposed amendment.

DPW requested that their existing lease be renewed as it would save the time and money to relocate and build-out new space. The Chief Executive Office (CEO), conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.16 and \$48.72 per square foot, per year. The base annual effective rental rate of \$30.87 per square foot, per year for the proposed amendment represents a rate that is at the lower end of the market range for the area. We recommend the proposed existing facility as the most suitable to continue to meet the County's space requirements.

The CEO has communicated with co-working office space companies regarding office space for the applicable programs and they have informed the CEO that their co-working office space does not have available space for long-term occupancy to accommodate the required space needs. In addition, co-working office space is not financially viable in comparison to the rental costs of traditional long-term office space.

Enclosure C shows County-owned or leased facilities within the surveyed area, and there are no suitable County-owned or leased facilities available for this space requirement.

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. The required notification letter to the City of Alhambra has been sent in accordance with Government Code Section 25351. County Counsel has reviewed the enclosed proposed amendment and approved it as to form.

The proposed amendment will continue to provide an appropriate location for these DPW divisions, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, and as outlined in Enclosure D.

### **ENVIRONMENTAL DOCUMENTATION**

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed amendment, which involves the leasing of existing office space with minor tenant improvements within an existing building, with no expansion of the existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in Section 15301 of the State CEQA Guidelines (Guidelines), and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, a Notice of Exemption will be filed with the Registrar-Recorder/County Clerk in accordance with Section 21152 of the California Public Resources Code.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed amendment will continue to adequately provide the necessary office space and parking for this County requirement. DPW concurs with the proposed amendment and recommendations.

The Honorable Board of Supervisors  
January 26, 2021  
Page 6

**CONCLUSION**

It is requested that the Executive Office of the Board return one certified copy of the Minute Order and an adopted-stamped copy of this letter to the CEO, Real Estate Division, at 320 West Temple Street, 7th Floor, Los Angeles, CA 90012, for further processing.

Respectfully submitted,

FESIA A. DAVENPORT  
Acting Chief Executive Officer

FAD:JMN:DPH:DL  
JLC:MN:MAC:gw

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Public Works

**DEPARTMENT OF PUBLIC WORKS  
1000 SOUTH FREMONT AVENUE, ALHAMBRA**

**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions? <sup>2</sup>	<b>X</b>		
	B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>	<b>X</b>		
	C	Does this lease centralize business support functions? <sup>2</sup>	<b>X</b>		
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>The existing lease includes approximately 151 square feet per person.</b>		<b>X</b>	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup>	<b>X</b>		
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	<b>X</b>		
<b>2.</b>	<b><u>Capital</u></b>				
	A	Is it a substantial net County cost (NCC) program? The rental costs will be funded 100% with various Public Works Funds		<b>x</b>	
	B	Is this a long-term County program?	<b>X</b>		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			<b>X</b>
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
	F	Is Building Description Report Enclosed as Enclosure C?	<b>X</b>		
	G	Was build-to-suit or capital project considered? <sup>2</sup>			<b>X</b>
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>		
	B	Was the space need justified?	<b>X</b>		
	C	If a renewal lease, was co-location with other County departments considered?	<b>X</b>		
	D	Why was this program not co-located with other County departments?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <u>X</u> No suitable County occupied properties in project area.			
		3. <u>X</u> No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full-service lease? <sup>2</sup>	<b>X</b>		
	F	Has growth projection been considered in space request?		<b>X</b>	
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	<b>X</b>		
	<sup>1</sup> As approved by the Board of Supervisors 11/17/98				
<sup>2</sup> If not, why not?					

**COMPARISON OF THE PROPOSED AMENDMENT TO EXISTING LEASE**

	<b>Existing Lease:</b> <b>1000 South Fremont Ave</b>	<b>Proposed Amendment:</b> <b>1000 South Fremont Ave</b>	<b>Change</b>
Area (Square Feet)	42,808 sq. ft.	42,808 sq. ft.	None
Parking Spaces	245 <sup>(1)</sup>	171	-74
Term (years)	5 years	5 years	None
Annual Base Rent	\$1,292,538.36 (\$30.19 per sq. ft. annually)	\$1,321,354 (\$30.87 per sq. ft. annually)	+\$28,815.64
Annual Parking Cost <sup>(1)</sup>	\$191,100 (\$780 per parking space annually)	\$153,900 (\$900 per parking space annually)	-\$37,200
Annual Lease Costs	\$1,483,638.36	\$1,475,254 <sup>(2)</sup>	-\$8,384.36
Rental rate adjustment	Annual CPI adjustments 2 percent minimum, capped at 5 percent.	Fixed 3 percent per annum.	+1 percent min -2 percent max.

(1) Based on 245 total parking spaces, 171 originally provided in the lease, and 74 supplemental parking spaces added and paid through the lease. The supplemental parking was terminated effective November 30, 2020, and going forward the supplemental parking will be provided through Department's existing separate contract directly with the parking operator which provides them the flexibility to adjust the parking on a daily, weekly, monthly basis.

(2) Upon execution of the amendment, the Landlord will credit the rent abatement of \$110,112.85 and the commission credit of \$138,102.72. The total rental costs payable to the Landlord in the first year will be \$1,227,039.

## OVERVIEW OF THE BUDGETED LEASE AMENDMENT AND RELATED COSTS

Department of Public Works  
1000 S Fremont Ave., Alhambra

### Basic Lease Assumptions

Leased Area (sq.ft.)	42,808			
Term (months)	60			
Annual Rent Adjustment	3.00%			
	Cost Per RSF Per Month	Cost Per RSF Per Year		
Base Rent	\$2.52	\$30.24		
	Cost Per Space Per Month	Cost Per Space Per Year		
Years 1- 4 Parking Costs (171 parking spaces)	\$75	\$900		
Year 5 Parking Costs (171 parking spaces)	\$80	\$960		
	Labor Cost	TESMA (Lump Sum Cost)	TESMA (Amortized Cost)	Low Voltage Total
Low Voltage (Labor + TESMA Costs) (Lump Sum)	\$0	\$0	\$0	\$0
Low Voltage (Labor + TESMA Costs) (Amortized)	\$0	\$0	\$0	\$0
	Lump Sum Cost	Amortized Cost		
Tenant Improvement Costs	\$0	\$0		

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	Total 5 Year Rental Costs
Annual Base Rent Costs <sup>(1)</sup>	1,321,354	1,360,995	1,401,825	1,443,879	1,487,196	7,016,000
Annual Parking Costs <sup>(2)</sup>	153,900	153,900	153,900	153,900	164,160	780,000
Subtotal Combined Rental Costs	1,475,254	1,514,895	1,555,725	1,597,779	1,651,356	7,796,000
Rent Abatement <sup>(3)</sup>	(110,113)		0	0	0	-110,113
Commission Credit <sup>(4)</sup>	(138,103)					-138,103
Total Paid to Landlord	1,227,039	1,514,895	1,555,725	1,597,779	1,651,356	7,548,000
Total Annual Lease Costs	1,227,039	1,514,895	1,555,725	1,597,779	1,651,356	7,548,000

### Footnotes:

<sup>1</sup> The Base Rent calculations are based on the monthly rate of \$2.57 and yearly rate of \$30.87. This lease includes 1 square foot of space on the roof for communication equipment at a monthly cost of \$2,239.21, adjusting the overall annual cost per square foot from \$30.24 to \$30.87. The Base Rent includes annual CPI increases capped at 3 percent.

<sup>2</sup> A total of 171 unreserved parking spaces will be available. The parking rate for the first four years shall be fixed at \$900 per space, per annum for a total of \$153,900 per annum and increased to \$960 per space, per month after the fourth year for a total of \$164,160 per month.

<sup>3</sup> The landlord shall abate the Tenant's obligation to pay Base Rent for the second month following the revised commencement date, for a total of one (1) month of free rent.

<sup>4</sup> The total Commission Credit (\$138,102.72) payable to the County will be applied to the sixth and seventh month of the term.

\*Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.



**PUBLIC WORKS****SPACE SEARCH – 3 MILE RADIUS FROM  
1000 SOUTH FREMONT AVENUE, ALHAMBRA**

<b>LACO</b>	<b>Name</b>	<b>Address</b>	<b>Proprietor</b>	<b>Property Use</b>	<b>Gross Sq. Ft.</b>	<b>Vacant</b>
A328	Sheriff - Inspectional Services Office / DCFS Ctrl Unit	901 Corporate Center Dr. Monterey Park 91754	Sheriff	Office	9,926	None
A469	The Alhambra Complex - West Tower	1000 S. Fremont Ave. Alhambra 91803	Public Health	Office	15,206	None
A015	DCFS/LASD/Fire/Ops/ ISD Corporate Place	2525 Corporate Pl. Monterey Park 91754	Children and Family Services	Office	40,483	None
4526	Biscailuz - Administration Building	1060 N. Eastern Ave. Los Angeles 90063	Sheriff	Office	16,571	None
X327	PRE-RELEASE CENTER AB109	200 W. Woodward Ave. Alhambra 91801	Probation	Office	11,273	None
A423	Sheriff - Personnel and Recruitment Center	101 Centre Plaza Dr. Monterey Park 91754	Sheriff	Office	37,590	None
3542	Fire - Administrative Headquarters Building	1320 N. Eastern Ave. Los Angeles 90063	Fire Department	Office	39,015	None
A327	Office of Managed Care	1100 Corporate Center Dr. Monterey Park 91754	Health Services	Office	15,280	None
0122	Thomas A. Tidemanson Building - Annex Building	417 S Date Ave. Alhambra 91803, 900 S Fremont Ave. Alhambra 91803	Public Works	Office	43,500	None

## FACILITY LOCATION POLICY ANALYSIS

**Proposed lease:** Amendment to an existing lease for DPW – 1000 South Fremont Avenue, Alhambra – Fifth District.

**A. Establish Service Function Category** – Traffic Safety and Mobility, Waterworks, Aviation, Sewer Maintenance, Storm Water Engineering, and Storm Water Planning divisions.

**B. Determination of the Service Area** – Located across the street from DPW's Headquarters located at 900 South Fremont Avenue, Alhambra 91803

**C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: In close proximity to DPW's Headquarters located at 900 South Fremont Avenue, Alhambra 91803
- Need for proximity to existing County facilities: In close proximity to DPW's Headquarters
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services and is in close proximity to Metro and Foothill bus service and connections to light rail service.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: N/A.
- Compatibility with local land use plans: The city of Alhambra has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The initial annual rental cost of \$1,475,254 includes the \$1,321,354 annual base rent cost, the \$153,900 annual parking costs. The first-year base rent is adjusted to \$1,227,039, and includes rent abatement of \$110,112.85 for the second month and the commission credit of \$138,102.72 applied to the sixth and seventh month of the term.

**D. Analyze results and identify location alternatives**

The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.16 and \$48.72 per square foot, per year. The base annual effective rental rate of \$30.87 per square foot, per year for the proposed amendment represents a rate that is at the lower end of the market range for the area. We recommend the proposed existing facility as the most suitable to continue to meet the County's space requirements.

**E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost, and other Location Selection Criteria**

The proposed amendment will provide adequate and efficient office space for 285 employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet Department requirements.

**AMENDMENT No. 1 TO LEASE No. 78437  
DEPARTMENT OF PUBLIC WORKS  
1000 SOUTH FREMONT AVENUE, ALHAMBRA**

**THIS AMENDMENT No. 1** to Lease No. 78437 ("**Amendment**" or "**Amendment No. 1**") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ ("**Effective Date**") by and between ELITE-TRC ALHAMBRA COMMUNITY LLC, a Delaware limited liability company, hereinafter referred to as "**Landlord**", and the COUNTY OF LOS ANGELES, a body corporate and politic, hereinafter referred to as "**Tenant**".

**RECITALS:**

**WHEREAS**, The Alhambra Office Community, LLC, Landlord's predecessor-in-interest, and Tenant entered into that certain Lease Agreement dated December 1, 2015, as supplemented by that certain Commencement Date Memorandum and Confirmation of Lease Terms (collectively, "**Lease No. 78437**").

**WHEREAS**, Lease No. 78437 allows Tenant to lease approximately 42,808 rentable square feet comprised of: (i) 33,894 leasable square feet on the 4th Floor in the A9 East Building ("**Premises A**"), (ii) 6,825 leasable square feet on the 1st Floor in the A9 East Building ("**Premises B**"), (iii) 2,088 leasable square feet on the ground floor (north side) in the A9 East Building ("**Premises C**"), and (iv) 1 leasable square foot on the rooftop in the A9 East building ("**Premises D**") (collectively, the "**Premises**") at 1000 South Fremont Avenue, Alhambra (Lease No. 78437 and all amendments thereto are collectively referred to hereinafter as the "**Lease**"), and;

**WHEREAS**, Landlord and Tenant desire to amend the Lease to extend the Term of the Lease and to provide for certain other amendments to the Lease;

**NOW THEREFORE**, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements herein contained and intended to be legally bound hereby, Landlord and Tenant hereby covenant and agree as follows:

**AGREEMENT**

1. **DEFINED TERMS.** Capitalized terms used and not otherwise defined herein shall have the same meanings ascribed to them in the Lease.

2. **TERM OF THE LEASE.**

(a) Effective as of the Effective Date, the Term of the Lease is hereby extended for an additional period of five (5) years (the "**Extended Term**"), so that the Extended Term shall commence on the Effective Date ("**Revised Commencement Date**") and terminating at midnight on the day before the fifth annual anniversary of the Revised Commencement Date, unless terminated sooner pursuant to the terms of the Lease ("**Revised Termination Date**"). All references to "**Term**" in the Lease and this Amendment shall be deemed references to the Term as extended by this Amendment and all references to "**Termination Date**" shall be deemed references to the Revised Termination Date.

(b) The parties acknowledge and agree that the Effective Date as set forth in the preamble to this Amendment shall be the date that both parties have executed and delivered this Amendment, which execution and delivery shall require the prior approval of the Los Angeles County Board of Supervisors as evidenced by the signature for such body in the signature pages of this Amendment.

3. **CONDITION OF THE PREMISES.** Except as set forth in Section 5 of this Amendment (below), Landlord shall have no obligation whatsoever to construct leasehold improvements for Tenant or to repair or refurbish the Premises. The taking of possession of the Premises by Tenant shall be conclusive evidence that Tenant accepts the same "**AS IS**" and that the Premises is suited for the use intended by Tenant and was in good and satisfactory condition at the time such possession was taken. Tenant acknowledges that neither Landlord nor Landlord's agents has made any representation or warranty as to the condition of the Premises, Building or the Complex or its suitability for Tenant's purposes. Tenant represents and warrants to Landlord that (a) its sole intended use of the Premises is for uses set forth in the Lease, (b) it does not intend to use the Premises for any other purpose, and (c) prior to executing this Amendment it has made such investigations as it deems appropriate with respect to the suitability of the Premises for its intended use and has determined that the Premises is suitable for such intended use.

4. **BASE RENT.**

(a) Effective as of the Revised Commencement Date and in addition to all other costs and expenses payable by Tenant pursuant to the Lease, Tenant shall pay the following monthly Base Rent for the Premises, in accordance with the terms of Section 5 of the Lease, which amounts are adjustable as provided in Section 5(b) of the Lease (as amended hereby):

<b><u>Premises</u></b>	<b><u>Initial Monthly Base Rent</u></b>
33,894 leasable square feet on the 4th Floor in the A9 East Building (" <b>Premises A</b> ")	\$85,412.88 (\$2.52/rsf)
6,825 leasable square feet on the 1st Floor in the A9 East Building (" <b>Premises B</b> ")	\$17,199.00 (\$2.52/rsf)
2,088 leasable square feet on the ground floor (north side) in the A9 East Building (" <b>Premises C</b> ")	\$5,261.76 (\$2.52/rsf)
1 leasable square foot on the rooftop in the A9 East building - Antenna (" <b>Premises D</b> ")	\$2,239.21
<b><u>Total Initial Monthly Base Rent</u></b>	<b>\$110,112.85</b>

(b) Effective as of the Revised Commencement Date, Section 5(b) of the Lease is amended in its entirety as follows: "(b) Rent Adjustment. At the beginning of the 13th month of the Extended Term as defined in the Amendment No. 1 to Lease ("**Adjustment Date**") and on and every anniversary of the Adjustment Date thereafter, monthly Base Rent shall be increased to an amount equal to 103% of the amount payable in the last month prior

to each Adjustment Date."

(c) Effective as of the Revised Commencement Date, Sections 5(c), 5(d) and 5(e) of the Lease (CPI Formula and Adjustments) are hereby deleted in their entirety and are of no further force or effect.

(d) Provided that Tenant shall faithfully perform all of the terms and conditions of the Lease (as amended hereby), and subject to Section 5(b) of this Amendment (below), Landlord shall abate Tenant's obligation to pay Base Rent payable with respect to the Premises for the second (2nd) month following the Revised Commencement Date, for a total of one (1) month of abated Base Rent ("**Abated Base Rent**"). During such abatement period, Tenant shall still be responsible for the full payment of all of its other monetary obligations under this Lease, including, without limitation, parking charges and any expenses relative to Tenant's use and occupancy of the Premises.

## 5. **ADDITIONAL IMPROVEMENTS.**

(a) Commencing upon the mutual execution and delivery of this Amendment and Tenant providing Landlord its specifications as required on Section 5(b) herein, Landlord shall complete the following refurbishment work within the Premises per Tenant's specifications (subject to Landlord's reasonable approval), provided that the costs of such refurbishment work shall not exceed Four Hundred Seventy-Seven Thousand Two Hundred Ninety-Six Dollars (\$477,296.00) comprised of (i) the \$263,261.00 outstanding allowance balance from the existing Lease ("**Existing Allowance**") and (ii) a \$214,035.00 additional allowance (calculated at \$5.00 x 42,807 rentable square feet) ("**New Allowance**") (collectively, the "**Allowance**"): (i) new carpet or other flooring within the Premises, (ii) repaint the Premises with accent walls; (iv) installation of a door between Consumer Affairs and Assessor's office; and (iii) FF&E per Section 5(c) of this Amendment (below) (together, "**Refurbishment Work**"). Landlord shall solicit three (3) bids from qualified vendors with respect to the Refurbishment Work.

(b) No later than twelve (12) months following the Revised Commencement Date, Tenant shall provide Landlord with its requested specifications for the Refurbishment Work. After Tenant provides Landlord with its requested specifications for the Refurbishment Work (which are subject to Landlord's reasonable approval), Landlord shall provide Tenant with a cost proposal for the Refurbishment Work (and the parties agree that the bid instructions and the cost proposal shall include (i) the specifications agreed upon by the parties, (ii) a mutually acceptable contingency, (iii) the costs of performing the work after Tenant's normal business hours, and (iv) prevailing wage requirements as applicable pursuant to the Lease) (the "**Cost Proposal**"). If the Cost Proposal is equal to or less than the Allowance, then Tenant shall approve the Cost Proposal within forty-eight (48) hours of the receipt of the same. If the Cost Proposal exceeds the Allowance, then Tenant shall provide proposed "value engineering" to the Cost Proposal (e.g. revisions to Tenant's requested specifications) to Landlord within forty-eight (48) hours of the receipt of the Cost Proposal. In the event Tenant shall provide Landlord with its proposed "value engineering," Landlord shall revise the Cost Proposal, and Tenant shall approve same within forty eight (48) hours of the receipt of the revised Cost Proposal. For avoidance of doubt, Landlord has no obligation to commence or proceed with the Refurbishment Work, nor to consider or approve any change orders in relation thereto, if the aggregate cost of the Refurbishment Work would exceed the Allowance. In the event the costs of the Refurbishment Work exceed the Allowance ("the "**Over- Allowance Amount**"), Landlord may apply the amount of Abated Base Rent as a credit against any outstanding Over-Allowance Amount, not to exceed the amount of the Abated Base Rent.

(c) Subject to the final Cost Proposal, up to \$220,000.00 of the Existing Allowance may be applied towards the costs of Tenant's furniture, fixtures and equipment to be installed in the Premises ("**FF&E**") by Landlord's contractor per Tenant's specifications (subject to Landlord's reasonable approval), to be utilized no later than 180 days following Landlord's completion of the Refurbishment Work.

(d) If the aggregate total cost of the Refurbishment Work is less than the Allowance, and provided that Tenant is not in default under the Lease (as amended hereby), then Tenant may utilize any unused portion of the New Allowance only as a credit toward Base Rent (but Base Rent shall never be less than \$0.00), by giving Landlord written notice of such election and the total amount of unused New Allowance to be credited within 180 days following Landlord's completion and reconciliation of the Refurbishment Work, which total amount shall thereafter be credited against Base Rent as it becomes due.

(e) The Refurbishment Work shall be coordinated with Tenant's assigned Project Manager (PM) in advance of Landlord commencing any Refurbishment Work and the work must be performed after Tenant's normal business hours unless waived or modified by Tenant's PM in writing to Landlord subject to Tenant's payment of the Over-Allowance Amount, if any.

(6) Subject to Section 5(e) of this Amendment (above), Tenant understands that the Refurbishment Work will be performed during Tenant's occupancy and use of the Premises, and may result in inconvenience to Tenant (including noise, vibration and displacement from portions of the Premises from time to time). Tenant will fully cooperate with Landlord's efforts to efficiently complete the Refurbishment Work by, among other things, vacating portions of the Premises from time to time to permit work to proceed, and by moving any personal property within the Premises that is necessary for the completion of the Refurbishment Work. Landlord will make reasonable efforts to minimize the inconvenience and disturbance caused by the Refurbishment Work, but is not responsible for business interruption or damage to property which results from the Refurbishment Work. Tenant hereby agrees that the performance of the Refurbishment Work shall in no way constitute a constructive eviction of Tenant or entitle Tenant to any abatement of rent payable pursuant to the Lease. Landlord shall have no responsibility for, or for any reason be liable to, Tenant for any direct or indirect injury to or interference with Tenant's business arising from the performance of the Refurbishment Work, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the performance of the Refurbishment Work, or for any inconvenience or annoyance occasioned by the performance of the Refurbishment Work.

(7) The Refurbishment Work shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. The Premises shall comply with all applicable city, county, state, and federal building codes, regulations and ordinances required for beneficial occupancy, including but not limited to all provisions of the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft,

classification, or type of workman or mechanic needed for the construction of the Refurbishment Work. Particulars of the current Prevailing Wage Scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.

6. **EARLY TERMINATION.**

(a) Section 1.1(j) of the Basic Lease Information is hereby amended in its entirety as follows:

"(j) Early Termination Date. Last day of the 49th month of the Extended Term."

(b) Section 4(b) of the Lease is hereby amended in its entirety as follows:

"(b) Early Termination. Tenant shall have a one-time right to terminate this Lease in its entirety with respect to the Premises effective as of the Early Termination Date, as defined in Section 1.1(j), by giving Landlord not less than twelve (12) months' prior written notice executed by the Chief Executive Officer of Tenant ("**Termination Notice**"). Within thirty (30) days of delivery by Tenant to Landlord of the Termination Notice, Tenant shall reimburse Landlord for the unamortized Allowance and Brokerage Commissions (i.e., \$113,688.78 = \$49,635.60 for unamortized Allowance and \$64,053.18 for unamortized Brokerage Commissions) ("**Termination Fee**"), at an interest rate of eight percent (8%) per annum. If Tenant exercises the Expansion Option and the Premises includes the Expansion Space, the Termination Fee shall be increased to also include \$10,674.55 for unamortized Allowance and \$13,495.04 for unamortized Brokerage Commissions. Subject to the terms hereof, if Tenant properly exercises such option to terminate this Lease, such termination shall be effective as of the Early Termination Date. If Tenant fails to exercise its rights under this Section 4(b) strictly in accordance with the terms and conditions set forth herein (including without limitation, failure to pay the Termination Fee as set forth herein), such right shall be null and void and shall be of no further force or effect."

7. **PARKING.**

(1) Tenant's parking rights shall remain as set forth in Section 1.1(n) of the Basic Lease Information; provided, however, (a) during the first four (4) years of the Extended Term, the parking rate shall be \$75 per unreserved space per month or \$12,825 per month for 171 unreserved spaces, and (b) commencing upon the fourth (4th) anniversary of the Revised Commencement Date, the parking rate shall increase to \$80 per unreserved space per month or \$13,680 per month for 171 unreserved spaces.

(2) From and after the Expansion Space Commencement Date (as defined in Section 9 below), Tenant's parking rights shall remain as set forth in Section 1.1(n) of the Basic Lease Information except that Tenant shall be allocated an additional 36 unreserved parking spaces and provided, further, that, (a) during the first four (4) years of the Expansion Space Term, the parking rate shall be \$75 per unreserved space per month or \$2,700 per month for 36 unreserved spaces, and (b) commencing upon the fourth (4th) anniversary of the Expansion Space Commencement Date, the parking rate shall increase to \$80 per unreserved



space per month or \$2,880 per month for 36 unreserved spaces.

(3) Upon thirty (30) days' prior written notice to Landlord, Tenant may request an increase or decrease in the number of unreserved parking spaces allocated to Tenant, subject to availability; provided, however in no event shall Tenant's be permitted to use less than the number of unreserved parking spaces calculated on a ratio of 3/1000 of rentable square feet of the Premises (including the Expansion Premises from and after the Expansion Space Commencement Date).

8. **HOLDOVER.** The first paragraph of Section 7 of the Lease (Holdover) is hereby amended in its entirety as follows: "Upon the expiration of this Lease, the Lease shall continue on a month-to-month basis for up to six (6) months, terminable by either party upon thirty (30) days' prior written notice to the other party, with monthly Base Rent payable in the amount equal to 103% of the monthly Base Rent in effect for the last month of the Term of the Lease, plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease. If Tenant remains in possession of the Premises or any part thereof after the expiration of such 6-month period, such occupancy shall be a holdover month-to-month tenancy which is terminable only upon thirty (30) days' written notice from Landlord to the Chief Executive Officer of Tenant, with monthly Base Rent payable in the amount equal to 125% of the monthly Base Rent payable under this Lease in the last month of such 6-month period (as such Base Rent may be adjusted from time to time in accordance with this Lease), plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease; provided, however, if the parties subsequently enter into a lease amendment extending the Term of this Lease, and provided that Tenant is not in default under the Lease, Landlord shall apply the Future Holdover Amount (as defined below) as a credit against Base Rent payable pursuant to such lease extension amendment. As used herein "**Future Holdover Amount**" means the difference between (i) the amount of holdover Base Rent actually paid by Tenant to Landlord for the period commencing upon the expiration of such 6-month period and expiring upon the commencement date of such future extension term and (ii) the amount of Base Rent in effect as of the last month of such 6-month period (i.e., absent the 25% holdover surcharge). Notwithstanding the foregoing or any language to the contrary contained herein, Landlord hereby agrees that Tenant will not be responsible for monthly Base Rent at the holdover rate attributable to the month of December 2020, provided that the Amendment is fully signed no later than December 31, 2020.

9. **EXPANSION OPTION.** Tenant is given the option ("**Expansion Option**") to lease approximately 9,206 rentable square feet consisting of the following space (collectively, the "**Expansion Space**"): (a) approximately 4,121 rentable square feet known as Suite E9120 and (b) approximately 5,085 rentable square feet known as Suite E9110, for a term terminating, unless terminated sooner pursuant to the terms of the Lease, on the Revised Termination Date (such period, the "**Expansion Space Term**"). If Tenant elects to exercise the Expansion Option, such Expansion Option shall be exercised by Tenant's giving written notice of such exercise (the "**Option Notice**") to Landlord no later than the last day of the sixth (6th) month following the Revised Commencement Date. If such Option Notice is not sent by such date, then the Expansion Option shall be null and void. If Tenant duly exercises the Expansion Option, then effective on the date that is sixty (60) days from the date of the Option Notice (the "**Expansion Space Commencement Date**"), the Lease, without further act of either party hereto, shall be deemed amended in the following respects:

(a) Landlord shall have no obligation whatsoever to construct leasehold improvements for Tenant or to repair or refurbish the Expansion Space. The taking of

possession of the Expansion Space by Tenant shall be conclusive evidence that Tenant accepts the same "**AS IS**" and that the Premises is suited for the use intended by Tenant and was in good and satisfactory condition at the time such possession was taken. Tenant acknowledges that neither Landlord nor Landlord's agents has made any representation or warranty as to the condition of the Expansion Space, Building or the Complex or its suitability for Tenant's purposes. Tenant represents and warrants to Landlord that (a) its sole intended use of the Expansion Space is for uses set forth in the Lease, (b) it does not intend to use the Expansion Space for any other purpose, and (c) prior to executing this Amendment it has made such investigations as it deems appropriate with respect to the suitability of the Expansion Space for its intended use and has determined that the Expansion Space is suitable for such intended use, for a term commencing on the Expansion Space Commencement Date and expiring upon the Revised Termination Date and the term "Premises" as used in the Lease shall be deemed to include the Expansion Space and shall equal 52,014 rentable square feet.

(b) The Base Rent to be paid by Tenant for the Expansion Space shall be the Base Rent rental rate (on a per rentable square foot basis) then applicable for the Premises (as set forth in Section 4 of this Amendment). Provided that Tenant shall faithfully perform all of the terms and conditions of the Lease (as amended hereby), Landlord shall abate Tenant's obligation to pay Base Rent payable with respect to the Premises for the first (1st) month following the Expansion Space Commencement Date, for a total of one (1) month of abated Base Rent ("**Expansion Space Abated Base Rent**"). During such abatement period, Tenant shall still be responsible for the full payment of all of its other monetary obligations under this Lease, including, without limitation, parking charges and any expenses relative to Tenant's use and occupancy of the Expansion Space.

(c) Tenant shall be entitled to a one-time tenant improvement allowance in the amount of up to, but not exceeding \$46,030.00 (calculated at \$5.00 x 9,206 rentable square feet) ("**Expansion Space Allowance**").

(d) Except as otherwise provided herein, all of the terms, covenants, conditions, provisions and agreements of the Lease, as amended by this Amendment, shall apply to the Expansion Space. The Expansion Option is personal to Tenant and may not be exercised or assigned, voluntarily or involuntarily, by, or to, any person or entity other than Tenant. The Expansion Option is not assignable separate and apart from the Lease. Tenant shall have no right to exercise the Expansion Option in the event that at the time permitted for the exercise of such Expansion Option, or at any time prior to the Expansion Space Commencement Date, an Event of Default has occurred beyond any applicable notice and cure period under any of the provisions of the Lease, as amended by this Amendment.

10. **BROKERS.** Tenant represents and warrants to Landlord that it has not engaged any broker, finder or other person, other than the County of Los Angeles ("**Tenant's Broker**"), who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Amendment. Tenant and CBRE Inc. ("**Landlord's Broker**") shall be compensated by Landlord pursuant to the terms of separate express written agreements ("**Brokerage Commissions**") specifying the terms of payment. Tenant's share of the Brokerage Commissions shall equal \$138,102.72, which amount shall increase by \$25,962.87 if Tenant exercises the Expansion Option and the Premises includes the Expansion Space. Tenant shall have the right to apply the amount of the Broker Commission payable to Tenant

to be used towards the payment of Base Rent in accordance with the terms of this Amendment, such application of Base Rent to apply to the sixth (6<sup>th</sup>) month and portion of the seventh (7<sup>th</sup>) month of the Term.

11. **DISCLOSURE**. For purposes of Section 1938(a) of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that neither the Complex nor the Premises has undergone inspection by a Certified Access Specialist (CASP) (defined by California Civil Code Section 55.52). Pursuant to California Civil Code Section 1938, Tenant is hereby notified that a CASp can inspect the Premises and determine whether the Premises complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Premises, Landlord may not prohibit Tenant from obtaining a CASp inspection of the Premises for the occupancy of the Tenant, if requested by Tenant. Landlord and Tenant shall mutually agree on the arrangements for the time and manner of any CASp inspection, the payment of the fee for the CASp inspection and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises, which cost shall be the obligation of Landlord unless said violation is caused by Tenant.

12. **LANDLORD'S ADDRESS FOR NOTICE**. Landlord's address for notice set forth in Subparagraph 1.1 of the Lease is hereby amended to read as follows:

ELITE-TRC ALHAMBRA COMMUNITY LLC  
c/o The Ratkovich Company  
1000 South Fremont Avenue, Unit 1  
Alhambra, California 91803  
Attention: Senior Development Manager  
Telephone: (626) 300-5000  
Telecopier: (626) 300-5025

With a copy to:

DLA Piper LLP (US)  
550 South Hope Street, Suite 2400  
Los Angeles, California 90071  
Attention: Jackie Park, Esq.  
Telephone: (213) 330-7743  
Telecopier: (213) 330-7543

With a copy to:

c/o ELITE INTERNATIONAL INVESTMENT FUND  
355 S. Grand Avenue, Suite 2450  
Los Angeles, California 90071  
Attention: Bill Zhou

13. **TENANT'S ADDRESS FOR NOTICE**. Tenant's address for notice set forth in Subparagraph 1.1 of the Lease is hereby amended to read as follows:

Board of Supervisors  
Kenneth Hahn Hall of Administration  
Room 383

500 West Temple Street  
Los Angeles, California 90012

With a copy to:

Chief Executive Office  
Real Estate Division  
320 West Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Senior Manager  
Email: LeaseAcquisitions@ceo.lacounty.gov

14. **COUNTERPARTS; ELECTRONIC SIGNATURES.** This Amendment No. 1 and any other document necessary for the consummation of the transaction contemplated by this Amendment No. 1 may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Amendment No. 1 and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Amendment No. 1 had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Amendment No. 1 is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Amendment No. 1 based on the foregoing forms of signature. If this Amendment No. 1 has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

15. The Smoking in County Facilities policy set forth on Schedule 1 attached hereto shall apply to the Premises.

16. All terms when used herein shall have the same respective meanings as set forth in the Lease unless expressly provided otherwise in this Amendment No. 1.

17. The signatory for the Landlord covenants, warrants and guarantees that it has the power and authority to execute this Amendment No. 1 upon the terms and conditions stated herein. The signatory for the Tenant covenants, warrants and guarantees that it has the power and authority to execute this Amendment No. 1 upon the terms and conditions stated herein.

IN WITNESS WHEREOF, the Landlord's duly authorized representative has executed this Amendment No. 1 to Lease No. 78437 or caused it to be executed, the day, month and year first above written.

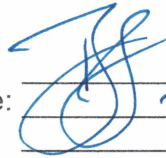
**LANDLORD:**

**ELITE-TRC ALHAMBRA COMMUNITY LLC,**  
a Delaware limited liability company

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

 Brian Singer  
VP

**TENANT:**

**COUNTY OF LOS ANGELES,**  
a body corporate and politic

**FESIA A. DAVENPORT**  
Acting Chief Executive Officer

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

Dean Lehman, P.E.  
Senior Manager - Real Estate Division

**ATTEST:**

DEAN C. LOGAN  
Recorder/County Clerk  
of the County of Los Angeles

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

Deputy

**APPROVED AS TO FORM:**

**RODRIGO A. CASTRO-SILVA**  
Acting County Counsel

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

Deputy



## Schedule 1

### Policy regarding Smoking in County Facilities

Smoking in County Facilities. The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.).

# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	1/6/2021	
<b>BOARD MEETING</b>	1/26/2021	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	5th	
<b>DEPARTMENT</b>	Department of Public Health (DPH)	
<b>SUBJECT</b>	Approve a proposed 8-year amendment to an existing lease for the continued use of 42,250 square feet of existing office space and 169 parking spaces at 1000 South Fremont Avenue, A9 East, Alhambra.	
<b>PROGRAM</b>	Substance Abuse Prevention Control (SAPC) Administrative Headquarters	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	Existing lease is currently on a month-to-month holdover basis since November 30, 2020, and includes a holdover clause which increased the base rent by 50 percent upon expiration. The Landlord has agreed to waive the fee for the months of December 2020 and January 2021.	
<b>COST &amp; FUNDING</b>	Total cost: \$12,299,154 rental costs over the 8-year term includes: base rent, parking rent, and rent credits for the tenth, eleventh, and twelfth months base rent at no cost to the County and for the holdover rent paid by the County.	Funding source: The rental costs will be 100 percent grant funded with 50 percent from State Drug Medi-Cal and 50 percent from Federal Drug Medi-Cal funding
	TERMS (if applicable): The base rent is subject to fixed 3 percent increases per annum. Commencing on year five of the term, the annual parking rate will increase to \$960 per parking space. The lease provides an early termination right at the beginning of the 85 <sup>th</sup> month with a 360-day advance notice, subject to a termination fee equal to the unamortized portion of the TI allowance not to exceed \$54,460.18, and the unamortized brokerage commission not to exceed \$56,411.55.	
	Sufficient funding to cover the proposed rent for the first year of the proposed amendment term is included in the Fiscal Year (FY) 20-2021 Rent Expense Budget, and will be billed back to DPH. DPH has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed amendment will be part of the budget for DPH.	
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and continue to adequately provide the necessary office space for DPH.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	The proposed amendment will provide DPH the continual use of 42,250 square feet of office space and 169 parking spaces for the DPH SAPC Administrative Headquarters.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Michael Navarro CEO- Real Estate Division 213-974-4364    Mnavarro@ceo.lacounty.gov	



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

FESIA A. DAVENPORT  
Acting Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
First District

HOLLY J. MITCHELL  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

January 26, 2021

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:

**EIGHT-YEAR LEASE AMENDMENT  
PUBLIC HEALTH  
1000 SOUTH FREMONT AVENUE, ALHAMBRA  
(FIFTH DISTRICT) (3 VOTES)**

**SUBJECT**

Approval of a proposed eight-year lease amendment to an existing lease to provide the Department of Public Health (DPH) continued use of 42,250 square feet of existing office space and 169 on-site parking spaces for its Substance Abuse Prevention and Control (SAPC) Administrative Headquarters.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed amendment is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Acting Chief Executive Officer, or her designee, to execute the proposed amendment with Elite-TRC Alhambra Community LLC (Landlord), for 42,250 square feet of office space and 169 on-site parking spaces located at 1000 South Fremont Avenue, 2<sup>nd</sup> Floor A9 East, Alhambra, CA 91803 (Premises) to be occupied by DPH. The estimated total lease cost is \$12,299,154 over the eight-year term. The rental costs will be 100 percent grant funded with 50 percent from State Drug Medi-Cal and 50 percent from Federal Drug Medi-Cal funding.



3. Authorize and direct the Acting Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the proposed amendment, and to take actions necessary and appropriate to implement the proposed amendment, including, without limitation, early termination rights.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The DPH SAPC headquarters has occupied the subject Premises since 2000. The existing lease expired on November 30, 2020, and is now in holdover. The base rent is subject to a 50 percent holdover fee. The Landlord has agreed to waive the holdover fee for the months of December 2020 and January 2021.

SAPC is responsible for promoting healthy living, helping to combat, manage and/or prevent substance abuse, treatment, and recovery services. SAPC works to reduce or eliminate drug use/drug abuse, celebrate and empower recovery from addiction, maintain a positive and productive workforce. The office is occupied by 200 DPH employees.

This facility is centrally located to service the entire County and is in close proximity to public transportation. Relocation to a new building would require costly improvements.

Approval of the recommended actions will find that the proposed amendment is exempt from CEQA and will allow DPH to continue operating at the subject facility.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal 1 - *Make Investments That Transform Lives* - provides that we aggressively address society's most complicated social, health, and public safety challenges. We want to be a highly responsive organization capable of responding to complex societal challenges – one person at a time.

The proposed amendment is consistent with the Strategic Asset Management Plan Goal 2 – Strengthen Connection between Service Priorities and Asset Decisions; and Key Objective 4 – Guide Strategic Decision-Making.

This amendment supports the above goals and objective by providing DPH with appropriate office space that is centrally located, which will allow collaboration and build a strong network to continue promoting healthy living by working with the public and public agencies, and to help with treatment and recovery services for high-risk individuals within the community. The proposed amendment conforms with the Asset Management Principles outlined in Enclosure A.

### **FISCAL IMPACT/FINANCING**

Sufficient funding to cover the proposed rent for the first year of the proposed amendment term is included in the Fiscal Year (FY) 2020-21 Rent Expense budget and will be billed back to DPH. DPH has sufficient funding in its FY 2020-21 Operating Budget to cover the proposed rent and parking for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed amendment will be part of the budget for DHS. The rental costs will be 100 percent grant funded with 50 percent from State Drug Medi-Cal and 50 percent from Federal Drug Medi-Cal funding.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In addition to the terms previously stated, the proposed amendment also includes the following provisions:

- Upon commencement of the extended term, the annual rental rate will increase from \$29.56 per square foot to \$30.24 per square foot. Base rent is subject to a fixed 3 percent increase per annum.
- The current annual parking rate will increase from \$780 per parking space to \$900 per parking space, for 169 on-site parking spaces. Commencing on year five of the term, the annual parking rate will increase to \$960 per parking space for the remainder of the term.
- The Landlord will provide the County with three months of free rent which totals \$319,410. In the first year, the annual rental cost, including parking, will be adjusted from \$1,429,740 to \$1,110,330 after including the rent abatement.
- DPH may request enhanced cleaning services in response to the Covid-19 pandemic, as needed, from the Landlord. DPH shall reimburse the Landlord the costs of said service, currently estimated to be \$3,250 per month for 4-hours of service per day. The service frequency and the level of service can be increased, decreased, or terminated as needed, with advance written notice to the Landlord. The cost of said service is subject to periodic rate increases.
- The Landlord will provide a \$454,711.32 base tenant improvement (TI) allowance, which includes the \$116,711.32 TI allowance balance from the existing lease and the \$338,000 TI allowance (\$8 per rentable square foot) for the refurbishment of the Premises, to include carpet, paint, and other minor improvements, as needed. Any unused portion of the TI allowance will be credited toward the base rent.
- The Landlord is responsible for all operating and maintenance cost of the building, including utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.

- The aggregate cost associated with the proposed amendment over the entire term is \$12,299,154, as shown on Enclosure B.
- The County has the right to terminate the proposed amendment at the beginning of the 85<sup>th</sup> month with a 360-day advance notice, subject to a termination fee equal to the unamortized portion of the TI allowance not to exceed \$54,460.18, and the unamortized brokerage commission not to exceed \$56,411.55.
- Holdover at the proposed amendment expiration is permitted on the same terms and conditions except commencing on seventh month, the monthly base rent will increase by 25 percent as a holdover fee. In the event the County and the Landlord enter into a subsequent amendment extending the County's use of the Premises, the Landlord will credit any holdover fee actually paid by the County.
- The proposed amendment term will be effective upon approval by the Board and full execution of the proposed amendment.

The Chief Executive Office (CEO), conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.16 and \$48.72 per square foot, per year. The base annual rental rate of \$30.24 per square foot, per year, for the proposed amendment represents a rate at the lower end of the market range for the area. Due to the TIs needed should the Department relocate to a new space, remaining in the proposed space is the most cost-effective choice. We recommend the proposed Premises as the most suitable to meet the County's space requirements

The CEO has communicated with co-working office space companies regarding office space for the applicable programs and they have informed the CEO that their co-working office space does not have available space for long term occupancy to accommodate the required space needs. In addition, co-working office space is not financially viable in comparison to rental costs of traditional long-term office space.

Enclosure C shows County-owned or leased facilities within the surveyed area, and there are no suitable County-owned or leased facilities available for this space requirement.

The Department of Public Works has inspected this Premises and found it suitable for the County's occupancy. The required notification letter to the City of Alhambra has been sent in accordance with Government Code Section 25351. County Counsel has reviewed the enclosed proposed amendment and approved it as to form.

The proposed amendment will provide a suitable location for these programs, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, and as outlined in Enclosure D.

### **ENVIRONMENTAL DOCUMENTATION**

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed amendment, which involves the leasing of existing office space with minor TIs within an existing building, with no expansion of the existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in Section 15301 of the State CEQA Guidelines (Guidelines), and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, a Notice of Exemption will be filed with the Registrar-Recorder/County Clerk in accordance with Section 21152 of the California Public Resources Code.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed amendment will adequately provide the necessary office space for this County requirement. DPH concurs with the proposed amendment and recommendations.

The Honorable Board of Supervisors  
January 26, 2021  
Page 6

**CONCLUSION**

It is requested that the Executive Office of the Board return one certified copy of the Minute Order and an adopted-stamped copy of this letter to the CEO Real Estate Division, at 320 West Temple Street, 7th Floor, Los Angeles, CA 90012, for further processing.

Respectfully submitted,

FESIA A. DAVENPORT  
Acting Chief Executive Officer

FAD:JMN:DPH:DL  
JLC:MN:MAC:gw

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Public Health

**PUBLIC HEALTH  
1000 SOUTH FREMONT AVENUE, ALHAMBRA**

**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions? <sup>2</sup>			<b>X</b>
	B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>			<b>X</b>
	C	Does this lease centralize business support functions? <sup>2</sup>			<b>X</b>
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>No, it is 212 sq. ft. due to its conference rooms.</b>		<b>X</b>	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup>	<b>X</b>		
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	<b>X</b>		
<b>2.</b>	<b><u>Capital</u></b>				
	A	Is it a substantial net County cost (NCC) program? <b>The rental costs will be 100 percent grant funded with 50 percent from State Drug Medi-Cal and 50 percent from Federal Drug Medi-Cal funding.</b>		<b>X</b>	
	B	Is this a long-term County program?	<b>X</b>		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		<b>X</b>	
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
	F	Is Building Description Report attached as Enclosure C?	<b>X</b>		
	G	Was build-to-suit or capital project considered? <sup>2</sup>			<b>X</b>
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>		
	B	Was the space need justified?	<b>X</b>		
	C	If a renewal lease, was co-location with other County departments considered?	<b>X</b>		
	D	Why was this program not co-located with other County departments?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. <u>  X  </u> No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. <u>  X  </u> The Program is being co-located.			
	E	Is lease a full-service lease? <sup>2</sup>	<b>X</b>		
	F	Has growth projection been considered in space request?	<b>X</b>		
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	<b>X</b>		
<sup>1</sup> As approved by the Board of Supervisors 11/17/98					
<sup>2</sup> If not, why not?					

**COMPARISON OF THE PROPOSED LEASE AMENDMENT**

	<b>Existing Lease: 1000 South Fremont Ave</b>	<b>Proposed Lease Amendment 1000 South Fremont Ave</b>	<b>Change</b>
Area (Square Feet)	42,250 sq. ft.	42,250 sq. ft.	None.
Parking Spaces	169	169	None
Term (years)	Five years	Eight years	+three years.
Annual Base Rent	\$1,248,878.88 (\$29.56 per sq. ft. annually)	\$1,277,640 (\$30.24 per sq. ft. annually)	+\$28,761.12
Annual Parking Cost	\$131,820 (\$780 per parking space annually)	\$152,100 (\$900 per parking space annually)	+\$20,280
Total Annual Lease Costs payable to Landlord	\$1,380,698.88	\$1,429,740.00	\$49,041.12
Rental rate adjustment	Annual CPI adjustments 2 percent minimum, capped at 5 percent.	Fixed 3 percent per annum.	+1 percent min. -2 percent max.

(1) Rent will be abated for months 10, 11, and 12 in the total amount of \$319,410.00. The total rental costs payable to the Landlord in the first year will be \$1,110,330.00.

## OVERVIEW OF THE BUDGETED LEASE AMENDMENT AND RELATED COSTS

Department of Public Health  
1000 S Fremont Ave., Alhambra

### Basic Lease Assumptions

Leased Area (sq.ft.)	42,250			
Term (months)	96			
Annual Rent Adjustment	3.00%			
Base Rent	Cost Per RSF Per Month \$2.52	Cost Per RSF Per Year \$30.24		
Years 1- 4	Cost Per Space Per Month \$75	Cost Per Space Per Year \$900		
Parking Costs (169 parking spaces) Years 5-8				
Parking Costs (169 parking spaces)	\$80	\$960		
Low Voltage (Lump Sum) (Labor + TESMA Cost)	Labor Cost \$0	TESMA (Lump Sum Cost) \$0	TESMA (Amortized Cost) \$0	Low Voltage Total \$0
Low Voltage (Amortized) (Labor + TESMA Cost)	\$0	\$0	\$0	\$0
Tenant Improvement Costs	Lump Sum Cost \$0	Amortized Cost \$0		

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year	8 <sup>th</sup> Year	Total 8 Year Rental Costs
Annual Base Rent Costs <sup>(1)</sup>	1,277,640	1,315,969	1,355,448	1,396,112	1,437,995	1,481,135	1,525,569	1,571,336	11,361,204
Annual Parking Costs <sup>(2)</sup>	152,100	152,100	152,100	152,100	162,240	162,240	162,240	162,240	1,257,360
Subtotal Combined Rental Costs	1,429,740	1,468,069	1,507,548	1,548,212	1,600,235	1,643,375	1,687,809	1,733,576	12,618,564
Rent Abatement <sup>(3)</sup>	(319,410)		0	0	0	0	0	0	-319,410
Total Paid to Landlord	1,110,330	1,468,069	1,507,548	1,548,212	1,600,235	1,643,375	1,687,809	1,733,576	12,299,154
Total Annual Lease Costs	1,110,330	1,468,069	1,507,548	1,548,212	1,600,235	1,643,375	1,687,809	1,733,576	12,299,154

### Footnotes:

<sup>1</sup> Base rent shall increase 3 percent per year.

<sup>2</sup> The tenant will have 169 unreserved parking spaces. The parking rate for the first four (4) years shall be \$75 per unreserved parking space or \$12,675 per month. The parking costs shall increase to \$80 per unreserved parking space for the remaining four (4) years, or \$ 13,520 per month.

<sup>3</sup> The Landlord shall abate rent for months 10, 11 & 12.

\*Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.



**PUBIC HEALTH****SPACE SEARCH – 3 MILE RADIUS FROM  
1000 SOUTH FREMONT AVENUE, ALHAMBRA**

<b>LACO</b>	<b>Name</b>	<b>Address</b>	<b>Proprietor</b>	<b>Property Use</b>	<b>Gross Sq. Ft.</b>	<b>Vacant</b>
A328	Sheriff - Inspectional Services Office / DCFS Ctrl Unit	901 Corporate Center Dr. Monterey Park 91754	Sheriff	Office	9,926	None
A469	The Alhambra Complex - West Tower	1000 S. Fremont Ave. Alhambra 91803	Public Health	Office	15,206	None
A015	DCFS/LASD/Fire/Ops/ISD Corporate Place	2525 Corporate Pl. Monterey Park 91754	Children and Family Services	Office	40,483	None
4526	Biscailuz - Administration Building	1060 N. Eastern Ave. Los Angeles 90063	Sheriff	Office	16,571	None
X327	PRE-RELEASE CENTER AB109	200 W. Woodward Ave. Alhambra 91801	Probation	Office	11,273	None
A423	Sheriff - Personnel and Recruitment Center	101 Centre Plaza Dr. Monterey Park 91754	Sheriff	Office	37,590	None
3542	Fire - Administrative Headquarters Building	1320 N. Eastern Ave. Los Angeles 90063	Fire Department	Office	39,015	None
A327	Office of Managed Care	1100 Corporate Center Dr. Monterey Park 91754	Health Services	Office	15,280	None
0122	Thomas A. Tidemanson Building - Annex Building	417 S. Date Ave. Alhambra 91803, 900 S. Fremont Ave. Alhambra 91803	Public Works	Office	43,500	None

## **FACILITY LOCATION POLICY ANALYSIS**

**Proposed lease:** Proposed amendment for DPH – 1000 South Fremont Avenue, A9 East, Alhambra – Fifth District.

**A. Establish Service Function Category –** SAPC Administrative Headquarters

**B. Determination of the Service Area –** Centrally located to service the entire County

**C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: Central location to serve the entire County.
- Need for proximity to existing County facilities: N/A
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, and is in close proximity to Metro and Foothill bus service and connections to light rail service.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: None available that meet the Department's programmatic office space needs.
- Compatibility with local land use plans: The City of Alhambra has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The initial annual rent of \$1,429,740 is comprised of the \$1,277,640 base rent (\$30.24 per sq. ft. per annum), and the \$152,100 parking rent. The \$1,429,740 first year rent is adjusted to \$1,110,330 after deducting rent credits. The first-year base rent includes free rent for the 10<sup>th</sup>, 11<sup>th</sup>, and 12<sup>th</sup> month.

#### **D. Analyze results and identify location alternatives**

The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.16 and \$48.72 per square foot, per year. The base annual rental rate of \$30.24 per square foot, per year for the proposed amendment represents a rate that is at the lower end the market range for the area. Due to the TIs needed should the Department relocate to a new space, remaining in the proposed space is the most cost-effective choice. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

#### **E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost, and other Location Selection Criteria**

The proposed amendment will provide adequate and efficient office space for 200 employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet Department requirements.

**AMENDMENT No. 1 TO LEASE No. 78436**  
**DEPARTMENT OF PUBLIC HEALTH**  
**1000 SOUTH FREMONT AVENUE, ALHAMBRA**

**THIS AMENDMENT No. 1** to Lease No. 78436 ("**Amendment**" or "**Amendment No. 1**") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2020 ("**Effective Date**") by and between **ELITE-TRC ALHAMBRA COMMUNITY LLC**, a Delaware limited liability company, hereinafter referred to as "**Landlord**", and the **COUNTY OF LOS ANGELES**, a body corporate and politic, hereinafter referred to as "**Tenant**".

**RECITALS:**

**WHEREAS**, The Alhambra Office Community, LLC, a Delaware limited liability company, Landlord's predecessor-in-interest, and Tenant entered into that certain Lease Agreement dated December 1, 2015, as supplemented by that certain Commencement Date Memorandum and Confirmation of Lease Terms (collectively, "**Lease No. 78436**").

**WHEREAS**, Lease No. 78436 allows Tenant to lease approximately 42,250 rentable square feet comprised of: (i) 33,886 leasable square feet on the 3rd Floor in the A9 East Building ("**Premises A**"), and (ii) 8,364 leasable square feet on the Ground Floor in the A9 East Building ("**Premises B**"), (collectively, the "**Premises**") at 1000 South Fremont Avenue, Alhambra (Lease No. 78436 and all amendments thereto are collectively referred to hereinafter as the "**Lease**"), and;

**WHEREAS**, Landlord and Tenant desire to amend the Lease to extend the Term of the Lease and to provide for certain other amendments to the Lease;

**NOW THEREFORE**, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements herein contained and intended to be legally bound hereby, Landlord and Tenant hereby covenant and agree as follows:

1. **DEFINED TERMS**. Capitalized terms used and not otherwise defined herein shall have the same meanings ascribed to them in the Lease.

2. **TERM OF THE LEASE**.

(a) Effective as of the Effective Date, the Term of the Lease is hereby extended for an additional period of eight (8) years (the "**Extended Term**"), so that the Extended Term shall commence upon approval of this Amendment by the Los Angeles County Board of Supervisors and the full execution of this Amendment ("**Revised Commencement Date**") and terminating at midnight on the day before the eighth annual anniversary of the Revised Commencement Date ("**Revised Termination Date**"). All references to "**Term**" in the Lease and this Amendment shall be deemed references to the Term as extended by this Amendment and all references to "**Termination Date**" shall be deemed references to the Revised Termination Date.

(b) The parties acknowledge and agree that the Effective Date as set forth in the preamble to this Amendment shall be the date that both parties have executed and delivered this Amendment, which execution and delivery shall require the prior approval

of the Los Angeles County Board of Supervisors as evidenced by the signature for such body in the signature pages of this Amendment.

3. **CONDITION OF THE PREMISES**. Except as set forth in Section 5 of this Amendment (below), Landlord shall have no obligation whatsoever to construct leasehold improvements for Tenant or to repair or refurbish the Premises. The taking of possession of the Premises by Tenant shall be conclusive evidence that Tenant accepts the same "**AS IS**" and that the Premises is suited for the use intended by Tenant and was in good and satisfactory condition at the time such possession was taken. Tenant acknowledges that neither Landlord nor Landlord's agents has made any representation or warranty as to the condition of the Premises, Building or the Complex or its suitability for Tenant's purposes. Tenant represents and warrants to Landlord that (a) its sole intended use of the Premises is for uses set forth in the Lease, (b) it does not intend to use the Premises for any other purpose, and (c) prior to executing this Amendment it has made such investigations as it deems appropriate with respect to the suitability of the Premises for its intended use and has determined that the Premises is suitable for such intended use.

4. **BASE RENT**.

(a) Effective as of the Revised Commencement Date and in addition to all other costs and expenses payable by Tenant pursuant to the Lease, Tenant shall pay the following monthly Base Rent for the Premises, in accordance with the terms of Section 5 of the Lease, which amounts are adjustable as provided in Section 5(b) of the Lease (as amended hereby):

<b><u>Premises</u></b>	<b><u>Initial Monthly Base Rent</u></b>
33,886 leasable square feet on the 3rd Floor in the A9 East Building (" <b>Premises A</b> ")	\$85,392.72 (\$2.52/rsf)
8,364 leasable square feet on the Ground Floor in the A9 East Building (" <b>Premises B</b> ")	\$21,077.28 (\$2.52/rsf)
<b><u>Total Initial Monthly Base Rent</u></b>	<b>\$106,470.00</b>

(b) Effective as of the Revised Commencement Date, Section 5(b) of the Lease is amended in its entirety as follows: "(b) Rent Adjustment. At the beginning of the 13th month of the Extended Term as defined in the Amendment No. 1 to Lease ("**Adjustment Date**") and on and every anniversary of the Adjustment Date thereafter, monthly Base Rent shall be increased to an amount equal to 103% of the amount payable in the last month prior to each Adjustment Date."

(c) Effective as of the Revised Commencement Date, Sections 5(c), 5(d) and 5(e) of the Lease (CPI Formula and Adjustments) are hereby deleted in their entirety and are of no further force or effect.



(d) Provided that Tenant shall faithfully perform all of the terms and conditions of the Lease (as amended hereby), and subject to Section 5(b) of this Amendment (below), Landlord shall abate Tenant's obligation to pay Base Rent payable with respect to the Premises for the tenth (10th) month through and including the twelfth (12th) month following the Revised Commencement Date, for a total of three (3) months of abated Base Rent ("**Abated Base Rent**"). During such abatement period, Tenant shall still be responsible for the full payment of all of its other monetary obligations under this Lease, including, without limitation, parking charges and any expenses relative to Tenant's use and occupancy of the Premises.

5. **ADDITIONAL IMPROVEMENTS.**

(a) Commencing upon the mutual execution and delivery of this Amendment, Landlord shall complete the following refurbishment work within the Premises per Tenant's specifications (subject to Landlord's reasonable approval), provided that the costs of such refurbishment work shall not exceed Four Hundred Fifty-Four Thousand Seven Hundred Eleven Dollars and Thirty-Two Cents (\$454,711.32) comprised of (i) the \$116,711.32 outstanding allowance balance from the existing Lease ("**Existing Allowance**") and (ii) a \$338,000.00 additional allowance (calculated at \$8.00 x 42,250 rentable square feet) ("**New Allowance**") (collectively, the "**Allowance**"): (i) new carpet or other flooring within the Premises, (ii) repaint the Premises (together, "**Refurbishment Work**"). Landlord shall solicit three (3) bids from qualified vendors with respect to the Refurbishment Work.

(b) After Tenant provides Landlord with its requested specifications for the Refurbishment Work (which are subject to Landlord's reasonable approval), Landlord shall provide Tenant with a cost proposal for the Refurbishment Work (and the parties agree that the bid instructions and the cost proposal shall include (i) the specifications agreed upon by the parties, (ii) a mutually acceptable contingency, (iii) the costs of performing the work after Tenant's normal business hours, and (iv) prevailing wage requirements as applicable pursuant to the Lease) (the "**Cost Proposal**"). If the Cost Proposal is equal to or less than the Allowance, then Tenant shall approve the Cost Proposal forty-eight (48) hours of the receipt of the same. If the Cost Proposal exceeds the Allowance, then Tenant shall provide proposed "value engineering" to the Cost Proposal (e.g. revisions to Tenant's requested specifications) to Landlord within forty-eight (48) hours of the receipt of the Cost Proposal. In the event Tenant shall provide Landlord with its proposed "value engineering," Landlord shall revise the Cost Proposal, and Tenant shall approve same within forty-eight (48) hours of the receipt of the revised Cost Proposal. For avoidance of doubt, Landlord has no obligation to commence or proceed with the Refurbishment Work, nor to consider or approve any change orders in relation thereto, if the aggregate cost of the Refurbishment Work would exceed the Allowance. In the event the costs of the Refurbishment Work exceed the Allowance ("the "**Over-Allowance Amount**"), Landlord may apply the amount of Abated Base Rent as a credit against any outstanding Over-Allowance Amount, not to exceed the amount of the Abated Base Rent.

(c) Intentionally deleted.

(d) If the aggregate total cost of the Refurbishment Work is less than the Allowance, and provided that Tenant is not in default under the Lease (as amended hereby), then Tenant may utilize the unused portion of the New Allowance only (but not



to exceed the amount of \$84,500.00 (i.e., \$2.00/rsf of the Premises)) as a credit toward Base Rent (but Base Rent shall never be less than \$0.00), by giving Landlord written notice of such election and the total amount of unused New Allowance to be credited against Base Rent (not to exceed \$84,500.00), which shall be applied against Base Rent for the month(s) selected by Landlord in its sole discretion.

(e) The Refurbishment Work shall be coordinated with Tenant's assigned Project Manager (PM) in advance of Landlord commencing any Refurbishment Work and the work must be performed after Tenant's normal business hours unless waived or modified by Tenant's PM in writing to Landlord subject to Tenant's payment of the Over-Allowance Amount, if any.

(f) Subject to Section 5(e) of this Amendment (above), Tenant understands that the Refurbishment Work will be performed during Tenant's occupancy and use of the Premises, and may result in inconvenience to Tenant (including noise, vibration and displacement from portions of the Premises from time to time). Tenant will fully cooperate with Landlord's efforts to efficiently complete the Refurbishment Work by, among other things, vacating portions of the Premises from time to time to permit work to proceed, and by moving any personal property within the Premises that is necessary for the completion of the Refurbishment Work. Landlord will make reasonable efforts to minimize the inconvenience and disturbance caused by the Refurbishment Work, but is not responsible for business interruption or damage to property which results from the Refurbishment Work. Tenant hereby agrees that the performance of the Refurbishment Work shall in no way constitute a constructive eviction of Tenant or entitle Tenant to any abatement of rent payable pursuant to the Lease. Landlord shall have no responsibility for, or for any reason be liable to, Tenant for any direct or indirect injury to or interference with Tenant's business arising from the performance of the Refurbishment Work, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the performance of the Refurbishment Work, or for any inconvenience or annoyance occasioned by the performance of the Refurbishment Work.

(g) The Refurbishment Work shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. The Premises shall comply with all applicable city, county, state, and federal building codes, regulations and ordinances required for beneficial occupancy, including but not limited to all provisions of the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the Refurbishment Work. Particulars of the current Prevailing Wage Scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.

## 6. EARLY TERMINATION.

(a) Section 1.1(j) of the Basic Lease Information is hereby amended in its entirety as follows:

"(j) Early Termination Date. Last day of the 85th month of the Extended Term."

(b) Section 4(b) of the Lease is hereby amended in its entirety as follows:

"(b) Early Termination. Tenant shall have a one-time right to terminate this Lease in its entirety with respect to the Premises effective as of the Early Termination Date, as defined in Section 1.1(j), by giving Landlord not less than 360 days' prior written notice executed by the Chief Executive Officer of Tenant ("**Termination Notice**"). Within thirty (30) days of delivery by Tenant to Landlord of the Termination Notice, Tenant shall reimburse Landlord for the unamortized Allowance and Brokerage Commissions (i.e., \$110,871.73 = \$54,460.18 for unamortized Allowance and \$56,411.55 for unamortized Brokerage Commissions) ("**Termination Fee**"), at an interest rate of eight percent (8%) per annum. Subject to the terms hereof, if Tenant properly exercises such option to terminate this Lease, such termination shall be effective as of the Early Termination Date. If Tenant fails to exercise its rights under this Section 4(b) strictly in accordance with the terms and conditions set forth herein (including without limitation, failure to pay the Termination Fee as set forth herein), such right shall be null and void and shall be of no further force or effect."

7. PARKING. Tenant's parking rights shall remain as set forth in Section 1.1(n) of the Basic Lease Information; provided, however, (a) during the first four (4) years of the Extended Term, the parking rate shall be \$75 per unreserved space per month or \$12,675 per month for 169 unreserved spaces, and (b) commencing upon the fourth (4th) anniversary of the Revised Commencement Date, the parking rate shall increase to \$80 per unreserved space per month or \$13,520 per month for 169 unreserved spaces.

8. ENHANCED CLEANING SERVICES. Effective as of the Revised Commencement Date, the Tenant may request a minimum of four (4) hours additional per day of janitorial services cleaning high touch areas in the Premises ("**Enhanced Cleaning**") with advance written notice to Landlord as provided for herein. Tenant shall pay Landlord a fee calculated at the hourly rate for a four (4) hour minimum for such Enhanced Cleaning and paid monthly with Tenant's payment of Base Rent. The currently hourly rate as of the Revised Commencement Date shall be equal to \$37.50 per hour, which amount shall be subject to increase. Landlord will schedule such Enhanced Cleaning in coordination with regular janitorial services. Tenant may elect, upon thirty (30) days' written notice, to increase, terminate, or reduce the total number of hours of Enhanced Cleaning.

9. HOLDOVER. The first paragraph of Section 7 of the Lease (Holdover) is hereby amended in its entirety as follows:

"Upon the expiration of this Lease, the Lease shall continue on a month-to-month basis for up to six (6) months, terminable by either party upon thirty (30) days' prior written notice to the other party, with monthly Base Rent payable in the amount equal to 103% of the monthly Base Rent in effect for the last month of the Term of the Lease, plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease. If Tenant remains in possession of the Premises or any part thereof after the expiration of such 6-month period, such occupancy shall be a holdover month-to-month tenancy which is terminable only upon thirty (30) days' written notice from Landlord to the Chief Executive Officer of Tenant, with monthly Base Rent payable



in the amount equal to 125% of the monthly Base Rent payable under this Lease in the last month of such 6-month period (as such Base Rent may be adjusted from time to time in accordance with this Lease), plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease; provided, however, if the parties subsequently enter into a lease amendment extending the Term of this Lease, and provided that Tenant is not in default under the Lease, Landlord shall apply the Future Holdover Amount (as defined below) as a credit against Base Rent payable pursuant to such lease extension amendment. As used herein "**Future Holdover Amount**" means the difference between (i) the amount of holdover Base Rent actually paid by Tenant to Landlord for the period commencing upon the expiration of such 6-month period and expiring upon the commencement date of such future extension term and (ii) the amount of Base Rent in effect as of the last month of such 6-month period (i.e., absent the 25% holdover surcharge)."

10. **ESTOPPEL.** Tenant hereby represents and warrants to Landlord that as of the date hereof: (a) there are no breaches or defaults under the Lease by Landlord nor any existing conditions which upon the giving of notice or lapse of time or both would constitute a default by Landlord under the Lease; and (b) Tenant has no defenses, offsets, or claims under the Lease or otherwise against Landlord

11. **BROKERS.** Tenant represents and warrants to Landlord that it has not engaged any broker, finder or other person, other than the County of Los Angeles ("**Tenant's Broker**"), who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Amendment. Tenant's Broker and CBRE Inc. ("**Landlord's Broker**") shall be compensated by Landlord pursuant to the terms of separate express written agreements specifying the commission amounts ("**Brokerage Commissions**") and the terms of payment

12. **DISCLOSURE.** For purposes of Section 1938(a) of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that neither the Complex nor the Premises has undergone inspection by a Certified Access Specialist (CASp) (defined by California Civil Code Section 55.52). Pursuant to California Civil Code Section 1938, Tenant is hereby notified that a CASp can inspect the Premises and determine whether the Premises complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Premises, Landlord may not prohibit Tenant from obtaining a CASp inspection of the Premises for the occupancy of the Tenant, if requested by Tenant. Landlord and Tenant shall mutually agree on the arrangements for the time and manner of any CASp inspection, the payment of the fee for the CASp inspection and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises, which cost shall be the obligation of Landlord unless said violation is caused by Tenant.

13. **LANDLORD'S ADDRESS FOR NOTICE.** Landlord's address for notice set forth in Subparagraph 1.1 of the Lease is hereby amended to read as follows:

ELITE-TRC ALHAMBRA COMMUNITY LLC  
c/o The Ratkovich Company  
1000 South Fremont Avenue, Unit 1  
Alhambra, California 91803  
Attention: Senior Development Manager  
Telephone: (626) 300-5000  
Telecopier: (626) 300-5025

With a copy to:

DLA Piper LLP (US)  
550 South Hope Street, Suite 2400  
Los Angeles, California 90071  
Attention: Jackie Park, Esq.  
Telephone: (213) 330-7743  
Telecopier: (213) 330-7543

With a copy to:

c/o ELITE INTERNATIONAL INVESTMENT FUND  
355 S. Grand Avenue, Suite 2450  
Los Angeles, California 90071  
Attention: Bill Zhou

14. **TENANT'S ADDRESS FOR NOTICE.** Tenant's address for notice set forth in Subparagraph 1.1 of the Lease is hereby amended to read as follows:

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

With a copy to:

Chief Executive Office  
Real Estate Division  
320 West Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Senior Manager  
Email: LeaseAcquisitions@ceo.lacounty.gov

15. **COUNTERPARTS; ELECTRONIC SIGNATURES.** This Amendment No. 1 and any other document necessary for the consummation of the transaction contemplated by this Amendment No. 1 may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Amendment No. 1 and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Amendment No. 1 had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Amendment No. 1 is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile



or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Amendment No. 1 based on the foregoing forms of signature. If this Amendment No. 1 has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

16. The Smoking in County Facilities policy set forth on Schedule 1 attached hereto shall apply to the Premises.

17. All terms when used herein shall have the same respective meanings as set forth in the Lease unless expressly provided otherwise in this Amendment No. 1.

18. The signatory for the Landlord covenants, warrants and guarantees that it has the power and authority to execute this Amendment No. 1 upon the terms and conditions stated herein. The signatory for the Tenant covenants, warrants and guarantees that it has the power and authority to execute this Amendment No. 1 upon the terms and conditions stated herein.

19. In the event of a conflict between the terms and conditions of this Amendment No. 1 and the terms and conditions of the Lease, the terms and conditions of this Amendment No. 1 shall prevail. All other terms and conditions contained in the Lease as amended shall remain in full force and effect.

*[Signature Page Immediately Follows]*

IN WITNESS WHEREOF, the Landlord's and Tenant's respective duly authorized representative has executed this Amendment No. 1 to Lease No. 78436 or caused it to be executed, the day, month and year first above written.

**LANDLORD:**

**ELITE-TRC ALHAMBRA COMMUNITY LLC,**  
a Delaware limited liability company

By: 

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**BRIAN SAENGER**  
**Vice President**

**TENANT:**

**COUNTY OF LOS ANGELES,**  
a body corporate and politic

**FESIA A. DAVENPORT**  
Acting Chief Executive Officer

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

Dean Lehman, P.E.  
Senior Manager - Real Estate Division

**ATTEST:**

**DEAN C. LOGAN**  
Recorder/County Clerk  
of the County of Los Angeles

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

Deputy

**APPROVED AS TO FORM:**

**RODRIGO A. CASTRO-SILVA**  
Acting County Counsel

By: 

Deputy

## Schedule 1

### Policy regarding Smoking in County Facilities

Smoking in County Facilities. The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.).

# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	1/6/2021
<b>BOARD MEETING</b>	1/26/2021
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	Fifth District
<b>DEPARTMENT</b>	Treasurer and Tax Collector and Regional Planning
<b>SUBJECT</b>	Establishing County of Los Angeles Community Facilities District (CFD) No. 2021-01 (Facilities CFD) and Community Facilities District No. 2021-02 (Services CFD)
<b>PROGRAM</b>	N/A
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If Yes, please explain why:
<b>DEADLINES/ TIME CONSTRAINTS</b>	Requesting the Resolution of Intention to be scheduled for 01/26/2021 Board Agenda.
<b>COST &amp; FUNDING</b>	Total cost: No Fiscal Impact to the County. Special Taxes will be levied annually on the subject parcels located within the CFD area sufficient to pay the costs for the Facilities CFD and for the Services CFD.
	TERMS (if applicable): N/A
	Explanation: N/A
<b>PURPOSE OF REQUEST</b>	This Board letter initiates the intention of the Board to establish two separate CFDs: the Facilities CFD, and the Services CFD, designating Improvement Area No. 1 (Area No. 1) within the Facilities CFD in the Valencia area, and to incur bond indebtedness within Area No. 1. The purpose of the CFDs is to finance the purchase, construction, and improvements or rehabilitation of public facilities and to fund certain County services.
<b>BACKGROUND (include internal/external issues that may exist)</b>	<p>The Newhall Land and Farming Company (Owners) has submitted petitions requesting the formation of Mello-Roos CFDs to finance regional infrastructure improvements and certain services in the Valencia area. The proposed location is adjacent to the City of Santa Clarita and is a long-term master planned community. The proposed plan consists of approximately 25,000 dwelling units and 13 million square feet of commercial, industrial, and other non-residential uses. It will also include approximately 10,000 acres of protected open space and a multitude of public facilities consisting of park and recreation facilities, road/bridge improvements, median/parkway landscaping, storm drains, sewer, and water quality basins. It is estimated that the total cost of these public facilities will be approximately \$1.236 billion.</p> <p>In connection with the formation of the Facilities CFD, the Owners have requested that the Board waive subsection (b) level debt service and subsection (f) no annual escalation of special tax in Section IX "Special Tax Formula and Rate and Method of Apportionment" of the Board's CFD Policy to allow for special taxes in the Facilities CFD to escalate at the rate of 2.00% annually. Treasurer and Tax Collector, Regional Planning, and the County's attorneys and advisors believe it is in the best interest of the County to waive these provisions to allow developers within the proposed Area No. 1 of the Facilities CFD to market homes with a lower overall effective tax rate making it competitive with other housing projects in the area. In addition, escalating special taxes supports the issuance of CFD bonds by the Facilities CFD that generate more bond proceeds to fund proposed public facilities. The Services CFD also includes an escalation factor equal to the increase in the Consumer Price Index, subject to a maximum of 5% per year, as allowed by the CFD Policy.</p>
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	<ul style="list-style-type: none"> <li>Keith Knox, Treasurer and Tax Collector, (213) 974-2101, <a href="mailto:kknox@ttc.lacounty.gov">kknox@ttc.lacounty.gov</a></li> <li>Amy Bodek, Director of Regional Planning (213) 974-6401, <a href="mailto:abodek@planning.lacounty.gov">abodek@planning.lacounty.gov</a></li> </ul>





**KEITH KNOX**  
TREASURER AND TAX COLLECTOR

## **COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 437, Los Angeles, California 90012  
Telephone: (213) 974-2101 Fax: (213) 626-1812  
ttc.lacounty.gov and lacountypropertytax.com

Board of Supervisors

**HILDA L. SOLIS**  
First District

**HOLLY J. MITCHELL**  
Second District

**SHEILA KUEHL**  
Third District

**JANICE HAHN**  
Fourth District

**KATHRYN BARGER**  
Fifth District

January 26, 2021

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:

### **ESTABLISHING COUNTY OF LOS ANGELES COMMUNITY FACILITIES DISTRICT NO. 2021-01 (VALENCIA-FACILITIES) AND COMMUNITY FACILITIES DISTRICT NO. 2021-02 (VALENCIA-SERVICES) (FIFTH DISTRICT) (3 VOTES)**

#### **SUBJECT**

The Newhall Land and Farming Company, a California limited partnership, and Stevenson Ranch Venture, LLC, a Delaware limited liability company (collectively, the Owners) own the subject property and on behalf of the Owners, Newhall Land and Farming Company, has submitted petitions requesting the formation of Mello-Roos Community Facilities Districts (CFDs) to finance regional infrastructure improvements and certain services in the Valencia area (Valencia Project). The County of Los Angeles Community Facilities (Mello-Roos) District Task Force (Task Force), including representatives of Chief Executive Office, County Counsel, Fire, Health Services, Library, Los Angeles County Development Authority, Parks, Public Health, Public Works, Regional Planning and Sheriff, has reviewed the application and determined the petitions are consistent with Board Policy No. 4.047 - Community Facilities District Goals and Policies (the CFD Policy), with recommended exceptions to allow for an escalation of the annual debt service on bonds and the annual special tax to fund facilities, as described more fully below, and that the formation of the CFDs and Mello-Roos financing are appropriate.

#### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Adopt (a) the Resolution of Intention to establish County of Los Angeles Community Facilities District No. 2021-01 (Valencia - Facilities) to authorize the levy of special taxes to pay the costs of acquiring or constructing certain facilities and expenses of the district, pay debt service on bonded indebtedness, and to designate the area for future

annexations, and (b) the Resolution of Intention to establish County of Los Angeles Community Facilities District No. 2021-02 (Valencia – Services) to authorize the levy of special taxes to pay the costs of providing certain public services and to designate the area for future annexations.

2. Set a date for a Public Hearing on the establishment of each of the CFDs no sooner than 30 or more than 60 days after adoption of the Resolutions of Intention regarding the proposed CFDs.
3. Adopt the Resolution of Intention to incur bonded indebtedness within proposed County of Los Angeles Community Facilities District No. 2021-01 (Valencia-Facilities) and proposed Improvement Area No. 1 therein (together with the Resolutions of Intention to establish the proposed CFDs, the Resolutions).
4. Instruct the Executive Officer-Clerk of the Board to publish a Notice of Public Hearing at least seven days prior to the date of the Public Hearing, in a newspaper of general circulation published in the area of the proposed CFDs and the future annexation areas.
5. Instruct the Executive Officer-Clerk of the Board to mail a copy of the Notice of Public Hearing to each landowner within the proposed CFDs and the future annexation areas at least 15 days prior to the Public Hearing.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the above recommendations will initiate the intention of this Board to establish two separate CFDs in the Valencia area, as described in the Resolutions, Community Facilities District No. 2021-01 (Valencia – Facilities) (the Facilities CFD) and Community Facilities District No. 2021-02 (Valencia – Services) (the Services CFD), designating Improvement Area No. 1 (Area No. 1) within the Facilities CFD and the Future Annexation Area for each CFD, and to incur bonded indebtedness within Area No. 1. The purpose of the Facilities CFD is to finance the purchase, construction, modification, expansion, and improvement or rehabilitation of public facilities in the Valencia Project, as described more fully below.

The Valencia Project is located approximately 35 miles northwest of downtown Los Angeles adjacent to the City of Santa Clarita. The project is a long-term master planned community that will require implementation of significant public infrastructure and facilities. The proposed plan for the entire project consists of approximately 25,000 dwelling units and 13 million square feet of commercial, industrial, and other non-residential uses. The dwelling units will include a broad range of housing types, including apartments, single-family attached and detached homes of various sizes, as well as affordable housing. The Valencia Project will also include approximately 10,000 acres of protected open space and a multitude of public facilities. The public facilities will consist of the following: park and recreation facilities, road/bridge improvements, median/parkway landscaping, storm drains, sewer improvements, water improvements,



and water quality basins as further identified in the Resolution of Intention to Establish the Facilities CFD. Based on 2019 projections excluding inflation cost, it is estimated that the total cost of these public facilities will be approximately \$1.236 billion.

The boundaries of the Services CFD consist of the entirety of Mission Village, which is part of the Newhall Ranch Specific Plan implemented by the Valencia Project. Mission Village is expected to consist of approximately 4,055 residential units and 1,555,100 square feet of non-residential space. The boundaries of the Facilities CFD consist of the first phase of Mission Village and is expected to consist of approximately 1,268 residential units.

For the purpose of funding certain facilities, the County expects to enter into separate Joint Community Facilities Agreements (JCFA) with the Owners, Santa Clarita Valley Water Agency, and Newhall Ranch Sanitation District of Los Angeles County. The purpose of the Services CFD is to fund certain County services within its boundaries. Services include park maintenance, roadway maintenance, public landscape maintenance, and water quality maintenance. Some of these services are provided by the Newhall Ranch High Country Recreation and Conservation Authority, a joint powers authority comprised of the County of Los Angeles, City of Santa Clarita, and Santa Monica Mountains Conservancy (High Country Authority). For purposes of funding these services through the Services CFD, the County expects to enter into a JCFA with the Owners and the High Country Authority.

The Resolutions will establish the terms of the CFD special taxes for facilities within the Facilities CFD and for services within the Services CFD. The terms governing special taxes within future annexation areas will be determined as the areas are annexed into the Facilities CFD and the Services CFD.

In addition to the Mello-Roos Community Facilities Act of 1982 (the Mello-Roos Act), which authorizes the formation and use of CFDs to finance needed community facilities and services, the Board approved the updated CFD Policy on September 3, 2019. The purpose of the CFD Policy is to ensure that the development and financing of public infrastructure and services within the County using CFDs is managed in accordance with sound fiscal policy for the benefit of County residents. In accordance with the CFD Policy, a special tax formula will be developed in a manner which treats landowners in the CFD equitably. The current policy has outlined certain criteria to follow when developing the special tax formula.

In connection with the formation of the Facilities CFD and given the extensive scope of the project, the public infrastructure being developed, and the multi-phase timing of development of the project, the Owners have requested that the Board waive subsection (b) level debt service and subsection (f) no annual escalation of special tax in Section IX "Special Tax Formula and Rate and Method of Apportionment" of the CFD Policy to allow for special taxes in the Facilities CFD to escalate at the rate of 2.00% annually. The CFD Task Force, County staff and the County's attorneys and advisors

believe it is in the best interest of the County to waive these provisions because it would allow developers within the proposed Area No. 1 of the Facilities CFD to market homes with a lower overall effective tax rate. With the waiver of these provisions, the Owners have proposed that the initial effective tax rate in the CFDs be approximately 1.85%, which is lower than the 2.00% maximum rate permitted under the CFD Policy. The Owners have represented to the financing team that such lower initial effective tax rate would keep the Valencia Project competitive with other housing projects in the area and would enhance the ability of potential homeowners to qualify for financing. Waiving these provisions will allow for special taxes to escalate 2.00% annually and will eventually accommodate the issuance of CFD bonds by the Facilities CFD on behalf of Area No. 1 to be structured with escalating annual debt service. Allowing annual escalation will generate more bond proceeds to fund proposed public facilities than is possible with non-escalating special taxes. Escalating special taxes are common place in other large scale community facilities districts incorporating multi-phased infrastructure projects in California. The Services CFD also includes an escalation factor equal to the increase in the Consumer Price Index, subject to a maximum of 5% per year, as allowed by the CFD Policy.

#### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This action supports the County's Strategic Plan Goal #1: Operational Effectiveness/Fiscal Sustainability through the use of cost-effective financing to facilitate ongoing projects that improve the quality of life for County residents.

#### **FISCAL IMPACT/FINANCING**

There will be no fiscal impact to the County. Costs of acquiring or constructing certain facilities and debt service payments on CFD bonds, when issued, will be paid from the special tax levy on the parcels in the Facilities CFD. The Owners have previously advanced funds to the County to pay for costs associated with analyzing and forming the CFDs pursuant to a Deposit and Reimbursement Agreement dated as of October 4, 2019. Such costs are reimbursable to the Owners if and when bonds are issued by the Facilities CFD.

Similar to the existing CFDs within the County, each year the Board will approve the special tax levy for the Facilities CFD in an amount sufficient to provide for the debt service on the Facilities CFD bonds, to pay administrative expenses and for a limited period of time, to pay directly for the costs of acquiring facilities. In connection with the Services CFD, the Board will annually approve the levy of the special tax in an amount sufficient to pay for the services and administrative expenses.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Mello-Roos Act was enacted by the State of California in 1982 to enable local governments to form CFDs to fund the construction, acquisition, operation,

maintenance, or enhancement of certain public facilities and services. The Mello-Roos Act authorizes the issuance of bonds to finance public facilities, and the levying of special taxes to pay the debt service on CFD bonds and to provide funding for certain public services provided to property owners and residents within a CFD.

The CFD Policy requires the proponent of a CFD to present their application to the County Mello-Roos Task Force for review. The Task Force reviewed the Owners' proposal and concluded that it is consistent with Board policy and that the formation of the Facilities CFD and the Services CFD and the funding of certain public facilities and services thereby is appropriate.

The Valencia Project implements the Newhall Ranch Specific Plan adopted by the Board on May 27, 2003. Mission Village is one of five villages in the Newhall Ranch Specific Plan. On July 18, 2017, the Board certified that both the 2017 Recirculated Analysis and the 2011 Final Environmental Impact Report for the Mission Village Project were adequate and complete under the California Environmental Quality Act (CEQA), that the documents reflected the independent judgement of the Board, and therefore, adopted the Supplemental CEQA Findings and Statement of Overriding Considerations for the Mission Village Project.

The Newhall Ranch Specific Plan requires that the Newhall Ranch Affordable Housing Program be implemented to provide for the direct inclusion of very low, low, and moderate income affordable housing opportunities as defined in the Specific Plan, and in accordance with the Specific Plan's Implementation of the Affordable Housing Program. A total of 2,200 affordable housing units are required to be provided within the Specific Plan Area (440 units very low income, 550 units low income, 1,210 units moderate income) as defined by the Specific Plan; the affordable units are required to be disbursed throughout the Specific Plan Area and constructed in pace with the overall residential development and pursuant to the Implementation of the Affordable Housing Program. The Board-approved Mission Village Project is required to provide 300 affordable housing units of the 2,200 total affordable housing units required for the Specific Plan Area. The applicant for the CFDs has clarified that although no affordable housing units are included in Area No. 1 of the proposed Facilities CFD, the required affordable housing units will be included in future Facilities CFD Improvement Areas. It is important to note that affordable housing units are included in the proposed Services CFD and are proposed to be exempt from the Services CFD special tax.

In accordance with the provisions of the Mello-Roos Act, a public hearing must be held for each CFD no less than 30 or more than 60 days after adoption of the Resolutions of Intention to establish the proposed CFDs. All landowners within the proposed CFDs will be notified by mail of these hearings and a notice will be published in a local newspaper at least seven days prior to the public hearings.

After the public hearings, the Board may either approve or deny the formation of the proposed CFDs. If the Board adopts the Resolutions to form the CFDs, assuming there

are 12 or fewer registered voters residing within the boundaries of the CFDs, landowner special elections will be held to approve bonded indebtedness, establish an appropriations limit, and levy special taxes. At such election, each landowner will have a vote for each acre or portion thereof of land it owns within the CFDs. If two-thirds of the votes cast are in favor of formation, then bonds can be issued for the Facilities CFD and a special tax will be levied to pay the resulting debt service, and special taxes can be levied in the Services CFD to pay for the costs of such authorized services. The Board will be considering approval of the JCFA's with other public agencies at the same meeting at which the CFDs are formed. Before any CFD bonds are issued, a Resolution of Issuance requesting approval of the issuance of such bonds will be submitted to the Board.

The determination to proceed with the formation of any CFD and/or provide for the issuance of CFD bonds is solely at the County's discretion. Any policy or goal stated herein may be supplemented or amended and any provision set forth in the County's CFD Policy may be waived or changed for a specific project with the Board's approval.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

None. The levy of a special tax for services will pay the County's costs of providing certain public services for the Valencia Project. In addition, the County engaged an outside consultant to provide a Fiscal Impact Report that assessed the impacts of the Valencia Project on the County's future revenues and expenditures. Specifically, the analysis estimated the cost to the County of providing various public services to the Valencia Project and the revenues that would be generated by the County from the development. In addition to the tax revenues from the Services CFD, ongoing revenues from the development include property taxes, sales taxes, transient occupancy taxes, and utility user taxes, as well as user fees, charges for services, and other miscellaneous revenues. In summary, the report concluded that the Valencia Project would be fiscally neutral for the County and revenues generated by the project would offset the cost of the public services required.

#### **CONCLUSION**

Upon approval of the attached Resolutions, it is requested that the Executive Officer of the Board return executed copies to the Treasurer and Tax Collector and Regional Planning.

Respectfully submitted,

KEITH KNOX  
Treasurer and Tax Collector

AMY J. BODEK, AICP  
Director of Regional Planning

KK:AJB:DW:TG:JW

#### Attachments

c: Sheriff  
Chief Executive Office  
Acting County Counsel  
Fire  
Health Services  
Los Angeles County Development Authority  
Los Angeles County Library  
Parks & Recreation  
Public Works