



PHILIP L. BROWNING
Director

**County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

Board of Supervisors

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

July 17, 2012

14 July 17, 2012

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

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES: REQUEST TO
APPROVE AMENDMENT NUMBER THREE TO AGREEMENT NUMBER 74336,
WITH CULINART OF CALIFORNIA, INC.
(ALL SUPERVISORIAL DISTRICTS) – (3 VOTES)**

SUBJECT

The Department of Children and Family Services (DCFS) seeks to execute Amendment Number Three to the Food Services Contract Number 74336 with CulinArt of California, Inc. (CulinArt), for the provision of hot meals and snacks to children awaiting court hearings in the Shelter Care Center at the Edmund D. Edelman Children’s Court (Children’s Court).

The current contract with CulinArt expires on July 31, 2012.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chairman to sign Amendment Number Three (Attachment C) to the Food Services contract with CulinArt to extend the contract term on an automatic month-to-month basis, up to 36 months from August 1, 2012, through July 31, 2015; to update contractual provisions and requirements; and to increase the daily cost of meals and snacks per person from \$6.47 to \$6.75 at an estimated monthly cost of \$18,366 (or \$220,390 annually), financed using 36 percent (\$79,340) Federal revenue, 33 percent (\$72,729) State revenue, and 31 percent (\$68,321) net County cost (NCC). The aggregate 36 months Maximum Contract Amount is \$661,170. The annual Contract Amounts for the 36-month period are indicated in Attachment A.

2. Approve and delegate authority to the Director of DCFS, or designee, to increase or decrease the

Maximum Contract Amount not to exceed ten percent when such a change is necessitated by additional and necessary services, provided that there is sufficient funding available. The approval of the Chief Executive Office (CEO) and County Counsel will be obtained prior to executing such amendments, and the DCFS Director, or his designee, will notify your Board in writing within ten business days after execution.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Under the Food Services contract, CulinArt provides meals and snacks to DCFS court-dependent children awaiting hearings at the Edmund D. Edelman Children's Court (Children's Court). The Food Services contract promotes healthy nutrition and wellness for children under the care of DCFS, and is in compliance with the Los Angeles County Food Policy.

Pursuant to the California Department of Social Services (CDSS) Manual of Policy and Procedure, Sections 23.650.15.151 and 23.650.18, DCFS is permitted to enter into a sole source contract via procurement by negotiation when services can be obtained only from a single source. CulinArt has been the only available contractor for these services for the past nine years. There is only one food service facility at Children's Court, so by necessity, the County has contracted with the food services vendor who operates the Children's Court food facility to serve the children at the Shelter Care Center. DCFS determined that it is not practical or cost-effective to have the food delivered to the court by another vendor. From the 1990s to 2003, California Dining Services operated the Children's Court facility and also contracted with DCFS to provide the hot meals and snacks.

In January 2003, both the CEO and DCFS separately conducted solicitations for new food services contracts. When it became clear that DCFS would have to contract with the agency chosen to operate the Children's Court cafeteria, the DCFS solicitation was merged with the CEO's solicitation. On January 14, 2003, your Board approved P&A Food Systems, Inc. (P&A), as the food service provider at all County food service facilities, and on May 2, 2006, your Board approved the name change from P&A to CulinArt. DCFS has continued to contract for its meals and snacks services with P&A/CulinArt. P&A/CulinArt is a reputable vendor equipped with the staff, materials and resources to continue the on-going services to Shelter Care Center children. Over the past five years, approximately 145,000 meals have been served, which averages to approximately 29,000 meals served per year. The cost per person, per meal has remained at \$6.47 since it was approved by your Board on July 31, 2007; however, the cost for the extended term will be increased by \$0.28 to \$6.75 to support service demand and rising costs.

Since November 18, 2008, the Judicial Council of California (Judicial Council) assumed control and responsibility for certain portions of the Children's Court, including the contract for the Children's Court cafeteria. CulinArt contracted with the Judicial Council under a concession license agreement. DCFS continued its contract with CulinArt for the Shelter Care Center. On April 1, 2010, the Judicial Council renewed CulinArt's license agreement. The license term is now open-continuous with no termination date; however, each party has the right and option to terminate the license agreement with or without cause at any time by giving 45 days prior written notice to the other party. As with previous agreements, the renewal agreement grants CulinArt control of the physical food preparation and service area, including responsibility for maintenance and repairs of all required equipment and appliances.

Under the current Food Services Agreement, the cost of meals and snacks per person is \$6.47. Amendment Number Three will increase this rate by 4.3 percent, a total of twenty-eight cents (\$0.28) per person. The new per person rate of \$6.75 will allow the contractor to continue serving high quality, nutritious meals and snacks to the children awaiting court hearings in the Shelter Care Unit at the Children's Court.

Implementation of Strategic Plan Goals

This amendment is consistent with the principles of the Countywide Strategic Plan, Goal No. 1, Operational Effectiveness – which maximizes the effectiveness and efficiencies of processes, structure, and operations to support the delivery of hot meals and snacks to the clients DCFS serves; and Goal No. 3, Integrated Services Delivery - which maximizes opportunities to improve client and community outcomes through the continuous integration of health, nutritional meals, community activities, and ensuring that the services are within the dietary requirements which comply with previously adopted Board policies and the Los Angeles County Food Policy Nutrition Guidelines. The recommended actions will enable DCFS to continue to provide hot meals and snacks to the children in the Shelter Care Unit at the Children's Court.

FISCAL IMPACT/FINANCING

It is estimated that under this month-to-month extension, approximately 2,721 persons will be provided with meals each month. At the rate of \$6.75 per person, the estimated monthly cost is \$18,366 per month (or \$220,390 annually), financed by 36 percent (\$79,340) Federal revenue, 33 percent (\$72,729) State revenue and 31 percent (\$68,321) NCC. The aggregate 36 months Maximum Contract Amount is \$661,170. The annual Contract Amounts for the 36-month period are indicated in Attachment A. Sufficient funding has been included in the FY 2012-13 Final Adopted budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 14, 2003, the Board initially adopted the Food Services Agreement Number 74436 with P&A now known as CulinArt, for the period of January 14, 2003, through December 31, 2005, at a maximum contract sum of \$1,012,860. Subsequently, DCFS requested and obtained approval from the California Department of Social Services (CDSS) to extend the Food Services Agreement from January 1, 2006, through July 31, 2007, to align with the term of the Concession Contract. A second extension was requested by DCFS and approved by CDSS from August 1, 2007, through July 31, 2012, at a maximum contract sum of \$1,232,160. On June 24, 2012, DCFS requested and received a third approval from CDSS for an additional three-year extension of the contract from August 1, 2012, through July 31, 2015. From August 2007, through July 2012, the average monthly cost of the Food Services Agreement was \$20,536, based on approximately 3,174 persons per month at the rate of \$6.47 per person. On May 2, 2006, the Board approved Amendment Number One to increase the rate per person from \$5.25 to \$5.75. On July 31, 2007, the Board approved Amendment Number Two to increase the rate per person from \$5.75 to the current rate of \$6.47.

On February 23, 2012, the contractor requested another increase in the reimbursement rate per person from \$6.47 to \$6.75, an increase of \$0.28, to provide additional staffing as well as to respond to the rise in commodity prices in recent years.

Amendment Number Three will also update County contract language on various terms and conditions and forms, including termination provisions, the most recent insurance requirements, the new Contractor Alert Reporting Database, a revised IRS Notice on the Earned Income Credit, and a new Exhibit U, User Complaint Report, to be used regarding any contractor performance issues. There will also be some updated provisions included in the Statement of Work involving Food Storage and Meal Preparation requirements, Reports and Record Keeping, the Contractor's Quality Assurance Plan, requirements relating to arrest and conviction reviews of employees working for the Contractor, and additional requirements relating to the Contractor's nutritionist.

DCFS has evaluated and determined that the contractor continues to be a responsible contractor and is in compliance with all Board and CEO requirements.

This Board letter was reviewed by CEO and County Counsel. County Counsel has approved Amendment Number Three as to form.

CONTRACTING PROCESS

The department has evaluated and determined that the contractor fully complies with the requirements of the Living Wage Program (County Code Chapter 2.201) and agrees to pay its full-time employees providing County services a living wage. The contractor meets the Board's requirements for a sole source contract. The Sole Source Checklist is attached as Attachment B.

CONTRACTOR PERFORMANCE

The contractor has continually met all performance standards including preparation and delivery of hot meals and snacks as outlined in the Food Services Contract. The monitoring of the services are performed by DCFS' employees, which includes evaluations of monthly invoices and on-site monitoring for fiscal, administrative and service delivery performance.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

In line with quality County services, the recommended actions will ensure the continued provision of hot meals and snacks to dependent children awaiting court appearances in the Shelter Care Unit at the Children's Court. Without Board approval of the recommended actions, hot meals will not be provided to those children and their health and well-being might be compromised by the quality of meals and snacks available from vending machines at the Children's Court.

CONCLUSION

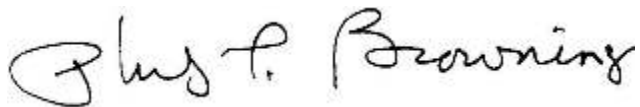
Upon Board approval, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board Letter to the Department of Children and Family Services.

The Honorable Board of Supervisors

7/17/2012

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Respectfully submitted,

A handwritten signature in black ink that reads "Philip L. Browning". The signature is written in a cursive, flowing style.

PHILIP L. BROWNING

Director

PLB:CMM:DLM

RD:seg

Enclosures (3)

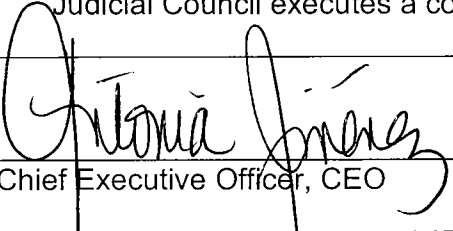
Enclosures

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

**AMENDMENT NUMBER THREE
FOOD SERVICES CONTRACT NUMBER 74336
FUNDING PERIODS AND PROJECTED ANNUAL AMOUNTS**

| FISCAL YEAR (FY) | PERIOD | MAXIMUM TOTAL |
|-------------------------|-------------------|----------------------|
| FY 2012-13 | 8/1/12 to 6/30/13 | \$202,024 |
| FY 2013-14 | 7/1/13 to 6/30/14 | \$220,390 |
| FY 2014-15 | 7/1/14 to 6/30/15 | \$220,390 |
| FY 2015-16 | 7/1/15 to 7/31/15 | \$18,366 |
| TOTAL | | \$661,170 |

**AMENDMENT NUMBER THREE
FOOD SERVICES CONTRACT NUMBER 74336
CULINART OF CALIFORNIA, INC**

| Check | <p align="center">JUSTIFICATION FOR SOLE SOURCE CONTRACTS</p> <p>Identify applicable justification and provide documentation for each checked item.</p> |
|--|---|
| | <ul style="list-style-type: none"> ➤ Only one bona fide source for the service exists; performance and price competition are not available. |
| | <ul style="list-style-type: none"> ➤ Quick action is required (emergency situation). |
| | <ul style="list-style-type: none"> ➤ Proposals have been solicited but no satisfactory proposals were received. |
| | <ul style="list-style-type: none"> ➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider. |
| | <ul style="list-style-type: none"> ➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives. |
| <p align="center">X</p> | <ul style="list-style-type: none"> ➤ It is more cost-effective to obtain services by exercising an option under an existing contract. |
| | <ul style="list-style-type: none"> ➤ It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc. |
| <p align="center">X</p> | <ul style="list-style-type: none"> ➤ Other reason. Please explain: It is necessary to extend the contract with CulinArt of California, Inc., because it has a food service concession license agreement with the Judicial Council of California who has control of the cafeteria at the Edmund D. Edelman Children's Court (Children's Court). CulinArt provides hot meals and snacks to the children awaiting court hearings at the Children's Court Shelter Care. DCFS will return to the Board for additional extensions, if necessary, until the Judicial Council executes a contract with a new vendor. |
| <p align="center"></p> <p>Deputy Chief Executive Officer, CEO</p> | <p align="center"><u>6/29/12</u></p> <p>Date</p> |

ATTACHMENT C



AMENDMENT NUMBER THREE

TO

CONTRACT NUMBER 74336

WITH

CULINART OF CALIFORNIA, INC.

74336 SUPPLEMENT 3

**AMENDMENT NUMBER THREE
FOOD SERVICES CONTRACT NUMBER 74336**

This Amendment Number Three ("Amendment") to the Food Services Contract Number 74336, adopted by the Board of Supervisors on January 14, 2003, between the County of Los Angeles, ("COUNTY"), and CulinArt of California, Inc. ("CONTRACTOR"), is made and entered into this 17th day of July 2012.

WHEREAS, COUNTY and CONTRACTOR are parties to the Food Services Contract Number 74336 adopted by the Board on January 14, 2003, and CONTRACTOR has been providing hot meals and snacks to Shelter Care Center children at the COUNTY's Edmund D. Edelman Children's Court;

WHEREAS, the purpose of this Amendment is to exercise authority to enter into a Sole Source Contract pursuant to the California Department of Social Service Manual of Policy and Procedure, Sections 23.650.15.151 and 23.650;

WHEREAS, this Amendment extends the term of the Contract on an automatic month-to-month basis up to an additional 36 months, from August 1, 2012, through July 31, 2015;

WHEREAS, this Amendment increases the cost per person served to \$6.75;

WHEREAS, this Amendment includes the updated insurance provisions;

WHEREAS, this Amendment modifies Section 26.0, TERMINATION FOR CONVENIENCE to include the latest updated contract language;

WHEREAS, this Amendment adds Section 57.0, CONTRACTOR ALERT REPORTING DATABASE and Section 58.0, COUNTY's DEFAULTED PROPERTY TAX REDUCTION PROGRAM, as required by the Board of Supervisors;

WHEREAS, Exhibit A, STATEMENT OF WORK (SOW) is amended to update some provisions in the SOW concerning Food Storage and Meal Preparation requirements, Reports and Record Keeping, the CONTRACTOR's Quality Assurance Plan, requirements relating to arrest and conviction reviews of employees working for the CONTRACTOR, and additional requirements relating to the CONTRACTOR's nutritionist; and

NOW THEREFORE, COUNTY and CONTRACTOR hereby agree to amend the Contract as follows:

1. **TABLE OF CONTENTS** is amended to add Sections 57.0, 58.0 and Exhibit X with titles as follows:

74336 SUPPLEMENT 3

**AMENDMENT NUMBER THREE
FOOD SERVICES CONTRACT NUMBER 74336**

57.0 CONTRACTOR ALERT REPORTING DATABASE (CARD)

58.0 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

EXHIBIT X USER COMPLAINT REPORT

2. Section 1.0 **APPLICABLE DOCUMENTS**, Subsection 1.2, is amended to add Exhibit X as an applicable document.
3. Section 3.0, **TERM AND TERMINATION**, Subsection 3.4 is deleted in its entirety and replaced, and Subsection 3.5 is added to read as follows:
 - 3.4 The term of this Contract shall be extended on an automatic month-to-month basis, up to 36 months, effective August 1, 2012, through July 31, 2015, if all 36 month-to-month extensions are exercised, unless a 10-day advance written expiration or termination notice is provided to the CONTRACTOR prior to the end of the then current extension period.
 - 3.5 CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Agreement. Should CONTRACTOR receive any such payment, it shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of the Agreement shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Agreement.
4. Section 4.0, **CONTRACT SUM**, Subsection 4.1.3 is added to read as follows:
 - 4.1.3 Effective upon execution of Amendment Number Three, the maximum monetary amount payable by COUNTY for each hot meal and two snacks, including any tax or otherwise, is \$6.75 per person served, as referenced in the Adjusted Pricing Schedule, Exhibit B-4.
5. Section 5.0, **PAYMENT AND INVOICES**, Subsection 5.2.4 is added to read as follows:
 - 5.2.4 Effective upon execution of Amendment Number Three, all services rendered by CONTRACTOR shall be paid in accordance with Exhibit B-4, Adjusted Pricing Schedule.

**AMENDMENT NUMBER THREE
FOOD SERVICES CONTRACT NUMBER 74336**

6. Section 9.0, **GENERAL INSURANCE REQUIREMENTS**, is deleted in its entirety and replaced to read as follows:

9.0 GENERAL INSURANCE REQUIREMENTS

9.1 Without limiting CONTRACTOR's indemnification of the 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 4.1 and 4.2 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.

9.1.1 Evidence of Coverage and Notice to COUNTY: A 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) dollars, and list any COUNTY required endorsement forms.

**AMENDMENT NUMBER THREE
FOOD SERVICES CONTRACT NUMBER 74336**

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 required endorsements shall be sent to:

County of Los Angeles
Department of Children and Family Services
Contracts Administration Division
Attention: Contract Administrator
425 Shatto Place, Room 400
Los Angeles, CA 90020

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.

- 9.1.2 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

**AMENDMENT NUMBER THREE
FOOD SERVICES CONTRACT NUMBER 74336**

endorsement form is acceptable providing it satisfies the required Insurance provisions herein.

- 9.1.3 Cancellation of or Changes 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 (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.
- 9.1.4 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.
- 9.1.5 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.
- 9.1.6 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.
- 9.1.7 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

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FOOD SERVICES CONTRACT NUMBER 74336**

to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

- 9.1.8 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.
- 9.1.9 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.
- 9.1.10 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.
- 9.1.11 Application of Excess Liability Coverage: CONTRACTOR 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.
- 9.1.12 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

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provision with no insured versus insured exclusions or limitations.

9.1.13 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.

9.1.14 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.

7. Section 10.0, **INSURANCE COVERAGE REQUIREMENTS**, is deleted in its entirety and replaced to read as follows:

10.0 Insurance Coverage Requirements:

10.1 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

10.2 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.

10.3 Workers' Compensation and Employer's Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than the following:

**AMENDMENT NUMBER THREE
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| | |
|-------------------------|-------------|
| Each Accident: | \$1 million |
| Disease – policy limit: | \$1 million |
| Disease – each employee | \$1 million |

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, and the endorsement form shall be modified to provide that COUNTY will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to CONTRACTOR's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8. Section 26.0, **TERMINATION FOR CONVENIENCE**, Subsection 26.1 is amended to read as follows:

26.0 TERMINATION FOR CONVENIENCE

26.1 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 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 10 days after the notice is sent.

9. Section 51.0, **ADMINISTRATION OF CONTRACT – CONTRACTOR**, is deleted in its entirety and replaced to read as follows:

51.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

51.1 CONTRACTOR's Program Director

51.1.1 CONTRACTOR shall appoint a Program Director who shall be responsible for administering and overseeing all of the services provided under this Agreement. The name and phone number of

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FOOD SERVICES CONTRACT NUMBER 74336**

the Program Director and that of an alternate who is authorized to act on behalf of CONTRACTOR in the Program Director's absence shall be designated in writing under, CONTRACTOR's Administration, Exhibit R.

51.1.2 CONTRACTOR's Program Director shall be responsible for CONTRACTOR's day-to-day activities as related to this Contract and shall coordinate with COUNTY Program Manager and Program Monitor on a regular basis.

51.1.3 CONTRACTOR's Program Director shall work with the COUNTY Program Manager to help resolve any potential areas of difficulty before a problem occurs.

51.1.4 CONTRACTOR's Program Director shall respond within twenty-four (24) hours to all calls and/or reports regarding CONTRACTOR's performance. CONTRACTOR's Program Director or alternate shall be available to authorized COUNTY personnel during normal work hours 8:00 A.M. to 5:00 P.M., Monday through Friday, except legal holidays.

51.1.5 CONTRACTOR's Program Director shall respond to any and all subsequent calls or telephone pages within one (1) hour.

51.2 Approval of CONTRACTOR's Staff

51.2.1 COUNTY has the absolute right to approve or disapprove all of CONTRACTOR's staff performing work hereunder and any proposed changes in CONTRACTOR's staff including but not limited to, CONTRACTOR's Program Director.

51.2.2 CONTRACTOR shall provide sufficient personnel, competent to perform all work in accordance with the requirements of the Contract. The CONTRACTOR's Program Director or other manager in the employ of the CONTRACTOR shall supervise all of CONTRACTOR's personnel assigned to work on this Contract.

51.2.3 CONTRACTOR shall immediately notify COUNTY of any changes in CONTRACTOR's authorized personnel that may affect the operation of this Contract. Such personnel changes are subject to the approval of the COUNTY Program Manager or designated alternate. Such changes shall be subject to approval/rejection by the COUNTY Contract Administrator. The CCA shall retain the right to approve or disapprove CONTRACTOR's staff changes or to instruct CONTRACTOR to remove any member of its staff, if the COUNTY

**AMENDMENT NUMBER THREE
FOOD SERVICES CONTRACT NUMBER 74336**

determines that it is in the best interest to do so. In the instances where the COUNTY determines that critical safety issues are at stake or that the COUNTY's best interests are threatened, the COUNTY through the COUNTY Program Manager may direct the CONTRACTOR to replace immediately and without written notice any employee of the CONTRACTOR that the COUNTY determines is unsuitable for the activities under this Statement of Work.

51.2.4 CONTRACTOR shall not permit any employee to perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic, or other substance, which might impair the employee's physical or mental performance.

51.2.5 The CPM may, at his or her sole discretion, direct the CONTRACTOR to remove any of its personnel who the CPM determines has performed acts, which are inimical to the interest of children or which otherwise made it inappropriate for such persons to be assigned to the provision of these Contract services.

51.2.6 CONTRACTOR agrees that any work performed outside the scope of this SOW shall be deemed a gratuitous act on the part of CONTRACTOR and, therefore, CONTRACTOR shall have no claim against COUNTY.

10. Section 52.0 **ADMINISTRATION OF CONTRACT – COUNTY**, is amended to add Subsections 52.3 and 52.4 to read as follows:

52.3 COUNTY will provide CONTRACTOR with a User Complaint Report (UCR), Exhibit X, for every instance in which tasks defined in the Specific Tasks under the Scope of Work, Section 10.0 of the Statement of Work are not met.

52.4 COUNTY shall provide parking spaces, workspace, and/or services necessary to perform activities under this agreement.

11. Section 57.0, **CONTRACTOR ALERT REPORTING DATABASE (CARD)**, is added to read as follows:

57.0 CONTRACTOR ALERT REPORTING DATABASE (CARD)

The County maintains databases that track/monitor contractor performance history. Information entered in to such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

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12. Section 58.0, **DEFAULTED PROPERTY TAX REDUCTION PROGRAM**, is added to read as follows:

58.0 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

- 58.1 CONTRACTOR'S 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 agreement will maintain compliance, with Los Angeles County Code Chapter 2.206.

- 58.2 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 the "CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM" paragraph immediately above, shall constitute default under this agreement. Without limiting the rights and remedies available to County under any other provision of this agreement, failure of Contractor to cure such default within ten (10) calendar days of notice shall be grounds upon which County may terminate this agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

13. Exhibit A **STATEMENT OF WORK**, Section 59.0, **REPORTS AND RECORD KEEPING**, is added to read as follows:

59.0 REPORTS AND RECORD KEEPING

- 59.1 CONTRACTOR shall provide COUNTY with a monthly service report, and a monthly invoice. CONTRACTOR shall include in the monthly service report copies of any and all Corrective Action Plans issued during the prior month and

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notes on any changes to internal processes, policies or procedures required to comply with any Corrective Action Plans.

59.2 Record keeping – CONTRACTOR shall maintain complete records and time sheets on all of its employees, and these records shall be available to the COUNTY upon request.

14. Exhibit A **STATEMENT OF WORK, Section 60.0, QUALITY ASSURANCE PLAN AND FAILURE TO PERFORM**, is added to read as follows:

60.0 QUALITY ASSURANCE PLAN AND FAILURE TO PERFORM

60.1 The CONTRACTOR shall establish and maintain a Quality Assurance Plan (QAP) to assure the requirements of the contract are met. A copy must be provided to the CPM on the contract start date and as changes occur. The original QAP and any revisions thereto shall include, but not limited to the following

60.1.1 Methods used to insure that the quality of service performed fully meets the performance requirements set forth in the Statement of Work. CONTRACTOR shall include methods for identifying and preventing deficiencies in the quality of service performed before the level of performance becomes unacceptable.

60.1.2 If CONTRACTOR performance requirements are not met, the CPM may call CONTRACTOR, send CONTRACTOR a User Complaint Report (UCR), Attachment X, or both. CONTRACTOR shall respond to a call within one hour and respond to a UCR within twenty-four (24) hours of receipt. All performance requirement issues will be reported to the CPM.

Methods for insuring uninterrupted service to COUNTY in the event of a strike by CONTRACTOR's employees or any other potential disruption in service

CONTRACTOR shall not utilize any employee or subcontractor whose work has been deemed deficient and unacceptable by the CPM.

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15. Exhibit A **STATEMENT OF WORK**, Section 5.0, **CONTRACTOR'S PROJECT ORGANIZATION AND STAFFING**, Subsection 5.6, Arrest and Conviction Records, is deleted in its entirety and replaced to read as follows:

5.6 Arrest and Conviction Records: CONTRACTOR agrees, as permitted by Subsection 11105.3 of the Penal Code, to ascertain arrest conviction records for all current and prospective employees and volunteer staff. CONTRACTOR shall immediately notify COUNTY of any and all current and prospective employees and/or volunteer staff whom CONTRACTOR knows or has reason to suspect has been arrested and/or convicted of any misdemeanor or felony. Notification shall not be required for minor traffic offenses.

5.6.1 CONTRACTOR shall not employ or continue to employ person whom CONTRACTOR knows or has reason to know has been arrested and convicted of any misdemeanor or felony without:

5.6.2 CONTRACTOR making a prior determination that such individuals are exempt; or

5.6.3 CONTRACTOR granting an exception so such individual making written request and presenting evidence of satisfactory rehabilitation and present good character to justify an exception. CONTRACTOR shall grant exemptions in accordance with California Department of Social Services Regulations and any and all other applicable Federal, State, and Local laws, rules, regulations, ordinances and directives, whether so codified or not, established for the safety and welfare of children.

5.6.4 CONTRACTOR shall notify COUNTY of findings of exemption or exception not later than three days following such determination of exemption. COUNTY shall have the right to review and approve and all such findings. COUNTY shall not unreasonably withhold approval of CONTRACTOR's findings of exemption or exception.

16. Exhibit A **STATEMENT OF WORK**, Section 5.0, **CONTRACTOR'S PROJECT ORGANIZATION AND STAFFING**, Section 5.11, CONTRACTOR's Nutritionist, is deleted in its entirety and replaced to read as follows.

**AMENDMENT NUMBER THREE
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- 5.11 CONTRACTOR's Nutritionist: CONTRACTOR shall employ the services of a licensed Nutritionist to plan menus and meals for Shelter Care. The Nutritionist shall work with the COUNTY including the Task Force on Nutrition and must be knowledgeable of the Department of Education Title XXII guidelines; the California Child Nutrition Program; the California Administrative Code Title V requirements; and the California Restaurant Act, Division 22, Chapter 11, of the California Health and Safety Code.

Subsections 5.11.1, 5.11.2, and 5.11.3 remain unchanged.

17. Exhibit A **STATEMENT OF WORK**, Section 10.0, **SCOPE OF WORK**, Subsection 10.1, is deleted in its entirety and replaced to read as follows:

10.0 SCOPE OF WORK

- 10.1 CONTRACTOR shall provide meals and snacks, as planned by CONTRACTOR's Nutritionist and approved by the CPM, for children and staff in Shelter Care at Edmund D. Edelman Children's Court in Monterey Park, California. The service, which is to be provided by CONTRACTOR each day that the court is in session, includes one (1) hot lunch meal (at 12:00 noon) and two (2) snacks (at 10:00 am and 2:00 p.m.) per person to be served to approximately fifty to two hundred (50-200) children and youth, ages 4 to 18, and up to fifty (50) adult staff. The CONTRACTOR will provide special monthly meals and snacks as described in Section 6.0, Subsection 6.2, Hours of Operation and Holiday schedule, and Section 11, Subsection 11.4, Special Monthly Meals, at special Saturday events. The number of children to be served may vary significantly from day to day.

18. Exhibit A **STATEMENT OF WORK**, Section 11.0 **SPECIFIC TASKS**, Subsection 11.1, is deleted in its entirety and replaced to read as follows:

- 11.1 Food Storage and Meal Preparation: When storing food and preparing meals and snacks for Shelter Care, CONTRACTOR, shall consider and when appropriate follow the regulations listed below and any other applicable laws and regulations;

11.1.1 Department of Education Title XXII guidelines.

11.1.2 California Child Nutrition Program and California Administrative Code Title V requirements, and

11.1.3 California Restaurant Act, Division 22, Chapter 11, California Health and Safety Code.

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19. Exhibit B-4, **ADJUSTED PRICING SCHEDULE**, is attached to this amendment and incorporated by reference into Exhibit B, Budget of Contract.
20. Exhibit H, **INTERNAL REVENUE NOTICE 1015** as revised by the IRS, is attached to this amendment and incorporated by reference to the Contract.
21. Exhibit X, **USER COMPLAINT REPORT**, is added to the Contract and incorporated by reference to the Contract.

EXCEPT AS AMENDED HEREIN, ALL TERMS AND CONDITIONS OF THIS CONTRACT SHALL REMAIN IN FULL FORCE AND EFFECT.

**AMENDMENT NUMBER THREE
FOOD SERVICES CONTRACT NUMBER 74336**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment Number Three to be subscribed by its Chairman and the seal of such Board to be hereto affixed and attested by the Executive Office thereof, and CONTRACTOR has caused this Amendment Number Three to be subscribed on its behalf by its duly authorized officer(s) as of the day, month and year first above written. The person(s) signing on behalf of the CONTRACTOR warrant under penalty of perjury that he or she is authorized to bind the CONTRACTOR in this Agreement.

COUNTY OF LOS ANGELES

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By *C. Antich*, Deputy



I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By *C. Antich*
Deputy

By *Ben Yaroslowsky*
Chairman, Board of Supervisors

CulinArt of California, Inc.
CONTRACTOR

By *Steven Pecora*

Name Steven Pecora

Title Division President

By _____

Name _____

Title _____

95-3235378
Tax Identification Number

APPROVED AS TO FORM:

BY THE OFFICE OF COUNTY COUNSEL
JOHN F. KRATTLI, COUNTY COUNSEL

BY *David Beudet*
David Beudet, Senior Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

14 JUL 17 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

74336 SUPPLEMENT 3

EXHIBIT B-4

ADJUSTED PRICING SCHEDULE

The Adjusted Pricing Schedule contains CONTRACTOR's basic cost to provide food services in accordance with Exhibit A, Statement of Work and includes any and all applicable taxes.

Fixed Price Rate, effective August 12, 2012 through July 31, 2015

| | |
|------------------------|---------------|
| COST PER PERSON | \$6.75 |
|------------------------|---------------|



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2011)

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

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

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

Note. You are encouraged to notify each employee whose wages for 2011 are less than \$49,078 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

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

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2012.

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

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

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

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2011 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2011 and owes no tax but is eligible for a credit of \$829, he or she must file a 2011 tax return to get the \$829 refund.

Can My Employees Get Advance EIC Payments?

After 2010, your employees can no longer get advance payments of the credit in their pay during the year as they could in 2010 and earlier years, because the law changed. However, if they are eligible, they will still be able to claim the credit on their tax return.

Form W-5, Earned Income Credit Advance Payment Certificate, is no longer in use.

USER COMPLAINT REPORT
FOOD SERVICES PROGRAM

This form is to be used by DCFS users of (FOOD SERVICES PROGRAM) services to report service discrepancies and/or failure to provide training as specified. This User Complaint Report must be delivered immediately to the County Program Manager for this Contract.

Date of Report: _____ DCFS User Name: _____

DCFS Office Address: _____

Phone No. _____ E-mail Address: _____

Date(s) of Incident(s): _____

Below, please check the appropriate boxes and explain each incident separately:

- Contractor's Program Director is not responding to messages.
- Contractor's staff not available or not responding to messages.
- Contractor making staff changes without notification to the County.
- Illegal or inappropriate behavior by Contractor's staff.
- Contractor not submitting reports or maintaining records as required.
- Contractor not complying with the quality assurance requirements as specified in the Contract.
- Other (describe):

To report an urgent/serious problem, call _____ (enter name of CPM)
at: _____ (phone # of CPM)

Send _____ UCR _____ to

____ (enter name, title, and complete address of CPM) and a copy to Contracts Administration, 425 Shatto Place, Room 400, Los Angeles, CA 90020.