



COUNTY OF LOS ANGELES

FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE
LOS ANGELES, CALIFORNIA 90063-3294
(323) 881-2401

P. MICHAEL FREEMAN
FIRE CHIEF
FORESTER & FIRE WARDEN

August 30, 2006

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:

**APPROVE CONTRACT FOR BELL 412-EP AVIONICS, AIRFRAME,
AND EMERGENCY MEDICAL SERVICE INTERIOR MODIFICATIONS
(ALL DISTRICTS) (3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD, ACTING AS THE GOVERNING BODY OF THE
CONSOLIDATED FIRE PROTECTION DISTRICT:**

1. Find that this contract is exempt from the provisions of the California Environmental Quality Act (CEQA).
2. Delegate authority to the Fire Chief to execute this contract substantially similar to the form attached, after approval as to form by County Counsel, with Keystone Helicopter Corporation, for the purchase of the helicopter avionics, airframe, and Emergency Medical Service (EMS) interior modifications for two (2) Bell 412-EP helicopters that are required to meet the District's operational needs, at a cost not to exceed \$2.3 million.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of these recommended actions is to enable the District to modify two (2) new Bell 412-EP helicopters that have recently been purchased. The modifications will include avionics, airframe, and EMS interior modifications.

BRADBURY
CALABASAS
CARSON
CERRITOS
CLAREMONT
COMMERCE
COVINA

AGOURA HILLS
ARTESIA
AZUSA
BALDWIN PARK
BELL
BELL GARDENS
BELLFLOWER

CUDAHY
DIAMOND BAR
DUARTE
EL MONTE
GARDENA
GLEN DORA
HAWAIIAN GARDENS

HAWTHORNE
HIDDEN HILLS
HUNTINGTON PARK
INDUSTRY
INGLEWOOD
IRWINDALE
LA CANADA-FLINTRIDGE

LA MIRADA
LA PUENTE
LAKEWOOD
LANCASTER
LAWNDALE
LOMITA
LYNWOOD

MALIBU
MAYWOOD
NORWALK
PALMDALE
PALOS VERDES ESTATES
PARAMOUNT
PICO RIVERA

POMONA
RANCHO PALOS VERDES
ROLLING HILLS
ROLLING HILLS ESTATES
ROSEMEAD
SAN DIMAS
SANTA CLARITA

SIGNAL HILL
SOUTH EL MONTE
SOUTH GATE
TEMPLE CITY
WALNUT
WEST HOLLYWOOD
WESTLAKE VILLAGE
WHITTIER

Implementation of Strategic Plan Goals

In accordance with the Strategic Plan Goals of service excellence, fiscal integrity, organizational effectiveness, and workforce excellence, the contract promotes and further enhances the District's goals in the air and wildland services area. It is consistent with the overall County Strategic Plan Goal 8, under Public Safety.

ENVIRONMENTAL DOCUMENTATION:

The services provided through this contract will not have a significant effect on the environment, and therefore the contract is exempt from CEQA pursuant to Section 15061(b) (3) of the CEQA Guidelines.

FISCAL IMPACT/FINANCING:

On April 19, 2005, your Board approved the Fire District's Spending Plan for Major Expenditures which identified the purchase of two replacement helicopters, one to be cash purchased and the other financed for 10 years using Measure B funds. On May 17, 2005, your Board approved the cash purchase of one (1) Bell 412-EP Helicopter and the lease financing of one (1) Bell 412-EP helicopter.

The contract expenditures for the two (2) Bell 412-EP avionics, airframes and EMS interior modifications is not to exceed \$2.3 million. The funding for the avionics, airframes and EMS Interior modifications for the cash purchased Bell 412- EP is available in the District's Helicopter Accumulated Capital Outlay (ACO) fund. In addition, the funding for the avionics, airframes and EMS interior for the other 412-EP will be included in the lease-finance package and will be paid from Measure B funds.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On May 17, 2005, your Board approved the cash purchase of one (1) Bell 412-EP helicopter and the lease financing of one (1) Bell 412-EP helicopter. It was also understood that the District would solicit a Request for Proposal (RFP) for the helicopter avionics, airframe, and EMS interior modifications required to meet the District's operational needs.

CONTRACTING PROCESS:

On May 17, 2005, the District released a RFP to solicit responses for the requested modifications. The proposal advertisement was posted on the County's WebVan, and published in 10 community newspapers. The District sent Request for Proposals (RFP's) to eleven (11) well qualified firms. On June 7, 2005 four (4) proposals were received. The District convened an RFP Evaluation Committee composed of representatives from the District's Air Operations Section. The committee determined that Keystone Helicopter Corporation possesses the appropriate mix of experience and the capability needed to successfully modify the helicopters. The contract is subject to the District's policy that requires that the Child Support Compliance Program, the

Contractor Responsibility and Debarment Program, and the Contractor Employee Jury Service Program are included.

The District has evaluated and determined that Keystone Helicopter Corporation complies with the District's policy regarding the Child Support Compliance Program, the Contractor Responsibility and Debarment Program, and the Contractor Employee Jury Service Program, and Keystone Helicopter Corporation agrees to maintain compliance with all requirements throughout the term of this contract.

The District has reviewed available resources to assess Keystone Helicopter Corporation's past performance, history of labor law violations, and any negative experiences with other District and County contracts.

Community Business Enterprise Program participation information for the Keystone Helicopter Corporation is shown on Attachment 1. On final analysis and consideration of an award, the contractor was selected without regard to gender, race, color, creed, or national origin.


IMPACT ON CURRENT SERVICES (OR PROJECTS):

The avionics, airframe, and EMS interior modifications of the helicopters will allow the District to continue the enhanced trauma patient transportation services now being provided, as well as the wildland fire fighting and rescue services that make up the District's main air mission.

CONCLUSION:

Upon execution by your Honorable Board, please return two original certified copies of the contract and the adopted Board Letter to: Lucy Guadiana, Contracts Section, Consolidated Fire Protection District of Los Angeles County, 5801 S. Eastern Ave, Suite 100, Los Angeles, CA 90040.

Respectfully submitted,



P. MICHAEL FREEMAN

PMF:lg

Attachments

c: Chief Administrative Office
County Counsel
Executive Office, Board of Supervisors
Auditor-Controller



CONTRACT

BY AND BETWEEN

**CONSOLIDATED FIRE PROTECTION DISTRICT
OF LOS ANGELES COUNTY**

AND

KEYSTONE HELICOPTER CORPORATION

FOR

**BELL 412 AVIONICS AND AIRFRAME
MODIFICATION SERVICES**

TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
RECITAL.....		1
1.0	APPLICABLE DOCUMENTS	2
2.0	DEFINITIONS	2
3.0	STATEMENT OF WORK.....	3
4.0	TERM OF CONTRACT.....	4
5.0	CONTRACT SUM	4
6.0	ADMINISTRATION OF CONTRACT – DISTRICT	7
<u>6.1</u>	DISTRICT’S PROJECT DIRECTOR.....	7
<u>6.2</u>	DISTRICT’S CONTRACT ADMINISTRATOR.....	8
<u>6.3</u>	DISTRICT’S CONTRACT PROJECT MONITOR.....	8
7.0	ADMINISTRATION OF CONTRACT - CONTRACTOR.....	8
<u>7.1</u>	CONTRACTOR’S PROJECT MANAGER.....	8
<u>7.2</u>	APPROVAL OF CONTRACTOR’S STAFF	8
<u>7.3</u>	CONFIDENTIALITY	9
8.0	STANDARD TERMS AND CONDITION	9
<u>8.1</u>	ASSIGNMENT AND DELEGATION	9
<u>8.2</u>	AUTHORIZATION WARRANTY	10
<u>8.3</u>	BUDGET REDUCTIONS	10
<u>8.4</u>	CHANGE NOTICES AND AMENDMENTS.....	10
<u>8.5</u>	COMPLAINTS.....	11
<u>8.6</u>	COMPLIANCE WITH APPLICABLE LAW.....	12
<u>8.7</u>	COMPLIANCE WITH CIVIL RIGHTS LAWS.....	12
<u>8.8</u>	COMPLIANCE WITH THE COUNTY’S JURY SERVICE PROGRAM	12
<u>8.9</u>	CONFLICT OF INTEREST	15
<u>8.10</u>	CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST	15
<u>8.11</u>	CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS.....	16
<u>8.12</u>	CONTRACTOR RESPONSIBILITY AND DEBARMENT	16
<u>8.13</u>	CONTRACTOR’S ACKNOWLEDGEMENT OF DISTRICT’S COMMITMENT TO CHILD SUPPORT ENFORCEMENT	18
<u>8.14</u>	CONTRACTOR’S ACKNOWLEDGEMENT OF DISTRICT’S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW	19
<u>8.15</u>	CONTRACTOR’S WARRANTY OF ADHERENCE TO DISTRICT’S CHILD SUPPORT COMPLIANCE PROGRAM.....	19

TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
8.16	DISTRICT'S QUALITY ASSURANCE PLAN	20
8.17	DAMAGE TO DISTRICT OR COUNTY FACILITIES, BUILDINGS OR GROUNDS	20
8.18	EMPLOYMENT ELIGIBILITY VERIFICATION.....	21
8.19	FACSIMILE REPRESENTATIONS.....	21
8.20	FAIR LABOR STANDARDS.....	22
8.21	GOVERNING LAW, JURISDICTION, AND VENUE	22
8.22	INDEPENDENT CONTRACTOR STATUS.....	22
8.23	INDEMNIFICATION	23
8.24	GENERAL INSURANCE REQUIREMENTS.....	24
8.25	INSURANCE COVERAGE REQUIREMENTS.....	27
8.26	LIQUIDATED DAMAGES.....	28
8.27	MOST FAVORED PUBLIC ENTITY.....	29
8.28	NONDISCRIMINATION AND AFFIRMATIVE ACTION.....	30
8.29	NON EXCLUSIVITY	31
8.30	NOTICE OF DELAYS	32
8.31	NOTICE OF DISPUTES.....	32
8.32	NOTICES TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT	32
8.33	NOTICES 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.....	35
8.39	RECYCLED BOND PAPER	37
8.40	SUBCONTRACTING	37
8.41	TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE	38
8.42	TERMINATION FOR CONVENIENCE.....	39
8.43	TERMINATION FOR DEFAULT.....	40
8.44	TERMINATION FOR IMPROPER CONSIDERATION.....	42
8.45	TERMINATION FOR INSOLVENCY.....	43

TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
<u>8.46</u>	TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE	44
<u>8.47</u>	TERMINATION FOR NON-APPROPRIATION OF FUNDS	44
<u>8.48</u>	VALIDITY	44
<u>8.49</u>	WAIVER	44
<u>8.50</u>	WARRANTY AGAINST CONTINGENT FEES.....	45
9.0	UNIQUE TERMS AND CONDITION.....	45
<u>9.1</u>	LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM.....	45
	SIGNATURES.....	47
STANDARD EXHIBITS		
A	STATEMENT OF WORK AND SUPPLEMENT REVISION DATED JULY 8, 2005.....	
B	COST PROPOSAL	
C	CONTRACTOR'S EEO CERTIFICATION.....	
D	DISTRICT'S ADMINISTRATION	
E	CONTRACTOR'S ADMINISTRATION	
F	FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION	
F1	CONTRACTOR EMPLOYEE ACKNOWLEDGMENT, CONFIDENTIALITY AGREEMENT	
F2	CONTRACTOR NON-EMPLOYEE ACKNOWLEDGMENT, CONFIDENTIALITY AGREEMENT	
G	JURY SERVICE ORDINANCE	
H	SAFELY SURRENDERED BABY LAW	

**CONTRACT BETWEEN
CONSOLIDATED FIRE PROTECTION DISTRICT
OF LOS ANGELES COUNTY
AND
KEYSTONE HELICOPTER CORPORATION
FOR
BELL 412 AVIONICS AND AIRFRAME
MODIFICATION SERVICES**

This Contract, including Exhibits, is made and entered into this ___ day of _____, 2005

by and between CONSOLIDATED FIRE PROTECTION DISTRICT
OF LOS ANGELES COUNTY
(hereafter "District")

and KEYSTONE HELICOPTER CORPORATION
(hereafter "Contractor")

RECITALS

WHEREAS, the District is authorized to enter into Contract for the exercise of its powers under California Health and Safety Code Section 13861; and
WHEREAS, the Contractor is a business of, and is qualified and willing to provide avionics and airframe modification on the District's two (2) Bell 412 helicopters, and has been selected to do so through a solicitation process; and
NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, and H 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, deliverables, 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 and Supplement Revision Dated July 8, 2005
- 1.2 EXHIBIT B - Cost Proposal
- 1.3 EXHIBIT C - Contractor's EEO Certification
- 1.4 EXHIBIT D - District's Administration
- 1.5 EXHIBIT E - Contractor's Administration
- 1.6 EXHIBIT F - Forms Required at the Time of Contract Execution
- 1.7 EXHIBIT G - Jury Service Ordinance
- 1.8 EXHIBIT H - Safely Surrendered Baby Law

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Sub-paragraph 8.4 - Change Notices and Amendments and signed by both parties.

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 **Contract:** Agreement executed between District and Contractor. It sets forth the terms and conditions for the issuance and performance of the *Statement of Work, Exhibit A*.

- 2.2 Contractor:** The sole proprietor, partnership, or corporation that has entered into a Contract with the District to perform or execute the work covered by the Statement of Work.
- 2.3 Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.4 District 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 Contractor.
- 2.5 District Contract Director:** Person designated by District with authority for District on contractual or administrative matters relating to this Contract that cannot be resolved by the District Contract Administrator.
- 2.6 District Contract Administrator:** Person designated by District's Project Director to manage the operations under this Contract.
- 2.7 Day(s):** Calendar day(s) unless otherwise specified.
- 2.8 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

3.0 STATEMENT OF 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 in the *Statement of Work, Exhibit A and Supplement Revision Dated July 8, 2005*
- 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 District.

4.0 TERM OF CONTRACT

- 4.1** The Contract shall commence after approval by the Los Angeles County Board of Supervisors. It will be complete upon the final signoff by the District.

5.0 CONTRACT SUM

- 5.1** The sum of the Contract shall not exceed \$2,300,000.00. Pricing rates for Bell 412 Avionics and airframe modification will coincide with *Exhibit 1, Cost Proposal*.

- 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 District's express prior written approval.

- 5.3** Intentionally Omitted

- 5.4** Intentionally Omitted

5.5 Invoices and Payments

- 5.5.1** The Contractor shall invoice the District 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 District under the terms of this Contractor. The Contractor shall invoice for charges on each helicopter separately, and shall in no case combine on a single invoice charges relating to task, deliverables, goods, services, and other work specified in *Exhibit A- Statement of Work* relating to

more than one helicopter. The Contractor shall issue invoices in accordance to the Payment Plan for a helicopter as specified in Exhibit A. The Contractor's payments shall be as provided in *Exhibit B – Cost Proposal*, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the District. If the District 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 priced in accordance with *Exhibit B – Cost Proposal*.

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 Payment Plan for Keystone Helicopters (per Helicopter)
The total payment under the contract is \$1.15 million. The parties agree to the following payment arrangement for disbursement of the total payment amount.

Equipment/Parts Invoice (Disbursement #1)

Keystone may invoice once, at any time following receipt of green helicopter from Bell Helicopter at their completion facility, for the value of on-site equipment components and parts Keystone will be installing in the District's Bell Helicopter per the contract. Keystone may only invoice for the value of equipment or parts to be installed on the District's Bell helicopter that have been ordered by Keystone and received in its possession on site. In no case will this payment exceed 25% of the total payments for the helicopter. The parties agree to the following list of equipment components and parts that Keystone may include in the Equipment/Parts Invoice, and the amounts it

may assign to each item as listed in the Cost Proposal Section B (Revision #4 Dated 25 Jul 05).

Completion/Acceptance Invoice (Disbursement #2)

Following completion of the contracted improvements, delivery to the District and acceptance signature of the contracted work from both the District Project Manager and the District Fire Department Financial Management Chief - a second invoice shall be payable by the District. The invoice will be for an amount which, when combined with the amount of the Equipment/Parts Invoice already paid, equal 90% of the total payment for the helicopter improvements.

Post Completion Testing and Acceptance (Disbursement #3)

The remaining 10% of the total payments shall be invoiced following post-completion testing and inspection by the District. The District will promptly complete testing and inspection of the helicopter and report to Keystone any deficiencies per the contract specification to be remedied. Upon Keystone's satisfaction of any such deficiencies noted to Keystone by the District, the remaining 10% shall be payable in full.

Payment to Contractor for work on each helicopter shall be made, upon acceptance of completed work by District, provided that the Contractor is not in default under any provisions of this Contract. Contractor is to provide the completed original invoice, along with one (1) copy to the following address:

**County of Los Angeles Fire Department
Financial Management Division
Expenditure Management
P.O. Box 910901
Commerce, California 90091**

Contractor shall send one (1) copy of the invoice to the District representative authorizing the work, which shall review and approve all invoices for payment.

- 5.5.5 **District Approval of Invoices.** All invoices submitted by the Contractor for payment must have the written approval of the District Contract Project Monitor prior to any payment thereof. In no event shall the District be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld, and in no instance will such approval take more than two (2) weeks from receipt of properly prepared invoices by the District. To assist the District in making timely payment for services provided hereunder, Contractor's invoice shall contain the following:
1. Contract Number
 2. A breakdown of material cost as separate items.

6.0 ADMINISTRATION OF CONTRACT - DISTRICT

DISTRICT ADMINISTRATION

A listing of all District Administration referenced in the following Sub-paragraphs are designated in *Exhibit D - District's Administration*. The District shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 District's Project Director

Responsibilities of the District's Project Director include:

- Making authoritative decisions on contractual or administrative matters relating to this Contract that cannot be resolved by the District Contract Administrator.

6.2 District's Contract Administrator

The responsibilities of the District's Contract Administrator include:

- ensuring that the objectives of this Contract are met;
- making changes in the terms and conditions of this Contract in accordance with Sub-paragraph 8.4, Change Notices and Amendments; and
- providing direction to Contractor in the areas relating to District policy, information requirements, and procedural requirements.
- meeting with 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 Contractor.

6.3 District's Contract Project Monitor

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

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor's Project Manager

7.1.1 Contractor's Project Manager is designated in *Exhibit E - Contractor's Administration*. The Contractor shall notify the District in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Contract and shall coordinate with District Contract Project Monitor and Project Monitor on a regular basis.

7.2 Approval of Contractor's Staff

District 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 Project Manager.

7.3 Confidentiality

The Contractor shall maintain the confidentiality of all records obtained from the District under this Contract in accordance with all applicable Federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract. The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the *“Contractor Employee Acknowledgment, and Confidentiality Agreement”*, Exhibit F1.

The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the *“Contractor Non-Employee Acknowledgment, and Confidentiality Agreement”*, Exhibit F2.

8.0 STANDARD TERMS AND CONDITIONS

8.1 ASSIGNMENT AND DELEGATION

8.1.1 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, either in whole or in part, without the prior written consent of the District. Any unapproved assignment or delegation shall be null and void. Any payments by the District to any approved delegate or assignee on any claim under this Contract shall be deductible, at District’s sole discretion, against the claims, which the Contractor may have against the District.

8.1.2 If 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 District's express prior written approval, may result in the termination of this Contract.

8.2 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.

8.3 BUDGET REDUCTIONS

Intentionally Omitted

8.4 CHANGE NOTICES AND AMENDMENTS

8.4.1 The District reserves the right to initiate Change Notices that **do not affect** the scope, term, Contract Sum or payments. All such changes shall be accomplished with an executed Change Notice signed by the Contractor and by District's Contract Administrator.

8.4.2 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 District's Contract Administrator.

8.4.3 When additions or deletions to the contract are required either the contractor or District's project manager shall inform his opposite in writing of the proposed change. The contractor will then prepare a change order document. This document will contain the cost or credit to be realized by this change and a review of the changes impact to the projects timeline. The change order will be signed by both The District's project manager and District's Chief of Financial management Division before it becomes effective.

8.4.4 The County's Board of Supervisors or Chief Administrative 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 District reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Administrative Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and by District's Contract Administrator.

8.5 COMPLAINTS

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

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

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

8.5.2 If the District requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days.

8.5.3 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the District for approval before implementation.

The Contractor shall preliminarily investigate all complaints and notify the District Contract Director of the status of the investigation within five (5) business days of receiving the complaint.

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.

Copies of all written responses shall be sent to the District Contract Director within three (3) business days of mailing to the complainant.

8.6 COMPLIANCE WITH APPLICABLE LAW

8.6.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 The Contractor shall indemnify and hold harmless the District from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

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 C - Contractor's EEO Certification*.

8.8 COMPLIANCE WITH THE 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 G* and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy.

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its employees 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 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 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 Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, 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 Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
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, at its sole discretion, terminate the Contract

and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

(References to the County also include District.)

8.9 CONFLICT OF INTEREST

8.9.1 No County employee whose position with the District 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 District's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the District'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 District. 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 PROGRAM PARTICIPANTS

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.

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 and District'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 or District

acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County or District 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 or District contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing Contracts the Contractor may have with the County or District.

8.12.3 **Non-responsible Contractor**

The County or District may debar a Contractor if the Board of Supervisors finds, at its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or District 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 or District, 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 District or any other public entity.

8.12.4 **Contractor Hearing Board**

If there is evidence that the Contractor may be subject to debarment, the County or District 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.

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 County and District shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

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.

8.12.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County or District Contractors.

8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF DISTRICT'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

The Contractor acknowledges that the District places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Contractor understands that it is the District's policy to encourage all District Contractors to voluntarily

post the County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at the Contractor's place of business. The County's Child Support Services Department will supply the Contractor with the poster to be used.

8.14 CONTRACTOR'S ACKNOWLEDGEMENT OF DISTRICT'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

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

8.15 CONTRACTOR'S WARRANTY OF ADHERENCE TO DISTRICT'S CHILD SUPPORT COMPLIANCE PROGRAM

8.15.1 The Contractor acknowledges that the District has established a goal of ensuring that all individuals who benefit financially from the District through Purchase Order or 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.

8.15.2 As required by the District'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 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 or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.16 DISTRICT'S QUALITY ASSURANCE PLAN

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

8.17 DAMAGE TO DISTRICT OR COUNTY FACILITIES, BUILDINGS OR GROUNDS

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

8.17.2 If Contractor fails to make timely repairs, District may make any necessary repairs. All costs incurred by District, as

determined by District, for such repairs shall be repaid by Contractor by cash payment upon demand.

8.18 EMPLOYMENT ELIGIBILITY VERIFICATION

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.

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

8.19 FACSIMILE REPRESENTATIONS

The District 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 Change Notices and Amendments prepared pursuant to Sub-paragraph 8.4, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and 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.

8.20 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 District 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 District may be found jointly or solely liable.

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 agrees 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 District 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 District 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 District 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 District. 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 As previously instructed in Sub-paragraph 7.3 - Confidentiality, the Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the "*Contractor Employee Acknowledgment, Confidentiality Agreement*", *Exhibit F1*. The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the "*Contractor Non-Employee Acknowledgment, Confidentiality Agreement*", *Exhibit F2*.

8.23 INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the District, County, and 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, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

8.24 GENERAL INSURANCE REQUIREMENTS

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

8.24.1 **Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to the County and District shall be delivered to:

Consolidated Fire Protections
District of Los Angeles County
5801 S. Eastern Avenue, Suite 100
Commerce, CA 90040-4001
Attn: Contracts Section

prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the District is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, the District, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- Identify any deductibles or self-insured retentions for

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

8.24.2 **Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the District with an A.M. Best rating of not less than A:VII unless otherwise approved by the District.

8.24.3 **Failure to Maintain Coverage:** Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the District, shall constitute a material breach of the Contract upon which the District may immediately terminate or suspend this Contract. The District, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the District may purchase such required insurance coverage, and without further notice to the Contractor, the District may deduct from sums due to the Contractor any premium costs advanced by the District for such insurance.

8.24.4 **Notification of Incidents, Claims or Suits: Contractor shall report to the District:**

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or

lawsuit against the Contractor and/or the District. Such report shall be made in writing within 24 hours of occurrence.

- Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
- Any injury to a Contractor's employee that occurs on District property. This report shall be submitted on a District "Non-employee Injury Report" to the District Contract Manager.
- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of District property, monies or securities entrusted to the Contractor under the terms of this Contract.

8.24.5 **Compensation for District Costs:** In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the District, the Contractor shall pay full compensation for all costs incurred by the District.

8.24.6 **Insurance Coverage Requirements for Subcontractors:**

The Contractor shall ensure any and all subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

- The Contractor providing evidence of insurance covering the activities of subcontractors, or
- The Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. The District retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

8.25 INSURANCE COVERAGE REQUIREMENTS

8.25.1 Aviation Comprehensive General Liability insurance with limits of not less than the following and include a severability of interest clause providing that such policy shall operate in the same manner as if there were separate policy covering each insured:

Premises and Contractual Liability	\$50 million/occurrence
Products/Completed Operations	\$50 million/occurrence
Personal and Advertising Injury	\$50 million/offense
Hangerkeepers Liability	\$50 million/aircraft

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

8.25.3 **Workers’ Compensation and Employers’ Liability** insurance providing workers’ compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor’s employees will be engaged in maritime employment, coverage shall provide workers’ compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible. In all cases, the above insurance also shall include Employers’ Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

8.26 LIQUIDATED DAMAGES

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

8.26.2 If the District determines that there are deficiencies in the performance of this Contract that the District deems are correctable by the Contractor over a certain time span, the District 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 District may:

- 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 District for liquidated damages in said amount. Said amount shall be deducted from the District's payment to the Contractor; and/or

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

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 District 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 District'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 District'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 District.

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 C - 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 District 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 District.

8.28.7 If the District 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 District may terminate or suspend this Contract. While the District 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 Practices 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 District 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 District 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 Contractor. This Contract shall not

restrict the District 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) 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 District Contract Administrator and/or District Contract Director any dispute between the District and the Contractor regarding the performance of services as stated in this Contract. If the District Contract Administrator or District Contract Director is not able to resolve the dispute, the District, or designee shall resolve it.

8.32 NOTICES 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 NOTICES TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Exhibit H* of

this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

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 D - District's Administration and E - Contractor's Administration*. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The District shall have the authority to issue all notices or demands required or permitted by the District under this Contract.

8.35 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the Contractor and the District 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 Contractor all information obtained in connection with the District's right to audit and inspect 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 Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the District. 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 District 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 District 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 proposal marked “trade secret”, “confidential”, or “proprietary”, the Contractor agrees to defend and indemnify the District 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 District 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 District without the prior written consent of

the District's Contract Director. The District shall not unreasonably withhold written consent.

- The Contractor may, without the prior written consent of District, indicate in its proposals and sales materials that it has been awarded this Contract with the District, 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 District, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Contract. All such material, including, but not limited to, all financial records, timecards and other employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the District during the term of this Contract and for a period of five (5) years thereafter unless the District'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 District's option, the Contractor shall pay the District for travel, per diem, and other costs incurred by the District 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. 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 District 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 District may conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the District's dollar liability for any such work is less than payments made by the District to the Contractor, then the difference shall be either: a) repaid by the Contractor to the District 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 District, whether under this Contract or otherwise. If such audit finds that the District's dollar liability for such work is more than the payments made by the District to the Contractor, then the difference shall be paid to the Contractor by the District by cash payment, provided that in no event shall the District's maximum obligation for this Contract exceed the funds appropriated by the District 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 District**. Any attempt by the Contractor to subcontract without the prior consent of the District 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 District's request:

- The one location where all subcontracting and contracting work will be performed.
- 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 District.

8.40.3 The Contractor shall indemnify and hold the District 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 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 District's approval of the Contractor's proposed subcontract.

- 8.40.5 The District's consent to subcontract shall not waive the District'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 District right.
- 8.40.6 The District's Contract Director is authorized to act for and on behalf of the District with respect to approval of any subcontract and subcontractor employees.
- 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 District'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 District from each approved subcontractor. The Contractor shall ensure delivery of all such documents to:

Consolidated Fire Protection
District of Los Angeles County
5801 S. Eastern Avenue, Suite 100
Commerce, CA 90040-4001
Attn: Contracts Section

before any subcontractor employee may perform any work hereunder.

8.41 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE

Failure of the Contractor to maintain compliance with the requirements set forth in Sub-paragraph 8.15 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute a default by the Contractor under this

Contract. Without limiting the rights and remedies available to the District under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County Child Support Services Department shall be grounds upon which the Board of Supervisors may terminate this Contract pursuant to Sub-paragraph 8.43 - Termination for Default and pursue debarment, 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 District, at 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 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 District, 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 & Inspection/Audit Settlement.

8.43 TERMINATION FOR DEFAULT

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

- Contractor has materially breached this Contract;
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverables, 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 District may authorize in writing) after receipt of written notice from the District specifying such failure.

8.43.2 In the event that the District terminates this Contract in whole or in part as provided in Sub-paragraph 8.43.1, the District may procure, upon such terms and in such manner as the District may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the District for any and all excess costs incurred by the District, as determined by the District, 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 District has given notice of termination under the provisions of this Sub-paragraph 8.43, it is determined by the District 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 In the event the District terminates this Contract in its entirety due to the Contractor's default as provided in Sub-

paragraph 8.43.1, the Contractor and the District agree that the District will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the District's costs of procurement of replacement services and costs incurred due to delays in procuring such services. Therefore, the Contractor and the District agree that the District shall, at its sole option and in lieu of the provisions of Sub-paragraph 8.43.2, be entitled to liquidated damages from the Contractor, pursuant to California Civil Code Section 1671, in the amount of Five Thousand Dollars (\$5,000) or five percent (5%) of the applicable Contract sum, whichever is greater, as equitable compensation to the District for such actual damages. This amount of liquidated damages shall be either paid by the Contractor to the District by cash payment upon demand or, at the sole discretion of the District, or designee, deducted from any amounts due to the Contractor by the District, whether under this Contract or otherwise.

These liquidated damages shall be in addition to any credits, which the District is otherwise entitled to under this Contract, and the Contractor's payment of these liquidated damages shall not in any way change, or affect the provisions of Sub-paragraph 8.23 - Indemnification.

8.43.6 The rights and remedies of the District 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 District 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 District 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 District 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 District officer or employee to solicit such improper consideration. The report shall be made either to the District Contract Director 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 District 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 District provided in this Sub-paragraph 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 District may at its sole discretion, immediately terminate or suspend this Contract.

8.47 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Intentionally Omitted

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 District of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such

provision. Failure of the District 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 District 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.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

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

9.1.2 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 Local Small Business Enterprise.

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

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

1. Pay to 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 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 if Contractor is no longer eligible for certification as a result in a change of their status and Contractor failed to notify the State and the County's Office of Affirmative Action Compliance of this information.

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the , by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: (_____)

By _____
Name

Title

CONSOLIDATED FIRE PROTECTION
DISTRICT OF LOS ANGELES COUNTY

By _____
Chair, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer-Clerk
of the Board of Supervisors

By _____

APPROVED AS TO FORM:
Raymond G. Fortner Jr.
County Counsel

By _____
Deputy

EXHIBIT 1**COST PROPOSAL (ONE EACH HELICOPTER)****SECTION A (Revision #3 Dated 11 Jul 05)**

Service Description & RFP Reference	Cost (Per Service)
AIRFRAME MODIFICATIONS (6.0)	
Tailboom Strakes (6.1)	\$17,992.50
Lead Acid Battery (6.2)	\$3,735.23
Provisions for Existing Water Drop Tank (6.3)	\$4,447.50
External Hoist Provisions (6.4 & 6.4.1)	\$77,380.00
Spectrolab SX-16 Searchlight (6.5)	\$34,218.75
Spectrolab SX-16 Searchlight Provisions (6.6)	\$8,400.00
Wide Cargo Doors (6.7)	\$92,517.50
Cargo Mirrors (6.8)	\$10,827.75
Altair Avionics Cycle Counter (6.9)	\$27,616.25
Crew Step (6.10)	\$5,414.50
AVIONICS SYSTEMS (7.0)	
GPS System (7.1)	\$30,775.00
UHF VHF FM Transceivers (7.2)	\$48,519.00
VHF AM Transceivers (7.3)	\$22,357.00
Intercommunications Systems (7.4)	\$33,330.00
Transponder (7.5)	\$11,271.50
Radio Altimeter (7.6)	\$41,268.00
ELT (7.7)	\$11,849.53
Traffic Advisory System (7.8)	\$32,653.00
RMI Converter (7.9)	\$0.00
ATC Transponder Encoder (7.10)	\$4,237.16
Loud Hailer/Siren (7.11)	\$13,462.50
Pulse Lights (7.12)	\$10,341.75
Hobbs Meter (7.13)	\$3,637.00
Antennas (7.14)	Included in 7.2/7.3
Start Cycle Counters - 2 ea (7.15)	\$0.00
Avionics Master Switch (7.16)	\$4,793.50
Hoist Camera System (7.17)	\$16,435.00
Nav and GPS to drive #1 and #2 RMI Bearing needles (7.18)	\$278.00
Intercom Isolation System (7.19)	\$1,120.00
External Mounted Audio (7.20)	\$3,518.50
MULTI-MISSION INTERIOR (8.0)	
General (8.1)	\$21,867.00
Crew/Passenger Seating (8.2)	\$96,561.75
Primary Crew Seats (8.3)	\$71,590.00
Secondary Crew Seats (8.4)	\$34,556.00
Litter Attachment Device (8.5)	\$125,422.50
Patient Litters (8.6)	Included in 8.5
Oxygen System (8.7)	\$40,070.00
Medical Suction (8.8)	\$18,015.00
Interior Lighting (8.9)	Included in 9.0
Medical Electrical (8.10)	\$14,145.00
External Shore Power (8.11)	\$2,999.00

EXHIBIT 1**COST PROPOSAL****SECTION A (Revision #3 Dated 11 Jul 05)**

Service Description & RFP Reference	Cost (Per Service)
Hard points (8.12)	\$7,200.00
AIRCRAFT LIGHTING MODIFICATION (9.0)	\$142,375.00
General (9.1)	Included in 9.0
Acceptable means of compliance with MIL-L-85762A (9.2)	Included in 9.0
Alternate Lighting Source Switch (9.3)	Included in 9.0
NVG LIGHTING MODIFICATION (10.0)	Included in 9.0
Illuminate two attitude direction indicators (10.1)	Included in 9.0
Illuminate two horizontal situation indicators (10.2)	Included in 9.0
Illuminate all 3-inch gauges (10.3)	Included in 9.0
Illuminate standby ADI (10.4)	Included in 9.0
Modify Flight Director panel (10.5)	Included in 9.0
Helipilot control panel - modify panel (10.6)	Included in 9.0
Illuminate engine instruments (10.7)	Included in 9.0
Illuminate collective control head switches (10.8)	Included in 9.0
Modify fuel gauge gas discharge tube (10.9)	Included in 9.0
Modify caution panel (10.10)	Included in 9.0
Modify master caution warning - 2 (10.11)	Included in 9.0
Modify miscellaneous warning lights (10.12)	Included in 9.0
Replace secondary lights with NVG lights (10.13)	Included in 9.0
Provide NVG gooseneck or edge lights for upper and lower consoles (10.14)	Included in 9.0
Modify cockpit utility lights - 2 (10.15)	Included in 9.0
Modify map lights -2 (10.16)	Included in 9.0
Radio Package - Modify (10.17)	Included in 9.0
Modify Nightsun stow light (10.18)	Included in 9.0
Modify Cabin Dome lights for NVG/white light use (10.19)	Included in 9.0
Total:	\$1,147,197.66

All rates shall be fully encumbered for overhead, insurance, benefits, and profit. All submitted will be considered to include all applicable taxes, unless stated separately.

Pricing to cover any additional, as yet to be specified, work and /or parts requirements:

Labor rate: \$75.00 per hour

Parts, All parts will sold at cost plus a standard mark-up as follows:

1. From \$0.00 to 10,000.00 dollars: cost plus 15%
2. From \$10,000.01 and up: cost plus 12%

Payment Plan for Keystone Helicopters (per Helicopter)

The total payment under the contract is \$1.15 million. The parties agree to the following payment arrangement for disbursement of the total payment amount.

Equipment/Parts Invoice (Disbursement #11)

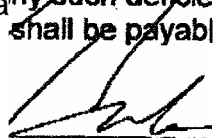
Keystone may invoice once, at any time following receipt of green helicopter from Bell Helicopter at their completion facility, for the value of on-site equipment components and parts Keystone will be installing in the District's Bell Helicopter per the contract. Keystone may only invoice for the value of equipment or parts to be installed on the District's Bell helicopter that have been ordered by Keystone and received in its possession on site. In no case will this payment exceed 25% of the total payments for the helicopter. The parties agree to the following list of equipment components and parts that Keystone may include in the Equipment/Parts Invoice, and the amounts it may assign to each item as listed in the Cost Proposal Section B (Revision #4 Dated 25 Jul 05).

Completion/Acceptance Invoice (Disbursement #2)

Following completion of the contracted improvements, delivery to the District and acceptance signature of the contracted work from both the District Project Manager and the District Fire Department Financial Management Chief - a second invoice shall be payable by the District. The invoice will be for an amount which, when combined with the amount of the Equipment/Parts Invoice already paid, equal 90% of the total payment for the helicopter improvements.

Post Completion Testing and Acceptance (Disbursement #3)

The remaining 10% of the total payments shall be invoiced following post-completion testing and inspection by the District. The District will promptly complete testing and inspection of the helicopter and report to Keystone any deficiencies per the contract specification to be remedied. Upon Keystone's satisfaction and any such deficiencies noted to Keystone by the District, the remaining 10% shall be payable in full.



SIGNATURE

TITLE

REQUIRED FORMS - EXHIBIT 12
County of Los Angeles - Community Business Enterprise Program (CBE)

Request for Local SBE Preference Program Consideration and
CBE Firm/Organization Information Form

INSTRUCTIONS: All proposers/bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

1. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:

FIRM NAME: Keystone Helicopter Corporation

I AM NOT A Local SBE certified by the County of Los Angeles Office of Affirmative Action Compliance
 I AM as of the date of this proposal/bids submission.

As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.

My County (WebVen) Vendor Number _____

H. FIRM/ORGANIZATION INFORMATION: The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

Business Structure: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership X Corporation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Franchise <input type="checkbox"/> Other- (Please Specify) _____						
Total Number of Employees (including owners): 472						
Race/Ethnic Composition of Firm. Please distribute the above total number of individuals into the following categories:						
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black/African American	0	0				
Hispanic/Latino -	0	0	(SEE ATTACHED EEO REPORT)			
Asian or Pacific Islander	0	0				
American Indian	0	0				
Filipino	0	0				
White	2	0				

111. **PERCENTAGE OF OWNERSHIP IN FIRM:** Please indicate by percentage (%) how ownership of the firm is distributed.

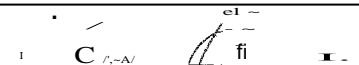
	Black/African American	Hispanic/Latino	Asian or Pacific Islander	American Indian	Filipino	White
Men	0%	0%	0%	0 %	0 %	1-00%
Women	0%	0%	0%	0 %	0 %	0%

IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES:

If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your Proof of certification (Use back of form, if necessary.)

Agency Name	Minority	Women	Dis- advantaged	Disabled Veteran	Expiration Date

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

Authorized Signature 	Title: Vice President	Date: 3 JUN 05-11
---	------------------------------	--------------------------

EEO - 2005 EMPLOYER INFORMATION REPORT

JOB CATEGORIES	NUMBER OF EMPLOYEES									
	OVERALL TOTALS				MALE		FEMALE			
		WHITE (NOT OF HISPANIC ORIGIN)	BLACK (NOT OF HISPANIC ORIGIN) A	HISPANIC G	ASIAN OR PACIFIC ISLANDER E	AMERICAN INDIAN OR ALASKAN NATIVE D	WHITE (NOT OF HISPANIC ORIGIN) C	BLACK (NOT OF HISPANIC ORIGIN) 8	HISPANIC H	
Officials and Managers (Cat - 1)	1	18	0	0	1	0	0	0		
Professionals (Cat - 2)	183	17	1	2		0	8	0		
Technicians Cat - 3)	9	8	0	1	0	0	0	0		
Sales Workers (Cat - 4)	9	9	0	0	0	0	0	0		
Office and Clerical (Cat - 5)	51	17	3	0	0	1	27	2		
Craft Workers (Skilled) - (Cat - 6)	184	165	5	8	1	1	4	0		
Operatives (Semi-Skilled) - (Cat - 7)	15	11	3	0	0	0	1	0		
Laborers (Unskilled)	0		0	0		0	0	0		
Service Workers (Cat - 8)	2	2	0	0	0	0	0	0		
TOTAL	472	401	12	11	2	2	40	2		
Total employment reported in previous EEO-1 report	346	304	5	2	3	1	30	0		

...

..

::

: