



FESIA A. DAVENPORT
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE OPERATIONS CLUSTER

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

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

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

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

AGENDA

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

1. **Call to order – Tamela Omoto-Frias/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**
(5 minutes)
 - A) Board Letter:
APPROVAL OF CONTRACT FOR INTERNET-BASED HOUSING
DATABASE WEBSITE SERVICES
LACDA – Douglas Van Gelder, Information Technology Manager
 - B) Board Letter:
CONSTRUCTION MANAGEMENT CORE SERVICE AREA RANCHO
LOS AMIGOS SOUTH CAMPUS COUNTY OFFICE BUILDING
PROJECT AWARD DESIGN-BUILD CONTRACT
CEO/CP/DPW – Felicia Yang, Senior Capital Projects Manager, DPW;
Amir Alam, CEO Manager; and
Lauren Dods, Principal Deputy County Counsel

CONTINUED ON PAGE 2

C) Board Letter:
SEVEN-YEAR LEASE AGREEMENT OF DEPARTMENT OF CHILDREN
AND FAMILY SERVICES FOR CONTINUED USE OF OFFICE AND
PARKING SPACE AT 2525 CORPORATE PLACE, SUITE 150,
MONTEREY PARK
CEO/REAL ESTATE – Michael Navarro, Chief Program Specialist

D) Board Letter:
AUTHORIZATION TO EXECUTE SOLE SOURCE CONTRACT FOR
AUTOMOBILE AND GENERAL LIABILITY CLAIMS ADMINISTRATION
AND LEGAL DEFENSE MANAGEMENT SERVICES WITH CARL
WARREN AND COMPANY
CEO/RISK MANAGEMENT – Steve Robles, Assistant CEO, County Risk
Manager; Lloyd Pantell, Chief Program Specialist; and
Kashari Jones, CEO Contract Monitoring Manager

3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

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

5. **Adjournment**

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

CEO/RE – WARM SPRINGS REHABILITATION CENTER LEASE TO
HOLLYWOOD IMPACT STUDIOS

CEO/RE – REQUEST FOR AUTHORITY TO THE CHIEF EXECUTIVE
OFFICER TO CONSUMATE RENEWALS OF ADMINISTRATIVE AND BOARD
APPROVED MINOR LEASES, LICENSES, SPACE USE AGREEMENTS, AND
PERMITS FOR VARIOUS DEPARTMENTS

BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

OPS CLUSTER AGENDA REVIEW DATE	6/2/2021	
BOARD MEETING	6/22/2021	
DELEGATED AUTHORITY BOARD LETTER	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
SUPERVISORIAL DISTRICT AFFECTED	All Districts	
DEPARTMENT	Los Angeles County Development Authority (LACDA)	
SUBJECT	Contract for Internet-based housing database website services from Emphasys Computer Solutions, Inc.	
PROGRAM	All Programs	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS	Current contract expires 6/30/2021	
COST & FUNDING	Total cost: \$1,375,916	Funding source: Affordable Housing Trust Funds
	TERMS (if applicable): Five years	
	Explanation: No impact on the County General Fund. The Contract will be funded through Housing Preservation funds.	
PURPOSE OF REQUEST	The Contract will provide for the continued operation of the Housing Resource Center, which provides free listings of residential rental properties in the County.	
BACKGROUND (include internal/external issues that may exist)	The Contract provides for the continued operation of the Housing Resource Center, which includes searchable internet-based housing database, website and call center that provide free listing services of residential rental properties in the County, ensures that the listings are up to date, and makes the rental listings available at no cost to individuals, families and housing caseworkers in the County via the internet or toll-free calls. The search filters allow for listings of landlords who accept Section 8 Housing Choice Vouchers and Veterans Affairs Supportive Housing Vouchers, information on special needs rental units to assist County departments and approved agencies with housing placement, and ADA-compliant units to assist persons that require such accessible features.	
DEPARTMENTAL AND OTHER CONTACTS	Name, Title, Phone # & Email: <div style="display: flex; justify-content: space-between;"> <div> Douglas Van Gelder Information Technology Manager (626) 586-1727 Douglas.VanGelder@lacda.org </div> <div> Matthew Lust Manager, Finance and Development (626)586-1809 Mathew.Lust@lacda.org </div> </div>	

June 22, 2021

Honorable Board of Commissioners
Los Angeles County Development Authority
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**APPROVAL OF CONTRACT FOR INTERNET-BASED HOUSING DATABASE
WEBSITE SERVICES
(ALL DISTRICTS) (3 VOTES)**

CIO RECOMMENDATION: (X) APPROVE

SUBJECT

This letter requests approval of a five-year Contract with Emphasys Computer Solutions, Inc., (Emphasys) to provide Internet-based housing database and website services for the Los Angeles County Development Authority (LACDA).

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Executive Director, or his designee, to execute, amend, and if necessary, terminate a five-year Contract and all related documents with Emphasys for Internet-based housing database and website services, at a cost of \$260,907 for the first year, \$267,834 for the second year, \$274,969 for the third year, \$282,318 for the fourth year, and \$289,888 for the fifth year, for a total of \$1,375,916.
2. Find that approval of a Contract with Emphasys is not subject to the California Environmental Quality Act (CEQA) because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

3. Authorize the Executive Director, or his designee, upon his determination and as necessary and appropriate under terms of the Contract, to amend the Contract to add or delete services, and if necessary, terminate for convenience.
4. Authorize the Executive Director, or his designee, to amend the Contract to increase the compensation amount by up to 50 percent of the total Contract sum, in the event of a disaster or emergency situation in which the Contractor's internet and call center disaster recovery services are required for emergency housing relocation, subject to funding availability, and following approval as to form by County Counsel and review and approval by the County Office of Emergency Management (OEM) and the Chief Information Officer (CIO).

PURPOSE /JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to approve a Contract with Emphasys for provision of an internet-based housing database, website and call center to support the continued operation of the LACDA's Housing Resource Center, which provides free listings of residential rental properties in the County. These listings are available at no cost to individuals, families, and housing caseworkers in the County via the internet or toll-free calls. The search filters allow for listings of landlords who accept Section 8 Housing Choice Vouchers and Veterans Affairs Supportive Housing Vouchers. The website also has additional information on special needs rental units to assist County departments and approved agencies with housing placement, and ADA-compliant units to assist persons that require such accessible features.

The Housing Resource Center has proven to be very successful. Currently, there are over 12,700 landlords registered and 2,000 rental property listings with available units or open waiting lists. The existing contract for these services will expire on June 30, 2021, and the new Contract enables the continued operation of the Housing Resource Center website and associated services without interruption, providing critically needed housing information and services to Los Angeles County residents.

In the event of a disaster or emergency, we are requesting authority to increase the compensation amount by up to 50 percent of the total Contract sum for Contractor's Internet and Call Center disaster recovery services that may be required for emergency housing relocation, subject to funding availability and following approval as to form by County Counsel and review and approval by OEM and CIO.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund. The Contract will be funded with the Housing Preservation funds. The Board has already approved the allocation of these funds for the purpose described herein. The LACDA will use up to \$260,907 included in

the LACDA's approved Fiscal Year 2021-2022 budget for the first year of the Contract. Funds for years two through five will be included in the LACDA's annual budget approval process. The maximum Contract amount for all five years of the Contract will be \$1,375,916.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Contract contains all latest applicable Board-mandated provisions, including those pertaining to contractor responsibility and debarment, Child Support program, consideration of hiring qualified GAIN/GROW participants, the Safely Surrendered Baby Law, Compliance with County of Los Angeles Policy of Equity, Zero Tolerance Human Trafficking, and Fair Chance Employment Practice.

The Chief Information Officer (CIO) has reviewed this request and recommends approval. The CIO Analysis is attached (Attachment A). The Contract and Statement of Work has been reviewed by County Counsel and is attached in substantially final form (Attachment B).

ENVIRONMENTAL DOCUMENTATION

The proposed Contract is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34(a)(3) because it involves administrative activities that will not have a physical impact on, or result in any physical changes to the environment. The action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS

On March 10, 2021, the LACDA issued a Request for Proposals (RFP), Internet-Based Housing Database Website Services, Solicitation Number LACDA21-004, to identify a vendor to provide continuing operation of housing locator information and call center services to the Los Angeles County residents.

On March 25, 2021, two proposals were received from Emphasys Computer Solutions, Inc. and 3Di, Inc. Emphasys submitted the highest ranked responsive and responsible proposal based on the evaluation criteria set forth in the RFP and is being recommended for the Contract award.

IMPACT ON CURRENT PROGRAM

Approval of the recommended actions will enable the Housing Resource Center to continue providing housing information and referral services to County residents, including landlords and tenants, as well as housing locators, lending institutions, real

The Honorable Board of Commissioners

June 22, 2021

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estate professionals, veterans, and other providers of affordable, special needs, supportive, transitional, and emergency housing.

Respectfully submitted,

EMILIO SALS
Executive Director

WILLIAM S. KEHOE
Chief Information Officer

Enclosures



CONTRACT

BY AND BETWEEN

**LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY**

AND

EMPHASYS COMPUTER SOLUTIONS, INC.

FOR

**INTERNET-BASED HOUSING
DATABASE WEBSITE SERVICES**

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STANDARD EXHIBITS

- Exhibit A – Statement of Work
- Exhibit B – Fee Schedule
- Exhibit C – LACDA's Administration
- Exhibit D – Contractor's Administration
- Exhibit E – Required Contract Forms and Certifications
- Exhibit F – Required Contract Provisions
- Exhibit G – Required Forms at the Time of Contract Execution

**CONTRACT BETWEEN
LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY
AND
EMPHASY COMPUTER SOLUTIONS, INC.
FOR
INTERNET-BASED HOUSING DATABASE AND WEBSITE SERVICES**

This Contract and Exhibits made and entered into this 29th day of June, 2021 by and between the Los Angeles County Development Authority, hereinafter referred to as the ("LACDA") and Emphasys Computer Solutions, Inc., hereinafter referred to as the ("Contractor"). The LACDA and Contractor are herein referred to as collectively the ("Parties").

RECITALS

WHEREAS, the LACDA may contract with private businesses for internet-based housing database and website services when certain requirements are met;

WHEREAS, the Contractor is a private firm specializing in providing internet-based housing database and website services;

WHEREAS, the LACDA issued a Request for Proposals, to which the Contractor submitted a proposal to furnish the services to the LACDA;

WHEREAS, on June 29, 2021, the LACDA's Board of Commissioners ("Board") delegated authority for the LACDA's Executive Director, or duly authorized designee (hereinafter jointly referred to as the ("Executive Director")) to execute contracts for internet-based housing database and website services;

WHEREAS, the Contractor agrees to comply with, submit to, and abide by all federal, State, and County rules, regulations, policies, procedures of the funding source, governing administration, and fiscal authorities; and all applicable law;

WHEREAS, the Contractor possesses the competence, financial ability, expertise, facilities, and personnel to provide the services contemplated hereunder;

WHEREAS, it is the intent of the Parties hereto to enter into Contract to provide internet-based housing data base and website services, as set forth herein; and

WHEREAS, the Contractor is willing and able to provide the services described herein, in consideration of the payments under this Contract and under the terms and conditions hereafter set forth.

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 and G are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority.

1.1 Standard Exhibits

1.1.1 Exhibit A - Statement of Work

1.1.2 Exhibit B - Fee Schedule

1.1.3 Exhibit C - LACDA's Administration

1.1.4 Exhibit D - Contractor's Administration

1.1.5 Exhibit E - Required Contract Forms and Certifications

- Application for Exception and Certification Form for the Jury Service Program
- Compliance with Fair Chance Employment Hiring Practices Certification
- Contractor's EEO Certification
- Defaulted Property Tax Reduction Program Certification
- Familiarity with the County Lobbyist Ordinance Certification

- Zero Tolerance Human Trafficking Policy Certification

1.1.6 Exhibit F - Required Contract Provisions

- Contractor Employee Jury Service Ordinance
- Defaulted Property Tax Reduction Program
- IRS Notice 1015 – Earned Income Credit (EIC)
- Lobbyist Ordinance
- Safely Surrendered Baby Law

1.1.7 Exhibit G - Required Form at the Time of Contract Execution

- Contractor Acknowledgement, Confidentiality, and Copyright Assignment Agreement

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 Paragraph 8.1 - Amendments and signed by both Parties.

2.0 DEFINITIONS

2.1 Standard 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:

2.1.1 **Contract:** Agreement executed between the LACDA and Contractor.

It sets forth the terms and conditions for the issuance and performance of the Statement of Work in Exhibit A.

2.1.2 **Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the LACDA to perform or execute the work covered by the Statement of Work in Exhibit A.

3.0 WORK

3.1 Work Requirements

- 3.1.1 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 Exhibit A - Statement of Work, attached hereto and incorporated herein by reference.
- 3.1.2 The Contractor acknowledges that the quality of service(s) provided under this Contract shall be at least equivalent to that which Contractor provides to all other clients it serves.
- 3.1.3 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 LACDA.

4.0 TERM OF CONTRACT

4.1 Term

- 4.1.1 The term of this Contract shall commence on July 1, 2021 and shall remain in full force and effect until June 30, 2022 after execution by the LACDA's Executive Director, or designee, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.1.2 The LACDA shall have the sole option to extend this Contract term for up to four (4) additional one-year periods, for a maximum total Contract term of five (5) years. Each such option and extension shall be exercised at the sole discretion of the Executive Director, or designee.
- 4.1.3 The Contractor shall notify the LACDA's Project Manager when this Contract is within three (3) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the LACDA's Project

Manager at the address herein provided in Exhibit C - LACDA's Administration.

5.0 CONTRACT SUM

5.1 Total Contract Sum

The Maximum Amount of this Contract shall be Two Hundred Sixty Thousand Nine Hundred and Seven (\$260,907.00) ("Maximum Amount") for the term of this Contract as set forth Paragraph 4.1 - Term, above. Any costs incurred to complete this project in excess of the maximum not-to-exceed cost will be borne by the Contractor.

5.2 Written Approval for Reimbursement

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 LACDA's express prior written approval.

5.3 Notification of 75% of Total Contract Sum

The Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the Maximum Amount under this Contract. Upon occurrence of this event, the Contractor shall send written notification to Emily Tran at the address herein provided in Exhibit C - LACDA's Administration.

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

The Contractor shall have no claim against the LACDA for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract.

Should the Contractor receive any such payment it shall immediately notify the LACDA and shall immediately repay all such funds to the LACDA. Payment by the LACDA for services rendered after expiration/termination of this Contract shall not constitute a waiver of the LACDA's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

5.5 Invoices and Payments

- 5.5.1 The Contractor shall invoice the LACDA 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 LACDA under the terms of this Contract. The Contractor's payments shall be as provided in Exhibit B - Fee Schedule, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the LACDA. If the LACDA 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 - Fee Schedule.
 - 5.5.3 The Contractor's invoices shall contain the information set forth in Exhibit A - Statement of Work describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.
 - 5.5.4 The Contractor shall submit the monthly invoices to the LACDA by the 30 calendar day of the month following the month of service.
 - 5.5.5 All invoices under this Contract shall be submitted to the following address: 700 W. Main Street, Alhambra, California 91801.
 - 5.5.6 LACDA Approval of Invoices. All invoices submitted by the Contractor for payment must have the written approval of the LACDA's Project Manager prior to any payment thereof. In no event shall the LACDA be liable or responsible for any payment prior to
-

such written approval. Approval for payment will not be unreasonably withheld.

5.5.7 Local Small Business Enterprises (LSBE) Prompt Payment Program

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

5.6 Intentionally Omitted

5.7 Source and Appropriation of Funds

5.7.1 The LACDA's obligation is payable only and solely from funds appropriated through the U.S. Department of Housing and Urban Development ("HUD") and, for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.

5.7.2 In the event this Contract extends into succeeding fiscal years and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The LACDA will endeavor to notify the Contractor in writing within ten (10) days of receipt of non-appropriation notice.

6.0 ADMINISTRATION OF CONTRACT – LACDA

6.1 LACDA's Administration

A listing of all LACDA Administration referenced in the following subparagraphs is designated in Exhibit C - LACDA's Administration. The LACDA shall notify the Contractor in writing of any change in the names or addresses shown.

6.2 LACDA's Project Manager

Responsibilities of the LACDA's Project Manager include:

6.2.1 Ensuring that the objectives of this Contract are met;

6.2.2 Providing direction to the Contractor in the areas relating to LACDA policy, information requirements, and procedural requirements;

6.2.3 Meeting with the Contractor's Project Manager on a regular basis;
and

- 6.2.4 Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

7.0 ADMINISTRATION OF CONTRACT – CONTRACTOR

7.1 Contractor's Project Manager

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

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

7.1.3 The Contractor's Project Manager must have 5 years of experience.

7.2 Approval of Contractor's Staff

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

7.3 Contractor's Staff Identification

The Contractor shall provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge, which shall be visible when the Contractor or its staff is on LACDA's properties.

7.4 Background and Security Investigations

7.4.1 Each of the Contractor's staff performing services under this Contract who is in a designated sensitive position, as determined by the LACDA in LACDA's sole discretion, shall undergo and pass a background investigation to the satisfaction of the LACDA as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but

shall not be limited to criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of the Contractor's staff passes or fails the background investigation.

7.4.2 If a member of the Contractor's staff does not pass the background investigation, the LACDA may request that the member of Contractor's staff be immediately removed from performing services under the Contract at any time during the term of the Contract. The LACDA will not provide to the Contractor or to the Contractor's staff any information obtained through the LACDA's background investigation.

7.4.3 The LACDA, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the LACDA or whose background or conduct is incompatible with LACDA facility access.

7.4.4 Disqualification of any member of the Contractor's staff pursuant to this Paragraph 7.4 shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.5 Confidentiality

7.5.1 The Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, the LACDA policies concerning information technology security and the protection of confidential records and information.

7.5.2 The Contractor shall indemnify, defend, and hold harmless the LACDA, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal,

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

7.5.3 The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

7.5.4 The Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement, Confidentiality and Copyright Assignment Agreement", a copy which is attached in Exhibit E – Required Contract Forms and Certifications.

8.0 STANDARD TERMS AND CONDITIONS

8.1 Amendments

8.1.1 For any change which affects the scope of work, term, Maximum Amount, payments, or any term or condition included under this

Contract, an Amendment shall be prepared and executed by the Contractor and Executive Director, or designee.

8.1.2 The LACDA's Board or Executive Director may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The LACDA reserves the right to add and/or change such provisions as required by the LACDA's Board or Executive Director. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and Executive Director.

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

8.2 Assignment and Delegation/Mergers or Acquisitions

8.2.1 The Contractor shall notify the LACDA of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the LACDA of pending acquisitions/mergers, then it should notify the LACDA of the actual acquisitions/mergers as soon as the law allows and provide to the LACDA the legal framework that restricted it from notifying the LACDA prior to the actual acquisitions/mergers.

8.2.2 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of the LACDA, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, the LACDA consent shall require a written amendment to the Contract, which is formally

approved and executed by the Parties. Any payments by the LACDA to any approved delegate or assignee on any claim under this Contract shall be deductible, at the LACDA's sole discretion, against the claims, which the Contractor may have against the LACDA.

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

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

8.3 Authorization Warranty

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

8.4 Budget Reductions

In the event that the LACDA's Board adopts, in any fiscal year, a LACDA Budget which provides for reductions in the salaries and benefits paid to the majority of the LACDA employees and imposes similar reductions with respect to LACDA Contracts, the LACDA reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The LACDA's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

8.5 Compliance with Applicable Laws

In the performance of this Contract, the Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6 Compliance with Civil Rights Laws

8.6.1 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 the Contractor's EEO Certification, a copy which is attached in Exhibit E – Required Contract Forms and Certifications.

8.6.2 The Contractor shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Contract.

8.6.3 The Contractor shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

8.7 Compliance with the County Policy of Equity

The Contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity ("CPOE") (<https://ceop.lacounty.gov/>) to which the LACDA requires compliance by the Contractor. The Contractor further acknowledges that the LACDA strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. The Contractor, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the Contractor, its employees or its subcontractors to uphold the LACDA's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject the Contractor to termination of the Contract as well as civil liability.

8.8 Compliance with County's Zero Tolerance Policy on Human Trafficking

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

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

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

8.9 Compliance with Fair Chance Employment Practices

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

8.10 Compliance with Jury Service Program

8.10.1 Jury Service Program

This Contract is subject to the provisions of the County 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 F – Required Contract Provisions and incorporated by reference into and made a part of this Contract.

8.10.2 Written Employee Jury Service Policy

A. Unless the Contractor has demonstrated to the LACDA's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County

Code), the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

- B. For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the LACDA or a subcontract with a Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more LACDA contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the LACDA, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the LACDA 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 subcontract agreement.
- C. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the

Contractor shall immediately notify the LACDA if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The LACDA may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate to the LACDA's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Jury Service Program.

- D. The 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, the LACDA may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future LACDA contracts for a period of time consistent with the seriousness of the breach.

8.11 Conflict of Interest

8.11.1 No LACDA employee whose position with the LACDA 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 LACDA's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the LACDA's approval or ongoing evaluation of such work.

8.11.2 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 LACDA. 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 subparagraph shall be a material breach of this Contract.

8.12 Consideration of Hiring LACDA 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 LACDA or County employees who are targeted for layoff or qualified, former LACDA or County employees who are on a re-employment list during the life of this Contract.

8.13 Consideration of Hiring GAIN-GROW Participants

8.13.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services ("DPSS") 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 LACDA will refer GAIN/GROW participants by job category to the Contractor. Contractors shall report all job openings with job requirements to: GAINGROW@DPSS.LACOUNTY.GOV and BSERVICES@WDACS.LACOUNTY.GOV and DPSS will refer qualified GAIN/GROW job candidates.

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

8.14 Contractor's Acknowledgement of LACDA's Commitment to the Safely Surrendered Baby Law

8.14.1 The Contractor acknowledges that the LACDA places a high priority on the implementation of the Safely Surrendered Baby Law. The contractor understands that it is the LACDA's policy to encourage all LACDA contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster, in Exhibit F – Required Contract Provisions, in a prominent position at the contractor's place of business. The Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. Information and posters for printing are available at www.babysafela.org.

8.14.2 Notice to Employees Regarding the Safely Surrendered Baby Law

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit F – Required Contract Provisions, Safely Surrendered Baby Law of this Contract. Additional information is available at www.babysafela.org.

8.15 Intentionally Omitted

8.16 Contractor Responsibility and Debarment

8.16.1 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 LACDA's policy to conduct business only with responsible Contractors.

8.16.2 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 LACDA acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the LACDA 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 LACDA contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the LACDA.

8.16.3 Non-Responsible Contractor

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

8.16.4 Contractor Hearing Board

A. If there is evidence that the Contractor may be subject to debarment, the LACDA 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.

- B. 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 LACDA shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.
- C. 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. The Board shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- D. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The LACDA may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the LACDA.
- E. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the

debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

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

8.16.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of the LACDA Contractors.

8.17 Contractor's Warranty of Adherence to LACDA's Child Support Compliance Program

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

8.17.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.18 Counterparts and Electronic Signatures

This Contract may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Contract. The facsimile, email or other electronically delivered signature of the Parties shall be deemed to constitute original signatures, and facsimile or electronic copies hereof shall be deemed to constitute duplicate originals.

8.19 Damage to LACDA Facilities, Buildings or Grounds

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

8.19.2 If the Contractor fails to make timely repairs, the LACDA may make any necessary repairs. All costs incurred by the LACDA as determined by the LACDA, for such repairs shall be repaid by the Contractor by cash payment upon demand.

8.20 Employment Eligibility Verification

8.20.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

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

8.21 Intentionally Omitted

8.22 Facsimile Representations

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

8.23 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 LACDA 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 LACDA may be found jointly or solely liable.

8.24 Intentionally Omitted

8.25 Force Majeure

8.25.1 The Parties agree that COVID-19 pandemic is not a force majeure event. Neither Party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

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

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

8.26 Governing Law, Jurisdiction, and Venue

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

8.27 Indemnification

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

8.28 Independent Contractor Status

8.28.1 This Contract is by and between the LACDA 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 LACDA 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.

8.28.2 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 LACDA 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.

8.28.3 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 LACDA. 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.

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

8.29 Liquidated Damages

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

8.29.2 If the Executive Director, or designee, determines that there are deficiencies in the performance of this Contract, the Executive Director, or designee, will provide a written notice to the Contractor to correct the deficiency within specified reasonable time frames. Should the Contractor fail to correct deficiencies within said time frame, the Executive Director, or designee, may:

- A. Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or
- B. Deduct liquidated damages. The Parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The Parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred and 00/100 Dollars (\$100.00) per day per infraction, or as specified in the Performance Requirements Summary ("PRS") Chart, as defined in Appendix B (Statement of Work Exhibits), hereunder, and that the Contractor shall be liable to the LACDA for liquidated damages in said amount. Said amount shall be deducted from the LACDA's payment to the Contractor; and/or
- C. Upon giving five (5) days-notice to the Contractor for failure to correct the deficiencies, the LACDA may correct any and all deficiencies and the total costs incurred by the LACDA for completion of the work by an alternate source, whether it be LACDA forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the LACDA, as determined by the LACDA.

8.29.3 The action noted in sub-paragraph 8.29.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the LACDA cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.29.4 This sub-paragraph shall not, in any manner, restrict or limit the LACDA's right to damages for any breach of this Contract provided by law or as specified in the PRS or sub-paragraph 8.29.2, and shall not, in any manner, restrict or limit the LACDA's right to terminate this Contract as agreed to herein.

8.30 Most Favored Public Entity

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 LACDA.

8.31 Nondiscrimination and Affirmative Action

8.31.1 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.

8.31.2 The Contractor shall certify to, and comply with, the provisions of the Contractor's EEO Certification, a copy which is attached in Exhibit E – Required Contract Forms and Certifications.

8.31.3 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.

8.31.4 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.

- 8.31.5 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.
- 8.31.6 The Contractor shall allow LACDA representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of Paragraph 8.31 when so requested by the LACDA.
- 8.31.7 If the LACDA finds that any provisions of this Paragraph 8.31 have been violated, such violation shall constitute a material breach of this Contract upon which the LACDA may terminate or suspend this Contract. While the LACDA reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the LACDA that the Contractor has violated the anti-discrimination provisions of this Contract.
- 8.31.8 The Parties agree that in the event the Contractor violates any of the anti- discrimination provisions of this Contract, the LACDA 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.

8.32 Non Exclusivity

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

8.33 Notice of Delays

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

8.34 Notice of Disputes

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

8.35 Notice to Employees Regarding the Federal Earned Income Credit

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

8.36 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 C - LACDA's Administration and D - Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The

Division Director, or designee shall have the authority to issue all notices or demands required or permitted by the LACDA under this Contract.

8.37 Prohibition Against Inducement or Persuasion

Notwithstanding the above, the Contractor and the LACDA 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.

8.38 Public Records Act

8.38.1 Any documents submitted by the Contractor; all information obtained in connection with the LACDA's right to audit and inspect the Contractor's documents, books, and accounting records pursuant Section 8.41 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the solicitation used for this Contract, become the exclusive property of the LACDA. 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 LACDA 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.

8.38.2 In the event the LACDA is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a bid marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the LACDA from all costs and expenses,

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

8.39 Publicity

8.39.1 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 LACDA shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- A. The Contractor shall develop all publicity material in a professional manner; and
- B. 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 LACDA without the prior written consent of the LACDA's Project Manager. The LACDA shall not unreasonably withhold written consent.

8.39.2 The Contractor may, without the prior written consent of the LACDA, indicate in its bids and sales materials that it has been awarded this Contract with the LACDA, provided that the requirements of this Section 8.39 shall apply.

8.40 Quality Assurance Plan

8.40.1 The LACDA or its agent(s) will monitor the Contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the LACDA determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board and listed in the appropriate LACDA reports. The report to the Board will include improvement/corrective action measures taken by the LACDA and

the Contractor. If improvement does not occur consistent with the corrective action measures, the LACDA may terminate this Contract or impose other penalties as specified in this Contract.

8.40.2 A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Contract to evaluate the performance of the Contractor. Based on the assessment of the performance review, as determined by the LACDA in its sole discretion, written notification will be given to the Contractor whether this Contract will be terminated at the end of the current year or will be continued into the next contract year.

8.41 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 LACDA, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the LACDA during the term of this Contract and for a period of five (5) years thereafter unless the LACDA'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 LACDA's option, the Contractor shall pay the LACDA for travel, per diem, and other costs incurred by the LACDA to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.41.1 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 LACDA within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the LACDA shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.41.2 Failure on the part of the Contractor to comply with any of the provisions of this Section 8.41 shall constitute a material breach of this Contract upon which the LACDA may terminate or suspend this Contract.
- 8.41.3 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 LACDA conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the LACDA's dollar liability for any such work is less than payments made by the LACDA to the Contractor, then the difference shall be either: a) repaid by the Contractor to the LACDA by cash payment upon demand or b) at the sole option of the LACDA, deducted from any amounts due to the Contractor from the LACDA, whether under this Contract or otherwise. If such audit finds that the LACDA's dollar liability for such work is more than the payments made by the LACDA to the Contractor, then the difference shall be paid to the Contractor by the LACDA by cash payment, provided that in no event shall the LACDA's maximum obligation for this Contract exceed the funds appropriated by the LACDA for the purpose of this Contract.

8.42 Recycled Bond Paper

Consistent with the Board's 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.

8.43 Intentionally Omitted

8.44 Subcontracting

8.44.1 The requirements of this Contract may not be subcontracted by the Contractor without the advance approval of the LACDA. Any attempt by the Contractor to subcontract without the prior consent of the LACDA may be deemed a material breach of this Contract.

8.44.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the LACDA's request:

- A. A description of the work to be performed by the Subcontractor;
- B. A draft copy of the proposed subcontract; and
- C. Other pertinent information and/or certifications requested by the LACDA.

8.44.3 The Contractor shall indemnify and hold the LACDA harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.

8.44.4 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 LACDA's approval of the Contractor's proposed subcontract.

8.44.5 The LACDA's consent to subcontract shall not waive the LACDA'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 LACDA right.

8.44.6 The LACDA's Project Manager is authorized to act for and on behalf of the LACDA with respect to approval of any subcontract and

Subcontractor employees. After approval of the subcontract by the LACDA, Contractor shall forward a fully executed subcontract to the LACDA for their files.

8.44.7 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 LACDA's consent to subcontract.

8.44.8 The Contractor shall obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the LACDA from each approved Subcontractor. The Contractor shall ensure delivery of all such documents to the individual identified in Paragraph 8.36 - Notices before any Subcontractor employee may perform any work hereunder.

8.45 Time Off For Voting

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

8.46 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.

8.47 Waiver

No waiver by the LACDA of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure

of the LACDA 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 Paragraph 8.47 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.48 Warranty Against Contingent Fees

8.48.1 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.

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

8.49 Warranty of Compliance with County's Defaulted Property Tax Reduction Program

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

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

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

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 8.49 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this contract. Without limiting the rights and remedies available to the LACDA under any other provision of this contract, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which the LACDA may terminate this Contract and/or pursue debarment of the Contractor, pursuant to County Code Chapter 2.206.

9.0 INSURANCE

Without limiting Contractor's indemnification of LACDA Indemnitees, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Section 9 this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The LACDA in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

9.1 Insurance Coverage

9.1.1 Commercial General Liability Insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming the LACDA, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively "LACDA and its Agents") as an additional insured, with limits of not less than:

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

9.1.2 Intentionally Omitted

9.1.3 Intentionally Omitted

9.2 Additional Unique Insurance Coverage

9.2.1 Intentionally Omitted

9.2.2 Professional Liability/Errors and Omissions

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

9.2.3 Intentionally Omitted

9.2.4 Intentionally Omitted

9.2.5 Technology Professional Liability Errors & Omissions Insurance

Insurance appropriate to the Contractor's profession and work hereunder for liabilities arising from errors, omissions, or negligent acts in rendering or failing to render computer or information technology services and technology products. Insurance shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Contractor in this Contract and shall include, but not be limited to, claims involving infringement of intellectual property, copyright, trademark, invasion of privacy violations, information theft, release of private information, extortion and network security, coverage for violation of software copyright should be included. Technology services should at a minimum include (1) systems analysis; (2) systems programming; (3) data processing; (4) systems integration; (5) outsourcing including outsourcing development and design; (6) systems design, consulting, development and modification; (7) training services relating to computer software or hardware; (8) management, repair and maintenance of computer products, networks and systems; (9)

marketing, selling, servicing, distributing, installing and maintaining computer hardware or software; (10) data entry, modification, verification, maintenance, storage, retrieval or preparation of data output, and any other services provided by the vendor with limits of not less than \$1 million per occurrence and \$2 million aggregate. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.

- a. The Policy shall include, or be endorsed to include, ***property damage liability coverage*** for damage to, alteration of, loss of, or destruction of electronic data and/or information “property” of the LACDA in the care, custody, or control of the Contractor. If not covered under the Contractor’s liability policy, such “property” coverage of the LACDA may be endorsed onto the Contractor’s Cyber Liability Policy as covered property as follows:
- b. Cyber Liability coverage in an amount sufficient to cover the full replacement value of damage to, alteration of, loss of, or destruction of electronic data and/or information “property” of the LACDA that will be in the care, custody, or control of Contractor.
- c. The Insurance obligations under this agreement shall be the greater of (1) all the Insurance coverage and limits carried by or available to the Vendor; or (2) the minimum Insurance requirements shown in this agreement. Any insurance proceeds in excess of the specified limits and coverage required, which are applicable to a given loss, shall be available to the LACDA. No representation is made that the minimum Insurance requirements of this agreement are sufficient to cover the indemnity or other obligations of the Contractor under this Contract.

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the LACDA requires and shall be

entitled to the broader coverage and/or the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the LACDA..

9.2.6 Privacy/Network Security (Cyber) Liability

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

9.2.7 Intentionally Omitted

9.3 Certificate of Insurance Coverage:

9.3.1 Certificate(s) of Insurance Coverage ("Certificate") satisfactory to the LACDA, and a copy of an Additional Insured endorsement confirming the LACDA and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to the LACDA at the address shown below and provided prior to commencing services under this Contract.

9.3.2 Renewal Certificates shall be provided to the LACDA not less than ten (10) days prior to Contractor's policy expiration dates. The LACDA reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.

9.3.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract.

9.3.4 Certificates shall provide the full name of each insurer providing coverage, its National Association of Insurance Commissioners ("NAIC") identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any LACDA required endorsement forms.

9.3.5 Neither the LACDA's failure to obtain, nor the LACDA's receipt of, or failure to object to a non-complying Certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

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

Los Angeles County Development Authority
Procurement Division
700 West Main Street
Alhambra, Ca 91801
Attention: Emily Tran, Procurement Analyst

9.4 Notices of Injury or Damage or Destruction

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

9.5 Additional Insured Status and Scope of Coverage

The LACDA and its Agents shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the

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

9.6 Cancellation of or Change to Maintain Insurance

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

9.7 Failure to Maintain Insurance

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

9.8 Contractor's Insurance Shall Be Primary

The Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage

available to Contractor. Any LACDA maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

9.9 Insurance Specifics

9.9.1 Waivers of Subrogation

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

9.9.2 Sub-Contractor Insurance Coverage Requirements

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

9.9.3 Deductibles and Self-Insured Retentions (SIRs)

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

9.9.4 Claims Made Coverage

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

9.9.5 Application of Excess Liability Coverage

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

9.9.6 Separation of Insureds

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

9.9.7 Alternative Risk Financing Programs

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

9.10 LACDA Review and Approval of Insurance Requirements

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

10.0 TERMINATION

10.1 Termination for Convenience

10.1.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the LACDA, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than thirty (30) days after the notice is sent.

- A. After receipt of a notice of termination and except as otherwise directed by the LACDA, the Contractor shall:
- B. Stop work under this Contract on the date and to the extent specified in such notice, and
- C. Complete performance of such part of the work as shall not have been terminated by such notice.

10.1.2 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 Paragraph 8.41 - Record Retention and Inspection/Audit Settlement. In the event of such termination, Contractor shall be entitled to a prorated portion paid of all satisfactory work.

10.2 Termination for Default

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

- A. Contractor has materially breached this Contract; or
- B. Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- C. 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 LACDA may authorize in writing) after receipt of written notice from the LACDA specifying such failure.

10.2.2 In the event that the LACDA terminates this Contract in whole or in part as provided in sub-paragraph 10.2.1, the LACDA may procure, upon such terms and in such manner as the LACDA may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the LACDA for any and all excess costs incurred by the LACDA, as determined by the LACDA, 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.

10.2.3 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 10.2.2 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 LACDA 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 10.2.3, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.

10.2.4 If, after the LACDA has given notice of termination under the provisions of this Paragraph 10.2, it is determined by the LACDA that the Contractor was not in default under the provisions of this Paragraph 10.2, or that the default was excusable under the provisions of sub-paragraph 10.2.3, the rights and obligations of the Parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 10.1 - Termination for Convenience.

10.2.5 The rights and remedies of the LACDA provided in this Paragraph 10.2 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

10.3 Termination for Improper Consideration

10.3.1 The LACDA 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 LACDA 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 LACDA shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

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

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

10.4 Termination for Insolvency

10.4.1 The LACDA may terminate this Contract forthwith in the event of the occurrence of any of the following:

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

10.4.2 The rights and remedies of the LACDA provided in this Paragraph 10.4 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

10.5 Termination for Non-Adherence of County Lobbyist Ordinance

The Contractor, and each LACDA Lobbyist or LACDA 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 LACDA Lobbyist or LACDA 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 LACDA may in its sole discretion, immediately terminate or suspend this Contract.

10.6 Termination for Non-Appropriation of Funds

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

11.0 UNIQUE TERMS AND CONDITIONS

11.1 Data Destruction

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

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

11.1.3 The Vendor shall certify that any LACDA data stored on purchased, leased, or rented electronic storage equipment and electronic

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

11.2 Disabled Veteran Business Enterprise (DVBE) Preference Program

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

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

11.2.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a LACDA official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.

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

A. Pay to the LACDA any difference between the contract amount and what the LACDA's costs would have been if the contract had been properly awarded;

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

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

11.3 Local Small Business Enterprise (LSBE) Preference Program

11.3.1 This Contract is subject to the provisions of the County's ordinance entitled LSBE Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

11.3.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a LSBE.

11.3.3 The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a LACDA official or employee for the purpose of influencing the certification or denial of certification of any entity as a LSBE.

11.3.4 If the Contractor has obtained certification as a LSBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of

such certification has been awarded this Contract to which it would not otherwise have been entitled, shall:

- A. Pay to the LACDA any difference between the contract amount and what the LACDA's costs would have been if the contract had been properly awarded;
- B. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than ten (10) percent of the amount of the Contract; and
- C. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).
- D. The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the County's Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a contract award.

11.4 Ownership of Materials, Software and Copyright

11.4.1 The Contractor grants to LACDA a non-transferable and non-exclusive license, restricted for use by the LACDA solely in connection with the work to be performed under this Contract, for the housing locator software (Software) used to operate the LAC-HRC. The LACDA will not make any attempt to reverse compile, disassemble, or otherwise reverse engineer all or any part of the Software. Other than the rights of use expressly conferred by this paragraph, the LACDA will not have any further rights to use the Software or any related documentation. The LACDA will not copy, reproduce, modify, adapt, translate or add new features to the Software or the related documentation without the express written consent of Contractor. The LACDA shall not permit disclosure of,

access to, or use of the Software by any third party unless authorized in writing by Contractor.

11.4.2 The LACDA asserts that ownership of the name Los Angeles County Housing Resource Center and the website address of "housing.lacounty.gov" or any other Internet address selected for that website domain shall remain the property of the LACDA, and that the use of the name by Contractor for any purpose other than to direct or link persons to the Website, or to promote the Website, is not authorized.

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

11.4.4 The LACDA shall be the sole owner of all right, title and interest, in and to all plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the LACDA all of the Contractor's right, title and interest in and to such original materials, which arise pursuant to the Contractor's work under this Contract. Other than the rights in the materials as expressly granted under this Agreement, the Contractor does not grant any license of, right in or make any assignment of any of its intellectual property rights in its software. All intellectual property rights in and to the software are, and shall remain, vested in the Contractor. The Contract expressly reserves all intellectual property rights and its other rights in and to the software.

11.4.5 During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Contract. LACDA

shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.

11.4.6 Any and all materials, and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the LACDA's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material, other than the Contractor's software, which shall be considered proprietary and confidential in all respects.

11.4.7 The LACDA will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The LACDA agrees not to reproduce, distribute or disclose to non-LACDA or non-County entities any such proprietary and/or confidential items without the prior written consent of the Contractor.

11.4.8 Notwithstanding any other provision of this Contract, the LACDA will not be obligated to the Contractor in any way under Paragraph 11.4 for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by sub-paragraph 11.4.3 or for any disclosure which the LACDA is required to make under any state or federal law or order of court, other than the Contractor's software, which shall be considered proprietary and confidential in all respects.

11.4.9 All the rights and obligations of this Paragraph 11.4 shall survive the expiration or termination of this Contract.

11.5 Patent, Copyright and Trade Secret Indemnification

11.5.1 The Contractor shall indemnify, hold harmless and defend the LACDA from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of the Contractor's work under this Contract. The LACDA shall inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support the Contractor's defense and settlement thereof.

11.5.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that the LACDA's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, the Contractor, at its sole expense, and providing that the LACDA's continued use of the system is not materially impeded, shall either:

- A. Procure for the LACDA all rights to continued use of the questioned equipment, part, or software product; or
- B. Replace the questioned equipment, part, or software product with a non-questioned item; or
- C. Modify the questioned equipment, part, or software so that it is free of claims.

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

[Signatures on the following page]

SIGNATURES

IN WITNESS WHEREOF, the LACDA and the Contractor, through their duly authorized officers, have executed this Contract as of the date first above written.

CONTRACTOR: Emphasys Computer Solutions,
Inc.

By _____
Ken Reimer
President

LOS ANGELES COUNTY DEVELOPMENT
AUTHORITY

By _____
Emilio Salas
Executive Director

APPROVED AS TO FORM:
RODRIGO A. CASTRO-SILVA
County Counsel

APPROVED AS TO PROGRAM:
[NAME OF DIVISION

By _____
Behnaz Tashakorian
Principal Deputy County Counsel

By _____
Becky Yee
Acting Director

EXHIBIT A

STATEMENT OF WORK

STATEMENT OF WORK FOR INTERNET-BASED HOUSING DATABASE WEBSITE SERVICES

1.0 SCOPE OF WORK

The Los Angeles County Development Authority (LACDA) is the County's affordable housing and community development agency. The LACDA helps strengthen neighborhoods, empower families, support local economies, and promote individual achievement. The LACDA maintains many administrative buildings and 68 housing developments that include over 3,229 residential units within the County of Los Angeles.

The LACDA is seeking a Contractor to develop and provide internet-based housing database website services.

2.0 GENERAL REQUIREMENTS

- 2.1** The Contractor shall have a Supervisor assigned to the Contract with five (5) years of experience, within the last five (5) years, providing internet-based housing database website services.
- 2.2** The Contractor shall provide technical support from 7 a.m. – 5 p.m. Pacific Standard time with off hours support available as necessary with the ability to provide remote support via VPN, Terminal Services, Citrix or equivalent to support application as needed.
- 2.3** The Contractor shall run annual tests to ensure that the web pages and functions display correctly across the most current, as well as older, versions of the following internet browsers: Internet Explorer, Google Chrome, Mozilla Firefox, and Apple Safari.
- 2.4** The Contractor shall have the ability to perform software customizations with a predefined labor rate.
- 2.5** The main website and all partner websites shall conform with the Website Content Accessibility Guidelines (WCAG) Version 2.1 AAA as published by the World Wide Web Consortium (W3C).
- 2.6** The Main website and all partner websites shall conform to federal Section 508 Standards for Electronics and Information Technology.

2.6.1 Homepage url: housing.lacounty.gov

- 2.6.2 Alias referrals: www.housing.lacounty.gov,
- 2.6.3 www.housinglacounty.com, www.housinglacounty.org
- 2.6.4 Scrolling bar with 4 links
- 2.6.5 Link to Los Angeles portal at top and bottom of website
- 2.6.6 Three general categories
 - Housing
 - Site Info
 - Service
- 2.6.7 Public partner logos at bottom
- 2.6.8 Website viewable in English and Spanish
- 2.6.9 Website translate available (i.e. Google)

3.0 SPECIFIC WORK REQUIREMENTS

3.1 Website Operation

The Contractor shall provide the following required database and technical products and capabilities, but not be limited to the following:

- 3.1.1 Deliver Web interface-enabled queries for staff and clients to retrieve data online.
- 3.1.2 Define reporting tool and ability to develop customized reports.
- 3.1.3 Clearly defined database layouts and data dictionary.
- 3.1.4 Clearly defined infrastructure, server, workstation and network resource requirements.
- 3.1.5 Ability to perform data maintenance and system updates quickly with minimal to no impact on users' daily activities.
- 3.1.6 Provide data archiving utilities for the purpose of keeping large databases performing at optimal levels.
- 3.1.7 Provide real-time utilities to monitor who is logged into the database, troubleshoot errors, and monitor system performance.
- 3.1.8 Provide moving scroll bar that highlights specific programs and initiatives, as requested by the LACDA.

3.1.9 Housing Program descriptions, as requested by the LACDA.

3.1.10 Provide links to programs, partners, and resources that are maintained through regular maintenance checks.

3.1.11 Provide listing for rental, for-sale, transitional, and emergency housing.

3.2 Restricted-Access Features

The Website shall have password protected Restricted Access features, tools, and data for use by approved users, including, but not be limited to:

3.2.1 Allow for users to request passwords and restricted access features as Agency Users.

3.2.2 Allow the LACDA the administrative ability to approve agency users.

3.2.3 Develop and use a User Agreement detailing the users' responsibilities, practices, and code of ethics.

3.2.4 Contact newly approved Agency Users and solicit their signature on the User Agreement.

3.2.5 Provide phone in or in-person training to new Agency Users once they have submitted an executed User Agreement.

3.2.6 Provide in-person or remote assistance, upon request, to developers and management companies who are required to register special needs units on the Restricted Access portion of the Housing Locator.

3.2.7 Provide an Agency User Page that provides links and training features for Agency Users who have signed a User Agreement.

3.2.8 The Restricted Access site will contain the following Special Search Options:

- Public Listings
- Special Needs Housing
- Los Angeles County Restricted Access Group

3.2.9 Provide Rent Comp features to LACDA staff and other approved LACDA administrators. This feature provides current market comparisons of non-subsidized listings to meet program requirements and printable documentation for reporting and program audits. The Rent Comp feature applies to existing Housing Locator system rental inventory only as the basis of comparable rents.

- 3.2.10 Provide the LACDA Project Inventory to all LACDA approved users.
- 3.2.11 Incorporate software development best practices and recommendations provided in the OWASP Developer's Guide to implement and to provide secure software.
- 3.2.12 Incorporate multi-factor authentication for users logging into the website and ability to enforce complex passwords.
- 3.2.13 Provide an AES-256 encryption or stronger used for all data in storage and consistent with NIST Special Publication 800-57.
- 3.2.14 Provide a dedicated environment available for storage of data or if data is a shared environment, data must be segregated from other shared environments.
- 3.2.15 Perform web application vulnerability testing/scanning.
- 3.2.16 Provide hosting services (e.g., application hosting, data repository, data backup) must be within the contiguous United States.
- 3.2.17 Provide a documented methodology for data backup and recovery.

3.3 Call Center Operation

The Contractor shall provide a Call Center or maintain a subcontract to provide Call Center support for the website as follows:

- 3.3.1 Located in the United States.
- 3.3.2 Provide phone support and web services in the primary languages of English and Spanish.
- 3.3.3 Provide services Monday through Friday, between the hours of 8:00 am to 5:00 pm, Pacific Time.
- 3.3.4 Required to provide services on County holidays. The LACDA will provide a list of County holidays to the Contractor within thirty (30) calendar days of the Contract start date, and annually thereafter, at the beginning of each calendar year.
- 3.3.5 Allow to have a minimum two (2) days per calendar year, as needed, for in-service and/or training activities in which they may not be required to provide the services stated under these contract terms. To request these days, Contractor shall submit a written request to

the LACDA, no less than thirty (30) calendar days in advance of the desired date.

3.4 Partner Pages

The Contractor shall be required to provide website and Call Center services for Los Angeles County cities or organizations in accordance with approved partnership, cooperation, or subscription agreements that have been executed by the LACDA, the Contractor, and the partner city or agency.

3.4.1 Collect all fees due to the LACDA and forward payment to the LACDA within thirty (30) days of receipt.

3.4.2 Maintain a master table or spreadsheet showing the status (due dates, payments, invoices, etc.) of all Partner Page fees due to the LACDA, and make available upon request.

3.4.3 Copy the LACDA on all reports due provided to the Partner agency.

3.4.4 If any conflict should exist between the terms of this Agreement and any Partner Page Agreement, the terms of this Agreement shall prevail.

3.5 Disaster Recovery (Attachment 1)

The Contractor shall complete disaster recovery information services plan as described in Attachment 1.

3.6 Mapping Functions

The Contractor shall maintain mapping capability to overlay GIS shape files over Google Map functionality to:

3.6.1 Maintain current shape files for Los Angeles County Supervisorial Districts.

3.6.2 Maintain current shape files for the Los Angeles Urban County (Unincorporated County and CDBG/HOME Participating Cities).

3.7 Training and Support

The Contractor shall provide training and support for the website operation in the following manner:

3.7.1 The Contractor shall maintain the following current how-to training PDFs online.

- Service Benefits
- Special Needs Housing Search
- Search Tips

- Rent Comp How-to

3.7.2 General support through a dedicated agency line.

3.7.3 Provide on-site training in Los Angeles County on request, per established fee schedule.

3.7.4 Registration of authorized agency users (phone-based).

3.7.5 Training in use of saved searches function and special-needs client searches (phone-based).

3.7.6 Up to forty (40) hours of agency training on special needs housing search and saved search functionality.

3.7.7 Up to twenty (20) hours of agency training on rent comp (phone-based).

3.7.8 Landlord outreach performed upon request.

3.8 Partner Logos

The Contractor shall maintain a graphic library of all partner logos and icons used on the site.

3.9 Marketing and Graphics

The Contractor shall provide graphic design for use on web pages, flyers, posters, rack cards, PDFs, presentations and other website content or marketing requirements as requested by the LACDA.

3.10 Reports and Site Usage Tracking

The Contractor shall make the Site Usage Tracking feature available on a daily basis to the LACDA Project Manager and to any designated project administrators for any Partner Pages. In addition, the Contractor shall provide the following reports, in EXCEL or WORD format, to the LACDA on a monthly basis.

Monthly

3.10.1 Housing Choice Voucher Program/Veterans Assistance Supportive Housing and landlords in the LACDA jurisdiction.

3.10.2 LACDA-funded properties that have registered.

3.10.3 User reports for newly registered users.

3.10.4 List of current password holders.

3.10.5 Most recent log-in reports.

Quarterly

3.10.6 Phone reports for both incoming and outgoing calls.

3.11 Record Keeping and Confidentiality

3.11.1 Any reports, information, data, etc., given to or prepared or assembled by Contractor under this Contract, which County or the LACDA requests must be kept confidential, shall not be made available to any individual, or organization by Contractor without the prior written approval of the LACDA. The obligations of this paragraph will survive the termination of the contract.

3.11.2 The website data records will be maintained in the offices of the Contractor or in a secure data facility as outlined in the Service Level Agreement attached hereto (Attachment 5)

3.11.3 Authorized representatives of the LACDA and the County shall have access to all Contractor records pertaining to this Agreement.

3.11.4 Retain all data pertaining to the funding, administration and performance of this Contract for at least three (3) years from the date of Contract termination.

4.0 RESPONSIBILITIES

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

LACDA

4.1 Project Manager

The LACDA will assign a Project Manager, whose responsibilities will include:

4.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.

4.1.2 Providing direction to the Contractor in the areas related to policy, information, and procedural requirements.

4.1.3 Preparing amendments to the Contract in accordance with the Contract.

4.1.4 Preparing Participation and Cooperation Agreements for Partner Pages.

Contractor

4.2 Project Manager

- 4.2.1 The Contractor shall have available a Project Manager who shall be responsible of the overall management and coordination of the contract, and serve as the single point of contact for the LACDA on all matters related to the Contract implementation, budget, performance, or payment.
- 4.2.2 The Contractor's Project Manager shall demonstrate previous experience in the management of work requirements for similar housing resource websites with call center support.
- 4.2.3 The Contractor shall give Project Manager/alternate full authority to act for Contractor on all matters relating to the daily operation of the Contract. Project Manager/alternate shall be able to effectively communicate, in English, both orally and in writing.

4.3 Call Center Personnel

The Contractor agrees that, for the purposes of this Contract, if a subcontractor is needed to provide a Call Center, the subcontractor will be used for Call Center activities.

4.4 Material and Equipment

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

4.5 Meetings

The Contractor shall schedule and hold progress meetings throughout the project and deliver meeting minutes within a week to all attendees via email.

4.6 Third-Party Software

The Contractor shall disclose all Third-Party Software associate with the proposed system.

5.0 HOURS / DAYS OF WORK

The LACDA office hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday. The LACDA offices are closed on the following Holidays:

- New Year's Day
- Martin Luther King, Jr. Day
- President's Day
- Cesar E. Chavez Day
- Memorial Day
- Independence Day
- Labor Day
- Indigenous Peoples' Day

- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving Day
- Christmas Day

Note: Holidays that fall on a Saturday are observed on the previous Friday and holidays that fall on a Sunday are observed on the following Monday.

6.0 QUALITY CONTROL PLAN

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

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

7.0 QUALITY ASSURANCE PLAN

As specified in Section 8.40 (Quality Assurance Plan) of the Contract, the LACDA will evaluate the Contractor's performance under this Contract and the Plan, specified in 6.0 of this Statement of Work, using the following quality assurance procedures:

7.1 Performance Requirements Summary (Attachment 2)

The LACDA shall use a Performance Requirements Summary (PRS) chart, Attachment 1, to monitor the Contractor's work performance and efforts to remedy any and all deficiencies throughout the term of this Contract. The chart shall contain, at a minimum, the following:

- Each section of the Contract/SOW referenced and identified;
- The standard of performance (description of the work requirement)
- The method to be used to monitor work performance
- The fees/deductions to be assessed for each service that is not satisfactory

All listings of services used in the PRS are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of the Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the

meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on the Contractor.

When the Contractor's performance does not conform to the requirements of this Contract, the LACDA will have the option to apply the following non-performance remedies:

- Require the Contractor to implement a formal corrective action plan, subject to approval by the LACDA. In the plan, the Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.
- Reduce payment to the Contractor by a computed amount based on the penalty fee(s) in the PRS.
- Reduce, suspend or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.
- Failure of the Contractor to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) days shall constitute authorization for the LACDA to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of the Contractor's failure to perform said service(s), as determined by the LACDA, shall be credited to the LACDA on the Contractor's future invoice.

This section does not preclude the LACDA's right to terminate the contract upon thirty (30) days written notice with or without cause, as provided for in the Contract, Paragraph 10.1 (Termination for Convenience).

7.2 Periodic Performance Reviews (Attachment 3)

The LACDA will conduct periodic reviews to evaluate the Contractor's performance.

7.3 Contract Deficiency Notice

The LACDA will make verbal notification to the Contractor of a Contract deficiency as soon as the deficiency is identified. The problem should be resolved within a time period mutually agreed upon by the LACDA and the Contractor.

If resolution of the deficiency does not result from the verbal notification, the LACDA will determine whether a formal Contract Deficiency Notice shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the LACDA within five (5) workdays, acknowledging the reported deficiencies or presenting contrary evidence. A plan for correction of all

deficiencies identified in the Contract Discrepancy Report shall be submitted to the LACDA within ten (10) workdays.

7.4 LACDA Observations

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

8.0 INFORMATION SECURITIES AND PRIVACY REQUIREMENTS (Attachment 4)

This sets forth information security procedures to be established by Contractor before the effective date of the Agreement and maintained throughout the term of the Agreement. These procedures are in addition to the requirements of the Agreement between the Parties. They present a minimum standard only. However, it is Contractor's sole obligation to: (i) implement appropriate measures to secure its systems and data, including Personal Information, , and County Confidential information, against internal and external threats and risks; and (ii) continuously review and revise those measures to address ongoing threats and risks. Failure to comply with the minimum standards set forth in the Attachment 4 (Information Security Requirements) will constitute a material, non-curable breach of the Agreement by Contractor, entitling County, in addition to and cumulative of all other remedies available to it at law, in equity, or under the Agreement, to immediately terminate the Agreement. Unless specifically defined in this Attachment , capitalized terms shall have the meanings set forth in the Agreement.

9.0 ADDITION/DELETION OF SERVICES

The LACDA reserves the right to add or delete services during the term of the Contract. The Contractor's fees will be adjusted by negotiation between the LACDA and the Contractor.

ATTACHMENT 1

Disaster Recovery Plan

The County of Los Angeles, by itself, rivals many states in its population size, geographic size, diversity of population, political/governmental boundaries, and exposure to a wide range of potential disasters of varying magnitudes. Therefore, a Preliminary Disaster Housing Intervention Plan is the first and best step to prepare for the most efficient and coordinated response to utilize the Los Angeles County Housing Resource Center website and the bi-lingual call center as important tools in a regional response that is coordinated with federal and local resources. This plan does not cover the costs of all Disaster Response activity, because those costs and scope of work would need to be determined based on the scale and needs of any specific disaster. It does, however, lay the groundwork for a more efficient mobilization (and contract authority) for the Contractor to do some basic website changes and associated marketing and press notification. As the scale of the disaster is assessed, additional services can be added. This plan allows for these actions to happen far more quickly than without a plan, and provides the County with additional options for website communications on established networks.

The Preliminary Plan can be developed to provide a road map and crucial preparedness materials that can be used to educate and train disaster recovery stakeholders. The following items will be included:

List of Deliverables

Disaster Intervention Plan Timeline

Covering duties to be conducted pre, during, and post-disaster

Distribution List

Email and phone contacts for stakeholder agencies that would be notified of the availability of the Los Angeles County Housing Resource Center and call center for participation in coordinated response activities.

Duties Checklist

Checklist to plan and track essential duties during the recovery effort

Basic Outreach and Awareness Generation Tools

Landlord Letter, eBlast Verbiage, Website Postings

Outreach materials to help generate new property listings

PSAs, News Releases and Talking Points

PSAs, social media posts, press and other media releases and talking points to disperse with vital details about the service in a time of disaster

Agency "How To"

Handout for agencies to help them find housing for clients through the website

Agency Training Checklist

Tool to track the training of agencies

Call Center Activation Protocol

Protocols for the activation of the call center to respond to disasters of varying scopes and sizes

Homepage Alert Modification

Example of an alert added to website's homepage in the event of a disaster

Cost Estimate:

Disaster Intervention Services

- Determined by scale of disaster and population of area hit

\$_____

Development of Disaster Housing Intervention Plan

-- Including collaborative discussions, meetings/events, trainings, plan and related materials

25% payable on contract signing

50% payable upon delivery of draft deliverables described above

25% upon final delivery of

\$_____

ATTACHMENT 2

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

REFERENCE/ REQUIRED SERVICE	STANDARD OF PERFORMANCE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
SOW Section 2.0 General Requirements	100% Completion of the Requirements	Inspection and Observation by LACDA staff	\$50 per occurrence
SOW Section 3.0 Specific Work Requirements	100% Completion of the Requirements	Inspection by LACDA staff	\$50 per occurrence
SOW Section 4.0 Responsibilities	100% Compliance with the Responsibilities	Inspection and Observation by LACDA staff	\$50 per occurrence

ATTACHMENT 3 CONTRACT DISCREPANCY REPORT

TO:

FROM:

DATES:

Prepared: _____

Returned by Contractor: _____

Action Completed: _____

DISCREPANCY

PROBLEMS: _____

Signature of LACDA Representative

Date

CONTRACTOR RESPONSE (Cause and Corrective Action):

Signature of Contractor Representative

Date

LACDA EVALUATION OF CONTRACTOR RESPONSE:

Signature of Contractor Representative

Date

LACDA

ACTIONS: _____

CONTRACTOR NOTIFIED OF ACTION: _____

LACDA Representative's Signature and Date

Contractor Representative's Signature and Date

ATTACHMENT 4

INFORMATION SECURITY AND PRIVACY REQUIREMENTS

The Los Angeles County Development Authority (LACDA) is committed to safeguarding the Integrity of the LACDA systems, Data, Information and protecting the privacy rights of the individuals that it serves. This Information Security and Privacy Requirements Attachment ("Attachment ") sets forth the LACDA and the Contractor's commitment and agreement to fulfill each of their obligations under applicable state or federal laws, rules, or regulations, as well as applicable industry standards concerning privacy, Data protections, Information Security, Confidentiality, Availability, and Integrity of such Information. The Information Security and privacy requirements and procedures in this Attachment are to be established by the Contractor before the Effective Date of the Contract and maintained throughout the term of the Contract.

These requirements and procedures are a minimum standard and are in addition to the requirements of the underlying base agreement between the LACDA and Contractor (the "Contract") and any other agreements between the parties. However, it is the Contractor's sole obligation to: (i) implement appropriate and reasonable measures to secure and protect its systems and all LACDA Information against internal and external Threats and Risks; and (ii) continuously review and revise those measures to address ongoing Threats and Risks. Failure to comply with the minimum requirements and procedures set forth in this Attachment will constitute a material, non-curable breach of Contract by the Contractor, entitling the LACDA, in addition to the cumulative of all other remedies available to it at law, in equity, or under the Contract, to immediately terminate the Contract. To the extent there are conflicts between this Attachment and the Contract, this Attachment shall prevail unless stated otherwise.

1. DEFINITIONS

Unless otherwise defined in the Contract, the definitions herein contained are specific to the uses within this Attachment .

- a. **Availability:** the condition of Information being accessible and usable upon demand by an authorized entity (Workforce Member or process).
- b. **Confidentiality:** the condition that Information is not disclosed to system entities (users, processes, devices) unless they have been authorized to access the Information.
- c. **LACDA Information:** all Data and Information belonging to the LACDA.
- d. **Data:** a subset of Information comprised of qualitative or quantitative values.
- e. **Incident:** a suspected, attempted, successful, or imminent Threat of unauthorized electronic and/or physical access, use, disclosure, breach, modification, or destruction of information; interference with Information Technology operations; or significant violation of LACDA policy.

- f. **Information:** any communication or representation of knowledge or understanding such as facts, Data, or opinions in any medium or form, including electronic, textual, numerical, graphic, cartographic, narrative, or audiovisual.
- g. **Information Security Policy:** high level statements of intention and direction of an organization used to create an organization's Information Security Program as formally expressed by its top management.
- h. **Information Security Program:** formalized and implemented Information Security Policies, standards and procedures that are documented describing the program management safeguards and common controls in place or those planned for meeting the LACDA's information security requirements.
- i. **Information Technology:** any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of Data or Information.
- j. **Integrity:** the condition whereby Data or Information has not been improperly modified or destroyed and authenticity of the Data or Information can be ensured.
- k. **Mobile Device Management (MDM):** software that allows Information Technology administrators to control, secure, and enforce policies on smartphones, tablets, and other endpoints.
- l. **Privacy Policy:** high level statements of intention and direction of an organization used to create an organization's Privacy Program as formally expressed by its top management.
- m. **Privacy Program:** A formal document that provides an overview of an organization's privacy program, including a description of the structure of the privacy program, the resources dedicated to the privacy program, the role of the organization's privacy official and other staff, the strategic goals and objectives of the Privacy Program, and the program management controls and common controls in place or planned for meeting applicable privacy requirements and managing privacy risks.
- n. **Risk:** a measure of the extent to which the LACDA is threatened by a potential circumstance or event, Risk is typically a function of: (i) the adverse impacts that would arise if the circumstance or event occurs; and (ii) the likelihood of occurrence.
- o. **Threat:** any circumstance or event with the potential to adversely impact LACDA operations (including mission, functions, image, or reputation), organizational assets, individuals, or other organizations through an Information System via unauthorized access, destruction, disclosure, modification of Information, and/or denial of service.
- p. **Vulnerability:** a weakness in a system, application, network or process that is subject to exploitation or misuse.
- q. **Workforce Member:** employees, volunteers, and other persons whose conduct, in the performance of work for LACDA, is under the direct control of LACDA, whether or not they are paid by LACDA. This includes, but may not be limited to, full and part time elected or appointed officials, employees, affiliates, associates, students, volunteers, and staff from third party entities who provide service to the LACDA.

2. INFORMATION SECURITY AND PRIVACY PROGRAMS

- a. **Information Security Program.** The Contractor shall maintain a company-wide Information Security Program designed to evaluate Risks to the Confidentiality, Availability, and Integrity of the LACDA Information covered under this Contract.

Contractor's Information Security Program shall include the creation and maintenance of Information Security Policies, standards, and procedures. Information Security Policies, standards, and procedures will be communicated to all Contractor employees in a relevant, accessible, and understandable form and will be regularly reviewed and evaluated to ensure operational effectiveness, compliance with all applicable laws and regulations, and addresses new and emerging Threats and Risks.

The Contractor shall exercise the same degree of care in safeguarding and protecting LACDA Information that the Contractor exercises with respect to its own Information and Data, but in no event less than a reasonable degree of care. The Contractor will implement, maintain, and use appropriate administrative, technical, and physical security measures to preserve the Confidentiality, Integrity, and Availability of LACDA Information.

The Contractor's Information Security Program shall:

- Protect the Confidentiality, Integrity, and Availability of LACDA Information in the Contractor's possession or control;
- Protect against any anticipated Threats or hazards to the Confidentiality, Integrity, and Availability of LACDA Information;
- Protect against unauthorized or unlawful access, use, disclosure, alteration, or destruction of LACDA Information;
- Protect against accidental loss or destruction of, or damage to, LACDA Information; and
- Safeguard LACDA Information in compliance with any applicable laws and regulations which apply to the Contractor.

- b. **Privacy Program.** The Contractor shall establish and maintain a company-wide Privacy Program designed to incorporate Privacy Policies and practices in its business operations to provide safeguards for Information, including LACDA Information. The Contractor's Privacy Program shall include the development of, and ongoing reviews and updates to Privacy Policies, guidelines, procedures and appropriate workforce privacy training within its organization. These Privacy Policies, guidelines, procedures, and appropriate training will be provided to all Contractor employees, agents, and volunteers. The Contractor's Privacy Policies, guidelines, and procedures shall be continuously reviewed and updated for effectiveness and compliance with applicable laws and regulations, and to appropriately respond to new and emerging Threats and Risks. The Contractor's Privacy Program shall perform ongoing monitoring and audits of operations to identify and mitigate privacy Threats.

The Contractor shall exercise the same degree of care in safeguarding the privacy of LACDA Information that the Contractor exercises with respect to its own Information, but in no event less than a reasonable degree of care. The Contractor will implement, maintain, and use appropriate privacy practices and protocols to preserve the Confidentiality of LACDA Information.

The Contractor's Privacy Program shall include:

- A Privacy Program framework that identifies and ensures that the Contractor complies with all applicable laws and regulations;
- External Privacy Policies, and internal privacy policies, procedures and controls to support the privacy program;
- Protections against unauthorized or unlawful access, use, disclosure, alteration, or destruction of LACDA Information;
- A training program that covers Privacy Policies, protocols and awareness;
- A response plan to address privacy Incidents and privacy breaches; and
- Ongoing privacy assessments and audits.

3. PROPERTY RIGHTS TO LACDA INFORMATION

All LACDA Information is deemed property of the LACDA, and the LACDA shall retain exclusive rights and ownership thereto. LACDA Information shall not be used by the Contractor for any purpose other than as required under this Contract, nor shall such or any part of such be disclosed, sold, assigned, leased, or otherwise disposed of, to third parties by the Contractor, or commercially exploited or otherwise used by, or on behalf of, the Contractor, its officers, directors, employees, or agents. The Contractor may assert no lien on or right to withhold from the LACDA, any LACDA Information it receives from, receives addressed to, or stores on behalf of, the LACDA. Notwithstanding the foregoing, the Contractor may aggregate, compile, and use LACDA Information in order to improve, develop or enhance the System Software and/or other services offered, or to be offered, by the Contractor, provided that (i) no LACDA Information in such aggregated or compiled pool is identifiable as originating from, or can be traced back to the LACDA, and (ii) such Data or Information cannot be associated or matched with the identity of an individual alone, or linkable to a specific individual. The Contractor specifically consents to the LACDA's access to such LACDA Information held, stored, or maintained on any and all devices Contractor owns, leases or possesses.

4. CONTRACTOR'S USE OF LACDA INFORMATION

The Contractor may use LACDA Information only as necessary to carry out its obligations under this Contract. The Contractor shall collect, maintain, or use LACDA Information only for the purposes specified in the Contract and, in all cases, in compliance with all applicable local, state, and federal laws and regulations governing the collection, maintenance, transmission, dissemination, storage, use, and destruction of LACDA Information, including, but not limited to, (i) any state and federal law governing the protection of personal Information, (ii) any state and federal security breach notification

laws, and (iii) the rules, regulations and directives of the Federal Trade Commission, as amended from time to time.

5. SHARING LACDA INFORMATION AND DATA

The Contractor shall not share, release, disclose, disseminate, make available, transfer, or otherwise communicate orally, in writing, or by electronic or other means, LACDA Information to a third party for monetary or other valuable consideration.

6. CONFIDENTIALITY

- a. **Confidentiality of LACDA Information.** The Contractor agrees that all LACDA Information is Confidential and proprietary to the LACDA regardless of whether such Information was disclosed intentionally or unintentionally, or marked as "confidential".
- b. **Disclosure of LACDA Information.** The Contractor may disclose LACDA Information only as necessary to carry out its obligations under this Contract, or as required by law, and is prohibited from using LACDA Information for any other purpose without the prior express written approval of the LACDA's contract administrator in consultation with the LACDA Information Technology Manager. If required by a court of competent jurisdiction or an administrative body to disclose LACDA Information, the Contractor shall notify the LACDA's contract administrator immediately and prior to any such disclosure, to provide the LACDA an opportunity to oppose or otherwise respond to such disclosure, unless prohibited by law from doing so.
- c. **Disclosure Restrictions of Non-Public Information.** While performing work under the Contract, the Contractor may encounter LACDA Non-public Information ("NPI") in the course of performing this Contract, including, but not limited to, licensed technology, drawings, schematics, manuals, sealed court records, and other materials described and/or identified as "Internal Use", "Confidential" or "Restricted" as defined in Board of Supervisors Policy 6.104 – Information Classification Policy as NPI. The Contractor shall not disclose or publish any LACDA NPI and material received or used in performance of this Contract. This obligation is perpetual.
- d. **Individual Requests.** The Contractor shall acknowledge any request or instructions from the LACDA regarding the exercise of any individual's privacy rights provided under applicable federal or state laws. The Contractor shall have in place appropriate policies and procedures to promptly respond to such requests and comply with any request or instructions from the LACDA within seven (7) calendar days. If an individual makes a request directly to the Contractor involving LACDA Information, the Contractor shall notify the LACDA within five (5) calendar days and the LACDA will coordinate an appropriate response, which may include instructing the Contractor to assist in fulfilling the request. Similarly, if the Contractor receives a privacy or security complaint from an individual regarding LACDA Information, the Contractor shall notify the LACDA as described in Section 14 SECURITY AND PRIVACY INCIDENTS, and the LACDA will coordinate an appropriate response.
- e. **Retention of LACDA Information.** The Contractor shall not retain any LACDA Information for any period longer than necessary for the Contractor to fulfill its obligations under the Contract and applicable law, whichever is longest.

7. CONTRACTOR EMPLOYEES

The Contractor shall perform background and security investigation procedures in the manner prescribed in this section unless the Contract prescribes procedures for conducting background and security investigations and those procedures are no less stringent than the procedures described in this section.

To the extent permitted by applicable law, the Contractor shall screen and conduct background investigations on all Contractor employees and Subcontractors as appropriate to their role, with access to LACDA Information for potential security Risks. Such background investigations must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review and conducted in accordance with the law, may include criminal and financial history to the extent permitted under the law, and will be repeated on a regular basis. The fees associated with the background investigation shall be at the expense of the Contractor, regardless of whether the member of the Contractor's staff passes or fails the background investigation. The Contractor, in compliance with its legal obligations, shall conduct an individualized assessment of their employees, agents, and volunteers regarding the nature and gravity of a criminal offense or conduct; the time that has passed since a criminal offense or conduct and completion of the sentence; and the nature of the access to LACDA Information to ensure that no individual accesses LACDA Information whose past criminal conduct poses a risk or threat to LACDA Information.

The Contractor shall require all employees, agents, and volunteers to abide by the requirements in this Attachment , as set forth in the Contract, and sign an appropriate written Confidentiality/non-disclosure agreement with the Contractor.

The Contractor shall supply each of its employees with appropriate, annual training regarding Information Security procedures, Risks, and Threats. The Contractor agrees that training will cover, but may not be limited to the following topics:

- a) **Secure Authentication:** The importance of utilizing secure authentication, including proper management of authentication credentials (login name and password) and multi-factor authentication.
- b) **Social Engineering Attacks:** Identifying different forms of social engineering including, but not limited to, phishing, phone scams, and impersonation calls.
- c) **Handling of LACDA Information:** The proper identification, storage, transfer, archiving, and destruction of LACDA Information.
- d) **Causes of Unintentional Information Exposure:** Provide awareness of causes of unintentional exposure of Information such as lost mobile devices, emailing Information to inappropriate recipients, etc.
- e) **Identifying and Reporting Incidents:** Awareness of the most common indicators of an Incident and how such indicators should be reported within the organization.
- f) **Privacy:** The Contractor's Privacy Policies and procedures as described in Section 2b. Privacy Program.

The Contractor shall have an established set of procedures to ensure the Contractor's employees promptly report actual and/or suspected breaches of security.

8. SUBCONTRACTORS AND THIRD PARTIES

The LACDA acknowledges that in the course of performing its services, the Contractor may desire or require the use of goods, services, and/or assistance of Subcontractors or other third parties or suppliers. The terms of this Attachment shall also apply to all Subcontractors and third parties. The Contractor or third party shall be subject to the following terms and conditions: (i) each Subcontractor and third party must agree in writing to comply with and be bound by the applicable terms and conditions of this Attachment, both for itself and to enable the Contractor to be and remain in compliance with its obligations hereunder, including those provisions relating to Confidentiality, Integrity, Availability, disclosures, security, and such other terms and conditions as may be reasonably necessary to effectuate the Contract including this Attachment; and (ii) the Contractor shall be and remain fully liable for the acts and omissions of each Subcontractor and third party, and fully responsible for the due and proper performance of all Contractor obligations under this Contract.

The Contractor shall obtain advanced approval from the LACDA Information Technology Manager prior to subcontracting services subject to this Attachment.

9. STORAGE AND TRANSMISSION OF LACDA INFORMATION

All LACDA Information shall be rendered unusable, unreadable, or indecipherable to unauthorized individuals. Without limiting the generality of the foregoing, the Contractor will encrypt all workstations, portable devices (such as mobile, wearables, tablets,) and removable media (such as portable or removable hard disks, floppy disks, USB memory drives, CDs, DVDs, magnetic tape, and all other removable storage media) that store LACDA Information in accordance with Federal Information Processing Standard (FIPS) 140-2 or otherwise approved by the LACDA Information Technology Manager.

The Contractor will encrypt LACDA Information transmitted on networks outside of the Contractor's control with Transport Layer Security (TLS) or Internet Protocol Security (IPSec), at a minimum cipher strength of 128 bit or an equivalent secure transmission protocol or method approved by LACDA Information Technology Manager.

In addition, the Contractor shall not store LACDA Information in the cloud or in any other online storage provider without written authorization from the LACDA Information Technology Manager. All mobile devices storing LACDA Information shall be managed by a Mobile Device Management system. Such system must provide provisions to enforce a password/passcode on enrolled mobile devices. All workstations/Personal Computers (including laptops, 2-in-1s, and tablets) will maintain the latest operating system security patches, and the latest virus definitions. Virus scans must be performed at least monthly. Request for less frequent scanning must be approved in writing by the LACDA Information Technology Manager.

10. RETURN OR DESTRUCTION OF LACDA INFORMATION

The Contractor shall return or destroy LACDA Information in the manner prescribed in this section unless the Contract prescribes procedures for returning or destroying LACDA Information and those procedures are no less stringent than the procedures described in this section.

- a. **Return or Destruction.** Upon LACDA's written request, or upon expiration or termination of this Contract for any reason, Contractor shall (i) promptly return or destroy, at the LACDA's option, all originals and copies of all documents and materials it has received containing LACDA Information; or (ii) if return or destruction is not permissible under applicable law, continue to protect such Information in accordance with the terms of this Contract; and (iii) deliver or destroy, at the LACDA's option, all originals and copies of all summaries, records, descriptions, modifications, negatives, drawings, adoptions and other documents or materials, whether in writing or in machine-readable form, prepared by the Contractor, prepared under its direction, or at its request, from the documents and materials referred to in Subsection (i) of this Section. For all documents or materials referred to in Subsections (i) and (ii) of this Section that the LACDA requests be returned to the LACDA, the Contractor shall provide a written attestation on company letterhead certifying that all documents and materials have been delivered to the LACDA. For documents or materials referred to in Subsections (i) and (ii) of this Section that the LACDA requests be destroyed, the Contractor shall provide an attestation on company letterhead and certified documentation from a media destruction firm consistent with subdivision b of this Section. Upon termination or expiration of the Contract or at any time upon the LACDA's request, the Contractor shall return all hardware, if any, provided by the LACDA to the Contractor. The hardware should be physically sealed and returned via a bonded courier, or as otherwise directed by the LACDA.
- b. **Method of Destruction.** The Contractor shall destroy all originals and copies by (i) cross-cut shredding paper, film, or other hard copy media so that the Information cannot be read or otherwise reconstructed; and (ii) purging, or destroying electronic media containing LACDA Information consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization" such that the LACDA Information cannot be retrieved. The Contractor will provide an attestation on company letterhead and certified documentation from a media destruction firm, detailing the destruction method used and the LACDA Information involved, the date of destruction, and the company or individual who performed the destruction. Such statement will be sent to the designated LACDA contract manager within ten (10) days of termination or expiration of the Contract or at any time upon the LACDA's request. On termination or expiration of this Contract, the LACDA will return or destroy all Contractor's Information marked as confidential (excluding items licensed to the LACDA hereunder, or that provided to the LACDA by the Contractor hereunder), at the LACDA's option.

11. PHYSICAL AND ENVIRONMENTAL SECURITY

All Contractor facilities that process LACDA Information will be located in secure areas and protected by perimeter security such as barrier access controls (e.g., the use of guards and entry badges) that provide a physically secure environment from unauthorized access, damage, and interference.

All Contractor facilities that process LACDA Information will be maintained with physical and environmental controls (temperature and humidity) that meet or exceed hardware manufacturer's specifications.

12. OPERATIONAL MANAGEMENT, BUSINESS CONTINUITY, AND DISASTER RECOVERY

The Contractor shall: (i) monitor and manage all of its Information processing facilities, including, without limitation, implementing operational procedures, change management, and Incident response procedures consistent with Section 14 SECURITY AND PRIVACY INCIDENTS; and (ii) deploy adequate anti-malware software and adequate back-up systems to ensure essential business Information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures are adequately documented and designed to protect Information and computer media from theft and unauthorized access.

The Contractor must have business continuity and disaster recovery plans. These plans must include a geographically separate back-up data center and a formal framework by which an unplanned event will be managed to minimize the loss of LACDA Information and services. The formal framework includes a defined back-up policy and associated procedures, including documented policies and procedures designed to: (i) perform back-up of data to a remote back-up data center in a scheduled and timely manner; (ii) provide effective controls to safeguard backed-up data; (iii) securely transfer LACDA Information to and from back-up location; (iv) fully restore applications and operating systems; and (v) demonstrate periodic testing of restoration from back-up location. If the Contractor makes backups to removable media (as described in Section 9 STORAGE AND TRANSMISSION OF LACDA INFORMATION), all such backups shall be encrypted in compliance with the encryption requirements noted above in Section 9 STORAGE AND TRANSMISSION OF LACDA INFORMATION.

13. ACCESS CONTROL

Subject to and without limiting the requirements under Section 9 STORAGE AND TRANSMISSION OF LACDA INFORMATION, LACDA Information (i) may only be made available and accessible to those parties explicitly authorized under the Contract or otherwise expressly approved by the LACDA Project Director or Project Manager in writing; and (ii) if transferred using removable media (as described in Section 9 STORAGE AND TRANSMISSION OF LACDA INFORMATION) must be sent via a bonded courier and protected using encryption technology designated by the Contractor and approved by the LACDA Information Technology Manager in writing. The foregoing requirements shall apply to back-up media stored by the Contractor at off-site facilities.

The Contractor shall implement formal procedures to control access to LACDA systems, services, and/or Information, including, but not limited to, user account management procedures and the following controls:

- a. Network access to both internal and external networked services shall be controlled, including, but not limited to, the use of industry standard and properly configured firewalls;
- b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, multi-factor authentication, use of virtual private networks (VPN), authorization, and event logging;
- c. The Contractor will conduct regular, no less often than semi-annually, user access reviews to ensure that unnecessary and/or unused access to LACDA Information is removed in a timely manner;
- d. Applications will include access control to limit user access to LACDA Information and application system functions;
- e. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. The Contractor shall record, review and act upon all events in accordance with Incident response policies set forth in Section 14 SECURITY AND PRIVACY INCIDENTS; and
- f. In the event any hardware, storage media, or removable media (as described in Section 9 STORAGE AND TRANSMISSION OF LACDA INFORMATION) must be disposed of or sent off-site for servicing, the Contractor shall ensure all LACDA Information, has been eradicated from such hardware and/or media using industry best practices as discussed in Section 9 STORAGE AND TRANSMISSION OF LACDA INFORMATION.

14. SECURITY AND PRIVACY INCIDENTS

In the event of a Security or Privacy Incident, the Contractor shall:

- a. Promptly notify the LACDA Information Technology Manager of any Incidents involving LACDA Information, within twenty-four (24) hours of detection of the Incident. All notifications shall be submitted via encrypted email and telephone.

Los Angeles County Development Authority
Information Technology Manager
Douglas Van Gelder
700 W. Main Street
Alhambra, CA 91801
(626)586-1727
(626)943-3811 (Fax)
Douglas.VanGelder@lacda.org

- b. Include the following Information in all notices:

- i. The date and time of discovery of the Incident,
 - ii. The approximate date and time of the Incident,
 - iii. A description of the type of LACDA Information involved in the reported Incident, and
 - iv. A summary of the relevant facts, including a description of measures being taken to respond to and remediate the Incident, and any planned corrective actions as they are identified.
 - v. The name and contact information for the organizations official representative(s), with relevant business and technical information relating to the incident.
- c. Cooperate with the LACDA to investigate the Incident and seek to identify the specific LACDA Information involved in the Incident upon the LACDA's written request, without charge, unless the Incident was caused by the acts or omissions of the LACDA. As Information about the Incident is collected or otherwise becomes available to the Contractor, and unless prohibited by law, the Contractor shall provide Information regarding the nature and consequences of the Incident that are reasonably requested by the LACDA to allow the LACDA to notify affected individuals, government agencies, and/or credit bureaus.
 - d. Immediately initiate the appropriate portions of their Business Continuity and/or Disaster Recovery plans in the event of an Incident causing an interference with Information Technology operations.
 - e. Assist and cooperate with forensic investigators, the LACDA, law firms, and and/or law enforcement agencies at the direction of the LACDA to help determine the nature, extent, and source of any Incident, and reasonably assist and cooperate with the LACDA on any additional disclosures that the LACDA is required to make as a result of the Incident.
 - f. Allow the LACDA or its third-party designee at the LACDA's election to perform audits and tests of the Contractor's environment that may include, but are not limited to, interviews of relevant employees, review of documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of LACDA Information.

Notwithstanding any other provisions in this Contract and Attachment , The Contractor shall be (i) liable for all damages and fines, (ii) responsible for all corrective action, and (iii) responsible for all notifications arising from an Incident involving LACDA Information caused by the Contractor's weaknesses, negligence, errors, or lack of Information Security or privacy controls or provisions.

15. NON-EXCLUSIVE EQUITABLE REMEDY

The Contractor acknowledges and agrees that due to the unique nature of LACDA Information there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach may result in irreparable harm to the LACDA, and therefore, that upon any such breach, the LACDA will be entitled to appropriate equitable

remedies, and may seek injunctive relief from a court of competent jurisdiction without the necessity of proving actual loss, in addition to whatever remedies are available within law or equity. Any breach of Section 6 CONFIDENTIALITY shall constitute a material breach of this Contract and be grounds for immediate termination of this Contract in the exclusive discretion of the LACDA.

16. AUDIT AND INSPECTION

- a. **Self-Audits.** The Contractor shall periodically conduct audits, assessments, testing of the system of controls, and testing of Information Security and privacy procedures, including penetration testing, intrusion detection, and firewall configuration reviews. These periodic audits will be conducted by staff certified to perform the specific audit in question at Contractor's sole cost and expense through either (i) an internal independent audit function, (ii) a nationally recognized, external, independent auditor, or (iii) another independent auditor approved by the LACDA.

The Contractor shall have a process for correcting control deficiencies that have been identified in the periodic audit, including follow up documentation providing evidence of such corrections. The Contractor shall provide the audit results and any corrective action documentation to the LACDA promptly upon its completion at the LACDA's request. With respect to any other report, certification, or audit or test results prepared or received by the Contractor that contains any LACDA Information, the Contractor shall promptly provide the LACDA with copies of the same upon the LACDA's reasonable request, including identification of any failure or exception in the Contractor's Information systems, products, and services, and the corresponding steps taken by the Contractor to mitigate such failure or exception. Any reports and related materials provided to the LACDA pursuant to this Section shall be provided at no additional charge to the LACDA.

- b. **LACDA Requested Audits.** At its own expense, the LACDA, or an independent third-party auditor commissioned by the LACDA, shall have the right to audit the Contractor's infrastructure, security and privacy practices, Data center, services and/or systems storing or processing LACDA Information via an onsite inspection at least once a year. Upon the LACDA's request the Contractor shall complete a questionnaire regarding Contractor's Information Security and/or program. The LACDA shall pay for the LACDA requested audit unless the auditor finds that the Contractor has materially breached this Attachment , in which case the Contractor shall bear all costs of the audit; and if the audit reveals material non-compliance with this Attachment , the LACDA may exercise its termination rights underneath the Contract.

Such audit shall be conducted during the Contractor's normal business hours with reasonable advance notice, in a manner that does not materially disrupt or otherwise unreasonably and adversely affect the Contractor's normal business operations. The LACDA's request for the audit will specify the scope and areas (e.g., Administrative, Physical, and Technical) that are subject to the audit and may include, but are not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal Vulnerability scans, penetration test results, evidence of code reviews, and evidence of system configuration and audit log reviews. It is understood

that the results may be filtered to remove the specific Information of other Contractor customers such as IP address, server names, etc. The Contractor shall cooperate with the LACDA in the development of the scope and methodology for the audit, and the timing and implementation of the audit. This right of access shall extend to any regulators with oversight of the LACDA. The Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.

When not prohibited by regulation, the Contractor will provide to the LACDA a summary of: (i) the results of any security audits, security reviews, or other relevant audits, conducted by the Contractor or a third party; and (ii) corrective actions or modifications, if any, the Contractor will implement in response to such audits.

17. CYBER LIABILITY INSURANCE

The Contractor shall secure and maintain cyber liability insurance coverage in the manner prescribed in this section unless the Contract prescribes cyber liability insurance coverage provisions and those provisions are no less stringent than those described in this section.

The Contractor shall secure and maintain cyber liability insurance coverage with limits of at least **\$1,000,000** per occurrence and **\$2,000,000** in the aggregate during the term of the Contract, including coverage for: network security liability; privacy liability; privacy regulatory proceeding defense, response, expenses and fines; technology professional liability (errors and omissions); privacy breach expense reimbursement (liability arising from the loss or disclosure of LACDA Information no matter how it occurs); system breach; denial or loss of service; introduction, implantation, or spread of malicious software code; unauthorized access to or use of computer systems; and Data/Information loss and business interruption; any other liability or risk that arises out of the Contract. The Contractor shall add the LACDA as an additional insured to its cyber liability insurance policy and provide to the LACDA certificates of insurance evidencing the foregoing upon the LACDA's request. The procuring of the insurance described herein, or delivery of the certificates of insurance described herein, shall not be construed as a limitation upon the Contractor's liability or as full performance of its indemnification obligations hereunder. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

18. PRIVACY AND SECURITY INDEMNIFICATION

In addition to the indemnification provisions in the Contract, the Contractor agrees to indemnify, defend, and hold harmless the LACDA, its Special Districts, elected and appointed officers, agents, employees, and volunteers from and against any and all claims, demands liabilities, damages, judgments, awards, losses, costs, expenses or fees including reasonable attorneys' fees, accounting and other expert, consulting or professional fees, and amounts paid in any settlement arising from, connected with, or relating to:

- The Contractor's violation of any federal and state laws in connection with its accessing, collecting, processing, storing, disclosing, or otherwise using LACDA Information;

- The Contractor's failure to perform or comply with any terms and conditions of this Contract or related agreements with the LACDA; and/or,
- Any Information loss, breach of Confidentiality, or Incident involving any LACDA Information that occurs on the Contractor's systems or networks (including all costs and expenses incurred by the LACDA to remedy the effects of such loss, breach of Confidentiality, or Incident, which may include (i) providing appropriate notice to individuals and governmental authorities, (ii) responding to individuals' and governmental authorities' inquiries, (iii) providing credit monitoring to individuals, and (iv) conducting litigation and settlements with individuals and governmental authorities).

Notwithstanding the preceding sentences, the LACDA shall have the right to participate in any such defense at its sole cost and expense, except that in the event contractor fails to provide LACDA with a full and adequate defense, as determined by LACDA in its sole judgment, LACDA shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from contractor for all such costs and expenses incurred by LACDA in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of LACDA without LACDA's prior written approval.

ADDENDUM A: SOFTWARE AS A SERVICE (SaaS)

- a. **License:** Subject to the terms and conditions set forth in this Contract, including payment of the license fees by to the Contractor, the Contractor hereby grants to the LACDA a non-exclusive, non-transferable worldwide LACDA license to use the SaaS, as well as any documentation and training materials, during the term of this Contract to enable the LACDA to use the full benefits of the SaaS and achieve the purposes stated herein.
- b. **Business Continuity:** In the event that the Contractor's infrastructure containing or processing the LACDA Information becomes lost, altered, damaged, interrupted, destroyed, or otherwise limited in functionality in a way that affects the LACDA's use of the SaaS, The Contractor shall immediately and within twenty-four (24) hours implement the Contractor's Business Continuity Plan, consistent with Section 12 OPERATIONAL MANAGEMENT, BUSINESS CONTINUITY, AND DISASTER RECOVERY, such that the Contractor can continue to provide full functionality of the SaaS as described in the Contract.

The Contractor will indemnify the LACDA for any claims, losses, or damages arising out of the LACDA's inability to use the SaaS consistent with the Contract and Section 0 18. PRIVACY AND SECURITY INDEMNIFICATION.

The Contractor shall include in its Business Continuity Plan service offering, a means for segmenting and distributing IT infrastructure, disaster recovery and mirrored critical system, among any other measures reasonably necessary to ensure business continuity and provision of the SaaS.

In the event that the SaaS is interrupted, the LACDA Information may be accessed and retrieved within two (2) hours at any point in time. To the extent the Contractor hosts LACDA Information related to the SaaS, the Contractor shall create daily backups of all LACDA Information related to the LACDA's use of the SaaS in a segmented or off-site "hardened" environment in a manner that ensures backups are secure consistent with cybersecurity requirements described in this Contract and available when needed.

- c. **Enhancements:** Upgrades, replacements and new versions: The Contractor agrees to provide to LACDA, at no cost, prior to, and during installation and implementation of the SaaS any software/firmware enhancements, upgrades, and replacements which the Contractor initiates or generates that are within the scope of the SaaS and that are made available at no charge to the Contractor's other customers.

During the term of this Contract, the Contractor shall promptly notify the LACDA of any available updates, enhancements or newer versions of the SaaS and within thirty (30) Days update or provide the new version to the LACDA. The Contractor shall provide any accompanying documentation in the form of new or revised documentation necessary to enable the LACDA to understand and use the enhanced, updated, or replaced SaaS.

During the Contract term, the Contractor shall not delete or disable a feature or functionality of the SaaS unless the Contractor provides sixty (60) Days advance notice and the LACDA provides written consent to delete or disable the feature or functionality. Should there be a replacement feature or functionality, the LACDA shall have the sole discretion whether to accept such replacement. The replacement shall

be at no additional cost to the LACDA. If the Contractor fails to abide by the obligations in this section, the LACDA reserves the right to terminate the Contract for material breach and receive a pro-rated refund.

- d. **Location of LACDA Information:** The Contractor warrants and represents that it shall store and process LACDA Information only in the continental United States and that at no time will LACDA Data traverse the borders of the continental United States in an unencrypted manner.
- e. **Audit and Certification:** The Contractor agrees to conduct an annual System and Organization Controls (SOC 2 type II) audit or equivalent (i.e. The International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC) 27001:2013 certification audit or Health Information Trust Alliance (HITRUST) Common Security Framework certification audit) of its internal controls for security, availability, integrity, confidentiality, and privacy. The Contractor shall have a process for correcting control deficiencies that have been identified in the audit, including follow up documentation providing evidence of such corrections. The results of the audit and the Contractor's plan for addressing or resolving the audit findings shall be shared with and LACDA Information Technology within ten (10) business days of the Contractor's receipt of the audit results. The Contractor agrees to provide LACDA with the current audit certifications upon request.
- f. **Services Provided by a Subcontractor:** Prior to the use of any Subcontractor for the SaaS under this Contract, the Contractor shall notify LACDA of the proposed subcontractor(s) and the purposes for which they may be engaged at least thirty (30) Days prior to engaging the Subcontractor and obtain written consent of the LACDA's Contract Administrator.
- g. **Information Import Requirements at Termination:** Within one (1) Day of notification of termination of this Contract, the Contractor shall provide LACDA with a complete, portable, and secure copy of all LACDA Information, including all schema and transformation definitions and/or delimited text files with documented, detailed schema definitions along with Attachment s in a format to be determined by LACDA upon termination.
- h. **Termination Assistance Services:** During the ninety (90) Day period prior to, and/or following the expiration or termination of this Contract, in whole or in part, the Contractor agrees to provide reasonable termination assistance services at no additional cost to LACDA, which may include:
 - i. Developing a plan for the orderly transition of the terminated or expired SaaS from the Contractor to a successor;
 - ii. Providing reasonable training to LACDA staff or a successor in the performance of the SaaS being performed by the Contractor;
 - iii. Using its best efforts to assist and make available to the LACDA any third-party services then being used by the Contractor in connection with the SaaS; and
 - iv. Such other activities upon which the Parties may reasonably agree.

ADDENDUM B: CONTRACTOR HARDWARE CONNECTING TO LACDA SYSTEMS

Notwithstanding any other provisions in this Contract, the Contractor shall ensure the following provisions and security controls are established for any and all Systems or Hardware provided under this contract.

- a. **Inventory:** The Contractor must actively manage, including through inventory, tracking, loss prevention, replacement, updating, and correcting, all hardware devices covered under this Contract. The Contractor must be able to provide such management records to the LACDA at inception of the contract and upon request.
- b. **Access Control:** The Contractor agrees to manage access to all Systems or Hardware covered under this contract. This includes industry-standard management of administrative privileges including, but not limited to, maintaining an inventory of administrative privileges, changing default passwords, use of unique passwords for each individual accessing Systems or Hardware under this Contract, and minimizing the number of individuals with administrative privileges to those strictly necessary. Prior to effective date of this Contract, the Contractor must document their access control plan for Systems or Hardware covered under this Contract and provide such plan to the LACDA Information Technology Manager who will consult with the LACDA's Chief Information Security Officer (CISO) and LACDA Executive Director for review and approval. The Contractor must modify and/or implement such plan as directed by the DISO and CISO.
- c. **Operating System and Equipment Hygiene:** The Contractor agrees to ensure that Systems or Hardware will be kept up to date, using only the most recent and supported operating systems, applications, and programs, including any patching or other solutions for vulnerabilities, within ninety (90) Days of the release of such updates, upgrades, or patches. The Contractor agrees to ensure that the operating system is configured to eliminate any unnecessary applications, services and programs. If for some reason the Contractor cannot do so within ninety (90) Days, the Contractor must provide a Risk assessment to the LACDA Information Technology Manager.
- d. **Vulnerability Management:** The Contractor agrees to continuously acquire, assess, and take action to identify and remediate vulnerabilities within the Systems and Hardware covered under this Contract. If such vulnerabilities cannot be addressed, The Contractor must provide a Risk assessment to the LACDA Information Technology Manager who will consult with the LACDA's Chief Information Security Officer (CISO) and LACDA Executive Director. The LACDA's CISO must approve the Risk acceptance and the Contractor accepts liability for Risks that result to the LACDA for exploitation of any un-remediated vulnerabilities.
- e. **Media Encryption:** Throughout the duration of this Contract, the Contractor will encrypt all workstations, portable devices (e.g., mobile, wearables, tablets,) and removable media (e.g., portable or removable hard disks, floppy disks, USB memory drives, CDs, DVDs, magnetic tape, and all other removable storage media) associated with Systems and Hardware provided under this Contract in accordance with Federal Information Processing Standard (FIPS) 140-2 or otherwise required or approved by the and LACDA Executive Director.

- f. **Malware Protection:** The Contractor will provide and maintain industry-standard endpoint antivirus and antimalware protection on all Systems and Hardware as approved or required by the and LACDA Executive Director who will consult with the LACDA's Chief Information Security Officer (CISO) and LACDA Executive Director to ensure provided hardware is free, and remains free of malware. The Contractor agrees to provide the LACDA documentation proving malware protection status upon request.

ADDENDUM C: APPLICATION SOURCE CODE REPOSITORY

The Contractor shall manage the source code in the manner prescribed in this Addendum unless the Contract prescribes procedures for managing the source code and those procedures are no less stringent than the procedures described in this addendum.

- a. **LACDA Application Source Code.** To facilitate the centralized management, reporting, collaboration, and continuity of access to the most current production version of application source code, all code, artifacts, and deliverables produced under this Contract, (hereinafter referred to as “LACDA Source Code”) shall be version controlled, stored, and delivered on a single industry-standard private Git repository, provided, managed, and supported by the LACDA. Upon commencement of the contract period, the Contractor will be granted access to the LACDA’s private Git repository.
- b. **Git Repository.** The Contractor will use the LACDA Git repository during the entire lifecycle of the project from inception to final delivery. The Contractor will create and document design documents, Data flow diagrams, security diagrams, configuration settings, software or hardware requirements and specifications, attribution to third-party code, libraries and all dependencies, and any other documentation related to all LACDA Source Code and corresponding version-controlled documentation within the Git repository. This documentation must include an Installation Guide and a User Guide for the final delivered source code such that LACDA may download, install, and make full functional use of the delivered code as specified and intended.

ATTACHMENT 5 EMPHASYS SERVICE LEVEL AGREEMENT

DEFINITIONS

- Call Center** The Subcontractor's in-house staff, equipment and protocols to staff the toll-free number provided on the Website, answer inbound and make outbound calls, and maintain and update accurate information and property listings in the Database.
- CIO** County of Los Angeles Chief Information Office.
- LACDA** Los Angeles County Development Authority
- Contract** The Contract for Internet-Based Housing Database Website Services ("Contract") by and between the Community Development LACDA of the County of Los Angeles ("LACDA ") and Emphasys Computer Solutions, Inc. ("Contractor").
- Contractor** Emphasys Computer Solutions, Inc, a Florida corporation DBA Emphasys Software.
- County** The County of Los Angeles, California.
- Database** All information relating to the County and LACDA, including but not limited to residential rental properties, for-sale housing, service providers, shelters, agencies and organizations collected, maintained, organized and/or displayed by the Contractor as part of the Los Angeles County Housing Resource Website operation described under the Contract and this SLA.
- Subcontractor** Socialserve, a North Carolina not-for-profit organization.
- Website** The Los Angeles County Housing Resource Center website located at <http://housing.lacounty.gov>

SUMMARY DESCRIPTION:

The Contractor shall develop, maintain, and provide for the hosting of the Website and Database, while providing ongoing services to support, update and monitor the Website and Database with an adequately staffed and trained Call Center based in Charlotte, North Carolina. The Contractor shall maintain minimum service levels and assure compliance with protocols and protections of LACDA housing information and data. Services include:

Service Description	Primary	Availability/ Frequency
Web hosting	Flexential - Third Party Hosting Services	All times
Maintain rental housing search capability	Contractor	All times
Maintain Google Map functionality	Contractor	All times
Maintain password access function	Contractor	All times
Issue passwords upon request	Contractor	Within 3 working days
Insert partner logos upon request	Contractor	Within 10 working days
Update median income data	Contractor	Annually
Back up and Retention of Files	Contractor	Daily - storage for 3 years
Expand storage capacity	Contractor	As needed
Maintain news platform on Agency User Page (LACDA manages content)	Contractor	All times
PostgreSQL platform updates	Contractor	All times
Call Center Assistance to Property Providers	Subcontractor	Weekdays 8 am - 5 pm Pacific Standard Time
Call Center Assistance to Renters	Subcontractor	Weekdays 8 am - 5 pm Pacific Standard Time
Call Center Assistance — all other calls	Subcontractor	Weekdays 8 am - 5 pm Pacific Standard Time
Call Center Assistance — Spanish speaking	Subcontractor	Weekdays 8 am - 5 pm Pacific Standard Time
Call Center property updates upon request	Subcontractor	Weekdays 8 am - 5 pm Pacific Standard Time
Call Center search result mailings	Subcontractor	Upon request
Customer Assistance/ Dispute Resolution	Subcontractor	Weekdays 6 am - 5 pm Pacific Standard Time
Content translation to Spanish	Contractor	As needed
Provide customer service to property owners	Subcontractor	As needed
Test and maintain all partner links	Contractor	Quarterly
Test and maintain all resource links	Contractor	Quarterly
Post Usage Statistics	Contractor	All times/ daily updates
Post Listing Statistics	Contractor	All times / daily updates
Update GIS Data	Contractor	Annually
Disaster Response Availability	Subcontractor	All times

¹ The term "All Times" as used in this chart shall allow for waiver or acceptance by LACDA, provided in writing, for unanticipated circumstances or events that lead to interruption of delivery that are deemed non-material or non-harmful by LACDA, at LACDA's sole discretion.

This Service Level Agreement (SLA) will be modified as new features are developed and launched during the life of the contract. If it is deemed by the County that a specific SLA be required for any feature, then the new SLA shall be drafted and placed into enforcement as an addendum to the contract. Emphasys Software will continue to provide 99.999% availability for all of the current and future services barring unforeseen incidents of natural disaster or other types of loss of service issues outside of the control of Emphasys Software.

Features and auxiliary services to be developed within this contract that maintain housing listing information, links to external data, program information, or other types of resource information that may have a limited lifetime of usefulness, shall be updated and/or removed in a manner appropriate to the resource as long as the annual maintenance fees remain in force. These maintenance schedules will be developed during the discovery phase of each new feature and may be modified if actual implementation otherwise determines that the planned schedule of maintenance of the resource does not provide for adequate upkeep. If this revamping of the maintenance period produces a fiscal impact on Emphasys Software that could not have been anticipated prior to actual use of the resource, Emphasys Software maintains the right to modify the agreement to cover said cost increases.

If a feature or resource is determined during the lifetime of an annual maintenance fee to be of no further use, then said feature or resource will be removed from service in an agreed upon method and with an agreed upon timeline that minimizes the impact to the end user, the County and Emphasys Software.

DATABASE VOLUME AND FEE INCREASE REQUESTS

Because the nature of rental vacancies, demand for housing, shifting governmental priorities and economic changes make it impossible to confidently predict the expected growth curve of database volume, the Contractor agrees to make all reasonable efforts to manage expected and unexpected service demand for the duration of this SLA. However, in order to protect both the Contractor and the LACDA, the following volume caps list statistical triggers in which the Contractor would be eligible to request fee increases or adjustments to service delivery requirements, or both, in order to maintain uninterrupted operation of the Website. Because funds may not be available to cover costs of fee increases, the Contractor agrees to provide alternate value engineering options for scope of work changes that would allow the LACDA to shift funding from one work item to increase fee payment, pursuant to approval by the Executive Director, CIO and/or County Board, as deemed necessary by the LACDA.

Volume caps that are exceeded for limited durations may require mutually negotiated payment requests or service level adjustments. Volume caps sustained for 60 days uninterrupted shall constitute justification to request fee increases.

Because of the Contractor's service-oriented mission, the volume caps below are set sufficiently high that it is unanticipated that these levels will be achieved. However, the Contractor agrees to notify the LACDA in writing if any volume level reaches 90% of the

cap. Contractor agrees to maintain service up to 110% of volume cap for an additional 30 days (past the initial 60-day period, in order to give the LACDA additional time to obtain funding or negotiate scope of work changes through an amendment to the Contract. The contractor has no obligation to maintain service longer than 90 days without additional service fee or consideration by the LACDA or County.

In cases where listing volume increases as a direct result of adding a new housing authority or city's listings to the Database, Contractor shall provide fee increase cost to LACDA to ensure that the new partner city or agency can be assessed that cost, and the SLA Caps will be increased accordingly.

Service Item	Current Volume	Volume Cap	110% of Volume Cap
Total Listings	34,500	36,225	39,850
Total Landlords	12,760	14,036	15,440
30-day Search Total	191,078 (avg)	210,185	231,200
30-day In/Out Phone Call Total	3,500	3,675	4,042

1. Frequency of database updates:

- a. Property providers are required to update active listings weekly to bi-weekly depending on the listing type. Providers can update their listings by either logging in to the system, emailing, faxing or calling our Customer Service Center who will perform the requested updates for the provider. If this update is not performed in a timely manner, then the steps listed below come into effect.
- b. Staff from the Customer Service Center contact property owners if their listings have not been updated by one of the methods listed in 1.a above after 5-working days. The listings are updated by the staff, so the listings remain current. Each time a landlord logs in or has a CSR update a listing, the timestamp for the listing is reset and the clock begins ticking from zero. If no response is forthcoming from the provider, we provide one phone warning, then pull the listing and do a final notification by phone. There are a number of nuances that go along with this process including removing listings upon notification from a client that a listing was not available when he or she called the provider.
- b. Whenever a listing is "pulled," the provider is notified and given one last chance to re-activate the property. If there is no reply, the property is marked

for deletion and a 120-day timestamp is set. If the provider calls within the 120-day window, the property can be re-activated. If not, the property is deleted from the service.

2. Description of database hosting, maintenance, and monitoring, including availability of technical support and maintenance schedule:

1. Contractor hosts all of the sites served and maintain the server farm at Flexential in Charlotte, NC. Peak-10 is a triple-redundant Tier-1 ISP with SAS 70 (Type II) facilities located in multiple states.
2. Monitoring is 24/7/365. Any issues with the availability of the service cause alarm notifications to page or phone our IT group.
3. Maintenance is covered in the extensive review of our IT infrastructure, attached separately. Any maintenance requiring the internet-based housing database website ("the Website") to be unavailable is performed prior to 7:00a.m. Eastern time.

3. List and description of standard reports.

There are a wide variety of reports available, many listed below. Emphasys

Software can also do custom query reporting based on the need of the contract holder; custom reporting priced upon request.

1) Listings and Unit Reports

a) Total Listings

Total number of listings on the system, regardless of status, as of the close of business of the date stated at the top of the report. A single listing may represent one property (e.g., a single-family home) or many properties (e.g., an apartment building).

b) Total Units

Total number of UNITS represented by each LISTING as of the close of business of the date stated at the top of the report or the range you select. If a LISTING is an apartment complex, it may represent several UNITS. This number is regardless of status.

c) Available Listings

Number of listings, whose status is either available or waiting list, that can be found by searchers, as of the close of business of the date stated at the top of the report.

d) Available Units

Number of units represented by listings that can be returned in a search, as of the close of business of the date stated at the top of the report.

e) **Total landlords**

Number of landlords on the system, as of the close of business of the date stated at the top of the report.

f) **Status (Can be one of the following):**

i) Available

ii) Waiting List

iii) Rented

iv) Under Repair

v) System Disabled (Only set by Emphasys Software. Means there is a problem with the listing)

2) **Search and Visitor Report**

a) 1-Day

The first number reflects the number of countable searches performed on the day stated at the top of the report. The second number reflects the number of countable visitors to the search page on that day.

b) 7-Day

The first number reflects the number of countable searches performed during the 7-day period ending on the date stated at the top of the report. The second number reflects the number of countable visitors to the search page during that 7-day period.

c) 28-Day

The first number reflects the number of countable searches performed during the 28-day period ending on the date stated at the top of the report. The second number reflects the number of countable visitors to the search page during that 28-day period.

d) YTD

IMPORTANT - This number calculates from the day your site launched! The first number reflects the number of countable searches performed during the 12-month period ending on the date stated at the top of the report. The second number reflects the number of countable visitors to the search page during that 12-month period.

3) **Figures reported for searches and visitors can be affected by factors inherent in Web applications, such as the following: (We would rather be conservative on counting than attempt to mathematically inflate the numbers.)**

a) We track only visitors who have cookies turned on in their browser. This leads to an undercounting of actual visitors, as well as actual searches.

b) Publicly accessible computers such as those in libraries are each counted as a single visitor, regardless of how many people use the computer to access the

site, unless the previous user exited the computer's browser. This also leads to an undercounting of visitors.

4) Listing Update Report

- a) Listings Added
Number of listings added to the system during the specified time frame.
- b) Units Added
Number of properties added to the system during the specified time frame.
- c) Listings Deleted
Number of listings deleted from the system during the specified time frame.
- d) Units Deleted
Number of properties deleted from the system during the specified time frame.
- e) Listings Modified
Number of listings updated during the specified time frame. An "update" occurs whenever any change is made to the listing.
- f) Units Modified
Number of properties updated during the specified time frame. An "update" occurs whenever any change is made to the property.

4. CALL CENTER SERVICE OVERVIEW

A principal feature of the service is the toll-free, bilingual Call Center, which provides full access to all Web site functionality through our toll-free number or via email, fax or mail. The Call Center is staffed by professionally trained Housing Navigators, who complete the Socialserve Customer Service Program over a period of two to three months. Socialserve's Housing Navigators utilize our leading-edge web tools to verify and update database information five days a week. Tenants and property providers can call for service from Monday through Friday, 9 a.m. to 8 p.m. (EST). An example of how property providers use the Call Center from a recent call is as a landlord was driving from Home Depot with a new refrigerator for one of his rental units, he called and asked Socialserve to change the listing to reflect that a brand-new refrigerator was included in the rental price. Literally hundreds of update and search calls come in each day to Socialserve's Call Center.

With 40 dedicated staff working diligently to assist callers and to ensure that system data are accurate and up to date, no other service offers the level of customer support and training that Socialserve offers. Over twenty-five percent of Socialserve Housing Navigators are bilingual. Another unique feature of Socialserve is that we are a Second Chance Employer that intentionally recruits new staff from area programs serving people who are homeless or who have backgrounds that present a barrier to employment or housing. Each new staff member participates in a highly structured training program

designed to impart knowledge and experience through immersion, monitoring, directed call handling and market training. The average length of experience for Call Center staff currently exceeds two years.

Housing Navigators at Work – Keeping Data Up to Date

The system notifies the Socialserve Call Center if a property may no longer be a valid offering. If a property provider has not logged into their account or contacted the Call Center to verify property availability at least one time within a 14 to 28-day period (variable depending upon number of units in the property), the system flags their account and adds it to the Call Center log for a direct follow up. During the follow up via email and/or phone call, the property provider will be required to review property information and verify that all listings are up to date. If the property provider cannot be reached after two attempts on the phone, their properties will be temporarily removed from the public search until the owner either logs on to their account or phones the Call Center to update their listing information.

To further protect the validity of system data, our Property Review Queue (PRQ) provides for individual data inspection of each property added/updated. When a landlord logs in and *either* updates an existing or creates a new available listing, the PRQ generates a listing inspection record. Housing Navigators work through pending inspection records five days a week. When a Housing Navigator “checks out” a listing inspection record, they will verify that listing along with any other pending records generated by the same account so that they may be inspected as a whole, allowing personnel to notice duplicates and other issues.

The Housing Navigator reviews the information in the listing, repairs any trivial issues such as spelling errors and then approves the listing or, if needed, an outbound telephone call is queued up for a Housing Navigator to place to the landlord to discuss and/or verify listing information. If the listing information is judged to be invalid, the listing is removed from public display, and a call is queued to discuss the issue with the landlord.

The Socialserve Call Center:

- I. Receives inbound calls/emails/faxes/letters from landlords to:
 - a. register to list properties
 - b. learn about or are curious about the service (general information)
 - c. add new properties to the service
 - d. update existing listings
 - e. do “comps”
 - f. learn about Section 8 and other housing programs and services
 - g. learn how to use the service or to learn how to use a new feature
- II. Places outbound calls/emails/faxes/letters to landlords to:
 - a. add new listings
 - b. edit/update existing listings
 - c. remind landlords of expiring leases and promote re-listing on the service
 - d. remove properties from service
 - e. process complaints brought about by prospective tenants

- f. train new staff on system use and update procedures
- g. move existing static inventory lists to the new service and market the service to new providers (Many times this has resulted in 20,000 or more “Outreach” calls to property providers throughout the state)

Support to tenants and other users.

- I. Inbound calls/emails (and yes, even faxes and letters!) from tenants
 - a. learning how to use the service
 - b. asking us to search for available properties and either give them the information over the phone or fax/email/mail available listings to the individual
 - c. reporting an issue or complaint regarding a listing (discrimination, misrepresented, rented, etc.)
 - d. learning about other services that may exist to help with rent, security deposits, legal aide, utility assistance and other possible referrals for aide
 - e. emergency aid for victims fleeing domestic violence
 - f. TDD calls from deaf tenants requiring assistance in locating properties
 - g. trying to locate special-needs properties
 - h. who have experienced a disaster and need emergency, transitional and/or permanent housing including assistance in obtaining required FEMA locator IDs, etc. depending on the type of, and severity of the disaster.
- II. Outbound calls/emails/faxes/letters to tenants
 - a. to inform of available listings when in need of special-needs housing
 - b. to address and resolve any complaint that may have been tendered regarding an existing listing
- III. Provide teleconference training for agency and other professional users of the service around all of Socialserve basic and optional modules. Provide toll-free service for any Public Housing Authority to refer their landlords and tenants to for listing and locating available units.

Call Center Procedures

Our Call Center procedures manual contains proprietary information; and is located on an internal “Wiki” in electronic format for rapid access by Housing Navigators.

Sample Procedure from Socialserve Call Center Procedures Wiki

In the event a client calls to inform Socialserve of a unit listed that is already rented, follow these steps:

Primary Steps:

- Collect contact information from client
- Document complaint
- Remove property from system
- Perform new search for client if client needs such assistance
- Inform client that a follow up call will be made to them to inform them of the outcome
- Notify Floor Manager of complaint

Secondary Steps:

- Floor Manager reviews complaint:
 - connect with tenant if needed for more information
- Floor manager notifies the Property Provider that a complaint has been received and that the property/properties is/have been removed from the system pending clarification of the issue.

Depending on the issue:

Tertiary Steps:

- Floor Manager notifies Senior Management, and
 - Floor Manager notifies tenant of outcome
 - Floor Manager or Senior Management notify provider of outcome
- If an issue is Fair Housing related, then Floor Manager and/or Senior Management will discuss the issue with the provider and may, if it is a repeat issue or deemed appropriate based on the conversation with the tenant and provider, report the issue to the State's Attorney General's Office.

Call Center Staffing Levels Based on Population, Poverty Levels and Estimated Averages

Based on over 20 years of experience in operating a full-service call center, Socialserve is very accurately able to judge anticipated staffing levels for new regions. We recruit and train new Housing Navigators as the demand requires and our existing Housing Navigators are continually learning new processes and procedures while training in specialty areas that will better assist the CCR in providing the best possible answers to the incredibly diverse inquiries that flow through the call center on a daily basis.

Whenever Socialserve adds a new region, we increase our call center staffing level to absorb the anticipated increase in call volume. Training new Housing Navigators to handle basic calls takes 60-days of classroom, "shadowing" experienced Housing Navigators and monitored call handling through a process known as "barging" where our Senior Housing Navigators and trainers listen in on the trainees calls and can respond immediately to any request for assistance that the trainee requires. New Housing Navigators continue through a full year of specialized training to ensure their ability to handle a normal day's requests for assistance.

EXHIBIT B

FEE SCHEDULE

FEE SCHEDULE FOR INTERNET-BASED HOUSING DATABASE WEBSITE SERVICES

The Contractor shall provide internet-based housing database website services to the LACDA in accordance with Appendix A, Statement of Work and shall be paid based on Section I, Internet-Based Housing Database Website Services. The costs noted below include all labor, sub-consulting, equipment, travel, supplies, taxes and all associated and related expenses for the costs as stated below.

SECTION I: INTERNET-BASED HOUSING DATABASE WEBSITE SERVICES						
Item No.	Description	Term	Cost			
			Monthly	Annual	Other Services ¹	Total Annual
1.	Internet-based housing database website services to operate and maintain the County of Los Angeles Website and Call Center in accordance with Exhibit A, Statement of Work.	July 1, 2021- June 30, 2022	\$19,242.25	\$230,907.00	\$30,000.00	\$260,907.00
2.	Internet-based housing database website services to operate and maintain the Los Angeles County Website and Call Center in accordance with Exhibit A, Statement of Work.	July 1, 2022 – June 30, 2023	\$19,819.50	\$237,834.00	\$30,000.00	\$267,834.00
3.	Internet-based housing database website services to operate and maintain the Los Angeles County Website and Call Center in accordance with Exhibit A, Statement of Work.	July 1, 2023 – June 30, 2024	\$20,414.08	\$244,968.96	\$30,000.00	\$274,968.96

¹ The “Other Services” shall be for services fees associated with costs in Section II, Other Internet-Based Housing Database Website and Support Services and shall not exceed more than \$30,000 per year.

4.	Internet-based housing database website services to operate and maintain County the County of Los Angeles Website and Call Center in accordance with Exhibit A, Statement of Work.	July 1, 2024 – June 30, 2025	\$21,026.50	\$252,318.00	\$30,000.00	\$282,318.00
5.	Internet-based housing database website services to operate and maintain the County of Los Angeles County Website and Call Center in accordance with Exhibit A, Statement of Work.	July 1, 2025 - June 30, 2026	\$21,657.33	\$259,887.96	\$30,000.00	\$289,887.96
FIVE-YEAR CONTRACT TERM GRAND TOTAL						\$1,375,915.92

The Contractor shall provide other internet-based housing database website support services on an as-needed basis when requested, which may be required from time to time by the LACDA. The allowance for other internet-based housing database website and support services shall not exceed \$30,000 per year. All other internet-based housing database website and support services must be approved in writing in advance. Failure of the Contractor to obtain written advanced approval on any assignment shall be grounds for no payment to the Contractor.

SECTION II: OTHER INTERNET-BASED HOUSING DATABASE WEBSITE AND SUPPORT SERVICES			
Item No.	Description	Unit	Cost
1.	Additional consulting services	Hourly	\$335.00
2.	Web page hosting per new page	Cost negotiated upon request	
3.	Web page hosting per hour maintenance/upload	Cost negotiated upon request	
4.	E-Newsletter mailing, design, advisory and editing services per newsletter	Cost negotiated upon request	

5.	E-Newsletter mailing, design, advisory and editing services	Hourly	\$190.00
6.	Design consulting on marketing materials	Hourly	\$190.00
7.	Graphics design	Hourly	\$190.00
8.	Remote training	Hourly	\$300.00
9.	Rent comp per agency for user accounts and training for approved agencies	Per Agency	\$1,200.00
10.	Database development and/or customization per discovery and analysis	Hourly	\$330.00
11.	Existing data structure discover and analysis	Hourly	\$300.00
12.	Per custom query: new request and 1-hour included	Cost negotiated upon request	
13.	Per custom query: existing query modification with 1-hour included	Cost negotiated upon request	
14.	Per custom query: no modification, re-running existing query	Per Custom Query	\$300.00
15.	Custom query after minimum 1-hour	Cost negotiated upon request	
16.	Short notice/rush	Cost negotiated upon request	
17.	Web design	Hourly	\$180.00
18.	Web development	Hourly	\$300.00
19.	Translation services: Document fees per page - English	Cost negotiated upon request	

20.	Translation services: Document fees per page - Spanish	Cost negotiated upon request	
21.	Translation services: Document fees per page – Other language	Cost negotiated upon request	
22.	Management and staff services	Hourly	\$240.00
23.	Senior staff services	Hourly	\$240.00
24.	Marketing director services	Hourly	\$190.00
25.	Director of agency outreach services	Hourly	\$240.00
26.	Call center management services	Cost negotiated upon request	
27.	Customer services	Cost negotiated upon request	

EXHIBIT C

LACDA'S ADMINISTRATION

LACDA'S ADMINISTRATION

SERVICES: Internet-Based Housing Database and Website Services

LACDA PROJECT DIRECTOR:

Name: Lynn Katano
Title: HIF Director
Address: 700 Main Street, Alhambra, CA 91801
Telephone: (626) 586-1806
E-Mail Address: Lynn.Katano@lacda.org

LACDA PROJECT MANAGER:

Name: Matt Lust
Title: HIF Manager
Address: 700 Main Street, Alhambra, CA 91801
Telephone: (626) 586-1809 Facsimile: N/A
E-Mail Address: Matt.Lust@lacda.org

LACDA PROJECT MANAGER:

Name: Nicole Smith
Title: HIF Assistant Manager
Address: 700 Main Street, Alhambra, CA 91801
Telephone: (626) 586-1827 Facsimile: N/A
E-Mail Address: Nicole.Smith@lacda.org

LACDA CONTRACT ADMINISTRATOR:

Name: Emily Tran

Title: Procurement Analyst

Address: 700 West Main Street,
Alhambra, Ca 91801

Telephone: (626)586-1681 Facsimile: (626) 943-3808

E-Mail Address: emily.tran@lacda.org

EXHIBIT D

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: Emphasys Computer Solutions, Inc.

SERVICES: INTERNET-BASED HOUSING DATABASE WEBSITE SERVICES, RFP NO. LACDA21-004

CONTRACTOR'S PROJECT MANAGER

Name: Sheila Roberts
Title: Region Support Manager
Address: 1200 SW 145th Ave., Suite 301, Pembroke Pines, FL 33027
Telephone: 404-402-9594 Facsimile: _____
E-Mail Address: sroberts@emphasys-software.com

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: KEN REIMER
Title: PRESIDENT
Address: 1200 SW 145th Ave., Suite 301, Pembroke Pines, FL 33027
Telephone: 305-599-2531 Facsimile: -
E-Mail Address: KREIMER@ALTAIRSW.COM

Name: JOHN F. WILKENS
Title: DIRECTOR OF FINANCE
Address: 1200 SW 145th Ave., Suite 301, Pembroke Pines, FL 33027
Telephone: 305-599-2531 Facsimile: 305-599-5292
E-Mail Address: JWILKENS@EMPHASYS-SOFTWARE.COM

Notices to Contractor shall be sent to the following:

Name: Sheila Roberts
Title: Region Support Manager
Address: 1200 SW 145th Ave., Suite 301, Pembroke Pines, FL 33027
Telephone: 404-402-9594 Facsimile: _____
E-Mail Address: sroberts@emphasys-software.com

EXHIBIT E

REQUIRED CONTRACT FORMS AND CERTIFICATIONS

**RFQ/IFB/RFP/RFSQ
CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM
APPLICATION FOR EXEMPTION AND CERTIFICATION FORM**

The Los Angeles County Development Authority's (LACDA) solicitation for this contract/purchase order/Invitation for Bid/Request for Proposal or Request for Statement of Qualifications is subject to the LACDA's Contractor Employee Jury Service Program (Program). All bidders or proposers, whether a contractor or subcontractor, must complete this form to either 1) request an exemption from the Program requirements or 2) certify compliance. Upon review of the submitted form, the LACDA will determine, in its sole discretion, whether the bidder or proposer is exempted from the Program.

Company Name:	Emphasys Computer Solutions, Inc.		
Company Address:	1200 SW 145th Ave., Suite 301		
City:	Pembroke Pines	State:	FL
		Zip Code:	33027
Telephone Number:	305-599-2531		
Solicitation For (Type of Goods or Services):	Services, RFP NO. LACDA21-004		

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program Is Not Applicable to My Business

- ☐ My business does not meet the definition of "contractor," as defined in the Program as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more LACDA contracts or subcontracts (this exemption is not available if the contract/purchase order itself exceeds \$50,000). I understand that the exemption will be lost and I must comply with the Program if my revenues from the LACDA will exceed an aggregate sum of \$50,000 in any 12-month period.
- ☐ My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, is . \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exemption will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

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

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

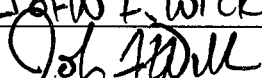
- ☐ My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

OR

Part II - Certification of Compliance

- ☒ My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Print Name:	JOHN F. WILKENS	Title:	DIRECTOR OF FINANCE
Signature:		Date:	3/22/2021

COMPLIANCE WITH FAIR CHANCE EMPLOYMENT HIRING PRACTICES CERTIFICATION


Company Name: Emphasys Computer Solutions, Inc.		
Company Address: 1200 SW 145th Ave., Suite 301		
City: Pembroke Pines	State: FL	Zip Code: 33027
Telephone Number:	Email address:	
Solicitation/Contract for <u>Internet based housing database website, RFP LACDA21-004</u> Services		

BIDDER/PROPOSER (CONTRACTOR) CERTIFICATION

The Los Angeles County Board of Supervisors approved a Fair Chance Employment Policy in an effort to remove job barriers for individuals with criminal records. The policy requires businesses that contract with the County to comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History (California Government Code Section 12952), effective January 1, 2018.

Bidder/Proposer (Contractor) acknowledges and certifies compliance with fair chance employment hiring practices set forth in California Government Code Section 12952 and agrees that Bidder/Proposer (Contractor) and staff performing work under the Contract will be in compliance. Bidder/Proposer (Contractor) further acknowledges that noncompliance with fair chance employment practices set forth in California Government Code Section 12952 may result in rejection of any quote/bid/proposal, or termination of any resultant Contract, at the sole judgment of the Los Angeles County Development Authority (LACDA).

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

Print Name: JOHN F. WILKES	Title: DIR. OF FINANCE
Signature: 	Date: 3/22/2021

EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Emphasys Computer Solutions, Inc.

Vendor's Name

1200 SW 145th Ave., Suite 301, Pembroke Pines, FL 33027

Address

38-2464382

Internal Revenue Service Employer Identification Number

GENERAL

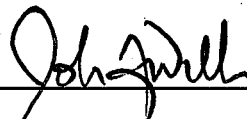
The Contractor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America, the State of California, and all local ordinances. The Contractor further certifies that all subcontractors, suppliers, vendors and distributors with whom the Contractor has a contractual relationship are also in compliance with all applicable federal, state and local anti-discriminatory laws.

VENDOR'S CERTIFICATION

1. The vendor has a written policy statement prohibiting discrimination in all phases of employment.
2. The vendor periodically conducts a self-analysis or utilization analysis of its work force.
3. The vendor has a system for determining if its employment practices are discriminatory against protected groups.
4. Where problem areas are identified in employment practices, the vendor has a system for taking reasonable corrective action, to include establishment of goals of timetables.

Authorized Official:

Name: JOHN F. WILKENS Title: DIRECTOR OF FINANCE

Signature:  Date: 3/22/2021

DEFAULTED PROPERTY TAX REDUCTION PROGRAM CERTIFICATION OF COMPLIANCE

Company Name: Emphasys Computer Solutions, Inc.		
Company Address: 1200 SW 145th Ave., Suite 301		
City: Pembroke Pines	State: FL	Zip Code: 33027
Telephone Number:	Email address:	
Solicitation/Contract For RFP NO. LACDA21-004		Services: Internet Based Housing Database Website

The Proposer/Bidder/Contractor certifies that:

- ☒ It is familiar with the terms of the County's Defaulted Property Tax Reduction Program, Los Angeles County Code Chapter 2.206; **AND**

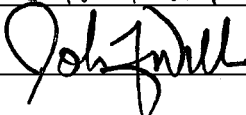
To the best of its knowledge, after a reasonable inquiry, the Proposer/Bidder/Contractor is not in default, as that term is defined in Los Angeles County Code Section 2.206.020.E, on any Los Angeles County property tax obligation; **AND**

The Proposer/Bidder/Contractor agrees to comply with the County's Defaulted Property Tax Reduction Program during the term of any awarded contract.

- OR -

- ☐ I am exempt from the County of Los Angeles Defaulted Property Tax Reduction Program, pursuant to Los Angeles County Code Section 2.206.060. The following exemption applies to my contract:
- ☐ Mandated by federal or state law or a condition of federal or state program;
 - ☐ The purchase is made through a state or federal contract;
 - ☐ The purchase is made for equipment or supplies for, or by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or other similar related group purchasing organization;
 - ☐ Sole source provider with exclusive and proprietary rights to services or goods;
 - ☐ Emergency services provider for services or goods;
 - ☐ Provide mission critical goods and/or services and is determined to be exempt by the Board of Commissioners;
 - ☐ Required to comply with the laws of the United States or California, which are inconsistent with this program.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Print Name: JOHN F. WILKENS	Title: DIRECTOR OF FINANCE
Signature: 	Date: 3/22/2021

**FAMILIARITY WITH THE COUNTY
LOBBYIST ORDINANCE CERTIFICATION**

The Bidder/Proposer certifies that:

- 1) it is familiar with the terms of the County of Los Angeles Lobbyist Ordinance, Los Angeles Code Chapter 2.160;
- 2) that all persons acting on behalf of the Bidder/Proposer organization have and will comply with it during the proposal process; and
- 3) it is not on the County's Executive Office's List of Terminated Registered Lobbyists.

Emphasys Computer Solutions

Company Name

JOHN F. WILKENS

Print Name

Signature

John F. Wilkens

DIRECTOR OF FINANCE

Title

Date

3/22/2021

ZERO TOLERANCE HUMAN TRAFFICKING POLICY CERTIFICATION

Company Name: Emphasys Computer Solutions, Inc.		
Company Address: 1200 SW 145th Ave., Suite 301		
City: Pembroke Pines	State: FL	Zip Code: 33027
Telephone Number: 404-402-9594	Email address: sroberts@emphasys-software.com	
Solicitation Name: RFP NO. LACDA21-004, INTERNET-BASED HOUSING DATABASE WEBSITE SERVICES		

BIDDER/PROPOSER CERTIFICATION

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

The Bidder/Proposer acknowledges and certifies compliance with Section 54. (Compliance with County's Zero Tolerance Human Trafficking Policy) of the proposed Contract and agrees that bidder/proposer or a member of his staff performing work under the proposed Contract will be in compliance. The Bidder/Proposer further acknowledges that noncompliance with the County's Zero Tolerance Human Trafficking Policy may result in rejection of any bid/proposal, or cancellation of any resultant Contract, at the sole judgment of the LACDA.

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

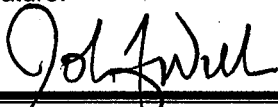
Print Name: JOHN F. WILKENS	Title: DIRECTOR OF FINANCE
Signature: 	Date: 3/22/2021

EXHIBIT F

REQUIRED CONTRACT PROVISION

Chapter 2.206 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

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

2.206.010 Findings and declarations.

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

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

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

2.206.030 Applicability.

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

2.206.040 Required solicitation and contract language.

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

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

2.206.050 Administration and compliance certification.

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

2.206.060 Exclusions/Exemptions.

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

- the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
 11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
 12. A non-agreement purchase worth a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
 13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
 14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

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

2.206.080 Severability.

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



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2020)

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

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whose wages you did not withhold income tax.

However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Certificate.

Note: You are encouraged to notify each employee whose wages for 2020 are less than \$56,844 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following.

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

If you give an employee a Form W-2 on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If you give an employee a substitute Form W-2, but it does not have the required information, you

must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 8, 2021.

You must hand the notice directly to the employee or send it by first-class mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can download copies of the notice at www.irs.gov/FormsPubs. Or you can go to www.irs.gov/OrderForms to order it.

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

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see Pub. 596, Earned Income Credit (EIC), or the Instructions for Forms 1040 and 1040-SR.

How Do My Employees Claim the EIC?

An eligible employee claims the EIC on his or her 2020 tax return. Even an employee who has no tax withheld from wages and owes no tax may claim the EIC and ask for a refund, but he or she must file a tax return to do so. For example, if an employee has no tax withheld in 2020 and owes no tax but is eligible for a credit of \$800, he or she must file a 2020 tax return to get the \$800 refund.

Safely Surrendered



No shame. No blame. No names.

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

www.babysafela.org



Safely Surrendered *Baby Law*

What is the Safely Surrendered Baby Law?

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

How does it work?

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

What if a parent wants the baby back?

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

Can only a parent bring in the baby?

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

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

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

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

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

What happens to the baby?

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

What happens to the parent or surrendering adult?

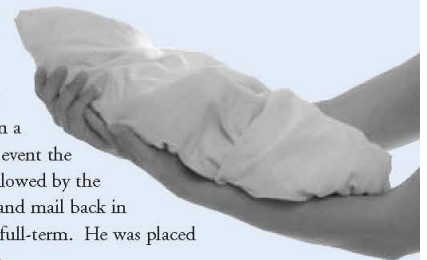
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

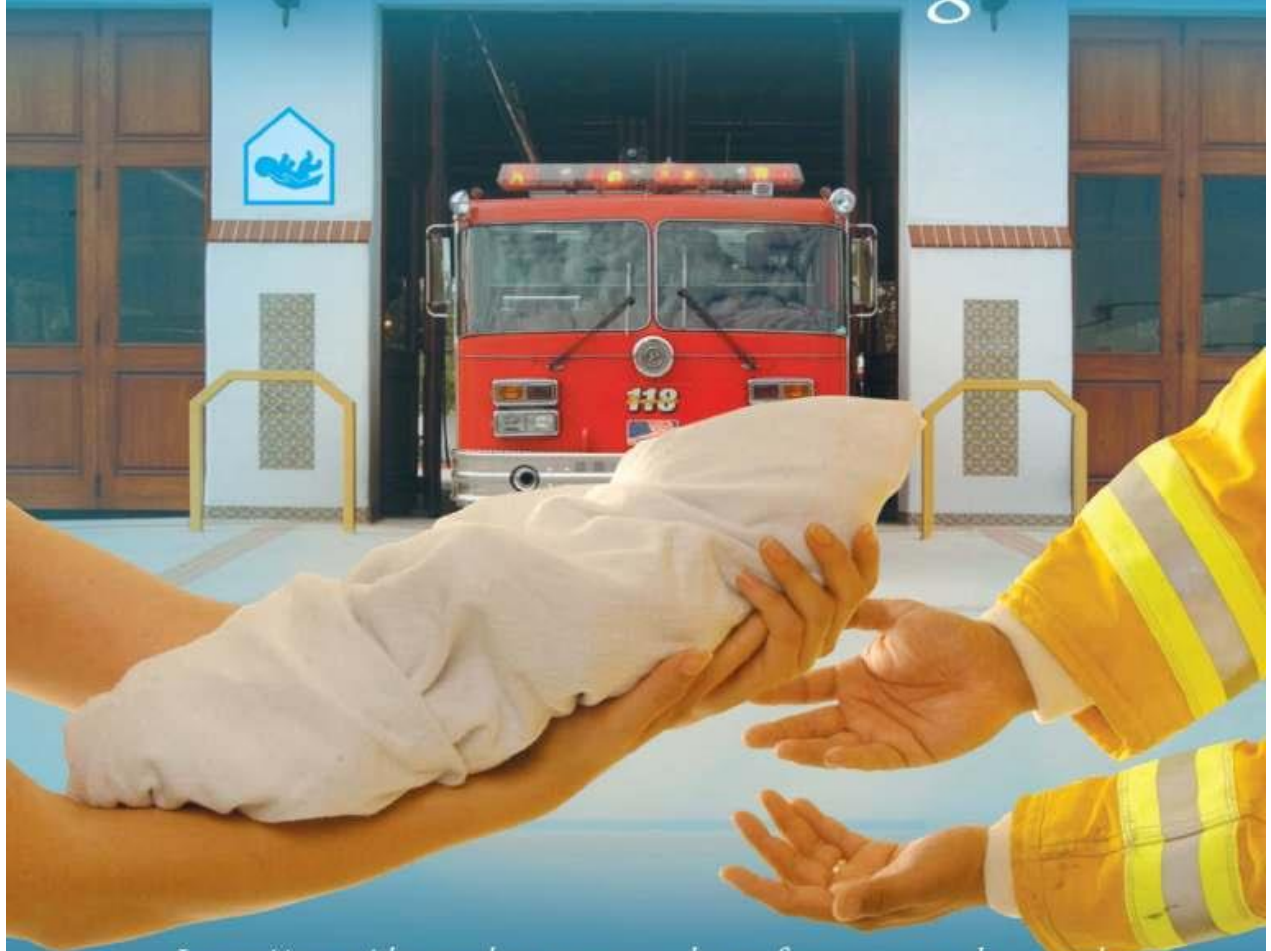
The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their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

A baby's story

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



Ley de Entrega de Bebés *Sin Peligro*



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

Sin pena. Sin culpa. Sin nombres.

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

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

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

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

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

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

www.babysafela.org

¿Cómo funciona?

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

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

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

¿Sólo los padres podrán llevar al recién nacido?

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

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

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

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

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

¿Qué pasará con el bebé?

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

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

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

¿Por qué se está haciendo esto en California?

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

Historia de un bebé

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



CONTRACTOR EMPLOYEE JURY SERVICE

LOS ANGELES COUNTY CODE CHAPTER 2.203

2.203.010 - Findings.

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

(Ord. 2002-0015 § 1 (part), 2002)

2.203.020 - Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity, which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the County but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or

4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the County pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the County of Los Angeles or any public entities for which the board of supervisors is the governing body.

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

2.203.030 - Applicability.

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

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

2.203.040 - Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service.

(Ord. 2002-0015 § 1 (part), 2002)

2.203.050 - Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of County Counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other County departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the County that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract.

(Ord. 2002-0015 § 1 (part), 2002)

2.203.060 - Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:

- 1. Recommend to the board of supervisors the termination of the contract; and/or,
- 2. Pursuant to [chapter 2.202](#), seek the debarment of the contractor.

(Ord. 2002-0015 § 1 (part), 2002)

2.203.070 - Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.

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

1. Has ten or fewer employees during the contract period; and,
2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

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

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

(Ord. 2002-0015 § 1 (part), 2002)

2.203.090 - Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

(Ord. 2002-0015 § 1 (part), 2002)

**COUNTY OF LOS ANGELES
COUNTY LOBBYISTS ORDINANCE PROVISIONS
CHAPTER 2.160 - COUNTY LOBBYISTS**

2.160.010 - Definitions.

The following phrases, whenever used in this chapter, shall be construed as defined in this section:

- A. "County official" includes a member of the board of supervisors, the sheriff, the assessor, the district attorney, a county commissioner, and any other county officer or employee whose duties are not primarily clerical or manual.
- B. "Official action" means the drafting, introduction, consideration, modification, enactment or defeat of any county ordinance or board of supervisors motion or resolution, or the granting or denial of any county contract, permit, grant, license or franchise.
- C. "Influencing official action" means promoting, supporting, influencing, modifying, opposing or delaying any official action by any means, including but not limited to the provision or use of information, statistics, studies or analyses.
- D. "County lobbyist" means any individual who is employed, contracts or otherwise receives compensation, other than reimbursement for reasonable travel expenses, to communicate directly, or through agents, employees or subcontractors, with any county official for the purpose of influencing official action, if a substantial or regular portion of the activities for which he or she receives such compensation is for the purpose of influencing official action. Provided, however, a county lobbyist shall not include:
 - (1) An elected or appointed public official or public employee when acting in his or her official capacity as an elected or appointed public official or public employee;
 - (2) Any newspaper or other periodical of general circulation, book publisher, radio or television station (including any individual who owns, publishes, or is employed by any such newspaper or periodical, radio or television station) which in the ordinary course of business publishes news items, editorials, or other comments, or paid advertisements, which directly or indirectly urge official action if such newspaper, periodical, book publisher, radio or television station or individual, engages in no further or other activities in connection with urging official action other than to appear before the board of supervisors or a county commission in support of or in opposition to such action; or
 - (3) A person whose attempts to influence official action are limited solely to actions taken as an attorney or advocate representing a party to an administrative proceeding the decision of which is reviewable by a court pursuant to Code of Civil Procedure Section 1094.5.
- E. "County lobbying firm" means a business entity, including an individual county lobbyist, which receives or becomes entitled to receive any compensation, other than reimbursement for reasonable travel expenses, for the purpose of influencing official action on behalf of any other person, if either any partner, owner, officer or employee of the business entity is a county lobbyist, or a substantial or regular portion of the activities for which the business entity receives compensation is for the purpose of influencing official action. No business entity shall be considered a county lobbying firm by reason of activities described in subdivisions 1, 2 or 3 of subsection D of this section.
- F. "County lobbyist employer" means a person or entity, other than a county lobbying firm, who, for economic consideration other than reimbursement for reasonable travel expenses, either employs one or more county lobbyists or contracts for the services of a county lobbyist or county lobbying firm, for the purpose of influencing official action.
- G. "Activity expense" means any expense incurred or payment made by a lobbyist, lobbying firm, or lobbyist employer or arranged by a lobbyist or lobbying firm, which benefits in whole or in part any county official or a member of the immediate family of a county official, regardless of whether the expense or payment is reimbursed by the person on whose behalf the county lobbying services are performed. Activity expenses include gifts, honoraria, consulting fees, salaries, and any other form of compensation, but do not include campaign contributions.
- H. "Campaign contribution" means a payment, a forgiveness of a loan, a payment of a loan by a third party, or an enforceable promise to make a payment except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes. An expenditure made at the behest of a candidate, committee or elected county official is a contribution to the candidate, committee or elected county official unless full and adequate consideration is received for making the expenditure.

1. The term "campaign contribution" includes the purchase of tickets for events such as dinners, luncheons, rallies and similar fundraising events; the candidate's own money or property used on behalf of his or her candidacy; the granting of discounts or rebates not extended to the public generally or the granting of discounts or rebates by television and radio stations and newspapers not extended on an equal basis to all candidates for the same office; the payment of compensation by any person for the personal services or expenses of any other person if such services are rendered or expenses incurred on behalf of a candidate or committee without payment of full and adequate consideration.
2. The term "campaign contribution" further includes any transfer of anything of value received by a committee from another committee, unless full and adequate consideration is received.
3. The term "campaign contribution" does not include:
 - a. Amounts received pursuant to an enforceable promise to the extent such amounts have been previously reported as a contribution;
 - b. A payment made by an occupant of a home or office for costs related to any meeting or fundraising event held in the occupant's home or office if the costs for the meeting or fundraising event are \$500.00 or less; or
 - c. Volunteer personal services or payments made by any individual for his or her own travel expenses if such payments are made voluntarily without any understanding or agreement that they shall be, directly or indirectly, repaid to him or her.
- I. "Gift" shall be defined as set forth in the Political Reform Act, Government Code Section 81000 et seq., and the regulations adopted thereunder; except that the exclusion for campaign contributions shall be defined and governed as set forth in this chapter.

2.160.020 - County lobbyist registration.

- A. Unless included either as part of the registration of a county lobbying firm filed pursuant to Section 2.160.030, or as part of the registration of a county lobbyist employer filed pursuant to Section 2.160.040, each county lobbyist, within 10 days of first becoming a county lobbyist, shall file with the executive officer of the board of supervisors a registration containing the following information:
 1. A recent three-inch by four-inch photograph of the county lobbyist;
 2. The county lobbyist's full name, business address and telephone number; and
 3. A statement that the lobbyist has read and understands the prohibitions contained in Sections 2.160.120 and 2.160.130.
- B. Effective January 1, 2008, a county lobbyist who is registered pursuant to this chapter shall retain that status through December 31, 2008, unless and until that person terminates the status as provided by this chapter. Thereafter, each county lobbyist shall be required to renew the registration on an annual basis, and shall pay an annual registration fee to the executive officer, as provided in Section 2.160.140, on or before the 10th day of January of the year of renewal.

2.160.030 - County lobbying firm registration.

- A. Each county lobbying firm, within 10 days of first becoming a county lobbying firm, shall file with the executive officer of the board of supervisors a registration containing the following information:
 1. The full name, business address and telephone number of the county lobbying firm;
 2. A list of the county lobbyists who are partners, owners, officers, or employees of the county lobbying firm;
 3. The county lobbyist registration required by Section 2.160.020 for each county lobbyist in the county lobbying firm;
 4. For each person or other entity with whom the county lobbying firm contracts for the county lobbying firm to provide county lobbying services:
 - a. The full name, business address and telephone number of the contractor;
 - b. The contractor's written, signed authorization permitting the county lobbying firm to represent the interests of the contractor;
 - c. The time period of the contract;
 - d. If the contractor is an individual, the name and address of his or her employer, if any, or his or her principal place of business if he or she is self-employed, and a description of the business activity in which the contractor or his or her employer is engaged;
 - e. If the contractor is a business entity, a description of the business activity in which it is engaged;
 - f. If the contractor is an industry, trade or professional association, a description of the industry, trade or profession it represents, including a specific description of any portion or faction of the

- industry, trade or profession which the association exclusively or primarily represents and, if the association has not more than 50 members, the names of the members;
 - g. If the contractor is not an individual, business entity, or industry trade or professional association, a statement of the contractor's nature and purposes, including a description of any industry, trade, profession, or other group with a common economic interest which the contractor principally represents or from which its membership or financial support is principally derived;
 - h. The county lobbying interests of the contractor;
- 5. The name and title of a partner, owner or officer of the county lobbying firm who is responsible for filing statements and reports and keeping records required by this chapter on behalf of the county lobbying firm, and a statement signed by the designated responsible person that he or she has read and understands the prohibitions contained in Sections 2.160.120 and 2.160.130.
- B. Effective January 1, 2008, a county lobbyist firm which is registered pursuant to this chapter shall retain that status through December 31, 2008, unless and until that county lobbyist firm terminates the status as provided by this chapter. Thereafter, each county lobbyist firm shall renew the registration on an annual basis and file an annual renewal of registration statement with the executive officer, on or before the 10th day of January of the year of renewal.

2.160.040 - County lobbyist employer registration.

- A. Each county lobbyist employer, within 10 days of first becoming a county lobbyist employer, shall file with the executive officer of the board of supervisors a registration containing the following information:
 - 1. The full name, business address, and telephone number of the county lobbyist employer;
 - 2. A list of the county lobbyists who are employed by the county lobbyist employer;
 - 3. The county lobbyist registration required by Section 2.160.020 for each county lobbyist employed by the county lobbyist employer;
 - 4. If the county lobbyist employer is an individual, the name and address of his or her principal place of business and a description of the business activity in which he or she is engaged;
 - 5. If the county lobbyist employer is a business entity, a description of the business activity in which it is engaged;
 - 6. If the county lobbyist employer is an industry, trade or professional association, a description of the industry, trade or profession it represents, including a specific description of any portion or faction of the industry, trade or profession which the association exclusively or primarily represents and, if the association has not more than 50 members, the names of the members;
 - 7. If the county lobbyist employer is not an individual, business entity, or industry, trade or professional association, a statement of the county lobbyist employer's nature and purposes, including a description of any industry, trade, profession, or other group with a common economic interest which the county lobbyist employer principally represents or from which its membership or financial support is principally derived;
 - 8. The county lobbying interests of the county lobbyist employer.
- B. Effective January 1, 2008, a county lobbyist employer who is registered pursuant to this chapter shall retain that status through December 31, 2008, unless and until that person or entity terminates the status as provided by this chapter. Thereafter, each county lobbyist employer shall be required to renew the registration on an annual basis, and shall pay an annual registration fee to the executive officer, as provided in Section 2.160.140, on or before the 10th day of January of the year of renewal.

2.160.050 - Registration amendments and termination.

Within 10 days of any change in any of the registration information reported pursuant to Sections 2.160.020, 2.160.030 or 2.160.040, and before any attempt to influence official action on behalf of any previously unreported person or entity occurs, a county lobbyist, county lobbying firm or county lobbyist employer shall file with the executive officer of the board of supervisors a registration providing such revised registration information. When a county lobbyist, county lobbying firm or county lobbyist employer ceases all activities related to influencing official action this fact shall be so indicated in the last quarterly report filed pursuant to Section 2.160.060, 2.160.070 or 2.160.080, whichever is applicable.

2.160.060 - Quarterly reports—County lobbyists.

Unless included either as part of a county lobbying firm quarterly report filed pursuant to Section 2.160.070 or as part of a county lobbyist employer quarterly report filed pursuant to Section 2.160.080, no later than the end of the first month after the close of each calendar quarter which ends subsequent to the filing of an

initial registration pursuant to Section 2.160.020 but prior to a registration termination as described in Section 2.160.050, the county lobbyist shall file with the executive officer of the board of supervisors a report of all activity expenses of the county lobbyist during the calendar quarter, including, for each such activity expense, the name and position of the beneficiary and of the payee if different than the beneficiary, and a description of the activity expense and its value. If the county lobbyist engaged in no activity as a county lobbying during the quarter, the report shall so indicate.

2.160.070 - Quarterly reports—County lobbying firms.

No later than the end of the first month after the close of each calendar quarter which ends subsequent to the filing of an initial registration pursuant to Section 2.160.030 but prior to a registration termination as described in Section 2.160.050, the county lobbying firm shall file with the executive officer of the board of supervisors a report containing the information set forth in subsections A through F, below, regarding the county lobbying firm activities during such calendar quarter. If the county lobbying firm engaged in no activity as a county lobbying firm during the quarter, the report shall so indicate.

- A. The full name, business address, and telephone number of the county lobbying firm;
- B. The full name, business address, and telephone number of each person who contracted with the county lobbying firm for county lobbying services, a description of the specific county lobbying interests of the person, and the total payments, including fees and the reimbursement of expenses, received from the person for county lobbying services;
- C. The total amount of all payments received for county lobbying services;
- D. All activity expenses incurred by the county lobbying firm including, for each activity expense, the name of each person who made or arranged the activity expense, the name and position of the beneficiary and of the payee if different than the beneficiary, and a description of the activity expense and its value;
- E. If the county lobbying firm subcontracts with another county lobbying firm or county lobbyist for county lobbying services:
 1. The full name, address, and telephone number of the subcontractor,
 2. The name of the person for whom the subcontractor was retained to lobby,
 3. The total amount of payments made to the subcontractor;
- F. The name and title of each partner, owner and employee of the county lobbying firm who, on at least five separate occasions during the calendar quarter, engaged in direct communication with county officials for the purpose of influencing official action on behalf of a person who contracts with the county lobbying firm for county lobbying services.

2.160.080 - Quarterly reports—County lobbyist employers and others.

No later than the end of the first month after the close of each calendar quarter which ends subsequent to the filing of an initial registration pursuant to Section 2.160.040 but prior to a registration termination as described in Section 2.160.050, each county lobbyist employer shall file with the executive officer of the board of supervisors a report containing the information set forth in subsections A through E, below, regarding the county lobbyist employer's activities during such calendar quarter. If the county lobbyist employer engaged in no activity as a county lobbyist employer during the quarter, the report shall so indicate. Each person or entity who is not otherwise obligated to file a quarterly report as a county lobbyist, county lobbying firm or county lobbyist employer, but who directly or indirectly expends \$5,000.00 or more to influence official action during the calendar quarter, shall also file a report containing the information set forth in subsections A through E, below, no later than the end of the first month after the close of the calendar quarter:

- A. The full name, business address, and telephone number of the filer;
- B. The total amount of all payments made to a county lobbying firm;
- C. The total amount of all payments made to county lobbyists employed by the filer;
- D. All activity expenses incurred by the filer including, for each activity expense, the name of each person who made or arranged the activity expense, the name and the position of the beneficiary and of the payee if different than the beneficiary, and a description of the activity expense and its value;
- E. The total of all other payments to influence official action, including overhead expenses, and all payments to employees who spend 10 percent or more of their compensated time in any one month in activities related to influencing official action.

2.160.090 - Quarterly campaign contribution reports.

No later than the end of the first month after the close of each calendar quarter each county lobbyist employer shall file with the executive officer of the board of supervisors a report containing the date, amount, and the name of the recipient of each campaign contribution to an elected county official or candidate for elective county office where the total contribution was \$100.00 or more during the calendar quarter. Said report may be made as a part of a quarterly report filed pursuant to Section 2.160.080.

2.160.095 - Funding for reports and studies.

Each county lobbyist, county lobbying firm and county lobbyist employer who submits any study, analysis or other report to any county official for the purpose of influencing official action, shall, along with the presentation of such study, analysis or other report, disclose in writing the identity of each person, firm or other entity who in whole or in part funded the development of such study, analysis or other report, and the amount of funding provided by each such person, firm or entity.

2.160.100 - Public records.

Each calendar quarter, the executive officer of the board of supervisors shall compile a list of all county lobbyists, county lobbying firms and county lobbyist employers. Such a list and each registration or report required to be filed pursuant to this chapter shall be a public record subject to disclosure under the provisions of the California Public Records Act. The executive officer shall provide the list of county lobbyists and county lobbying firms to the registrar-recorder electronically for compliance with chapter 2.190 of this code.

2.160.110 - Recordkeeping.

County lobbyists, county lobbying firms, and county lobbyist employers who receive payments, make payments or incur expenses or expect to receive payments, make payments or incur expenses in connection with activities which are reportable pursuant to this chapter shall keep such detailed accounts, records, bills and receipts as are necessary to allow them to make timely accurate reports of their activities as required by this chapter.

2.160.120 - Gift prohibition.

No county lobbyist or county lobbying firm shall make to a county official and no county official shall knowingly receive from a registered county lobbyist or registered county lobbying firm a gift or gifts aggregating more than \$50.00 in any calendar month. No county lobbyist or county lobbying firm shall act as an agent or intermediary in the making of any such gift or arrange for the making of any such gift by any other person.

2.160.130 - General prohibitions.

No county lobbyist or county lobbying firm shall do any of the following:

- A. Do anything with the purpose of placing any county official under personal obligation to the county lobbyist, the county lobbying firm, or the employer of the county lobbyist or county lobbying firm;
- B. Deceive or attempt to deceive any county official with regard to any material fact pertinent to any pending or proposed official action;
- C. Cause or influence the introduction of any matter for consideration by the county as official action for the purpose of thereafter being employed to influence the occurrence or nonoccurrence of such official action;
- D. Attempt to create a fictitious appearance of public favor or disfavor of any proposed official action or to cause any communication to be sent to any county official in the name of any fictitious person or in the name of any real person without the consent of such person;
- E. Represent, either directly or indirectly, that the county lobbyist or county lobbying firm can control the official action of any county official;
- F. Accept or agree to accept any payment in any way contingent upon success by the county lobbyist or county lobbying firm in influencing official action.
- G. No person or firm who is registered under this chapter as a county lobbyist or county lobbying firm or who has been so registered at any time in the previous 12 months shall make any contribution to any county official or candidate for county office consistent with chapter 2.190 of this code.

2.160.140 - Filing fees.

- A. Each county lobbyist, county lobbying firm and county lobbyist employer shall pay a filing fee when filing or renewing a registration pursuant to Section 2.160.020, 2.160.030 or 2.160.040, according to the following fee schedule:

	Initial Registration	Annual Renewal of Registration
County Lobbyist	If filed prior to July 1, 2008: \$35 If filed during July 1, 2008 through December 31, 2008: \$337 If filed after January 1, 2009: \$450, unless filed during the last quarter of a calendar year (October through December) If filed after January 1, 2009 and during the last quarter of a calendar year (October through December): \$337	\$450 (effective for the calendar year 2009 and for each year thereafter)
County Lobbyist Firm	If filed prior to December 31, 2008: \$35 If filed after January 1, 2009: No fee	No fee
County Lobbyist Employer	If filed prior to July 1, 2008: \$35 If filed during July 1, 2008 through December 31, 2008: \$56 If filed after January 1, 2009: \$75 If filed after January 1, 2009 and during the last quarter of a calendar year (October through December): \$56	\$75 (effective for the calendar year 2009 and for each year thereafter)

- B. If the filing of an initial registration or annual renewal of registration pursuant to Section 2.160.020, 2.160.030, 2.160.040, a registration amendment pursuant to Section 2.160.050, a quarterly report pursuant to Section 2.160.060, 2.160.070 or 2.160.080, or a separate quarterly campaign contribution report pursuant to Section 2.160.090, is made beyond its due date and after an investigation by the executive officer of the board of supervisors which concludes that the filer is in violation of any provision of this chapter, in addition to the regular filing fee set forth in this section, there shall be an additional fee as follows:
1. \$25 per day for the first ten days after the due date of the filing;
 2. \$50 per day for the next ten days if the filing is not made within ten days after the due date; and
 3. \$75 per day until the date that the filer comes into compliance with the provisions of this chapter or the date that any other penalties are imposed by the board or the executive officer as provided for in this chapter, whichever occurs first, if the filing is not made within twenty days after the due date.
- C. The executive officer may waive any additional fees imposed under this section, in whole or in part, if the violation was not willful and the executive officer determines that enforcement of the additional fees would not further the purposes of this chapter.

2.160.150 - Enforcement.

- A. Each person or entity who applies for a county contract, permit, grant, license or franchise shall, as a part of the application for such contract, permit, grant, license or franchise, certify that the applicant is familiar with the requirements of this chapter, and that all persons acting on behalf of the applicant have complied therewith and will continue to comply therewith throughout the application process. A person or entity who seeks a contract, permit, grant, license or franchise from the county shall be disqualified therefrom if any lobbyist, lobbying firm, lobbyist employer or other person or entity acting on behalf of the person or entity seeking the contract, permit, grant, license or franchise fails to comply with the provisions of this chapter.
- B. Any person may file a charge with the executive officer of the board of supervisors that any county lobbyist, county lobbying firm, county lobbyist employer or other person or entity has violated any provision of this chapter.
- C. The executive officer of the board of supervisors is delegated the authority to investigate any charge that a person or entity has violated this chapter, and to receive evidence and make determinations as to violations of this chapter. Upon receiving a charge that a person or entity has violated this chapter, the executive officer shall give such person or entity reasonable notice of the charge and an opportunity

to present information in response thereto. The executive officer shall make a determination as to the accuracy of the charge and shall present this determination along with the reasons for the determination to the board of supervisors. If the executive officer's determination is that a violation of this chapter has occurred and the board of supervisors agrees, the board may impose the following sanctions:

1. Each person who has failed to comply with the requirements of this chapter shall be refused permission to address the board of supervisors or any county commission, except on his or her own behalf, during such period as such failure to comply with this chapter continues, including any failure to satisfy any other penalties imposed under this chapter;
2. Each person or entity on whose behalf the county lobbyist, county lobbying firm, county lobbyist employer or other person or entity acted in violation of this chapter shall be denied the county contract, permit, grant, license or franchise which was the objective of the county lobbying activities performed in violation of this chapter;
3. Each person or entity who has failed to comply with the requirements of this chapter shall be liable in a civil action brought by the county for an amount up to \$5,000.00 for each such failure to comply.
4. The registration of each county lobbyist, county lobbying firm or county lobbyist employer who fails to comply with the requirements of this chapter shall be terminated. Such county lobbyist, county lobbying firm or county lobbyist employer shall be required to pay all fees required by this chapter and satisfy all other penalties imposed under this section, and shall not be permitted to again register as a county lobbyist, county lobbying firm or county lobbyist employer as follows:
 - a. A person or entity determined to be a first-time violator of this chapter shall be prohibited from again registering for a period of up to three months following the board's approval of the termination of the registration;
 - b. A person or entity determined to have previously violated this chapter shall be prohibited from again registering for a period of up to six months following the board's approval of the termination of the registration;
 - c. A person or entity determined to have previously violated this chapter on two or more occasions shall be prohibited from again registering for a period of up to twelve months following the board's approval of the termination of the registration.
 - d. In addition to the penalties set forth in this chapter, any violation of this chapter shall be subject to an administrative fine of up to \$5,000.00, and a noncompliance fee of up to \$5,000.00. Any administrative fines or noncompliance fees shall be issued pursuant to the provisions of Chapter 1.25 of this Code. The executive officer of the board of supervisors shall be designated as the enforcement officer for determination and imposition of the administrative fines and noncompliance fees to be issued and for providing representation, either directly or in conjunction with other county departments, on behalf of the County before the administrative hearing officer as provided for in Chapter 1.25 of this Code.
 - e. The board of supervisors may, in its discretion, waive any penalties provided for in this section, in whole or in part, if it determines that there was no willful violation of this chapter and enforcement of the penalties would not further the purposes of this chapter.
- D. The executive officer of the board of supervisors may develop rules for the administration of this chapter. Such rules shall be presented to the board of supervisors and shall become effective if approved by a majority vote of the board; and
- E. The regulations imposed by this chapter are enacted pursuant to Article III, Section 11(6) of the Charter of the county of Los Angeles and California Government Code Section 25207.1. The provisions of Chapter 1.24 of this code shall not apply to the provisions of this chapter.

LISTING OF CONTRACTORS DEBARRED IN LOS ANGELES COUNTY

Name: APRIL WARREN, AN INDIVIDUAL

Debarment Start Date: 3/23/2021 Debarment End Date: Permanent Debarment

Vendor Name: ARROWHEAD EMANCIPATION PROGRAM, INC.

Debarment Start Date: 7/8/2008 Debarment End Date: Permanent Debarment

Principal Owners and/or Affiliates: Irma F. Reed and Charlene Williams

Name: CHARLENE WILLIAMS, AN INDIVIDUAL

Debarment Start Date: 7/8/2008 Debarment End Date: Permanent Debarment

Name: ERIC COLEMAN, AN INDIVIDUAL

Debarment Start Date: 12/18/2018 Debarment End Date: 12/17/2021

Vendor Name: INLINE VALVE SALES

Debarment Start Date: 8/06/2019 Debarment End Date: Permanent Debarment

Principal Owners and/or Affiliates: Luis Morales

Name: IRMA F. REED, AN INDIVIDUAL

Debarment Start Date: 7/8/2008 Debarment End Date: Permanent Debarment

Name: JASON K. WINICKI, AN INDIVIDUAL

Debarment Start Date: 12/03/2018 Debarment End Date: Permanent Debarment

**Vendor Name: JASON K. WINICKI dba WORLD INDUSTRIAL PRODUCTS and/or dba
WORLD INDUSTRIAL PRODUCTS AND SUPPLIES, WORLD IPS**

JOELLE W., INC. dba WORLD INDUSTRIAL PRODUCTS AND SUPPLIES

Debarment Start Date: 12/03/2018 Debarment End Date: Permanent Debarment

Principal Owners and/or Affiliates: Jason K. Winicki and Joelle Winicki

Name: JOELLE WINICKI, AN INDIVIDUAL

Debarment Start Date: 12/03/2018 Debarment End Date: Permanent Debarment

Name: LEMONT DESHAWN DAVIS, AN INDIVIDUAL

Debarment Start Date: 3/23/2021 Debarment End Date: Permanent Debarment

Name: LUIS MORALES, AN INDIVIDUAL

Debarment Start Date: 8/06/2019 Debarment End Date: Permanent Debarment

Name: MERCEDES JUANICE NOBLE, AN INDIVIDUAL

Debarment Start Date: 3/23/2021 Debarment End Date: Permanent Debarment

Name: NAM MIN CHO, AN INDIVIDUAL

Debarment Start Date: 7/31/2012 Debarment End Date: 7/31/2022

Name: NORMAN CHO, AN INDIVIDUAL

Debarment Start Date: 7/31/2012 Debarment End Date: 7/31/2022

Vendor Name: RELIABLE BUILDING MAINTENANCE, INC.

Debarment Start Date: 7/31/2012 Debarment End Date: 7/31/2022

Principal Owners and/or Affiliates: Nam Min Cho, Sung Ok Cho, and Norman Cho

Name: RENEE ROBERTS, AN INDIVIDUAL

Debarment Start Date: 3/23/2021 Debarment End Date: 3/22/2022

Name: SUNG OK CHO, AN INDIVIDUAL

Debarment Start Date: 7/31/2012 Debarment End Date: 7/31/2022

Vendor Name: SYNERGY CRE8TIVE GROUP LLC

Debarment Start Date: 12/18/2018 Debarment End Date: 12/17/2021

Principal Owners and/or Affiliates: Eric Coleman

Vendor Name: TURMONT HOME FOR BOYS

Debarment Start Date: 3/23/2021 Debarment End Date: Permanent Debarment

Principal Owners and/or Affiliates: Ms. April Warren, Mr. Lemont Deshawn Davis, Ms. Mercedes Juanice Noble, Ms. Renee Roberts, and Mr. Victor Milton Bradley

Name: VICTOR MILTON BRADLEY, AN INDIVIDUAL

Debarment Start Date: 3/23/2021 Debarment End Date: Permanent Debarment

EXHIBIT G

REQUIRED FORMS AT THE TIME OF CONTRACT EXECUTION

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

CONTRACTOR ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

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

GENERAL INFORMATION:

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

CONTRACTOR ACKNOWLEDGEMENT:

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

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

COPYRIGHT ASSIGNMENT AGREEMENT

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

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

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

Contractor Name

Type of Service (Contract)

Print Name

Position

Signature

Date



DRAFT

Attachment A

CIO ANALYSIS

William S. Kehoe
CHIEF INFORMATION OFFICER

BOARD AGENDA DATE:

This document provides an analysis and recommendations by the Office of the Chief Information Officer pertaining only to “requests concerning the approval of actions related to the management, design, development, acquisition, expansion, or purchase of **automated systems and/or related services**,” per [Board Policy 6.020, “Chief Information Office Board Letter Approval”](#). This document shall not be construed as endorsement, or a recommendation for approval, of any other items.

SUBJECT:

APPROVAL OF CONTRACT FOR INTERNET- BASED HOUSING DATABASE WEBSITE SERVICES

CONTRACT TYPE:

☒ New Contract ☐ Sole Source ☐ Amendment to Contract #:

SUMMARY:

The Los Angeles County Development Authority (LACDA) is requesting authorization to execute and amend a Contract with Emphasys Computer Solutions, Inc., (Emphasys) for provision of the County’s Housing Resource Center (<https://housing.lacounty.gov>), a web-based information clearinghouse and toll free call center for information and referrals on affordable, special needs, accessible, and emergency housing. The Contract term is five years with a maximum Contract sum of \$1,375,916. LACDA is also requesting authorization to amend the Contract to increase Contract sum by 50 percent or \$687,958 for internet and call center emergency housing relocation services in the event of a disaster or emergency situation. Finally, the LACDA is recommending the Board find the Contract is exempt from the California Environmental Quality Act.

The current with Emphasys will expire on June 30, 2021. LACDA conducted a Request for Proposals for the housing locator and call center services in March 2021 and Emphasys, the incumbent vendor, was selected as the most responsive and responsible proposer to provision the services to LACDA.

The proposed Contract scope of services includes:

- Hosting and maintaining the Housing Resource Center’s accessible and multilingual website and housing locator database containing listings of residential rental properties and for-sale housing. The website also includes information on LACDA financed developments, homeownership resources, and veterans and senior resources.
- Providing staff, equipment, and protocols to support Housing Resource Center’s bilingual (English and Spanish) toll-free call center from weekdays 6:00 am-5:00 pm Pacific Standard Time.
- Providing access via the website and call center for landowners to post listings of rental properties and conducting quality assurance to ensure that listings are current and accurate.

- Providing optional disaster recovery services including website and call center changes for emergency alerts and communications to landowners, emergency resources, and housing relocation services.

FINANCIAL ANALYSIS:**Contract costs:****Year One**

Website, housing database & call center	\$	230,907 ¹
Other Services	\$	30,000 ²

Year Two

Website, housing database & call center	\$	237,834 ¹
Other Services	\$	30,000 ²

Year Three

Hosting	\$	244,969 ¹
Other Services	\$	30,000 ²

Year Four

Hosting	\$	252,318 ¹
Other Services	\$	30,000 ²

Year Five

Hosting	\$	259,888 ¹
Other Services	\$	30,000 ²

Total Maximum Contract Sum:..... \$ 1,375,916

Notes:

¹ Services to maintain, update and host website and housing locator database information and property listings and call center services. Years Two through Five reflects a negotiated annual three percent software maintenance and support fee increase.

² Contingency for optional work (e.g., consulting services, marketing services, database enhancements website design and development services) approved by LACDA in accordance with the terms of the Contract

RISKS:

1. **Quality of Service** – The risk of vendor failing to meet agreed upon service targets and performance levels is addressed by the Contract's Service Level Agreement that includes uptime levels and remedies to address identified deficiencies.
2. **Information Security** – The County's Chief Information Security Officer (CISO) has reviewed the Contract with LACDA's Chief Information Officer and has no concerns.
 - a. The CISO determined that no Personally Identifiable Information /Protected Health Information is transmitted and stored on the solution. It is hosted by Flexential Corporation, a third-party data center hosting provider, in their redundant data center located in Charlotte, North Carolina. As part of their due diligence, the CISO reviewed the most recent third-party assessment (Service Organization Control Type II) to ensure adherence County security controls, which identified no issues.
 - b. The Contract includes cyber liability insurance coverage with limits of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate during the term of the Contract. It covers network security liability, privacy liability, technology professional liability (errors and omissions) and various system breaches (e.g., denial of service, malicious software, unauthorized access).
3. **Contract Risks** – No Contract risks have been identified. County Counsel participated in its negotiation and approved the Contract as to form.

DRAFT

PREPARED BY:

(NAME) DEPUTY CHIEF INFORMATION OFFICER

DATE

APPROVED:

WILLIAM S. KEHOE, COUNTY CHIEF INFORMATION OFFICER

DATE

BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

OPS CLUSTER AGENDA REVIEW DATE	6/2/2021	
BOARD MEETING	6/22/2021	
DELEGATED AUTHORITY BOARD LETTER	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
SUPERVISORIAL DISTRICT AFFECTED	Fourth	
DEPARTMENT	PUBLIC WORKS	
SUBJECT	RANCHO LOS AMIGOS SOUTH CAMPUS COUNTY OFFICE BUILDING PROJECT – AWARD DESIGN-BUILD AGREEMENT	
PROGRAM		
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS		
COST & FUNDING	Total cost: \$7,600,000	Funding source: SD4 NCC and Short-term Notes
	TERMS (if applicable):	
	Explanation: The proposed total project budget for Phase 1 of the Rancho Los Amigos South Campus (RLASC) County Office Building project is \$7,600,000 and includes program validation, schematic design, and County services. There is sufficient funding available in the RLASC CPs to award the proposed Phase 1 design-build services agreement.	
PURPOSE OF REQUEST	Public Works is seeking Board approval to execute Phase1 of a design-build contract with Sundt Construction, Inc., for the Rancho Los Amigos South Campus County Office Building project, formerly named the Rancho Los Amigos South Campus Internal Services Department and Probation Department Headquarters Project, that is a portion of the previously approved Rancho Los Amigos South Campus Project.	
BACKGROUND (include internal/external issues that may exist)	<p>On June 23, 2020, the Board certified the Final EIR for the RLASC project and approved what the Final EIR described as “Alternative 4, Scenario 2” as the RLASC project. The approved Project includes demolition of vacant buildings and development of the County Office Building project, formerly named the Internal Services Department and Probation Department Headquarters project, located at 7601 East Imperial Highway in the City of Downey. Currently, the ISD and Probation Headquarters are located in a County-owned building at 9150 East Imperial Highway in Downey. This structure does not meet current seismic or energy codes, provides an inefficient office plan and has reached the end of its useful life. The approved Project will provide a new headquarters building with an open flexible office plan for efficient workflow and cross department collaboration in a seismically safe and LEED Gold energy efficient structure. The open office concept will also allow other County departments to occupy the spaces and further consolidate and reduce currently leased facilities for County functions.</p> <p>The scope of work for the design-build services will be divided into two phases. Phase 1 services will include program validation and schematic design. Phase 2 will include the remaining design services and construction. Following completion of Phase 1, Public Works will return to the Board to seek authorization to proceed with the Phase 2 design-build services.</p>	
DEPARTMENTAL AND OTHER CONTACTS	Name, Title, Phone # & Email: • Felicia Yang, PW, Senior Capital Projects Manager, 626-300-3272, fyang@dpw.lacounty.gov • Amir Alam, CEO, 213-974-2620, aalam@ceo.lacounty.gov • Lauren Dods, Principal Deputy County Counsel, 213-974-1856, ldods@counsel.lacounty.gov	



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE:

June 22, 2021

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

Dear Supervisors:

**CONSTRUCTION-RELATED CONTRACT
CONSTRUCTION MANAGEMENT CORE SERVICE AREA
RANCHO LOS AMIGOS SOUTH CAMPUS
COUNTY OFFICE BUILDING PROJECT
AWARD DESIGN-BUILD CONTRACT
(SUPERVISORIAL DISTRICT 4)
(3 VOTES)**

SUBJECT

Public Works is seeking Board approval to execute Phase 1 of a design-build contract with Sundt Construction, Inc., for the Rancho Los Amigos South Campus County Office Building Project, formerly named the Rancho Los Amigos South Campus Internal Services Department and Probation Department Headquarters Project, that is a portion of the previously approved Rancho Los Amigos South Campus Project.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended actions do not constitute a project under the California Environmental Quality Act or exempt under the "common sense" exemption; in the alternative, find the recommended actions herein are within the scope of the project impacts analyzed in the Final Environmental Impact Report, which the Board certified on June 23, 2020, in compliance with the California Environmental Quality Act for the previously approved Rancho Los Amigos South Campus Project; and find there have been no changes to the previously approved project or the circumstances under which it will be undertaken that will result in any new significant effects not included in the

Final Environmental Impact Report or any significant environmental effects that would be more severe than shown in the certified Final Environmental Impact Report.

2. Find that Sundt Construction, Inc., is the responsive and responsible proposer that submitted the best value and most advantageous proposal to the County for design and construction of the project using the design-build project delivery method based on best value criteria stated in the request for proposals, including qualifications, technical design, construction expertise, proposed delivery plan, price, skilled labor force availability, design excellence, acceptable safety record, and lifecycle cost.
3. Award and authorize the Director of Public Works or his designee to execute a design-build contract to Sundt Construction, Inc., for a maximum contract sum not-to-exceed \$6,000,000 for Phase 1, which will include program validation and schematic design.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find that they do not constitute a project under the California Environmental Quality Act (CEQA) or are exempt under the CEQA “common sense” exemption; or in the alternative, find the currently recommended actions are within the scope of the previously approved Rancho Los Amigos South Campus (RLASC) Project, analyzed in the previously certified Final Environmental Impact Report (FEIR) for the approved RLASC Project; find there have been no changes to the project or to the circumstances under which it will be undertaken that would result in any new significant effects not discussed in the FEIR or any significant environmental effects that would be more severe than shown in the FEIR; and award and authorize Public Works to execute a design-build contract with Sundt Construction, Inc., for completion of Phase 1 of the project, which will include program validation and schematic design only.

Background

On August 9, 2016, the Board authorized Public Works to proceed with predevelopment activities including program validation for the recommended RLASC Project, which included the following project components: Internal Services Department (ISD) and Probation Department Headquarters, Sheriff’s Department Crime Laboratory Consolidation, Infrastructure, and the Sports Center.

On May 30, 2017, and December 18, 2018, the Board established the RLASC Project with the following project components: Probation Department Headquarters, Capital Project (C.P.) No. 69824; ISD Headquarters, C.P. No. 69823; and Infrastructure, C.P. No. 69825, and authorized execution of various consultant services agreement, including the campus environmental consultant services for the preparation of a project Environmental Impact Report (EIR), project management/construction management, project controls support, conceptual design services, and to pay stipends in the amount

of \$350,000 each to the second and third highest ranked qualifying design-build proposers for the RLASC ISD and Probation Department Headquarters Project.

On June 23, 2020, the Board certified the FEIR for the RLASC Project, adopted the Mitigation Monitoring and Reporting Program (MMRP) prepared for the project, adopted the Environmental Findings of Fact and Statement of Overriding Considerations, and approved what the Final EIR described as “Alternative 4, Scenario 2” as the RLASC Project. The approved project will include demolition of vacant buildings and development on a 26-acre site on the northeast portion of RLASC, located at 7601 East Imperial Highway in the City of Downey.

Currently, the ISD and Probation Department Headquarters are located in a County-owned building at 9150 East Imperial Highway in Downey. This structure does not meet current seismic or energy codes, provides an inefficient office plan, and has reached the end of its useful life. The approved project will provide a new headquarters building with an open flexible office plan for efficient workflow and cross department collaboration in a seismically safe structure to meet Leadership in Energy and Environmental Design Gold energy efficient standards. The open office concept will also allow other County departments to occupy the spaces and further consolidate and reduce currently leased facilities for County functions.

Project Delivery

The project construction will utilize the design-build process. Public Works has completed solicitation of bids for the RLASC ISD and Probation Department Headquarters Project pursuant to the County’s design-build policy and recommends award of the design-build contract to Sundt Construction, Inc., as the responsive and responsible proposer that submitted the best value and most advantageous proposal to the County for design and construction of the project based on best value criteria stated in the request for proposals, including qualifications, technical design, construction expertise, proposed delivery plan, price, skilled labor force availability, design excellence, acceptable safety record, and lifecycle cost.

Under Sundt Construction, Inc., proposal, the project will include a 427,000-square-foot, 5-story main building with shared amenities, such as auditorium, conference rooms, lunchrooms, and restrooms. Also included is a new 14,300-square-foot warehouse building and a 26,000-square-foot, 4-story parking structure for 1,350 vehicles. The site will have large open spaces in a park-like setting with specimen trees, draught tolerant landscaping, and fitness trails to encourage healthy living. Additionally, two historic buildings will be restored and partially repurposed: 10,000 square feet of the Power Plant, built in 1925, would be repurposed, and Casa Consuelo would be restored for future tenant improvements. The historic water tower and an historic Moreton Bay fig tree would be preserved and would serve as important landmarks within RLASC.

The scope of work for the design-build services will be divided into two phases. Phase 1 services will include program validation and schematic design. Phase 2 will include the remaining services for completion of the RLASC County Office Building Project that includes the remaining design services and construction. Following completion of Phase 1, Public Works will return to the Board to seek authorization to proceed with the Phase 2 design-build services.

Although already approved, demolition is not part of the current recommended actions. Public Works will return to the Board to recommend approval of a building contract to demolish up to 103 of the remaining vacant buildings and structures throughout the RLASC, which was also analyzed in the FEIR and included as part of the approved RLASC project.

Green Building/Sustainable Design Program

The RLASC County Office Building Project will support the Board's Green Building/Sustainable Design Program by obtaining a United States Green Building Council Leadership in Energy and Environmental Design Gold Certification or higher. The project will incorporate design and construction sustainable features to optimize energy and water use, enhance the sustainability of the site, improve indoor environmental quality, and maximize the use and reuse of sustainable and local resources while considering long-term maintenance.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: Strategy II.1, Drive Economic and Workforce Development in the County, Objective II.1.2, Support Small Businesses and Social Enterprises; and Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability. The proposed RLASC County Office Building Project supports these goals by replacing some County facilities that have exceeded their useful lives and can no longer be supported or maintained. The new replacement facilities will enhance operational efficiency by consolidating County services in RLASC. The recommended project would provide contracting opportunities that will support small businesses and social enterprises and that could potentially employ local and targeted workers.

Additionally, during Phase 2, the project will be constructed utilizing the Community Workforce Agreement approved by the Board and the Los Angeles/Orange Counties Building and Construction Trades Council on November 12, 2019.

FISCAL IMPACT/FINANCING

On August 9, 2016, the Board authorized predevelopment activities associated with the proposed RLASC Project totaling \$9,250,000, funded by Fourth Supervisorial District net

County cost. The preliminary total project cost for the RLASC Project was estimated at \$468,200,000 and included the Sports Center, which was previously approved as a separate project, and the Sheriff's Department Crime Laboratory Consolidation.

On December 18, 2018, the Board approved additional consultant services for project management/construction management and support services, project controls support, and environmental consultant services totaling \$8,150,000 for the proposed project. The Board also authorized the issuance of short-term notes in the amount of \$8,150,000 to finance the project expenditures and established three capital projects (C.P. Nos. 67970, 67971, and 67972) for tracking of project expenditures under a separate fund established to properly account for the funding of these capital projects through tax-exempt, short-term lease revenue notes, for the total funding of \$17,400,000.

The proposed total project budget for Phase 1 of the RLASC County Office Building Project is \$7,600,000 and includes program validation, schematic design, and County services. There is sufficient funding available in the RLASC C.P. Nos. 69823, 69824, 69825, 67970, 67971, and 67972 to award the proposed Phase 1 design-build services agreement. There is no impact to net County cost associated with the recommended actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The design-build contract with Sundt Construction, Inc., contains terms and conditions supporting the Board's ordinances and policies including, but not limited to: County Code Chapter 2.160, Lobbyist Ordinance; County Code Chapter 2.200, Child Support Compliance Program; County Code Chapter 2.202, Contractor Responsibility and Debarment; County Code Chapter 2.203, Contractor Employee Jury Service Program; County Code Chapter 2.204, Local Business Enterprise Preference Program; County Code Chapter 2.206, Defaulted Property Tax Reduction Program; Board Policy No. 5.050, County's Greater Avenues for Independence and General Relief Opportunities for Work Programs; Board Policy No. 5.135, Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law); and Community Workforce Agreement by and among the County of Los Angeles, the Los Angeles/Orange Counties Building, Construction Trades Council, the Signatory Craft Councils, and Local Unions.

In accordance with Board Policy 5.270, Countywide Local and Targeted Worker Hiring, during Phase 2, the project will require that at least 30 percent of the California construction labor hours be performed by qualified Local Residents and at least 10 percent be performed by Targeted Workers facing employment barriers. The project will also include a jobs coordinator who will facilitate implementation of the targeted hiring requirement of the policy.

As required by the Board, the RLASC County Office Building Project includes the maximum \$1,000,000 to be allocated to the Civic Arts Special Fund according to the Board's Civic Art Policy adopted on December 7, 2004, and last amended on August 4, 2020. Civic Arts funding will be implemented during the Phase 2 design-build services.

ENVIRONMENTAL DOCUMENTATION

With respect to the RLASC County Office Building (formerly referred to as the RLASC ISD and Probation Department Headquarters), which include a finding that Sundt Construction, Inc., is the responsive and responsible proposer, the recommended actions, award of and authorization to execute the design-build contract and authorization for Public Works to execute an agreement for conceptual design services, are not subject to CEQA since they are excluded from the definition of a project by Section 21065 of the California Public Resources Code and Section 15378(b) of the State CEQA Guidelines. The actions are administrative activities of government that will not result in direct or indirect physical changes in the environment or exempt pursuant to Section 15061(b)(3) because it can be seen with certainty that the actions will not have a significant adverse impact on the environment. Separate Board approval of the implementation Phase 2 would be required by the Board prior to commencement of project construction under the design-build contract.

Additionally, the County as lead agency under CEQA, prepared an EIR for the previously approved project in compliance with CEQA, which analyzed the potential environmental effects of the proposed project. The EIR was certified on June 23, 2020, at which time the Board adopted the MMRP, approved required Findings of Fact, adopted a Statement of Overriding Considerations, and approved the RLASC Project. The recommended actions related to the renamed RLASC County Office Building are, in the alternative, within the scope of the previously certified EIR for the approved RLASC Project. There have been no changes to the previously approved project or the circumstances under which it will be undertaken that will result in any new significant effects not included in the FEIR or any significant environmental effects that would be more severe than shown in the certified FEIR. No further environmental findings are necessary under CEQA. The previously adopted MMRP, Findings of Fact, and Statement of Overriding Considerations continue to apply.

The previously certified EIR is available and can be viewed at <ftp://dpwftp.co.la.ca.us/pub/pmd/Rancho%20Los%20Amigos%20South%20Campus%20EIR/>. The location of the documents and other materials constituting the record of the proceedings upon which the Board's decision is based in this matter is Public Works, 900 South Fremont Avenue, 5th Floor, Alhambra, California 91803. The custodian of such documents and materials is the Assistant Deputy Director of Project Management Division II, Public Works. Due to the current closure of County buildings to the public

related to COVID-19, access to the documents and records for inspection may be requested by contacting the following: RLASC_EIRinquiries@dpw.lacounty.gov.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Determination and a Notice of Exemption in accordance with Section 21152 of the California Public Resources Code and pay the required fees to the Registrar-Recorder/County Clerk. Payment of the fee to the California Department of Fish and Wildlife pursuant to Section 711.4 of the Fish and Game Code was paid for the previously certified EIR.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services or projects during the performance of the recommended actions.

CONCLUSION

Please return one adopted copy of this Board letter to Public Works, Project Management Division II.

Respectfully submitted,

MARK PESTRELLA, PE
Director

MP:VY:cl

c: Auditor-Controller
Chief Executive Office (Capital Programs Division)
County Counsel
Executive Office
Internal Services Department
Probation Department
Department of Public Social Services (GAIN/GROW Program)

LOS ANGELES COUNTY PUBLIC WORKS
BOARD LETTER BRIEFING SHEET



BOARD MEETING DATE: 6/22/2021 **CORE SERVICE AREA:** Construction Management

SUBJECT: Rancho Los Amigos South Campus County Office Building Project

SUP. DIST: 4 **TESTIMONY/JURISDICTIONAL STATEMENT:** YES ☐ (attached) **NO** ☒

CONTACT: Anthony Nyivih **PHONE:** (626) 458-4010 **E-MAIL:** anyivih@pw.lacounty.gov

RECOMMENDED ACTION(S)

Public Works is seeking Board approval to execute Phase I of a design-build contract with Sundt Construction, Inc., for the Rancho Los Amigos South Campus (RLASC) County Office Building Project, formerly named the RLASC Internal Services Department (ISD) and Probation Department Headquarters Project, that is a portion of the previously approved RLASC Project.

BACKGROUND

The 74-acre RLASC is located at 7601 East Imperial Highway on County-owned land in the City of Downey. On June 23, 2020, the Board certified the Final Environmental Impact Report and approved the RLASC Project. The RLASC County Office Building Project will provide a new headquarters building with an open flexible office plan for efficient workflow and cross department collaboration in a seismically safe structure to meet Leadership in Energy and Environmental Design Gold energy efficient standards. The open office concept will also allow other County departments to occupy the spaces and further consolidate and reduce currently leased facilities for County functions.

Public Works has completed solicitation of bids for the RLASC ISD and Probation Department Headquarters Project and recommends award of the design-build contract to Sundt Construction, Inc., as the responsive and responsible proposer for design and construction of the project.

The scope of work for the design-build services will be divided into two phases. Phase 1 services will include program validation and schematic design. Phase 2 will include the remaining services for completion of the project that includes the remaining design services and construction. Following completion of Phase 1, Public Works will return to the Board to seek authorization to proceed with the Phase 2 design-build services.

FINANCIAL IMPACT


The proposed total project budget for Phase 1 of the RLASC County Office Building Project is \$7,600,000 and includes program validation, schematic design, and County services. There is sufficient funding available in the Capital Project Nos. 67970, 67971, and 67972 to award the proposed Phase 1 design-build services agreement. There is no impact to net County cost associated with the recommended actions.

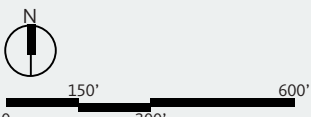
COMMUNITY OUTREACH PERFORMED AND ANTICIPATED COMMUNITY RESPONSE

Public Works held one public scoping meeting for the Environmental Impact Report Notice of Preparation, met with the LA Conservancy several times, and participated in several meetings with the City of Downey.



Legend

 Planning Area



RANCHO LOS AMIGOS SOUTH CAMPUS SITE

BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

OPS CLUSTER AGENDA REVIEW DATE	6/2/2021	
BOARD MEETING	6/22/2021	
DELEGATED AUTHORITY BOARD LETTER	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
SUPERVISORIAL DISTRICT AFFECTED	1st	
DEPARTMENT	Children and Family Services	
SUBJECT	Approve a proposed seven-year lease for the continued use of 29,542 square feet of existing office space and 122 on-site parking spaces at 2525 Corporate Place, Suite 150, Monterey Park.	
PROGRAM	Belvedere Annex/Corporate Sub Office/ Regional Office	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why: N/A	
DEADLINES/ TIME CONSTRAINTS	The existing lease has been on month-to-month holdover since the current lease expired on January 31, 2020	
COST & FUNDING	Total cost: \$6,927,000 over 84 months	Funding source: The costs will be funded by 45 percent State and Federal funds and 55 percent net County cost.
	TERMS (if applicable): The proposed lease provides for fixed rental increases of 3 percent per annum. The landlord will provide base tenant improvements on a turnkey basis, in the form of paint, carpet and minor repairs, included in the rent, for premises upgrades.	
	Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year (FY) 2020-2021 Rent Expense budget and will be billed back to DCFS. DCFS has sufficient funding in its FY 2020-2021 operating budget to cover the proposed rent for the first year. Beginning in FY 2021-2022, ongoing funds for costs associated with the proposed lease will be part of the budget for DCFS.	
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and adequately provide the necessary office space for DCFS.	
BACKGROUND (include internal/external issues that may exist)	<p>The County of Los Angeles has leased the current location since January 2003. The County's current lease expired January 31, 2020. No holdover penalty is associated with the existing lease.</p> <p>The facility adequately meets the space needs of DCFS. The landlord is providing base tenant improvements at no cost to the County for interior upgrades to the premises.</p>	
DEPARTMENTAL AND OTHER CONTACTS	Michael Navarro CEO-Real Estate Division 213-974-4364; MNavarro@ceo.lacounty.gov	



FESIA A. DAVENPORT
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors
HILDA L. SOLIS
First District

HOLLY J. MITCHELL
Second District

SHEILA KUEHL
Third District

JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

June 22, 2021

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

Dear Supervisors:

**SEVEN-YEAR LEASE
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
2525 CORPORATE PLACE, MONTEREY PARK
(FIRST DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed seven-year lease to replace an existing lease to provide the Department of Children and Family Services (DCFS) continued use of 29,542 square feet of office space and 122 on-site parking spaces for the Belvedere Annex/Corporate Sub Office, and a Regional Office for their Emergency Response, Dependency Investigation, Adoptions, Revenue Enhancement and Collaborative Staff.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with EastGroup Properties, L.P. (Landlord), for approximately 29,542 square feet of office space and 122 on-site parking spaces located at 2525 Corporate Place, Suite 150, Monterey Park, CA 91754, to be occupied by DCFS. The estimated maximum first year base rental cost is \$903,985. The estimated total lease cost is \$6,927,000 over the seven-year term. The rental costs will be funded by 45 percent State and Federal funds and 55 percent net County cost.

3. Authorize and direct the Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the proposed lease, and to take actions necessary and appropriate to implement the proposed lease, including, without limitation, exercising any early termination rights.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County has leased this space since January 2003 for use by DCFS. The existing lease expired on January 31, 2020 and has been on a month-to-month holdover basis with no holdover penalty.

This location serves as one of 21 regional offices operated by DCFS throughout the County to provide support to children and their families. Known as the Belvedere Annex/Corporate Sub Office, DCFS occupies 29,542 square feet of this facility for two of their main units, one of which is their Corporate Regional Sub-Office, which includes Emergency Response, Family Maintenance/ Reunification, and Permanent Placement Children's Social Workers.

In addition, the Adoption Unit Revenue Enhancement group and Eligibility Worker staff, provide case management services at this location, including finding out-of-home placements for children and determining financial eligibility for services. DCFS also houses smaller programs that are designed to enhance direct services to the children and families they serve, including but not limited to the Core Practice Model Team, Department of Mental Health, Department of Public Social Services Linkages, and Department of Public Health, as well as partnerships with nonprofits and private contractors housed at the facility. The existing facility provides office space for 185 staff, including 88 social workers.

A lease renewal would allow DCFS to continue to ensure accessibility of services to their clients. The department prefers to remain at this location as there are a high concentration of clients residing within the service area. The facility is located next to two major freeways, the 710 and 10 Interstate highways, and it is accessible by public transportation, notably a Metrolink shuttle from Cal State University Los Angeles to Corporate Center Drive. There is also a bus service operated by the City of Monterey Park (Route 5) that runs along Corporate Center Drive.

DCFS is actively relocating and consolidating programs in existing facilities in other parts of the County. Due to the heavy client population in this particular service area, DCFS initially requested to expand their existing space by 16 percent. However, the department has successfully implemented teleworking for 30 percent of its staff at this location freeing up space to house the additional staff as well as overflow staff from other DCFS locations and provide hoteling stations.

Approval of the recommended actions will find that the proposed lease is exempt from CEQA and will allow DCFS to continue to operate at this location.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal 2 - "Foster Vibrant and Resilient Communities" - provides that our investments in the lives of County residents are sustainable only when grounded in strong communities. We want to be the hub of a network of public-private partnering agencies supporting vibrant communities.

The proposed lease is also consistent with Strategic Asset Management Goal 2— Strengthen Connection Between Service Priorities and Asset Decisions, and Key Objective No. 4 - Guide Strategic Decision-Making.

The proposed lease will support the above goals and objective by allowing DCFS to continue to provide their direct service programs to the public in collaboration with other County departments and agencies, from a facility located within the communities in need of these services.

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

FISCAL IMPACT/FINANCING

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year (FY) 2020-2021 Rent Expense budget and will be billed back to DCFS. DCFS has sufficient funding in its FY 2020-2021 Operating Budget to cover the proposed rent for the first year. Beginning in FY 2021-2022, ongoing funding for costs associated with the proposed lease will be part of the budget for DCFS. The rental costs will be funded by 45 percent State and Federal funds, and 55 percent net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In addition to the terms previously stated, the proposed lease also contains the following provisions:

- Base rent of \$30.60 per square foot, per year, includes staff parking and is subject to fixed increases of 3 percent per annum.
- The current annual base rent will increase approximately 3.7 percent, from \$872,079 (\$29.52 per square foot annually) to \$903,985 (\$30.60 per square foot annually).
- The Landlord will provide, at Landlord's sole cost, new carpet, vinyl flooring, paint, window blinds, and minor repairs on a turnkey basis. The County will not be required to contribute any funds towards tenant improvements (TIs).
- The Landlord is responsible for all operating and maintenance costs of the building and all utilities, janitorial costs, and property taxes. The County will be responsible for after-hours heating, ventilation and air-conditioning (HVAC) charges when incurred, to be billed at the standard building rate of \$50.00 per hour, subject to increases based on electrical costs.
- The lease will include 122 on-site unreserved parking spaces for staff and visitors. DCFS also requires an additional 30 parking spaces, which have not been available in the area. CEO Real Estate continues to search for alternatives.
- The aggregate cost associated with the proposed lease over the entire term is \$6,927,000, as shown on Enclosure B.
- A seven-year initial term with no option to extend the proposed lease.
- The County has a one-time right to terminate the proposed lease early, on the last day of the 48th month of the lease term, with 12 months' notice, subject to payment of a termination fee in the form of unamortized TIs calculated at 8 percent.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions.

- The proposed lease will be effective on the first day of the first calendar month following approval by the Board and full execution of the proposed lease.

The Chief Executive Office (CEO) conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$24.00 and \$33.00 per square foot, per year. The base annual rental rate of \$30.60 per square foot, per year, for the proposed lease represents a rate that is within the market range for the area. Further, relocation to a new building would require costly new TIs and disrupt services. We recommend the proposed facility as the most suitable to meet the County's space requirements.

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

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

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

ENVIRONMENTAL DOCUMENTATION

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

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will adequately provide the necessary office space and parking for this County requirement. DCFS concurs with the proposed lease and recommendations.

CONCLUSION

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

Respectfully submitted,

FAD:JMN:VM:DL
JLC:MN:FC:RC:gw

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Children and Family Services

DEPARTMENT OF CHILDREN AND FAMILY SERVICES
2525 CORPORATE PLACE, MONTEREY PARK
Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions? ²		X		
B	Does lease co-locate with other functions to better serve clients? ²		X		
C	Does this lease centralize business support functions? ²		X		
D	Does this lease meet the guideline of 200 sq. ft of space per person? ² The ratio is approximately 160 square feet per person. The facility was built out in 2003 under different space guidelines. The space includes common areas such as conference rooms, children's room with shower and tub, family visitation room, lunch room, kitchenette, mail room, copy rooms, security and circulation areas.			X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ² The parking ratio is 4.13/1000. The lease includes 122 parking spaces for 185 staff and visitors. DCFS needs more parking, however, there is no available parking in the vicinity.			X	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²		X		
2.	<u>Capital</u>				
A	Is it a substantial net County cost (NCC) program? ² The rental costs will be funded by 45 percent State and Federal funds, and 55 percent net County cost.			X	
B	Is this a long-term County program?		X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			X	
D	If no, are there any suitable County-owned facilities available?			X	
E	If yes, why is lease being recommended over occupancy in County-owned space?				X
F	Is Building Description Report attached as Enclosure C?		X		
G	Was build-to-suit or capital project considered? ² The County already occupies the facility and a capital project was not considered.			X	
3.	<u>Portfolio Management</u>				
A	Did department utilize CEO Space Request Evaluation (SRE)?		X		
B	Was the space need justified?		X		
C	If a renewal lease, was co-location with other County departments considered?			X	
D	Why was this program not co-located with other County departments?				X
	1. ____ The program clientele requires a "stand alone" facility.				
	2. ____ No suitable County occupied properties in project area.				
	3. ____ No County-owned facilities available for the project.				
	4. ____ Could not get City clearance or approval.				
	5. ____ The Program is being co-located.				
E	Is lease a full-service lease? ²		X		
F	Has growth projection been considered in space request?		X		
G	¹ Has the Dept. of Public Works completed seismic review/approval?		X		
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not?					

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease: 2525 Corporate Place, Suite 150, Monterey Park	Proposed Lease: 2525 Corporate Place, Suite 150, Monterey Park	Change
Area (Square Feet)	29,542 sq. ft.	29,542 sq. ft..	None
Term (years)	7 years	7 years	None
Annual Base Rent ⁽¹⁾ (Base rent includes 122 parking spaces)	Base Rent \$872,079 (\$29.52 per sq. ft. annually)	Total \$903,985 (\$30.60 per sq. ft. annually)	+\$31,906 annually
Tenant Improvements	Included in rent (estimate \$443,000)	Included in rent (estimate \$591,000)	Carpet, paint, minor repairs
Total Annual Lease Costs payable to Landlord	\$872,079	\$903,985	+\$31,906 annually
Rental rate adjustment	Annual CPI adjustments minimum 2.5 percent, maximum 3.0 percent	Annual fixed step increases of 3 percent.	Fixed increases
Cancellation Provision	After the 60 th month, with 270 days' notice	One time right at the 48 th month with 12 months' notice; termination fee applies	One-time right to cancel.

(1) The existing and proposed leases are both full-service, where the Landlord pays for all utilities, including electricity, gas and water, along with other costs associated with operations, building maintenance and repairs. Exception: The County will reimburse the landlord for any use of after-hours HVAC fees at the building standard rate which is subject to change at any time.

OVERVIEW OF THE PROPOSED LEASE AND RELATED COSTS

**Department of Children and Family Services
2525 Corporate Place, Suite 150, Monterey Park**

Basic Lease Assumptions

Leased Area (sq.ft.)	29,542	
Term (months)	84	
Annual Rent Adjustment	3.00%	
Base Rent	Cost Per RSF Per Month	Cost Per RSF Per Year
	\$2.55	\$30.60

	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	Total 7 Year Rental Costs
Annual Base Rent Costs ⁽¹⁾	903,985	931,105	959,038	987,809	1,017,443	1,047,967	1,079,406	6,927,000
Total Paid to Landlord	903,985	931,105	959,038	987,809	1,017,443	1,047,967	1,079,406	6,927,000
Total Annual Lease Costs	903,985	931,105	959,038	987,809	1,017,443	1,047,967	1,079,406	6,927,000

Footnotes:

¹The Base Rent calculations are based on the monthly rate of \$2.55 per square foot and yearly rate of \$30.60 per square foot. The Base Rent will be subject to annual fixed step rent adjustments of 3% over the prior year's rent.

² A total of 122 unreserved parking spaces will be available at no additional cost.

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

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SPACE SEARCH – 3 MILE RADIUS
2525 CORPORATE PLACE, MONTEREY PARK**

LACO	Name	Address	Proprietor	Owner-ship Type	Gross Sq. Ft.	Vacant
A328	Sheriff - Inspectional Services Office / DCFS Ctrl Unit	901 Corporate Center Dr. Monterey Park 91754	Sheriff	Leased	9,926	0
A469	The Alhambra Complex - West Tower	1000 S Fremont Ave. Alhambra 91803	Public Health	Leased	15,206	0
A015	DCFS/LASD/Fire/Ops/ISD Corporate Place	2525 Corporate Pl. Monterey Park 91754	Children and Family Services	Leased	40,483	0
X294	PW Central Yard - Shop Office Building	2275 Alcazar St. Los Angeles 90033	Public Works	Owned	1,400	0
X167	Sherman Block Sheriff's Headquarters Building	4700 W Ramona Blvd. Monterey Park 91754	Sheriff	Financed	125,000	0
X155	ISD - Eastern Ave Complex Telecom Butler Building	1112 N Eastern Ave. Los Angeles 90063	Internal Services	Owned	4,960	0
4526	Biscailuz - Administration Building	1060 N Eastern Ave. Los Angeles 90063	Sheriff	Owned	16,571	0
4465	DF Kirby Center - Administration Building	1500 S Mcdonnell Ave. Commerce 90022	Probation	Owned	18,170	0
5428	DPSS - Belvedere AP District Office	5445 E Whittier Blvd. East Los Angeles 90022	Public Social Services	Owned	70,493	0
4364	Probation - East Los Angeles Area Office	144 S Fetterly Ave. East Los Angeles 90022, 4849 E Civic Center Way East Los Angeles 90022	Probation	Owned	15,584	0
4231	Biscailuz - Training/Intelligence Facility	1060 N Eastern Ave. Los Angeles 90063	Sheriff	Owned	1,660	0
5863	ISD - Administrative Headquarters	1100 N Eastern Ave. Los Angeles 90063	Internal Services	Owned	80,309	0
2130	PW Road - Div #142 Maintenance Yard Office	4304 Eugene St. East Los Angeles 90022	Public Works	Owned	397	0
A324	Fire - Employee Relations Office / LPSB, EMS & Homeland Security	1255 Corporate Center Dr Monterey Park 91754	Fire Department	Leased	37,132	0
A423	Sheriff - Personnel and Recruitment Center	101 Centre Plaza Dr Monterey Park 91754	Sheriff	Leased	37,590	0
3542	Fire - Administrative Headquarters Building	1320 N Eastern Ave. Los Angeles 90063	Fire Department	Owned	39,015	0
A471	The Alhambra Complex - East Tower	1000 S Fremont Ave. Alhambra 91803	Chief Executive Office (CEO)	Leased	148,447	0
1491	Crematory Office/Residence	3301 E 1st St. Los Angeles 90063	Health Services	Owned	1,517	0
A327	Office of Managed Care	1100 Corporate Center Dr. Monterey Park 91754	Health Services	Leased	15,280	0
A473	Alhambra Complex	1000 S Fremont Ave. Alhambra 91803	Sheriff	Leased	3,774	0

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SPACE SEARCH – 3 MILE RADIUS
2525 CORPORATE PLACE, MONTEREY PARK**

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FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Seven-Year Lease for DCFS –2525 Corporate Place, Monterey Park, CA 91754 - 1st Supervisorial District.

A. **Establish Service Function Category** – Belvedere Annex/Corporate Sub-Office and Regional Office for Emergency Response, Adoptions, and Revenue Enhancement to provide child protection services.

B. **Determination of the Service Area** – The Regional Office is centrally located in Service Planning Area (SPA) 3 serving the First Supervisorial District.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: DCFS is most effective when its programs are within close proximity to the service area (SPA 3). This location meets the service area criteria.
- Need for proximity to existing County facilities: N/A
- Need for proximity to Los Angeles Civic Center: The current site is located within seven miles east of the Civic Center and within half a mile of the Interstate 710 and 10 freeways.
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services. In addition to being within close proximity to the Interstate 710 and 10 freeways, there is a Metrolink shuttle from California State University, Los Angeles to Corporate Center Drive. There is also a public transit bus service operated by the City of Monterey Park (Route 5) that runs along Corporate Center Drive within ¼ mile of the facility.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There is no space available in existing County-owned buildings to meet the Department's service needs.
- Compatibility with local land use plans: The City of Monterey Park has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease over the entire term is \$6,927,000.

D. Analyze results and identify location alternatives

The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$24.00 and \$33.00 per square foot, per year. The base annual rental rate of \$30.60 per square foot, per year, for the proposed lease represents a rate that is within the market range for the area. Further, relocation to a new building would require costly new TIs and disrupt services. We recommend the proposed facility as the most suitable to meet the County's space requirements.

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

The proposed lease will provide adequate and efficient office space for 185 employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet the Department's requirements.

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE**

LEASE AGREEMENT

**COUNTY OF LOS ANGELES - Tenant
EASTGROUP PROPERTIES, L.P. – Landlord**

**2525 CORPORATE PLACE
SUITE 150
MONTEREY PARK, CALIFORNIA**

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EXHIBITS

- Exhibit A – Floor Plan of the Premises
- Exhibit B – Commencement Date Memorandum and Confirmation of Lease Terms
- Exhibit C – Heating, Ventilation, and Air Conditioning Standards
- Exhibit D – Cleaning and Maintenance Schedule
- Exhibit E – Subordination, Non-disturbance and Attornment Agreement
- Exhibit F – Tenant Estoppel Certificate
- Exhibit G – Community Business Enterprises Form
- Exhibit H – Memorandum of Lease Terms
- Exhibit I – Landlord's Work Letter (Intentionally Omitted)
- Exhibit J - Construction Schedule

ADDENDUM NO. 1 – Additional Terms to Lease Agreement

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the _____ day of _____, 2021 between EASTGROUP PROPERTIES, L.P., a Delaware limited partnership ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1 Terms

The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

(a) Landlord's Address for Notices:	EastGroup Properties, L.P. c/o EastGroup Properties 2200 E. Camelback Rd., Ste. 210 Phoenix, AZ 85016 Attn: John E. Travis Email: John.Travis@eastgroup.net
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate With a copy to: County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 29,542 rentable square feet, consisting of the northeast portion of the first floor, designated as Suite(s) 150, in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(d) Building:	The Building located at 2525 Corporate Place, Monterey Park, California, which is currently assessed by the County Assessor as APN 5237-024-026 (collectively, the "Property");
(e) Term:	Seven (7) years, commencing on the date defined in Section 4(a) (the "Commencement Date"), and terminating at midnight on the day before the Seventh (7th) annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
(f) Estimated Commencement Date:	April 1, 2021
(g) Irrevocable Offer Expiration Date: (see Section 33)	June 1, 2021
(h) Base Rent (see Section 5.2):	(For the first 12 months of the Term, \$2.55 per rentable square foot per month) \$75,332.10 per month \$903,985.20 per year
(i) Early Termination (see Section 4.4):	On the last day of the forty-eighth (48th) month, following the Commencement Date of the Lease, upon twelve (12) months' prior notice to Landlord, subject to the terms of Section 4.4 below.
(j) Rentable Square Feet in the Premises:	29,542 rentable square feet
(k) Initial Departmental Use:	Office space for the Department of Children & Family Services (DCFS), any other County Department, or governmental use, subject to Section 6.
(l) Parking Spaces:	Zero exclusive reserved spaces; and 122 unreserved spaces.

(m) Tenant's Hours of Operation:	7:00 a.m. to 5:30 p.m. Monday through Friday, excluding Federal and state holidays.
(n) Asbestos Report:	A report dated April 13, 2020 prepared by <u>Hazard Management Consulting Inc., and Crescent Bay Environmental</u> , a licensed California Asbestos contractor.
(o) Seismic Report	A report dated August 15, 2002 prepared by the Department of Public Works.
(p) Disabled Access Survey	A report dated June 11, 2020 prepared by IDS Group (the "Access Survey").

1.2 INTENTIONALLY OMITTED

1.3 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprises Form Exhibit H - Memorandum of Lease Exhibit I - Intentionally Omitted Exhibit J - Construction Schedule
1.4 <u>Addendum No. 1</u> (Executed concurrently with this Lease and incorporated herein by this reference):	Additional Terms to Lease Agreement

2. PREMISES

2.1 Lease of Premises

Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1.1 and depicted on Exhibit A attached hereto.

2.2 Measurement of Premises

Tenant shall have the right at any time during the Term of this Lease to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.1-2010, as promulgated by the Building Owners and Management Association ("BOMA") International, except that no penthouse mechanical room space shall be included in the measurement. Should this measurement be less than the square footage stated above, then Tenant shall have the right to adjust such square footage and reduce the Base Rent in Section 1.1 accomplished by the mutual execution of an amendment to this Lease. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no increase made to the Base Rent if the measured square footage exceeds the amount represented by Landlord.

3. COMMON AREAS

Tenant may use the following areas ("Common Areas") in common with Landlord and any other tenants of the Building: the entrances, lobbies, corridors and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas and other common facilities designated by Landlord from time to time for common use of all tenants of the Building. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Area established by Landlord.

4. COMMENCEMENT AND EXPIRATION DATES

4.1 Term

The term of this Lease shall be for a period of seven years, commencing upon the first day of the first calendar month following approval of this Lease by the Board of Supervisors and full execution of the Lease by both parties, and ending eighty-four months thereafter.

4.2 Termination Right

If the Commencement Date has not occurred within 120 days after the Estimated Commencement Date, subject to Tenant Delays or delays caused by Force Majeure (as defined in Section 34 below), then Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord, and the parties shall have no further rights or obligations to one another hereunder.

4.3 Early Entry

The parties acknowledge that Tenant is already in possession of the Premises pursuant to Lease No. 62399-Amendment No. 3 (the "Prior Lease"), and that Landlord shall be deemed to have delivered possession of the Premises as of the

Commencement Date of this Lease. The Prior Lease shall govern the relationship of the parties and Tenant's lease of the Premises until the Commencement Date.

4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1, by giving Landlord not less than twelve (12) months' prior written notice, executed by Tenant's Chief Executive Officer or his/her designee; provide, however, in order for any such termination to be effective, Tenant shall pay to Landlord a "Termination Fee" (as defined below), with fifty percent (50%) of the Termination Fee due within sixty (60) days after Tenant's delivery of the notice of termination to Landlord, and the remaining balance of fifty percent (50%) of the Termination fee to be paid by Tenant to Landlord on or before the Termination Date. The "Termination Fee" shall mean all unamortized Leasing Costs (as defined below) as of the effective date of termination, based upon an amortization period commencing as of the Commencement Date and continuing for seven years, with interest accruing on said unamortized leasing Costs at eight percent (8%) per annum. The term "Leasing Costs" shall mean all approved expenses incurred by Landlord in connection with the Tenant Improvements performed by Landlord for Tenant, as defined in Section 24.3 below. After the completion of the Tenant Improvements listed in Section 24.3 below, within ten (10) business days thereafter, and at any time after ten (10) business days written notice, Landlord shall provide to Tenant an accounting of the Leasing Costs and the Termination Fee.

4.5 Lease Expiration Notice

No later than twelve (12) months, nor earlier than eighteen (18) months, prior to the expiration of the Lease Term, Landlord shall provide a written notice to Tenant notifying Tenant of the Termination Date.

5. RENT

5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid, (ii) Landlord's federal tax ID number; (iii) name of contact person and contact information (including phone number) for Landlord; (iv) a completed IRS form W-9, and (v) evidence of insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month. The Base Rent will be subject to annual fixed step rent adjustments of three percent (3%) over the prior year's Base Rent.

5.2 Rental Rate Adjustments

Year	Monthly Rental Rate/per RSF (FSG)	Monthly Base Rent
1	\$2.55	\$75,332.10
2	\$2.63	\$77,592.06
3	\$2.71	\$79,919.82
4	\$2.79	\$82,317.42
5	\$2.87	\$84,786.94
6	\$2.96	\$87,330.55
7	\$3.04	\$89,950.47

6. USES

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes, or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays.

7. HOLDOVER

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy which is terminable only upon ninety (90) days written notice from either Landlord or from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease, plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. COMPLIANCE WITH LAW

Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Building (excluding the interior portions of the Premises) to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Landlord during the term hereof, including but not limited to the Americans with Disabilities Act ("ADA"), except if such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises. In such latter event, compliance with such statutes, ordinances, rules, regulations, orders, and requirements with regard to the Premises or the Building shall be the responsibility of Tenant at Tenant's sole cost and expense.

9. DAMAGE OR DESTRUCTION

9.1 Damage

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days, then Landlord shall promptly, at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten (10) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant hereby waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

9.2 Tenant Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable, in proportion to the unusable portion of the Premises. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages.

9.3 Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then either Landlord or Tenant may terminate this Lease by giving written notice to the other not more than thirty (30) days after such destruction, in which case:

- (a) Landlord shall have no obligation to restore the Premises;
- (b) Landlord may retain all insurance proceeds relating to such destruction, and
- (c) This Lease shall terminate as of the date which is thirty (30) days after such written notice of termination.

9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, as determined by Tenant in its reasonable discretion, then Tenant may, at its sole election:

- (a) Declare a default hereunder, or
- (b) Perform or cause to be performed the restoration work and deduct the cost thereof, plus interest thereon at ten percent (10%) per annum, from the next installment(s) of Base Rent due as a charge against the Landlord.

10. REPAIRS AND MAINTENANCE

10.1 Landlord Representations

- (a) Landlord represents to Tenant that, to the actual knowledge of Landlord and subject to any information contained in the Asbestos Report, the Seismic Report and the Disabled Access Survey (each as referenced in Section 11 of this Lease), Landlord has not received from any governmental entity with jurisdiction that, as of the date hereof and on the Commencement Date:
 - i. The Premises, the Building, and all Common Areas (including electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) do not comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in good working order and condition;
 - ii. The Building and the Premises do not comply with all covenants, conditions, restrictions and insurance underwriter's requirements; and
 - iii. The Premises, the Building and the Common Areas contain any Hazardous Materials (as hereinafter defined) in violation of applicable laws; and
 - iv. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation.
- (b) Landlord represents, to its actual knowledge, except as may be set forth in the Asbestos Report (as defined in Section 1.1), that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report).

(c) CASp Inspection:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:
[Check the appropriate box]

☐ Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

☐ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☒ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or any Work Letter.

10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:
 - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. elevators serving the Building.
- (b) Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear and casualty excepted. Landlord's repair obligations include, without limitation, repairs to, or replacements of:
 - i. intentionally deleted;
 - ii. interior partitions;
 - iii. doors, door frames and hardware;
 - iv. the interior side of demising walls;
 - v. signage;
 - vi. emergency exit signage and battery replacement;
 - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
 - viii. Light fixtures, bulbs, tubes and ballasts;

provided, however, Tenant shall be responsible for all costs and expenses relating to the misuse, overuse, negligence, or willful misconduct or non-office use by Tenant or any of its agents, employees, licensee or invitees. Any work performed by Landlord under this subsection (b) to the Premises shall be in compliance with applicable laws.

- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested in writing from time to time.

10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, and subject to Section 20.5 hereof, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall:

- (a) be made and performed by contractors or mechanics approved by Landlord, which consent shall not be unreasonably withheld, conditioned or delayed;
- (b) be at least equal in quality, value and utility to the original work or installation; and
- (c) be in accordance with all applicable laws.

10.4 Tenant's Right to Repair

- (a) If Tenant provides written notice (or oral notice in the event of an emergency, such as damage or destruction to or of any portion of the Building structure and/or the Building systems, and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and if Landlord fails to provide such action within a reasonable period of time given the circumstances after the giving of such notice, but in any event not later than five (5) days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action. If not reimbursed by Landlord within thirty (30) days after written notice together with reasonable documentation supporting the repairs made, then Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 15.
- (b) Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the Chief Executive Office, may request that Landlord perform, supply and administer repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's

behalf. Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to Tenant Improvements, as defined in Section 24.

11. SERVICES AND UTILITIES

11.1 Services

(a) Heating, Ventilation and Air Conditioning (HVAC)

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit C attached hereto. As of the Commencement Date and during the first 12 months of the Term, any HVAC provided to the Premises other than during Tenant's Hours of Operations shall be at \$50.00 per hour, and after such first year, the rate charged to Tenant for such afterhours usage is subject to increase based on the electrical costs applicable as reasonably determined by Landlord.

(b) Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event not less than seven (7) watts of electric current (connected load) per square foot of rentable square feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

(c) Elevators

Landlord shall furnish freight and passenger elevator services to the Premises during Tenant's Hours of Operations. During all other hours, Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as needed basis, and, by prior arrangement with Landlord's building manager, freight elevator service.

(d) Water

Landlord shall make available in the Premises warm and cold water for normal lavatory and kitchen purposes and potable water for drinking purposes, all of which shall meet applicable government standards.

(e) Janitorial

Landlord, at its sole cost and expense, shall provide janitorial service five (5) nights per week, generally consistent with that furnished in comparable

office buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in Exhibit D attached hereto.

(f) Access

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building. Landlord has provided after-hours access cards to all Tenant employees for Building entry, elevators, and/or floor access. Additional access cards are provided at a charge applicable to the all tenants of the Building.

(g) Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

11.2 Utilities

Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC (other than after hours HVAC), and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

In no event shall Tenant be obligated to pay Landlord for after-hours usage of the Supplemental HVAC Unit(s) in the server room(s), provided that Tenant shall pay for all electricity therefor pursuant to Section 11.1 (a) above.

12. TAXES

Landlord, at its sole cost and expense, shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against the Premises or the Building during the term of this Lease or any renewal or holdover period thereof.

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency and notify Tenant immediately thereafter.

14. TENANT DEFAULT

14.1 Default

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant ("Default"):

- (a) the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;
- (b) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (30) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure, within said thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

14.2 Termination

Tenant agrees that if a Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law. Without limiting the foregoing, Landlord shall have all rights and remedies set forth in California Civil Code Sections 1951.2 and 1951.4, the terms of which are expressly incorporated herein as if expressly written herein.

14.3 No Effect on Indemnity

Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

15. LANDLORD DEFAULT

15.1 Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the

performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within fifteen (15) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such fifteen day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- (a) to remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- (b) to pursue the remedy of specific performance;
- (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- (d) to terminate this Lease.

15.2 Waiver

Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

15.3 Emergency

Notwithstanding the foregoing cure period, Tenant may cure any default where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition, or materially and adversely affect the operation of Tenant's business in the Premises. In such cases, Tenant may perform the necessary work through its Internal Services Department and deduct the cost of said work from the Base Rent next due.

16. **ASSIGNMENT AND SUBLETTING**

16.1 Assignment and Subletting

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises only upon first obtaining Landlord's prior consent, which consent shall not be unreasonably withheld, conditioned or

delayed; provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease.

16.2 Sale

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations hereunder in writing. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- (a) A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:
 - i. Name and address of new owner or other party to whom Base Rent should be paid
 - ii. Federal tax ID number for new owner
 - iii. Name of contact person and contact information (including phone number) for new owner
 - iv. Proof of insurance
- (c) A W-9 form for new owner.

Tenant shall not be obligated to pay any rental amounts to any party other than the Landlord named herein until such time as all the requirements of this Section 16.2 are satisfied.

17. ALTERATIONS AND ADDITIONS

17.1 Landlord Consent

Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord's consent shall not be required for any

Alteration that satisfies all of the following criteria but Tenant shall provide Landlord with at least 10 days prior written notice of the proposed Alterations:

- (a) complies with all laws;
- (b) is not visible from the exterior of the Premises or Building;
- (c) will not materially affect the systems or structure of the Building;
- (d) does not unreasonably interfere with the normal and customary business office operations of Landlord or other tenants in the Building; and
- (e) does not cost more than \$5,000 per Alteration.

17.2 End of Term

Any Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

18. CONDEMNATION

18.1 Controlling Terms

If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

18.2 Total Taking

If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

18.3 Partial Taking

If any portion, but not all, of the Premises or the Common Areas is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within thirty (30) days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice

shall set forth the date of termination. Such termination date shall not be earlier than thirty (30) days nor later than ninety (90) days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the termination date designated by Tenant. If Tenant does not so notify Landlord within thirty (30) days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated in proportion to the degree to which Tenant's use of the Premises and the Common Areas is impaired by such Condemnation.

18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5 Award

The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises. Tenant shall be entitled to any awards for relocation benefits or goodwill belonging to Tenant.

18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

19. INDEMNIFICATION

19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Premises.

19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and other acts and omissions arising from and/or relating to the Tenant's use of the Premises.

20. **INSURANCE**: During the term of this Lease, the following insurance requirements will be in effect:

20.1 Waiver

Both the Tenant and Landlord each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

20.2 General Insurance Provisions – Landlord Requirements

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

(a) Evidence of Coverage and Notice to Tenant

- i. Certificate(s) of insurance coverage ("Certificate") reasonably satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) has been given insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
- ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification

number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant-required endorsement forms.

- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

County of Los Angeles
Chief Executive Office - Real Estate Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Attention: Director of Real Estate

Landlord also shall promptly notify Tenant of any third party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant and its Agents"), shall be provided additional insured status under Landlord's General Liability policy with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the premises. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions, whether such liability is attributable to the Landlord or to the Tenant. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(c) Cancellation of or Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of

cancellation or any change in Required Insurance may constitute a material breach of the Lease, in the sole discretion of the Tenant, upon which the Tenant may suspend or terminate this Lease.

(d) Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance within ten (10) days of written request from Tenant shall constitute a material breach of the Lease, upon which County may withhold payments due to Landlord. County, at its sole discretion, may obtain damages from Landlord resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Landlord, deduct the premium cost from sums due to Landlord or pursue Landlord reimbursement.

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Landlord's Insurance Shall Be Primary

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

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

(h) Deductibles and Self-Insured Retentions ("SIRs")

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

(i) Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Landlord understands and agrees it shall maintain such coverage for a period of not

less than three (3) years following Lease expiration, termination or cancellation.

(j) Application of Excess Liability Coverage

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

(k) Separation of Insureds

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

(l) Tenant Review and Approval of Insurance Requirements

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

20.3 Insurance Coverage Types And Limits

(a) Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

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

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements: During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

(a) Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 10 million
Products/Completed Operations Aggregate:	\$ 10 million

Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

(b) Commercial Property Insurance. Such insurance shall:

- i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

21. PARKING

21.1 Tenant's Rights

Tenant shall have the right to the number of non-exclusive unreserved parking spaces set forth in Section 1.1, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all unreserved parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building. Landlord will maintain a minimum parking ratio of four and thirteen-tenths (4.13) single stall parking spaces per one thousand (1000) square feet of gross leasable area of the Premises.

21.2 Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receives all of the parking spaces to which it is entitled under this Lease for the entire Term of this Lease and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number of the parking spaces required above are not available to Tenant (in addition to the rights given to Tenant under Section 14 and Sections 9 and 17 in the event of casualty or condemnation), then Tenant may:

- (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter, or
- (b) deduct from the Base Rent thereafter accruing hereunder an amount each month equal to the Base Rent times the percentage of parking spaces not so provided times the number 1.5, but such deduction from Base Rent shall

be not less than ten percent (10%) nor more than one hundred percent (100%) of the Base Rent.

22. ENVIRONMENTAL MATTERS

22.1 Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

22.2 Landlord Responsibility

Landlord shall be solely responsible for the investigation, clean-up and remediation of any Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials caused by Landlord other than those caused by Tenant or its employees agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants. Landlord's obligation shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

23. ESTOPPEL CERTIFICATES

Tenant shall, within 30 days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit F attached hereto (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest in the Premises or a current or prospective holder of any mortgage upon Landlord's interest in the Premises.

24. TENANT IMPROVEMENTS

24.1 Intentionally Omitted

24.2 Tenant's Share of Total TI Costs

Landlord shall solely be responsible for any tenant improvement costs. Tenant shall not be responsible for any tenant improvement costs.

24.3 Tenant Improvements

Landlord agrees to complete the following tenant improvements using Building standard materials, per Tenant specifications as to paint, carpet and tile colors to be provided to Landlord within ten (10) days of the date of this Lease, as described below:

- (i) New paint throughout the Premises.
- (ii) New carpet tile & baseboard throughout existing carpeted areas.
- (iii) Replace existing window blinds throughout the Premises.
- (iv) Clean the light fixtures throughout the Premises.
- (v) Replace any broken light lens.
- (vi) Replace the flooring at the side entrance with vinyl plank flooring.
- (vii) Add kick plates to reception room entry door and to highly worn doors.
- (viii) Add corner guards in high traffic areas.
- (ix) Replace flooring in Rooms 102, 110, 121, 134, 131, kitchen galley and Lunch Room 127 with vinyl planks.
- (x) Replace damaged ceiling tiles.
- (xi) Clean the VCT flooring in room 108.
- (xii) Replace flooring with new VCT in room 116 (Children's room).
- (xiii) Add chair rails to walls in room 126 (conference room) and 131.
- (xiv) Repair the existing kitchen cabinets in Lunch room 127.
- (xv) Add additional light fixture to room 127.
- (xvi) Clean all HVAC air diffusers.
- (xvii) Replace the flooring in the east 1st floor stairwell with vinyl plank flooring.
- (xviii) Install mini blinds over window at north building entry reception window.
- (xix) Clean exterior windows along building perimeter.

The completion of the Tenant Improvements shall be coordinated with Tenant's assigned Project Manager (PM) in advance of Landlord commencing any of the Tenant Improvements and the work must be performed after Tenant's normal business hours, Mon thru Friday, anytime Saturday & Sunday, unless waived or

modified by Tenant's PM in writing to Landlord. In connection with the performance of the Tenant Improvements, Landlord agrees to move, to the extent necessary, Tenant's furniture (including furniture lift) and such other items such as furniture and fixtures, but Landlord shall not be responsible for moving or storing any computers or personal property or effects of Tenant's employees such as picture frames, plants, and other office or desk decorations and Tenant shall instruct its employees to pack and store such equipment, personal property and effects. Tenant hereby acknowledges and agrees that subject to the preceding sentence: (i) Tenant agrees to accept minor interruptions or inconveniences to Tenant or its business suffered as a result of the Tenant Improvements; (ii) no Tenant Improvements shall constitute an eviction of Tenant from the Premises, whether constructive or otherwise, and (iii) Tenant shall in no event be excused from paying the monthly installment of Base Rent that it is scheduled to pay (if any) with respect to the Premises. Landlord and Tenant shall reasonably cooperate and shall use commercially reasonable efforts to cause their respective employees, agents and contractors to cooperate, with the other during said period to expedite the completion of the Tenant Improvements.

24.4 Code Compliance

The Premises shall meet all applicable City, County, State and Federal building codes, regulations and ordinances required for beneficial occupancy. **Without limiting the generality of the foregoing, construction of the tenant improvements shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the tenant improvements. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.**

24.5 Intentionally deleted.

24.6 Exclusions from Total TI Costs

The Total TI Costs shall not include any costs incurred for asbestos abatement, fire sprinkler system, or conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere. All work for required asbestos abatement, fire sprinkler system, or air conditioning system conversion shall be performed at the sole cost and expense of Landlord.

24.7 Completion

The parties agree that the estimated time for completion of said tenant improvements is 90 days from the date of issuance of the building permit (If applicable), or from date of receipt of a fully-approved set of preliminary plans or outline specifications prepared by the County space planner, or from date of

receipt of any other written instruction/approvals to be received from Tenant, based on the Construction Schedule attached hereto as Exhibit "J". To the extent required by applicable law, Landlord shall file for a building permit to construct the improvements within ten (10) days of completion of final working drawings and Tenant's acceptance thereof and Landlord shall diligently pursue the issuance of such permit through completion as soon as possible.

24.8 Delay.

Completion may be delayed by:

- a. Acts or omissions of Tenant or its employees or agents (including any change orders requested by Tenant), or
- b. Any act of God which Landlord could not have reasonably foreseen and provided for, or
- c. Any strikes, boycotts or like obstructive acts by employees or labor organizations which Landlord cannot overcome with reasonable effort and which Landlord could not have reasonably foreseen and provided for, or
- d. Any war or declaration of a state of national emergency, or
- e. The imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the tenant improvements.

24.9 Intentionally deleted.

24.10 Tenant Remedies

If Landlord fails to obtain the building permit within a reasonable time, taking all factors into consideration, or if the tenant improvements have not been completed within 120 days from the estimated time of completion, which period shall be extended for a reasonable time for delays enumerated in subparagraph 24.8 above, then Tenant may, at its option:

- a. Cancel the Lease upon thirty (30) days written notice to Landlord; or
- b. Upon thirty (30) days written notice to Landlord, assume the responsibility for constructing or completing the tenant improvements itself. If Tenant elects to construct or complete the tenant improvements itself, then:
 - i. Tenant, its officers, employees, agents, contractors and assignees, shall have free access to the Premises and the Building at all reasonable times for the purpose of constructing the tenant improvements and for any other purposes reasonably related thereto.
 - ii. Rent shall be reduced by Tenant's total expense in making the tenant improvements, including any financing charges for capital

and a reasonable amount for Tenant's administrative costs, and including interest at the rate of 10% per annum ("Tenant's Total Expense"). The rent reduction schedule shall be as mutually agreed to between the parties or, if no such agreement is made, Tenant's Total Expense shall be fully amortized in equal monthly amounts over 3 years and deducted from the Base Rent.

25. LIENS

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

26. SUBORDINATION AND MORTGAGES

26.1 Subordination and Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit E attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein.

26.2 Existing Deeds of Trust

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Exhibit E attached hereto, within 30 days after the execution of this Lease.

26.3 Notice of Default

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default, provided, however, if the default cannot be cured within such 10-day period, then so long as such mortgagee or beneficiary promptly commences and diligently prosecutes to completion the cure of such default, Tenant shall not have the right to terminate this Lease.

27. SURRENDER OF POSSESSION

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in

a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

28. SIGNAGE

Tenant shall be allowed to retain its signage located in the Premises and the Building. Tenant shall be permitted to install additional signs at the Premises that conform with any and all applicable laws and ordinances.

29. QUIET ENJOYMENT

So long as Tenant is not in default hereunder, Tenant shall have the right to the peaceful and quiet enjoyment and possession of the Premises and the non-exclusive quiet and peaceful enjoyment of Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

30. GENERAL

30.1 Headings

Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

30.2 Successors and Assigns

Subject to Section 15 above, all of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

30.3 Brokers

Landlord represents and warrants that it has dealt with only the following real estate broker(s), agent(s), and/or finder(s) in connection with this Lease: Mr. Brady Thomson of IDS Real Estate Group. Tenant represents and warrants that it has not dealt with any real estate broker(s), agent(s), and/or finder(s) in connection with this Lease. Landlord shall pay the commission due to Landlord's broker pursuant to a separate written agreement. Landlord and Tenant each represent and warrant to each other that it has not engaged any other broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed in this Section 30.3, and each of them shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation.

30.4 Entire Agreement

This Lease (including all exhibits hereto) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of

the Premises, to Tenant's use of the Building and other matters set forth in this Lease. Other than the Prior Lease which shall expire immediately prior to the Commencement Date of this Lease, no prior agreements or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

30.5 Severability

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and the remaining provisions hereof shall nevertheless remain in full force and effect.

30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1.1. Without limiting the generality of the foregoing, Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1.1(b) hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

30.7 Governing Law and Venue

This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

30.8 Waivers

No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

30.9 Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

30.10 Consent

Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10)

business days after written request is made therefore, together with all necessary information.

30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

30.12 Memorandum of Lease

If requested by either party, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit H attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

30.13 Counterparts; Electronic Signatures

This Lease and any other document necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

31. AUTHORITY

Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Lease, to bind Tenant to the terms included

herein. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease, and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Officer of the County (the "Chief Executive Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an early termination notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

32. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

32.1 Consideration of GAIN Program Participants

Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

32.2 Solicitation of Consideration

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this

Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

32.3 Landlord Assignment

- (a) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- (b) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease, or any portion thereof, as security for the Landlord's obligation to repay any monetary obligation, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.

- (f) Landlord shall not furnish any information concerning Tenant or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section 32.3.
- (g) The provisions of this Section 32.3 shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns, whether so expressed or not.
- (h) The parties hereto acknowledge that Landlord and any successor lessor shall have the right, at any time and from time to time, to encumber the Building with a first lien mortgage or sell the Building or any part thereof (provided such sale does not violate Government Code Sections 5950-5955), without the prior approval of Tenant, provided that Lessor (or any successor) complies with the notice provisions set forth herein. Upon the sale or any other conveyance of the Building or any portion thereof which includes the Premises, this Lease shall continue with the new owner being the lessor, subject to the requirements of this Lease, including without limitation Section 26 hereof.

32.4 Smoking in County Facilities. The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course.

International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)

33. IRREVOCABLE OFFER

In consideration for the time and expense that Tenant will invest in this Lease, including but not limited to preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County, as necessary, in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.


[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF this Lease has been executed the day and year first set forth above.

LANDLORD:

EASTGROUP PROPERTIES, L.P.,
a Delaware limited partnership

By: **EASTGROUP PROPERTIES GENERAL
PARTNERS, INC.,**
a Delaware corporation,
its general partner

By: 
Name: Ryan Collins
Its: Senior Vice President

By: 
Name: John E. Travis
Its: Vice President

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
Dean Lehman, P.E.
Senior Manager, Real Estate Division

ATTEST:

DEAN C. LOGAN
Recorder/County Clerk
of the County of Los Angeles

By: _____
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA
County Counsel


By: 
Deputy

EXHIBIT A FLOOR PLAN OF PREMISES

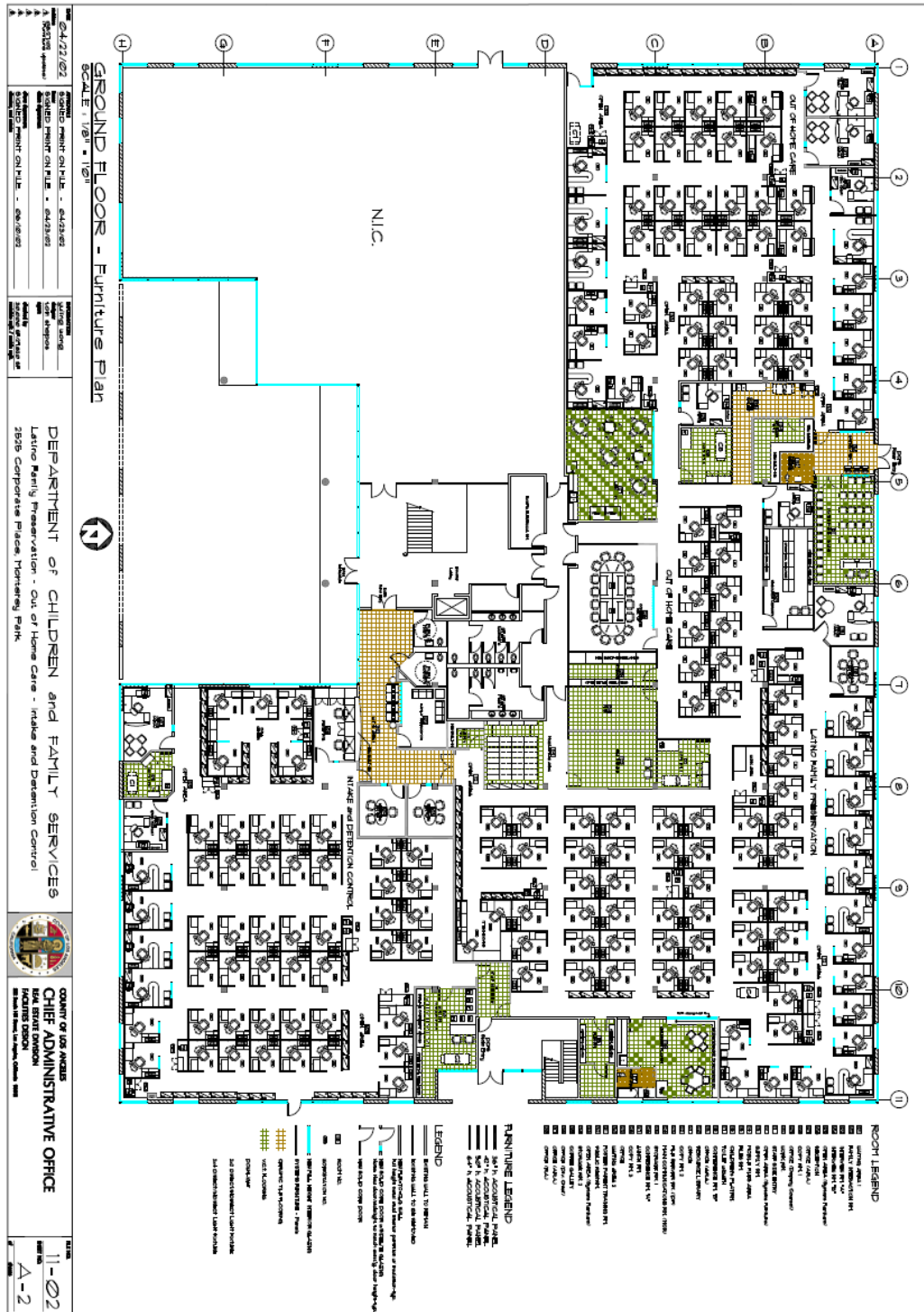


EXHIBIT B

COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain Lease Agreement ("Lease") dated _____, 2021, between County of Los Angeles, a body corporate and politic ("Tenant"), and EASTGROUP PROPERTIES, L.P., a Delaware limited partnership ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 2525 Corporate Place, Ste 150, Monterey Park, California ("Premises").

Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on _____ ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on _____ ("Commencement Date");
- 4) The Premises contain 29,542rentable square feet of space; and

For clarification and the purpose of calculating future rental rate adjustments:

Year	Monthly Rent/per RSF (FSG)	Monthly Minimum Rent
1	\$2.55	\$75,332.10
2	\$2.63	\$77,592.06
3	\$2.71	\$79,919.82
4	\$2.79	\$82,317.42
5	\$2.87	\$84,786.94
6	\$2.96	\$87,330.55
7	\$3.04	\$89,950.47

IN WITNESS WHEREOF, this memorandum is executed this _____ day of _____, 20____.

Tenant:

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: Dean Lehman
Its: Senior Manager, Real Estate
Division

Landlord:

EASTGROUP PROPERTIES, L.P.,
a Delaware limited partnership

By: East Group Properties General Partners,
Inc., a Delaware Corporation, its general
partner

By:
Name _____
Its _____

EXHIBIT C

HEATING, VENTILATION AND AIR CONDITIONING

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Tenant's Hours of Operation established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable/net square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

EXHIBIT D

CLEANING AND MAINTENANCE SCHEDULE

A. DAILY (Monday through Friday)

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable)
11. Graffiti expunged as needed within two working days after notice by Tenant
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including, but, not limited to, paper supplies and soap.

B. WEEKLY

14. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
15. Window sills, ledges and wood paneling and molding dusted.

C. MONTHLY

16. Floors washed and waxed in uncarpeted office area.
17. High-reach areas, door frames and tops of partitions dusted.
18. Upholstered furniture vacuumed, plastic and leather furniture wiped
19. Picture moldings and frames dusted.
20. Wall vents and ceiling vents vacuumed.

21. Carpet professionally spot cleaned as required to remove stains.
22. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

23. Light fixtures cleaned and dusted, but not less frequently than quarterly.
24. Wood furniture polished.
25. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
26. HVAC units serviced for preventative maintenance purposes, all filters changed.

E. SEMI-ANNUALLY

27. Windows washed as required inside and outside but not less frequently than twice annually.
28. All painted wall and door surfaces washed and stains removed.
29. All walls treated with vinyl covering washed and stains removed.

F. ANNUALLY

30. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer.

AS NEEDED

31. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
32. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.
33. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.
34. All HVAC ducts cleaned as needed, but no less than every five (5) years.

H. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.

EXHIBIT E

SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

County of Los Angeles
Chief Executive Office
Real Estate Division
320 W. Temple Street
7th Floor
Los Angeles, California 90012

)
)
)
)
)
)
)

Space above for Recorder's Use

SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT

NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the ____ day of _____, 20__ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated _____ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Non-disturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender: _____

To Borrower: _____

To Tenant: County of Los Angeles
Chief Executive Office
Real Estate Division
320 W. Temple Street, 7th Floor
Los Angeles, California 90012
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

TENANT: COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

BORROWER: *[Insert name of Landlord]*

By: _____
Name: _____
Title: _____

LENDER: *[Insert name of Lender],*

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me, _____
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared _____,
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT F
TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

Attn: _____

Re: Date of Certificate: _____
 Lease Dated: _____
 Current Landlord: _____
 Located at: _____
 Premises: _____
 Commencement Date of Term: _____
 Expiration Date: _____
 Current Rent: _____

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

1. Tenant is the present holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2. (a) A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

 (b) The current Rent is set forth above.

 (c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

 (d) Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

 (e) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended, except as set forth in Exhibit A, and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

[(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.]

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one (1) month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full, and all of Landlord's obligations with respect to tenant improvements have been fully performed, except: _____.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

EXHIBIT G

COMMUNITY BUSINESS ENTERPRISE FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. The final analysis and consideration of the lease will be determined without regard to race, creed, color or gender. (Categories listed below are based on those described in 49 CFR Section 23.5)

I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)						
1. Firm Name: _____			3. Contact Person/Telephone Number: _____			
2. Address: _____						
			4. Total number of employees in the firm: _____			
5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						
II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM						
1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) _____						
2. Total Number of Ownership/Partners, Etc.: _____			III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION			
3. Provide the percentage of ownership in each	All Employee	Women	Is your firm currently certified as a minority owned business firm by the:			
Black/African American			State of California? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Hispanic/Latin American			City of Los Angeles? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Asian American			Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Portuguese American			Section D. OPTION TO PROVIDE REQUESTED INFORMATION			
American Indian/Alaskan Native			<input type="checkbox"/> We do not wish to provide the information required in this form.			
All Others			Firm Name: _____			
			Signature/Title: _____			
			Date: _____			

EXHIBIT H

MEMORANDUM OF LEASE

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

County of Los Angeles
Chief Executive Office
Real Estate Division
320 W. Temple Street, 7th Floor
Los Angeles, California 90012
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between _____, a _____ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic, duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated _____, 20__ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on _____, 20__, and ending on a date _____ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: _____, 20__.

LANDLORD:

By: _____

Its: _____

By: _____

Its: _____

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____

Dean Lehman, P.E.
Senior Manager, Property Division

ATTEST:

DEAN C. LOGAN
Recorder/County Clerk
of the County of Los Angeles

By: _____
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA
County Counsel

By: _____
Deputy

A notary public or other officer
completing this certificate verifies
only the identity of the individual who
signed the document to which this
certificate is attached, and not the

truthfulness, accuracy, or validity of
that document.

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me,

_____ Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")
personally appeared _____,

_____ Name of Signer(s)
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT I
LANDLORD'S WORK LETTER
(INTENTIONALLY OMITTED)

EXHIBIT J
CONSTRUCTION SCHEDULE

BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☐ Board Letter

☐ Board Memo

☐ Other

OPS CLUSTER AGENDA REVIEW DATE	6/2/2021	
BOARD MEETING	6/22/2021	
DELEGATED AUTHORITY BOARD LETTER	<input type="checkbox"/> Yes <input type="checkbox"/> No	
SUPERVISORIAL DISTRICT AFFECTED	ALL DISTRICTS – 3 VOTES	
DEPARTMENT	Chief Executive Office	
SUBJECT	AUTHORIZATION TO EXECUTE SOLE SOURCE CONTRACT FOR AUTOMOBILE AND GENERAL LIABILITY CLAIMS ADMINISTRATION AND LEGAL DEFENSE MANAGEMENT SERVICES WITH CARL WARREN AND COMPANY	
PROGRAM	Insurance Budget	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: The CEO has utilized a third-party administrator since 1983 to provide claims administration and legal defense management services for its automobile and general liability (AL/GL) self-insured program. These services are fundamental to the administration of the County's risk management functions. This sole source contract is necessary to ensure continuous services while the solicitation process takes place.	
DEADLINES/ TIME CONSTRAINTS	The current contract expires June 30, 2021 The recommended sole source contract must be approved June 22, 2021 by the Board in order to avoid interruption of services.	
COST & FUNDING	Total cost: \$6,938,782.24	Funding source: 100% offset by the CEO Insurance Operating Budget
	TERMS (if applicable): July 1, 2021 through June 30, 2023, with a 1-year option extension through June 30, 2024.	
	Explanation: This delegated authority will also allow the CEO, or designee, to terminate the contract for convenience once the new RFP process is successfully completed and a viable firm is selected.	
PURPOSE OF REQUEST	Authority to execute a sole source contract with Carl Warren and Company.	
BACKGROUND (include internal/external issues that may exist)	On March 27, 2012, CEO sent a Notice of Intent to release an RFP to 47 firms who provide AL/GL administration and legal defense management services. Only two of 47 firms submitted proposals on or before the August 28, 2012 deadline, and both met the minimum requirements. The proposal submitted by Carl Warren was rated the highest. On July 23, 2013, the Board approved AL/GL Services resulting from that successful RFP process, and thus Carl Warren was awarded the contract and has been providing AL/GL Services under the current contract since August 15, 2013. On January 29, 2019 the Board approved to extend the contract through June 30, 2021.	
DEPARTMENTAL AND OTHER CONTACTS	Name, Title, Phone # & Email: Steve Robles, Assistant CEO/County Risk Manager (213) 351-5346 SRobles@ceo.lacounty.gov Lloyd Pantell, Chief Program Specialist (213) 351-6436 LPantell@ceo.lacounty.gov Kashari Jones, CEO Contract Monitoring Manager (213) 974-2459 KJones@ceo.lacounty.gov	



County of Los Angeles CHIEF EXECUTIVE OFFICE

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

FESIA A. DAVENPORT
Chief Executive Officer

Board of Supervisors
HILDA L. SOLIS
First District

HOLLY J. MITCHELL
Second District

SHEILA KUEHL
Third District

JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

June 22, 2021

DRAFT

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:

**AUTHORIZATION TO EXECUTE SOLE SOURCE CONTRACT FOR AUTOMOBILE
AND GENERAL LIABILITY CLAIMS ADMINISTRATION AND LEGAL DEFENSE
MANAGEMENT SERVICES WITH CARL WARREN AND COMPANY
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

This recommendation by the Chief Executive Officer (CEO) seeks the Board's authorization to execute a sole source contract for Automobile and General Liability Claims Administration and Legal Defense Management Services (AL/GL Services) through June 30, 2023, with Carl Warren and Company (Carl Warren). The average annual cost of the contract is \$2,312,927.41. The contract includes an option 1-year extension, if needed.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the CEO, or designee, to execute sole source Contract No. AO-21-403 with Carl Warren, substantially similar to Exhibit II enclosed, to provide AL/GL Services with a term of July 1, 2021 through June 30, 2023, and a maximum contract cost of \$4,539,471.60; which is one hundred percent (100%) offset by the CEO Insurance Operating budget. The contract is subject to review and approval as to form by County Counsel.
2. Delegate authority to the CEO, or designee, to exercise the 1-year option extending the contract through June 30, 2024, and increasing the maximum contract sum by \$2,399,310.64 to a total contract maximum of \$6,938,782.24; which is one hundred percent (100%) offset by the CEO Insurance Operating budget. CEO requests authority to reallocate funding from any unused option year should unanticipated shortfalls occur.

3. Delegate authority to the CEO, or designee, to approve and execute amendments and change notices pursuant to the contract's provisions; and/or provide an increase or decrease in funding up to ten percent (10%) above or below the total contract sum to ensure compliance with Federal, State, or County regulations, or modification to the program requirements upon amendment execution and/or at the beginning of the applicable term, subject to review and approval as to form by County Counsel. This delegated authority will also allow the CEO, or designee, to terminate the contract for convenience once the new Request for Proposals (RFP) process is successfully completed and a viable vendor is selected.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Board approved an AL/GL Services contract with Carl Warren on July 23, 2013, resulting from a successful RFP process. Carl Warren has provided AL/GL Services under the current contract since August 15, 2013. The CEO requested authorization from the Board on January 29, 2019 to extend these services through June 30, 2021. The Chief Executive Office has utilized a third-party administrator (TPA) since 1983 to provide claims administration and legal defense management services for its automobile and general liability self-insured program.

Approval of recommendations one and two will allow Carl Warren to continue providing AL/GL Services while the Chief Executive Office completes negotiations with County Counsel regarding the provision of services and the division of labor. The outcome of these negotiations will inform the program design, delivery of tasks, and the project scope in the RFP's Statement of Work. Further, the proposed contract with Carl Warren will allow the County to continue to take advantage of cutting-edge risk financing opportunities and mitigate and or transfer risk when appropriate while monitoring the effectiveness of the financing technique that is chosen. Delaying the release of the RFP solicitation to incorporate prudent and advanced risk strategies better positions the County to utilize the advanced capabilities it has deployed through implementation of and information gathered from the development of the new Risk Management Information System (RMIS), which is in its final implementation phase, and to focus all County's efforts on the COVID-19 pandemic. These risk strategies not only better prepare the County, but also challenge patterns that are risk adverse. These capabilities allow the County to continue to lower its overall cost of risk by increasing efficiency and productivity for those involved with the claims and litigation process. The Chief Executive Office will resume development of a new AL/GL Services RFP and, along with County Counsel, plans to release it in Fiscal Year 2022-23.

Recommendation three will also allow the CEO to execute a 1-year option, if needed, and allow for an increase or decrease in funding with respect to an act of Federal, County, or State policy, shift in service delivery, project scope, modifications in regulations, or unanticipated budgetary overages/shortages. While the County is under no obligation to pay the contractor beyond what is identified in the original executed contract, the County may determine that the contractor has provided evidence of eligible costs for qualifying contracted services, and that it is in the County's best interest to increase the maximum contract obligation, as it is determined that funds should be reallocated. Finally, this recommended action will also allow the CEO to terminate the contract upon Board approval of the selected vendor, and pursuant to Paragraph 8.42 (Termination for Convenience), County's standard termination contract provision.

Implementation of Strategic Plan Goals

The services provided under this contract support the County's Strategic Plan Goal III – Realize Tomorrow's Government Today, by providing claim administration through an independent contractor to improve the effectiveness of Countywide risk management efforts.

FISCAL IMPACT/FINANCING

The recommended sole source contract has an average annual contract cost of \$2,312,927.41 to resolve approximately 2,446 pending claims and incidents, as well as administer all new cases. There will be no cost-of-living adjustments for the term of the contract. The term of the contract includes Fiscal Years 2021-22 and 2022-23, and the option year (Fiscal Year 2023-24). The costs for each period are as follows:

Fiscal Year – July 1, 2021 through June 30, 2022 = \$2,215,383.60

Fiscal Year – July 1, 2022 through June 30, 2023 = \$2,324,088.00

Option Fiscal Year – July 1, 2023 through June 30, 2024 = \$2,399,310.64

The contract cost for the 24-month base term is \$4,539,471.60. If the 1-year option is exercised, the contract cost increases to \$6,938,782.24. The costs of the contract will be funded by the Chief Executive Office's Insurance Operating Budget and do not have a direct impact on net County cost. The CEO anticipated first year costs for this contract and allocated funding in the Chief Executive Office's Fiscal Year 2021-22 budget. The maximum annual cost for AL/GL Services under the current contract is \$5,158,248. The Chief Executive Office will continue to allocate funding for these services in future years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Chief Executive Office finds, pursuant under Section 44.7 of the Los Angeles County Charter, Los Angeles County Code (LACC) 2.121.250, and as authorized by Government Code Section 31000.8, that the Board may award a contract for services provided by an independent contractor or private firm. Thus, the Chief Executive Office has been contracting third-party administration AL/GL Services since 1983.

The services being provided under this contract continue to be at the direction of the Chief Executive Office and County Counsel, in contractual agreement with the selected TPA, to include, but are not limited to, the following:

1. Third-party administration services for incidents, claims, and lawsuits for automobile, employment, and general liability matters. These include entering and updating incident, claim, and lawsuit activities, reserves, expenses, and other data in the new RMIS; conducting investigations, as required; providing reports; and identifying, pursuing, and collecting subrogation recovery for damages to County property.
2. Litigation management support services for automobile, general liability, employment, and social services matters. These services continue to include tracking litigation costs and expenses, participating in roundtable meetings, and attending and monitoring legal proceedings.
3. Financial and administrative services, such as retention and storage of incidents, claims, and case records; arranging and purchasing annuity policies for structured settlements; and payments of authorized indemnity, legal defense fees, and expenses.

County Counsel has reviewed and approved Exhibit II as to form and concurs with the policies, legal requirements, and inclusion of all Board provisions herein.

CONTRACTING PROCESS

On April 15, 2021, the Chief Executive Office notified the Board of its intent to enter negotiations and, ultimately, for authority to execute a sole source contract with Carl Warren. AL/GL Services are fundamental to the administration of the County's risk management function; thus, CEO will resume development of a new AL/GL Services RFP solicitation that is scheduled for release in Fiscal Year 2022-23. The RFP will align AL/GL Services with the new RMIS and delineate the provision of services and the division of labor with County Counsel. Pursuant to Board Policy, the required Sole Source Checklist is enclosed as Exhibit I.

The Chief Executive Office may terminate the contract under the standard County termination provision, Paragraph 8.42 (Termination for Convenience), should the completion of the RFP process yield in selection of a vendor prior to the end of the contract term.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Authorization to execute a contract with Carl Warren will allow the Chief Executive Office to continue providing uninterrupted, cost-effective, and high-quality services in the administration of its self-funded auto liability and general liability programs. Execution of the new contract will not have any adverse impact on services being provided currently by County employees. The contract will also provide the County the versatility to respond to any changes that may occur during the term of this contract.

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

FAD:JMN:STR
ALC:KSJ:sg

Enclosures

c: Executive Officer, Board of Supervisors
County Counsel
Auditor-Controller

SOLE SOURCE CHECKLIST

Department Name: Chief Executive Office

- ☒ New Sole Source Contract
- ☐ Sole Source Amendment to Existing Contract
- Date Existing Contract First Approved: July 23, 2013

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS Identify applicable justification and provide documentation for each checked item.
<input type="checkbox"/>	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>"Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist."</i>
<input type="checkbox"/>	➤ Compliance with applicable statutory and/or regulatory provisions.
<input type="checkbox"/>	➤ Compliance with State and/or federal programmatic requirements.
<input type="checkbox"/>	➤ Services provided by other public or County-related entities.
<input type="checkbox"/>	➤ Services are needed to address an emergent or related time-sensitive need.
<input type="checkbox"/>	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
<input type="checkbox"/>	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
<input checked="" type="checkbox"/>	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
<input type="checkbox"/>	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/ system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
<input type="checkbox"/>	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
<input type="checkbox"/>	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
<input type="checkbox"/>	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

Steven Robles

Digitally signed by Steven Robles
Date: 2021.04.23 08:23:12 -07'00'

Chief Executive Office

Date

DRAFT

EXHIBIT II



CONTRACT BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

CARL WARREN AND COMPANY

FOR

**AUTOMOBILE GENERAL LIABILITY CLAIMS ADMINISTRATION AND LEGAL
DEFENSE MANAGEMENT SERVICES**

CONTRACT NO. AO-21-403

June 22, 2021

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- D Contractor’s EEO Certification
- E County’s Administration
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- G Form(s) Required at the Time of Contract Execution
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- I Safely Surrendered Baby Law

UNIQUE EXHIBITS

PROP A - LIVING WAGE PROGRAM EXHIBITS (NOT ATTACHED TO SAMPLE)

- J **INTENTIONALLY OMITTED** – Living Wage Ordinance
- K **INTENTIONALLY OMITTED** – Living Wage Rate Annual Adjustments
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- M1 **INTENTIONALLY OMITTED** – Individual’s Assignment and Transfer of Copyright
- M2 **INTENTIONALLY OMITTED**–Contractor’s Assignment and Transfer of Copyright
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HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) AGREEMENT

- N Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)

SB 1262 – NONPROFIT INTEGRITY ACT OF 2004

- O **INTENTIONALLY OMITTED** – Charitable Contributions Certification

INFORMATION SECURITY AND PRIVACY REQUIREMENTS

- P Information Security and Privacy Requirements

**CONTRACT BETWEEN
COUNTY OF LOS ANGELES, CHIEF EXECUTIVE OFFICE
AND
CARL WARREN AND COMPANY
FOR
AUTOMOBILE AND GENERAL LIABILITY CLAIMS
ADMINISTRATION AND LEGAL DEFENSE MANAGMENT SERVICES**

This Contract ("Contract") made and entered into by and between the County of Los Angeles, a political subdivision of the State of California ("hereinafter referred to as County"), Carl Warren and Company ("Contractor"), hereinafter referred as the Parties ("hereinafter referred to as "Contractor", is located at 500 North Central Avenue, Fourth Floor, Glendale, California 91203, with reference to the following facts:

RECITALS

WHEREAS, the County is responsible for responding to and processing automobile liability and selected categories of general liability claims filed against the County, and does not have the personnel or expertise to provide the services; and

WHEREAS, the County desires and may contract with private businesses for automobile and selected categories of general liability claims administration and legal defense management services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing automobile and general liability claims administration and legal defense management services; and

WHEREAS, the Contractor is duly licensed and certified under the laws of the State of California to engage in the business of providing Third-Party Automobile and General Liability Claims Administration and Legal Defense Management Services as described hereunder and possesses the competence, expertise and personnel required to provide such services; and

WHEREAS, this Contract is therefore authorized under Section 44.7 of the Los Angeles County Charter and Los Angeles County Codes Section 2.121.250; 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, H, I, N and P are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the

definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the terms and conditions of the Contract and then to the Exhibits according to the following priority.

Standard Exhibits:

- 1.1 Exhibit A - Statement of Work
- 1.2 Exhibit B - Pricing Schedule
- 1.3 Exhibit C - Contractor's Proposed Schedule
- 1.4 Exhibit D - Contractor's EEO Certification
- 1.5 Exhibit E - County's Administration
- 1.6 Exhibit F - Contractor's Administration
- 1.7 Exhibit G - Forms Required at the Time of Contract Execution
- 1.8 Exhibit H - Jury Service Ordinance
- 1.9 Exhibit I - Safely Surrendered Baby Law
- 1.10 Exhibit J - **INTENTIONALLY OMITTED** – Living Wage Ordinance
- 1.11 Exhibit K - **INTENTIONALLY OMITTED** – Living Wage Rate Annual Adjustments
- 1.12 Exhibit L - **INTENTIONALLY OMITTED** – Payroll Statement of Compliance
- 1.13 Exhibit M -- **INTENTIONALLY OMITTED** – Forms Required at Completion of the Contracts Involving Intellectual Property Developed-Designed by the Contractor
- 1.14 Exhibit N - Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) – (Inadvertent Access)
- 1.15 Exhibit O - **INTENTIONALLY OMITTED** – Charitable Contributions Certification
- 1.16 Exhibit P - Information Security and Privacy Requirements

This Contract constitutes 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 Paragraph 8.1 (Amendments) and signed by both parties.

2.0 DEFINITIONS

2.1 Standard Definitions:

2.1.1 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.

2.1.1.1 Contract: This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services and other work.

2.1.1.2 Contractor: The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an agreement with the County to perform or execute the work covered by this contract.

2.1.1.3 Statement of Work: The directions, provisions, and requirements provided herein and special provisions pertaining to the method, frequency, manner and place of performing the contract services.

2.1.1.4 Subcontract: An agreement by the contractor to employ a subcontractor to provide services to fulfill this contract.

2.1.1.5 Subcontractor: Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to contractor in furtherance of contractor's performance of this contract, at any tier, under oral or written agreement.

- 2.1.1.6 **Board of Supervisors (Board):** The Board of Supervisors of the County of Los Angeles acting as governing body.
- 2.1.1.7 **County Project Manager:** Person designated by County's Project Director to manage the operations under this contract.
- 2.1.1.8 **County Contract Project Monitor:** Person with responsibility to oversee the day to day activities of this contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the contractor.
- 2.1.1.9 **County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this contract that cannot be resolved by the County's Project Manager.
- 2.1.1.10 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.1.1.11 **Contractor Project Manager:** The person designated by the Contractor to administer the Contract operations under this Contract
- 2.1.1.12 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

3.0 WORK

- 3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.
- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this contract, the same shall be deemed to be a gratuitous effort on the part of the contractor, and the contractor shall have no claim whatsoever against the County.

4.0 TERM OF CONTRACT

- 4.1 The term of this Contract shall be authorized by County's Board of Supervisors on June 22, 2021, delegated authority to the Chief Executive Officer or designee to execute this Contract with an effective date of July 1, 2021 through June 30, 2023, unless sooner

terminated or extended, in whole or in part, as provided in this Contract.

- 4.2 The County shall have the sole option to extend this Contract term for up to one (1) year period(s), for maximum total Contract term from July 1, 2021 through June 30, 2024. Each such extension option may be exercised at the sole discretion of the Chief Executive Office as authorized by the Board of Supervisors.

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

- 4.3 The Contractor shall notify Chief Executive Office when this Contract is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to Chief Executive Office at the address herein provided in Exhibit E - County's Administration.

5.0 CONTRACT SUM

5.1 Total Contract Sum

- 5.1.1 Contractor shall be paid as set forth in Exhibits B, Price Schedule for the annual fixed fee. Contractor shall provide all services required by the Contract on all existing case files and up to and including 2,446 pending claims and incidents. The Annual Fixed Fee shall remain firm throughout the term of the Contract unless otherwise negotiated and agreed upon by Contractor and County. County shall reallocate funding should unanticipated shortfalls occur.

5.2 Written Approval for Reimbursement

- 5.2.1 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 person or 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 not occur except with the County's express prior written approval.

5.3 Notification of 75% of Total Contract Sum

5.3.1 The Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract sum under this Contract. Upon occurrence of this event, the Contractor shall send written notification to Chief Executive Office, Risk Management Branch at the address herein provided in Exhibit E, County's Administration.

5.4 No Payment for Services Provided Following Expiration-Termination of Contract

5.4.1 The Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration-termination of this Contract shall not constitute a waiver of County's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

5.5 Invoices and Payments

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

5.5.2 The Contractor's invoices shall be priced in accordance with Exhibit B (Pricing Schedule).

5.5.3 The Contractor's invoices shall contain the information set forth in Exhibit A (Statement of Work) describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.

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

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

Chief Executive Office, Risk Management Branch
Hall of Records, 7th Floor
320 West Temple Street
Los Angeles, California 90012

Attn: County Contract Administrator of the Third-Party Automobile and General Liability Claims Administration Services

5.5.6 County Approval of Invoices

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

5.5.7 Intentionally Omitted

5.6 Intentionally Omitted

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

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

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

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

direct deposit shall supersede this requirement with respect to those payments.

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

6.0 ADMINISTRATION OF CONTRACT - COUNTY

6.1 County Administration

- 6.1.1 A listing of all County Administration referenced in the following subparagraphs are designated in Exhibit E - County's Administration. The County will notify the Contractor in writing of any change in the names or addresses shown.

6.2 County's Project Director

- 6.2.1 The role of the County's Project Director may include:

- 6.2.1.1 Coordinating with Contractor and ensuring Contractor's performance of the Contract; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby; and
- 6.2.1.2 Upon request of the Contractor, providing direction to the Contractor, as appropriate in areas relating to County policy, information requirements, and procedural requirements; however, in no event, shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

6.3 County's Project Manager

- 6.3.1 The role of the County's Project Manager is authorized to include:
- 6.3.1.1 Meeting with the Contractor's Project Manager on a regular basis; and

6.3.1.2 Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

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

6.4 County's Contract Project Monitor

6.4.1 The role of the County's Project Monitor is to oversee the day-to-day administration of this Contract; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby. The Project Monitor reports to the County's Project Manager.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor Administration

A listing of all of Contractor's Administration referenced in the following paragraphs is designated in Exhibit F (Contractor's Administration). The Contractor will notify the County in writing of any change in the names or addresses shown.

7.2 Contractor Project Manager

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

7.2.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall meet and coordinate with County's Project Manager and County's Contract Project Monitor on a regular basis.

7.3 Approval of Contractor's Staff

7.3.1 County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any

proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Project Manager.

7.4 Contractor's Staff Identification

Contract shall provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge.

7.5 Background and Security Investigations

7.5.1 Each of Contractor's staff performing services under this Contract, who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless of whether the member of Contractor's staff passes or fails the background investigation.

If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be removed immediately from performing services under the Contract. Contractor shall comply with County's request at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.

7.5.2 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such Investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

7.5.3 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 Confidentiality

- 7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 7.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.6, as determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under this Paragraph 7.6 shall be conducted by contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 7.6.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.4 Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit G1.

8.0 STANDARD TERMS AND CONDITIONS

8.1 Amendments

- 8.1.1 For any change which affects the scope of work, term, contract sum, payments, or any term or condition included under this Contract, an amendment to the Contract shall be

prepared and executed by the contractor and by Chief Executive Office as authorized by the Board of Supervisors.

8.1.2 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the contractor and by Chief Executive Office as authorized by the Board of Supervisors.

8.1.3 The Chief Executive Office as authorized by Board of Supervisors, may at their sole discretion, authorize extensions of time as defined in Paragraph 4 - Term of Contract. The contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the contractor and by Chief Executive Office.

8.2 Assignment and Delegation/Mergers or Acquisitions

8.2.1 The contractor shall notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.

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

8.2.3 Shareholders, partners, members, or other equity holders of contractor may transfer, sell, exchange, assign, or divest

themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

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

8.3 Authorization Warranty

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

8.4 Budget Reductions

- 8.4.1 In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the contractor under this Contract shall also be reduced correspondingly. The County's notice to the contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the

preceding sentence, the contractor shall continue to provide all of the services set forth in this Contract.

8.5 Complaints

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

8.5.2 Complaint Procedures

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

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

8.5.2.3 If the County requests changes in the contractor's policy, the contractor shall make such changes and resubmit the plan within five (5) business days for County approval.

8.5.2.4 If, at any time, the contractor wishes to change the contractor's policy, the contractor shall submit proposed changes to the County for approval before implementation.

8.5.2.5 The contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the Investigation within five (5) business days of receiving the complaint.

8.5.2.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

8.5.2.7 Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

8.6 Compliance with Applicable Law

8.6.1 In the performance of this Contract, contractor shall comply with all applicable Federal, State and local laws, rules,

regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under Paragraph 8.6 (Compliance with Applicable Law) shall be conducted by contractor and performed by counsel selected by contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.7 Compliance with Civil Rights Laws

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

8.8 Compliance with 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 H and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy.

1. Unless the contractor has demonstrated to the County's satisfaction either that the contractor is not a "contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the contractor shall have and adhere to a written policy that provides that its Employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this 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 Fifty Thousand Dollars (\$50,000) or more in any twelve (12) month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of terhours 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 ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If the contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this paragraph. The provisions of this

paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

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

8.9 Conflict of Interest

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.
- 8.9.2 The contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The contractor

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

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

8.10.1 Should the contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.11 Consideration of Hiring GAIN-GROW Participants

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

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

8.12 Contractor Responsibility and Debarment

8.12.1 Responsible Contractor

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

8.12.2 Chapter 2.202 of the County Code

The contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the contractor on this or other contracts which indicates that the contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the contractor may have with the County.

8.12.3 Non-responsible contractor

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

8.12.4 Contractor Hearing Board

8.12.4.1 If there is evidence that the contractor may be subject to debarment, the Department will notify the contractor in writing of the evidence which is the basis for the proposed debarment and will advise the contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

- 8.12.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The contractor and/or the contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- 8.12.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 8.12.4.4 If a contractor has been debarred for a period longer than five (5) years, that contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the contractor has adequately demonstrated one or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.
- 8.12.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where 1) the contractor has been debarred for a period longer than five (5) years; 2) the debarment has been in effect for at least five (5)

years; and 3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

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

8.12.5 Subcontractors of Contractor

These terms shall also apply to subcontractors of County contractors.

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

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

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

- 8.14.1 The contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.
- 8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the contractor's duty under this Contract to comply with all applicable provisions of law, the contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 County's Quality Assurance Plan

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

8.16 Damage to County Facilities, Buildings or Grounds

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

- 8.16.2 If the contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the contractor by cash payment upon demand.

8.17 Employment Eligibility Verification

- 8.17.1 The contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The contractor shall retain all such documentation for all covered employees for the period prescribed by law.
- 8.17.2 The contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.18 Counterparts and Electronic Signatures and Representations

This Contract may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Contract. The facsimile, email or electronic signature of the Parties shall be deemed to constitute original signatures, and facsimile or electronic copies hereof shall be deemed to constitute duplicate originals.

The County and the Contractor hereby agree to regard electronic representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 8.1 (Amendments) and received via communications facilities (facsimile, email or electronic signature), as legally sufficient evidence that such legally binding signatures have been affixed to Amendments to this Contract.

8.19 Fair Labor Standards

- 8.19.1 The contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the contractor's employees for which the County may be found jointly or solely liable.

8.20 Force Majeure

- 8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events").
- 8.20.2 Notwithstanding the foregoing, a default by a subcontractor of contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both contractor and such subcontractor, and without any fault or negligence of either of them. In such case, contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit contractor to meet the required performance schedule. As used in this subparagraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.
- 8.20.3 In the event contractor's failure to perform arises out of a force majeure event, contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the Damages and reduce the delay caused by such force majeure event.

8.21 Governing Law, Jurisdiction, and Venue

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further 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 County and the contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.22.2 The contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the contractor.
- 8.22.3 The contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the contractor and not employees of the County. The contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the contractor pursuant to this Contract.
- 8.22.4 The contractor shall adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

8.23 Indemnification

- 8.23.1 The contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (County Indemnitees) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except

for such loss or Damage arising from the sole negligence or willful misconduct of the County indemnitees.

8.24 General Provisions for all Insurance Coverage

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

8.24.2 Evidence of Coverage and Notice to County

8.24.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.

8.24.2.2 Renewal Certificates shall be provided to County not less than ten (10) days prior to contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required contractor and/or sub-contractor insurance policies at any time.

8.24.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance

Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding Fifty Thousand Dollars (\$50,000), and list any County required endorsement forms.

8.24.2.4 Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

8.24.2.5 Certificates and copies of any required endorsements shall be emailed to the attention:

County of Los Angeles, Chief Executive Office
Administrative Services Branch

Attention: Contracts Unit (Basement: B-79-2)

Email:

AdminServicesContractDocs@ceo.lacounty.gov

Subject: AL/GL Services Sole Source Agreement

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

8.24.3 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, employees and volunteers (collectively County and its Agents) shall be provided additional insured status under contractor's General Liability policy with respect to liability arising out of

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

8.24.4 Cancellation of or Changes in Insurance

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

8.24.5 Failure to Maintain Insurance

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

8.24.6 Insurer Financial Ratings

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

8.24.7 Contractor's Insurance Shall Be Primary

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

8.24.8 Waivers of Subrogation

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

8.24.9 Subcontractor Insurance Coverage Requirements

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

8.24.10 Deductibles and Self-Insured Retentions (SIRs)

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

8.24.11 Claims Made Coverage

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

8.24.12 Application of Excess Liability Coverage

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

8.24.13 Separation of Insureds

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

8.24.14 Alternative Risk Financing Programs

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

8.24.15 County Review and Approval of Insurance Requirements

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

8.25 Insurance Coverage

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

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal and Advertising Injury: \$1 million

Each Occurrence: \$1 million

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

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

8.25.4 **Unique Insurance Coverage**

8.25.4.1 **INTENTIONALLY OMITTED**

8.25.4.2 **Professional Liability-Errors and Omissions**

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$2 million per claim and \$4 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

8.25.4.3 **INTENTIONALLY OMITTED**

8.25.4.4 **Crime Coverage**

A Fidelity Bond or Crime Insurance policy with limits of not less than \$2 million per occurrence. Such coverage shall protect against all loss of money, securities, or other valuable property entrusted by County to contractor, and apply to all of contractor's directors, officers, agents and employees who regularly handle or have responsibility for such money, securities or property. The County and its Agents shall be named as an Additional Insured and Loss Payee as its interests may appear. This insurance shall include third party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and shall not contain a requirement for an arrest and/or conviction.

8.25.4.5 INTENTIONALLY OMITTED

8.25.4.6 INTENTIONALLY OMITTED

8.25.4.7 INTENTIONALLY OMITTED

8.26 Liquidated Damages

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

8.26.2 If the Department Head, or their designee, determines that there are deficiencies in the performance of this Contract that the Department Head, or their designee, deems are correctable by the contractor over a certain time span, the Department Head, or their designee, will provide a written notice to the contractor to correct the deficiency within specified time frames. Should the contractor fail to correct deficiencies within said time frame, the Department Head, or their designee, may: (a) Deduct from the contractor's payment, pro rata, those applicable portions of the Monthly

Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual Damages resulting from the failure of the contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such Damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Exhibit 2 (Performance Requirements Summary (PRS)) Chart Appendix B(Statement of Work Exhibits) hereunder, and that the contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the contractor; and/or (c) Upon giving five (5) days notice to the contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the contractor from the County, as determined by the County.

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

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

8.27 Most Favored Public Entity

8.27.1 If the contractor's prices decline, or should the contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

8.28 Nondiscrimination and Affirmative Action

8.28.1 The contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding

companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

- 8.28.2 The contractor shall certify to, and comply with, the provisions of Exhibit D (Contractor's EEO Certification).
- 8.28.3 The contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.28.4 The contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5 The contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.28.6 The contractor shall allow County representatives access to the contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) when so requested by the County.
- 8.28.7 If the County finds that any provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or

suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the contractor has violated the anti-discrimination provisions of this Contract.

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

8.29 Non-Exclusivity

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

8.30 Notice of Delays

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

8.31 Notice of Disputes

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

8.32 Notice to Employees Regarding the Federal Earned Income Credit

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

8.33 Notice to Employees Regarding the Safely Surrendered Baby Law

8.33.1 The contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit I, Safely Surrendered Baby Law of this Contract. Additional information is available at www.babysafela.org.

8.34 Notices

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

8.35 Prohibition Against Inducement or Persuasion

8.35.1 Notwithstanding the above, the contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.36 Public Records Act

8.36.1 Any documents submitted by the contractor; all information obtained in connection with the County's right to audit and inspect the contractor's documents, books, and accounting

records pursuant to 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 County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

8.37 Publicity

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

8.37.1.1 The contractor shall develop all publicity material in a professional manner; and

8.37.1.2 During the term of this Contract, the contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

8.37.2 The contractor may, without the prior written consent of

County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Paragraph 8.37 (Publicity) shall apply.

8.38 Record Retention and Inspection-Audit Settlement

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

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

8.38.3 Failure on the part of the contractor to comply with any of the provisions of this subparagraph 8.38 shall constitute a material breach of

this Contract upon which the County may terminate or suspend this Contract.

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

8.39 Recycled Bond Paper

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

8.40 Subcontracting

- 8.40.1 The requirements of this Contract may not be subcontracted by the contractor **without the advance approval of the County**. Any attempt by the contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.
- 8.40.2 If the contractor desires to subcontract, the contractor shall provide the following information promptly at the County's request:
- 8.40.2.1 A description of the work to be performed by the subcontractor;
- 8.40.2.2 A draft copy of the proposed subcontract; and
- 8.40.2.3 Other pertinent information and/or certifications requested by the County.

- 8.40.3 The contractor shall indemnify, defend, and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were the contractor employees.
- 8.40.4 The contractor shall remain fully responsible for all performances required of it under this Contract, including those that the contractor has determined to subcontract, notwithstanding the County's approval of the contractor's proposed subcontract.
- 8.40.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The contractor is responsible to notify its subcontractors of this County right.
- 8.40.6 The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the County, contractor shall forward a fully executed subcontract to the County for their files.
- 8.40.7 The contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8 The contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. Before any subcontractor employee may perform any work hereunder, contractor shall ensure delivery of all such documents to:

County of Los Angeles, Chief Executive Office
Administrative Services Branch
Attention: Contracts Unit (Basement: B-79-2)
Email Address:
AdminServicesContractDocs@ceo.lacounty.gov
Email Subject: AL/GL Services Sole Source
Agreement – Contract No. AO-21-403

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

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

8.42 Termination for Convenience

- 8.42.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.
- 8.42.2 After receipt of a notice of termination and except as otherwise directed by the County, the contractor shall:
- 8.42.2.1 Stop work under this Contract on the date and to the extent specified in such notice, and
- 8.42.2.2 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 Paragraph 8.38 (Record Retention and Inspection-Audit Settlement).

8.43 Termination for Default

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

8.43.1.1 Contractor has materially breached this Contract;
or

8.43.1.2 Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or

8.43.1.3 Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.43.2 In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this 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 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 paragraph, the term "subcontractor(s)" means subcontractor(s) at any tier.

8.43.4 If, after the County has given notice of termination under the provisions of Paragraph 8.43 (Termination for Default) it is determined by the County that the contractor was not in default under the provisions of Paragraph 8.43 (Termination for Default) or that the default was excusable under the provisions of subparagraph 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 Paragraph 8.42 (Termination for Convenience).

8.43.5 The rights and remedies of the County provided in this Paragraph 8.43 (Termination for Default) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 Termination for Improper Consideration

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

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

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

8.45 Termination for Insolvency

- 8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:
- 8.45.1.1 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;
 - 8.45.1.2 The filing of a voluntary or involuntary petition regarding the contractor under the Federal Bankruptcy Code;
 - 8.45.1.3 The appointment of a Receiver or Trustee for the contractor; or
 - 8.45.1.4 The execution by the contractor of a general assignment for the benefit of creditors.
- 8.45.2 The rights and remedies of the County provided in this Paragraph 8.45 (Termination for Insolvency) 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

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

8.47 Termination for Non-Appropriation of Funds

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

8.48 Validity

- 8.48.1 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

- 8.49.1 No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this paragraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.50 Warranty Against Contingent Fees

- 8.50.1 The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.
- 8.50.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise

recover, the full amount of such commission, percentage, brokerage, or contingent fee.

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

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

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

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

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

8.53 Time Off for Voting

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

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

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

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

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

8.55 INTENTIONALLY OMITTED

8.56 Compliance with Fair Chance Employment Practices

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

8.57 Compliance with the County Policy of Equity

The contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity (CPOE) (<https://ceop.lacounty.gov/>). The contractor further acknowledges that the County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. The contractor, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the contractor, its employees or its subcontractors to uphold the County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject the contractor to termination of contractual agreements as well as civil liability.

8.58 Prohibition from Participation in Future Solicitation(s)

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

9.0 UNIQUE TERMS AND CONDITIONS

9.1 INTENTIONALLY OMITTED

9.2 Health Insurance Portability and Accountability Act of 1996 (HIPAA)

9.2.1 Contractor expressly acknowledges and agrees that the provision of services under this Agreement does not require or permit access by Contractor or any of its officers, employees, or agents, to any patient medical records/patient information. Accordingly, Contractor shall instruct its officers, employees, and agents that they are not to pursue, or gain access to, patient medical records/patient information for any reason whatsoever.

9.2.2 Notwithstanding the forgoing, the parties acknowledge that in the course of the provision of services hereunder, Contractor or its officers, employees, and agents, may have inadvertent access to patient medical records/patient information. Contractor understands and agrees that neither it nor its officers, employees, or agents, are to take advantage of such access for any purpose whatsoever.

9.2.3 Additionally, in the event of such inadvertent access, Contractor and its officers, employees, and agents, shall maintain the confidentiality of any information obtained and shall notify Director that such access has been gained immediately, or upon the first reasonable opportunity to do so. In the event of any access, whether inadvertent or intentional, Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all liability, including but not limited to, actions,

claims, costs, demands, expenses, and fees (including attorney and expert witness fees) arising from or connected with Contractor's or its officers', employees', or agents', access to patient medical records/patient information. Contractor agrees to provide appropriate training to its employees regarding their obligations as described hereinabove.

9.3 Ownership of Materials, Software and Copyright

- 9.3.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all of the Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the Contractor's work under this Contract.
- 9.3.2 During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.
- 9.3.3 Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 9.3.4 The County will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of the Contractor.

- 9.3.5 Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under subparagraph 9.3.4 for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by subparagraph 9.3.3 or for any disclosure which the County is required to make under any state or federal law or order of court.
- 9.3.6 All the rights and obligations of this Paragraph 9.3 shall survive the expiration or termination of this Contract.

9.4 Patent, Copyright and Trade Secret Indemnification

- 9.4.1 The Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of the Contractor's work under this Contract. County shall inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support the Contractor's defense and settlement thereof.
- 9.4.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, the Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:
- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
 - Replace the questioned equipment, part, or software product with a non-questioned item; or
 - Modify the questioned equipment, part, or software so that it is free of claims.
- 9.4.3 The Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in

combination with other items not supplied by the Contractor, in a manner for which the questioned product was not designed nor intended.

9.5 INTENTIONALLY OMITTED

9.6 Data Destruction

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

<http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-88>
[Rev.%201](#)

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

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

9.7 INTENTIONALLY OMITTED

9.8 INTENTIONALLY OMITTED

9.9 INTENTIONALLY OMITTED

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by authorizing the Chief Executive Office thereof, the day and year first above written.

COUNTY OF LOS ANGELES

CONTRACTOR:
Carl Warren and Company

By _____
FESIA A. DAVENPORT
Chief Executive Officer

By _____
Signature

Printed Name

Title

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA
County Counsel

By _____
Behnaz Tashakorian
Principal Deputy County Counsel

**CONTRACT FOR
AUTOMOBILE AND GENERAL LIABILITY CLAIMS ADMINISTRATION AND
LEGAL DEFENSE MANAGEMENT SERVICES**

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STATEMENT OF WORK

FOR THE PROVISION OF

AUTOMOBILE AND GENERAL LIABILITY CLAIMS
ADMINISTRATION AND LEGAL DEFENSE MANAGEMENT
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STATEMENT OF WORK (SOW)

1.0 SCOPE OF WORK

The Contractor shall provide incident and claim administration, as well as Litigation Management support services for the County of Los Angeles (County). The Contractor shall also provide subrogation services related to the damage of County property. The incident and claim administration and Litigation Management support services shall include automobile, employment, Social Services, and general liability matters. Pending claims and incidents total approximately 1,695 and pending lawsuits total 160. The Contractor shall administer approximately 1,419 new claims and manage approximately 273 new lawsuits each fiscal year.

The Contractor shall provide these services in accordance with the standards set forth below:

1. Certain County Counsel information, processes and protocols related to County's Litigation Management.
2. Certain Chief Executive Office (CEO) standards required under this Contract.
3. Those specific standards and requirements specified in the Contract.
4. To the extent a specific standard or requirement is not set forth in this Contract, those standards and requirements set forth in the California statutes, codes, regulations, or other governing statutes and regulations, including any amendments to these statutes and regulations during the term of the Contract.
5. To the extent a specific standard or requirement is not set forth in this Contract or the governing statutes and regulations, the specific standard or requirement set forth in the Change Notice executed by the County Contract Administrators and Contractor.

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

- 2.1 The County will have the right to change work procedures and add or delete specific tasks when it is in the best interest of the County to do so.
- 2.2 All changes must be made in accordance with Subparagraph 8.1 (Amendments and Change Orders) of the Contract.

3.0 QUALITY CONTROL

The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan shall be submitted to the County Contract Project Monitor for review. The Plan shall be provided to and approved by the County Counsel and CCA or designee no later than ten (10) business days before services under this Contract are rendered. The Plan shall be effective on the date of implementation and be updated and re-submitted to the County Counsel and

the CCA for approval as changes occur. The Plan shall include, but not be limited to:

- 3.1 Method for ensuring financial transactions, services, deliverables, and requirements defined in this contract are provided at or above the level of quality agreed upon by the County and the Contractor;
- 3.2 Method for identifying and preventing deficiencies in the quality of service provided under this contract before the level of performance becomes unacceptable;
- 3.3 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.

4.0 QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in this Contract, Paragraph 8, Standard Terms and Conditions, Paragraph 8.15, County's Quality Assurance Plan.

County will designate two (2) or more persons who will act as a Quality Assurance Evaluators (QAE5) for the County on all services, requirements, and deliverables pertinent to the Contract and monitor the Contractor's procedures using procedures that may be necessary to ascertain that the Contractor is in compliance with this Contract. County will inform the Contractor of the names, addresses and telephone numbers of the QAEs in writing, at the time this Contract is awarded, and at any time thereafter, a change of QAE is made. The QAEs and the CCA may be the same person. The QAE is not authorized to make any changes in the terms and conditions of this Contract nor to obligate the County in any way whatsoever. As part of the County's quality assurance for this Contract, County may use an outside claim auditing service to review Contractor's performance. Such audits may occur on a (quarterly, semi-annual, annual) basis and involve a detailed review of a random number of files.

4.1 Scheduled Regular or Ad Hoc Meetings

Contractor is required to attend scheduled meetings as arranged by County. Such meetings shall be to review Contractor's performance and County's monitoring functions, and/or to discuss methods and procedures to maintain or improve effectiveness of services. Failure to attend will cause an assessment of Fifty Dollars (\$50).

4.2 Contract Discrepancy Report (Technical Exhibits to the Statement of Work, Exhibit A-I)

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

The CCA will determine whether a formal Contract Discrepancy Report will be issued. In no event should the County's failure to give notice of a

contract discrepancy be interpreted to mean that the County waives its right to the Contractor's full compliance with any and all terms and conditions of this contract. The Contractor Claims Manager or designee shall resolve the contract discrepancy within a time period agreed upon by the CCA and the Contractor. Written notification of the contract discrepancy will either be hand delivered or sent by certified mail to the Claims Manager who will sign for receipt. Upon receipt of the written notice of contract discrepancy, the Contractor is required to respond via telephone and in writing to the County Contract Administrator within five (5) workdays. The Contractor shall respond to the CCA or designee by either acknowledging the reported discrepancy(ies) or presenting contrary evidence. A plan to correct all of the deficiencies identified in the written notice shall be submitted to the CCA or designee within ten (10) business days of receipt of the notification by the Contractor. If the Contractor disputes the contract discrepancy, the CCA will evaluate the Contractor's explanation and determine what further action, if any, should be taken. Failure on the part of the Contractor to perform at the level required by this contract shall constitute a material breach of this contract and subject the contract to being terminated or fees for this contract being reduced.

4.3 Fraud Investigation

The CCA or designee will evaluate the internal controls established by the Contractor to protect against fraudulent activity, incorrect or improper claims processing, inappropriate settlement and/or disbursement, and any other illegal activity related to the services provided under the Contract.

4.4 County Observations

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

5.0 DEFINITIONS

5.1 Ad Hoc Report(s): As used herein, "Ad-Hoc Report(s)" shall mean those report(s) generated at the request of the County on an informal and improvised basis. The Contractor may be required to provide such reports only on an expedited basis at the request of the County Contract Administrator (CCA) or the Litigation Cost Manager or their designee.

5.2 Allegation: As used herein, "Allegation" shall mean an assertion, claim declaration or statement of a party to an event(s) which merits investigation, administration and/or management by Contractor, as determined by Contractor or County.

5.3 Allocated Expenses: As used herein, "Allocated Expenses" shall mean all expenses including Contract Law Firm fees and excluding Contractor

services fees incurred in connection with the investigation, adjustment, settlement negotiations or defense of claims or lawsuits. These expenses include, but are not limited to, process service, expert witness fees, surveillance, consultant fees, appraisal fees, forensic services, jury and court costs, court reporter fees, transcription costs and other costs necessary to effectively defend the County and any other expenses specifically authorized by the County. Allocated Expenses are not included in the flat fees paid to Contractor.

- 5.4 Case: As used herein, “Case” shall mean each document submitted by a third party(ies) in accordance with statutory requirements and/or a legal action Filed in a civil court by a third party(ies) in accordance with statutory requirements which alleges personal injury, real or personal property damage, or other losses sustained due to the acts or omissions of the County, its employees, officers or agents.
- 5.5 Case Budget: As used herein, “Case Budget” shall mean the projected fees and costs for each phase in the defense of a lawsuit, including staffing levels, hourly rates, estimated hours and fees for partners, associates and paralegals, as well as expenses and costs, such as deposition costs and expert fees.
- 5.6 Case Evaluation Plan: As used herein, “Case Evaluation Plan” shall mean a detailed recommendation of case strategy, including motions to be Filed, discovery, legal research, and experts required to defend an action.
- 5.7 CEO Risk Management Branch: As used herein, “CEO Risk Management Branch” shall mean the organizational unit of the County’s Chief Executive Office that participates in the County’s self-insured Automobile and General Liability Claims Administration Program.
- 5.8 Chief Executive Office (Department): As used herein, “Chief Executive Office” shall mean the Chief Executive Office of the County of Los Angeles. Chief Executive Officer (CEO): As used herein, “Chief Executive Officer” and “CEO” shall mean the Chief Executive Officer of the County of Los Angeles.
- 5.9 Claim: As used herein, “Claim” shall mean each document submitted by a third party(ies) in accordance with statutory requirements which alleges personal injury, real or personal property losses, damages, and/or other losses sustained due to the acts or omissions of the County, its employees, officers or agents.
- 5.10 Claims Specialist: As used herein, “Claims Specialist” shall mean an employee of Contractor who manages Files arising from incidents, claims and lawsuits and manages the legal defense of lawsuits.
- 5.11 Commercial Annuity: As used herein, “Commercial Annuity” shall mean a contract purchased from an insurance company that provides deferred payments to a recipient.

- 5.12 Companion Case File(s): As used herein, "Companion File(s)" shall mean a File for a separate County Department/facility which arises from the same incident, series of incidents, Claim or lawsuit as another File.
- 5.13 Concurrence: As used herein, "Concurrence" shall mean an agreement with a course of action or settlement.
- 5.14 Contract Law Firm: As used herein, "Contract Law Firm" shall mean law firms which have contracted with the County to provide legal representation services. Contract Law Firm Fees: As used herein, "Contract Law Firm Fees" shall mean fees charged by Contract Law Firms for legal services provided on County assigned Claims and lawsuits.
- 5.15 Contract Start Date: As used herein, "Contract Start Date" shall mean the date that Contractor begins work under this Contract.
- 5.16 Corrective Action Plan: As used herein, "Corrective Action Plan" shall mean the County Department's response to an incident, Claim or lawsuit, which addresses the root cause of the occurrence of the event and implements solutions designed to prevent reoccurrence of a same or similar event.
- 5.17 County Contract Administrator (CCA): As used herein, "County Contract Administrator" and "CCA" shall refer to the Assistant Chief Executive Officer in charge of the Chief Executive Office's Risk Management Branch or their designee. The CCA administers the procedural aspects of the Contract and participates in the County's self-insured Automobile and General Liability Claims Administration Program.
- 5.18 County Counsel: As used herein, "County Counsel" shall mean the officer or their designee appointed by the Board of Supervisors, as mandated and authorized by the County Charter and State statutes, who provides advice and legal representation to the Board, County departments, special districts, and other public agencies.
- 5.19 County Counsel Supervising Attorney: As used herein, "County Counsel Supervising Attorney" shall refer to the County Counsel attorney overseeing a specific Litigated Case or Claim.
- 5.20 County's Financial System: As used herein, the "County's Financial System" shall mean the County's Auditor-Controller's e-CAPS Accounting and Purchasing System for disbursing warrants to pay for authorized indemnity, legal defense fees, and Allocated Expenses associated with cases assigned to Contractor. Under normal payment processes, all payments can only be issued to payees that have been added and approved in the e-CAPS Financial System, governed by vendor management rules as set forth by the Auditor-Controller.
- 5.21 County Risk Manager: As used herein, "County Risk Manager" shall mean the Assistant Chief Executive Officer in charge of the Chief Executive Office's Risk Management Branch, or authorized designee.

- 5.22 County Risk Management: As used herein, "County Risk Management" shall mean the County's Chief Executive Office Risk Management Branch.
- 5.23 Damage(s): As used herein, "Damage(s)" shall mean claimed compensation or indemnity resulting from the loss of, detriment or injury to a person, property or rights.
- 5.24 Early Investigation: As used herein, "Early Investigation" shall mean Contractor-initiated activity resulting from the decision to set up a File, or the immediate recognition of extraordinary case circumstances. Such activities shall include, but not be limited to, immediate contact with those employees, witnesses, and other individuals having any involvement in, or knowledge about an incident.
- 5.25 Factor of Settlement: As used herein, "Factor of Settlement" shall mean the specific act or omission, breach of a duty of care, or statutory violation committed by County, its officers, employees or agents within the course and scope of their employment, and which is alleged to be a cause of claimant's/plaintiff's injuries.
- 5.26 File: As used herein, "File" shall mean a repository established by the Contractor which contains documents related to the investigation, administration, management and audit of Incidents, Claims, subrogation activities, and lawsuits.
- 5.27 Electronic File: As used herein, "Electronic File" shall mean a file in the County Counsel's Matter Management Databases related to the Investigation, administration, management, and audit of Incidents, Claims, subrogation activities, and lawsuits.
- 5.28 Hardcopy File: As used herein, "Hardcopy File" shall mean a paper copy of documents related to the Investigation, administration, management, and audit of Incidents, Claims, subrogation activities, and lawsuits.
- 5.29 File Receipt Date: As used herein, "File Receipt Date" shall mean the date the Contractor receives a Claim, lawsuit, or an incident report that alleges or asserts County liability.
- 5.30 Indemnification/Hold Harmless Agreement: As used herein, "Indemnification/Hold Harmless Agreement" shall mean a contractual agreement between the County and vendors, subcontractors, or other third parties, which specifically addresses allocation of responsibility for losses or damages that may occur under the contract, including which party shall bear the obligation of defending against any third party legal actions.
- 5.31 Incident: As used herein, "Incident" shall mean an occurrence in which a third party(ies) alleges, or may have sustained personal injury, bodily injury, real or personal property damage, or other losses arising from or connected with the acts or omissions of the County, its employees, officers, or agents, or any dangerous condition of County property as defined in Government Code Section 830, et seq

- 5.32 Incident Report/Event Notification: As used herein, "Incident Report/Event Notification" shall mean a written, electronic, or telephonic report from the County to the Contractor regarding an Incident.
- 5.33 Investigation: As used herein, "Investigation" shall mean the process of determining the facts, evaluating liability, assessing damages, and obtaining and preserving evidence.
- 5.34 Lawsuit or Litigated Case: As used herein, "Lawsuit" or "Litigated Case" shall mean a legal action filed in a civil court by a third party(ies) in accordance with statutory requirements which alleges personal injury, real or personal property damage, or other losses sustained due to the acts or omissions of the County, its employees, officers, or agents.
- 5.35 Litigation Cost Manager (LCM): As used herein, "Litigation Cost Manager" and "LCM" shall mean an attorney in the Office of the County Counsel who develops and assists in the implementation of strategies designed to reduce and control attorney fees, expert costs, and other litigation expenses with the goal of achieving the most favorable litigation results at the most affordable cost. The Litigation Cost Manager also assists in the promulgation of litigation protocols directed at proper case management, thorough cost/benefit analysis and appropriate budgetary constraints.
- 5.36 Litigation Management: As used herein, "Litigation Management" shall mean the process of investigating, evaluating, resolving, managing, monitoring, and reporting on all Litigated Cases, as well as supervising the County's Contract Law Firms.
- 5.37 Matter Management Databases: As used herein, "Matter Management Databases" shall refer to the Internet-based databases maintained by County Counsel that are used to track incidents, claims, subrogation, and litigation activities.
- 5.38 Quality Assurance Evaluator (QAE): As used herein, "Quality Assurance Evaluator" and "QAE" shall mean County Counsel or their designee and the CCA, or designee, responsible for monitoring the Contractor's performance, and advising and training the Contractor's staff on the County's systems and procedures.
- 5.39 Quality Assurance Monitoring Plan (QAMP): As used herein, "Quality Assurance Monitoring Plan" and "QAMP" shall mean the methods used by the County to evaluate the Contractor's performance.
- 5.40 Quality Control Plan: As used herein, "Quality Control Plan" shall mean the methods and procedures used by the Contractor to assure that the quality of the services provided meets County requirements in areas that include timeliness, accuracy, completeness, consistency, and conformity.
- 5.41 Random Sample: As used herein, "Random Sample" shall mean the sampling method in which each service output has an equal chance of being selected.

- 5.42 Reserve: As used herein, “Reserve” shall mean the realistic estimate of the final amount that will be paid on a Claim or Lawsuit. There are two kinds of reserve estimates established in every Claim and Litigated Case:
- Indemnity Reserves: An estimate of the amount that a judge or reasonable jury would award the plaintiff if the matter proceeded to trial, plus attorney fees, if recoverable by plaintiff. This amount is established by County Counsel in Litigated Cases.
 - Expense Reserve: An estimate of attorney fees and costs (such as expert fees, deposition charges, and travel expenses) to be expended during the life of the case through trial. This reserve is established by County Counsel.
- 5.43 Risk Management Information System (RMIS): As used herein, the “Risk Management Information System” and “RMIS” is a comprehensive hosted solution for managing financial risk for the County. The purpose of RMIS is not only to track the life of a Claim, but to effectively track and manage litigation and the costs that occur from litigation, including other legal matters. One major goal of RMIS has been to provide an enterprise solution for managing third party liability for the County.
- 5.44 Roundtable Meetings: As used herein, “Roundtable Meetings” shall mean meetings that are chaired by County Counsel to discuss issues related to specific Litigated Cases. Such meetings shall include participation by the Contractor, Contract Law Firm members, County department/facility representatives, and CEO Risk Management staff.
- 5.45 Severe Injury: As used herein, “Severe Injury” shall mean injury sustained by a third party that could result in significant indemnity and legal costs to the County. Such injury may include, but is not limited to, brain damage, spinal cord injury, total or partial loss of a limb, loss or impairment of sensory or reproductive organs, burns, substantial disfigurement, and death.
- 5.46 Social Services: As used herein, “Social Services” shall refer to a Claim or Litigated Case related to the provision or denial of public services or Social Services benefits including, but not limited to, litigation arising from injuries to children placed into foster care by the County’s Department of Children and Family Services.
- 5.47 Structured Settlement: As used herein, “Structured Settlement” shall mean any settlement in which a portion of the payment or the entire payment to a plaintiff is deferred to the future.
- 5.48 Tail Claim: As used herein, “Tail Claim” shall mean an open Claim or a legitimate and properly closed Claim which subsequently must be re-opened for a period for adjusting services. Costs of assuming Tail Claims are included in the Fixed Rates.
- 5.49 Timeline: As used herein, “Timeline” shall mean a comprehensive and succinct written chronology that sets forth the facts of the case as they

occur. Timelines are initiated by the Contractor and are updated by Contract Law Firm members.

- 5.50 User Complaint Report: As used herein, "User Complaint Report" shall mean the report submitted by an individual or group that specifies discrepancies or problems with the Contractor's performance. The Contractor may be required to respond to such report.

6.0 RESPONSIBILITIES

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

COUNTY

6.1 Personnel

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

- Monitoring the Contractor's performance in the daily operation of this Contract.
- Providing direction to the Contractor in areas relating to policy, information and procedural requirements.
- Preparing Amendments in accordance with the Contract, Paragraph 8. Standard Terms and Conditions, Sub-paragraph 8.1 Amendments.
- Meet at least quarterly with Contractor's Claims Manager to review Claim administration and Litigation Management services, Contract performance issues and other items of concern to the County.

6.1.1 Department Liaisons

One or more persons will be designated by each County Department to work with the CCA, Quality Assurance Evaluator and Contractor to be responsible for the following:

- Ensure that required Department documents are provided to Contractor;
- Discuss Allegations, incidents and lawsuits with Contractor as needed, including attendance at Roundtable Meetings;
- Provide approval for settling Claims, and lawsuits for their Department; and
- Provide input to CCA on Contractor's performance under the Contract.

6.2 Furnished Items

- 6.2.1 The CCA will arrange for the release of all files and other documents for pick-up by Contractor prior to beginning work under the Contract.
- 6.2.2 The CCA and County Counsel will provide orientation on the County's self-insured Automobile and General Liability Claims Administration program for Contractor's staff prior to Contractor beginning work under this Contract. The Contractor will not be reimbursed for any expenses it incurs during the orientation.
- 6.2.3 The County will provide initial technical assistance to Contractor after award of Contract to ensure a smooth transition.

CONTRACTOR

Contractor shall provide all staff, facilities, materials, in-house information systems, and equipment necessary to provide required services, except as specified in Subparagraph 6.3 above.

6.3 Claims Manager

- 6.3.1 Contractor shall provide a full-time Claims Manager or designated alternate. The County must have access to the Claims Manager during all hours, 365 days per year. Contractor shall provide a telephone number where the Claims Manager may be reached on a twenty-four (24) hour per day basis.
- 6.3.2 Claims Manager shall be exclusively dedicated to the daily administration and supervision of Contractor's activities under this Contract.
- 6.3.3 Claims Manager or designated alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Claims Manager or alternate shall be able to effectively communicate in English, both orally and in writing.
- 6.3.4 Claims Manager shall have a minimum of ten (10) years of automobile liability/general liability Claims work experience, with a minimum of five (5) years public entity Claims work experience.

6.4 Personnel

- Contractor shall assign enough employees to perform the required work. At least one employee on site shall be authorized to act for the Contractor in every detail and must speak and understand English.
- Contractor shall be required to background check its employees as set forth in Subparagraph 7.4 (Background and Security Investigations), of the Contract.

6.4.1 Information System Manager

6.4.1.1 Information System Manager shall ensure that Contractor's staff is trained in the use of the County's Risk Management Claims Information System and Contractor's Local Area Network (LAN).

6.4.1.2 Information System Manager shall ensure that Contractor's staff are trained to process and provide Ad Hoc Report requests from the CCA, County Counsel and Department Liaisons.

6.4.1.3 Information System Manager shall ensure that Contractor's staff are trained to run regular reports and distribute them timely to County departments or personnel as directed by the CCA.

6.4.2 Contractor Claims Staff

Contractor shall provide Claims staff dedicated solely to administer and manage incidents, Claims and lawsuits filed against County. To avoid any potential conflict of interest, these staff shall not administer or manage any Incidents, Claims or lawsuits on behalf of any client other than the County. Failure to comply with this requirement shall constitute a material breach of the Contract upon which County may immediately terminate or suspend the Contract.

Contractor's staff shall include Supervising Claims Specialists, Automobile Liability Claims Specialists, General Liability Claims Specialists, Property Damage Claim Specialist, support staff and a subrogation unit. Contractor shall determine the number of staff required to provide services as specified herein.

6.4.2.1 Supervising Claims Specialist

- A. Have a minimum of five (5) years automobile liability/general liability Claims experience.
- B. Review and approve all File Reserves and Settlements.
- C. Oversee the Claim administration and Contract Law Firm management efforts of Claims staff.
- D. Shall not maintain any case load.

6.4.2.2 Claims Specialist

- A. Have a minimum of three (3) years Claims work experience.
- B. Administer incidents and Claims and manage lawsuits.

- C. Attend settlement conferences and meetings as directed by the Supervising Claims Specialist.

6.4.2.3 Support Staff

Contractor shall provide qualified and experienced clerical and other support staff to provide the following services:

- A. Daily pick-up and deliveries between CEO Risk Management Branch, County Counsel and Contractor.
- B. Match and distribute mail to appropriate Claims personnel within twenty-four (24) hours of receipt by Contractor.
- C. Process and mail correspondence, forms and legal notices within forty-eight (48) hours of assignment or receipt.
- D. Enter incident reports not already entered into County's Matter Management Databases and other risk management information system within twenty-four (24) hours after receipt by Contractor.

6.5 INTENTIONALLY OMITTED

6.6 Materials and Equipment

Contractor shall purchase all materials and equipment needed to provide the services required under this Contract. Contractor shall use materials and equipment that are safe for the environment and safe for use by its employees.

6.7 Training

6.7.1 Contractor shall provide training programs for all new employees and continuing in-service training for all employees. Periodic mandatory training may be provided by County Counsel.

6.7.2 All employees shall be trained in their assigned tasks and in the safe handling of equipment. All equipment shall be checked daily for safety. All employees must wear safety and protective gear according to OSHA standards.

6.8 Contractor's Office

Contractor shall provide adequate workspace including access to all County related files and other information, e-mail and telephone services and free parking for one County monitor, as necessary for required program auditing or monitoring.

7.0 HOURS/DAY OF WORK

Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. Contractor shall provide the services

required by this contract Monday through Friday between the hours of 8:00 a.m. through 5:00 p.m., except for County-recognized holidays. County will provide Contractor a list of County-recognized holidays. The office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m. Monday through Friday, by at least one employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service shall be provided to receive calls. The Contractor shall answer calls received by the answering service within four (4) hours of receipt of the call.

8.0 INTENTIONALLY OMITTED**9.0 INTENTIONALLY OMITTED****10.0 SPECIFIC WORK REQUIREMENTS: PRE-LITIGATION AND LITIGATION MANAGEMENT SERVICES****10.1 Incident Reporting**

The Incident Reporting services rendered under this contract shall be performed at the direction of the County Counsel. The requirements set forth in this section shall apply to all incidents involving all County departments, except where noted.

10.1.1 The Contractor shall provide, or develop if necessary, general guidelines and information for County employees to follow that will assist the Contractor in the administration of incidents and support the County's Incident Reporting and Accident Review Guidelines, Exhibit A-7. Such Contractor's developed guidelines and information is subject to approval by County's CEO Risk Management.

10.1.2 Incidents will be submitted to the Contractor electronically using the County's risk management system or by fax or mail. The Contractor shall supply printed forms to be used by the County departments for reporting incidents. The format of each form must be approved by the CCA.

10.1.3 The Contractor shall promptly review all incident reports made by the County to determine if:

- A. A case file should be created based on guideline contained in Incident Reporting and Accident Review Guidelines (Exhibit A-7);
- B. Subrogation action should be undertaken based on the guidelines contained in Vehicle Accident Subrogation Process (Exhibit A-8);
- C. The matter should be handled as an incident only because of no liability against County; or
- D. The matter should be referred for immediate field investigation and handled as an accelerated Claim

settlement because County liability is clear, and damages are undisputed, and minor based on guidelines contained in Accelerated Claims Settlement Program (Exhibit A-5).

10.1.4 Entering Incident Reports into County's Risk Management Claims Information System.

The County's Risk Management Claims Information System shall include online incident reporting by County staff.

- A. Not all County staff will have access to the County's Risk Management Claims Information System, so the Contractor must be able to receive incident reports also by email, telephone, fax, and mail, and have the ability to purge incident reports to comply with legal retention requirements.
- B. The Contractor must also input into the County's Risk Management Claims Information System any incident reports that the Contractor receives and have not already been entered into the County's Risk Management Claims information system by County staff.

10.1.5 Upon receiving notice of an incident, the Contractor shall:

- A. Investigate an incident that involves a Severe Injury within twenty-four (24) hours after the Contractor is notified of the incident. Within ninety (90) calendar days, the investigation should be substantially completed, and the County shall be advised of the action taken.
- B. Contact claimants for incident or Claims involving minor injury or property damage for which the County is liable to verify injury/damage amount and determine if an expedited resolution should be initiated under the County's Accelerated Claims Settlement Program, Exhibit A-5.

10.2 Claims Administration

All Claims administration services rendered under this contract shall be performed at the direction of the County Counsel on behalf of the County. The CCA administers the procedural aspects of Claims administration and is the QAE. The requirements set forth in this section shall apply to all Claims involving all County departments, except where noted. Contractor shall be notified of Claims through the County's Risk Management Claims Information System, electronic mail ("e-mail"), facsimile ("fax"), or United States Postal Service ("mail"). Only verified Claims filed with the Executive Office of the Board of Supervisors that allege State law violations shall be considered properly filed in accordance with the California Government Code.

In administering Claims under this contract, Contractor shall:

- A. Create an electronic Claim file in the County's Risk Management Claims Information System if one does not

already exist. If the Contractor is notified of a Claim on Friday or on the last business day of the week, Contractor shall create a Claim file on the following Monday or on the next regular business day, if one has not already been created. The Claim file shall be regularly updated with any and all developments as they occur, including the addition of new claimants, the death of claimant(s)/irreparable harm or injury to claimant(s), real and/or personal property losses, significant dates, the existence of an Indemnification/Hold Harmless Agreement, the results of the department's/facility's investigation (if any), the results of the Contractor's Early Investigation, or other investigation, the Contractor's evaluation of damages and liability exposure, and any settlement offers.

- B. Create a corresponding "hardcopy" Claim file to serve as a repository for all documents, color photographs, recordings, and other physical evidence.
- C. Determine whether the matter should be handled as an accelerated Claim based on the guidelines contained in the Accelerated Claims (Exhibit A-5).
- D. Review the Claim for compliance with the requisites of Government Code Section 910 related to such matters as sufficiency, completeness and timeliness. If the Claim fails to comply with any of the statutory requirements, Contractor shall send an appropriate notice.
- E. Initiate an investigation if the Claim meets the requisites of Government Code Sections 910 et seq. All investigations shall be conducted at the request and direction of the County Counsel and require the Contractor to take all appropriate steps, which may include but will not be limited to the following:
 - 1. Review all involved County departments' internal investigation reports, relevant policies, procedures, and personnel records; and accident or injury reports generated by the County or third party entities, including, but not limited to, police reports and Department of Motor Vehicles records; coroner's reports, and all other reports and documents related to the underlying incident. If the Contractor is unsuccessful in securing necessary documents within fourteen (14) calendar days of the initial request through the department's/facility's usual process, Contractor shall notify the department's risk coordinator liaison and send a copy of the

notification to County Counsel and CEO Risk Management Branch.

2. Obtain videotape, audio tape, oral and/or written statements from all involved parties and witnesses.
 - a. Contractor shall not conduct interviews of any kind in the case of an Employment or Social Services matter, unless specifically requested by County Counsel.
3. Perform an on-scene inspection, except in the case of an Incident, Claim, or lawsuit involving a Sheriff's Department automobile collision.
 - a. The Contractor shall coordinate with the Sheriff Department's Risk Management - Civil Litigation Unit to assess the reasonableness and appropriateness of damages and repair or replacement costs and evaluate the County's potential liability exposure. Contractor shall not conduct an on-scene investigation of an accident that involves a Sheriff's Department vehicle.
 - b. Contractor shall not perform an on-scene inspection in the case of an Employment or Social Services matter, unless specifically requested by County Counsel.
4. Secure evidence and take and preserve color photographs individually, on a compact disc., or other electronic storage device;
5. Assess the appropriateness and reasonableness of claimed property damages and repair or replacement costs;
6. Assess physical injuries, including evaluating medical treatment and expenses;
7. Initiate investigations of events that involve death or serious injury (life-threatening or having the potential to cause immediate and irreparable harm) within twenty-four (24) hours of the Contractor being notified of the events. In extraordinary circumstances, Contractor shall initiate Early Investigations immediately upon being notified of the event. The investigations must be completed within ninety (90) calendar days;

8. Initiate and complete investigations of events that involve non-serious (minor) injury and property damage within thirty (30) calendar days of the Contractor being notified of the events. Contractor must contact the potential claimants to verify damage/injury amount and to determine if an expedited resolution should be initiated under the County's Accelerated Claims Settlement Program. Contractor's investigation must be consistent with the severity and value of the occurrence and the loss incurred.
9. Identify Indemnification/Hold Harmless Agreements which may be favorable to the County; and
10. Advise the County Counsel, CEO Risk Management Branch, and the involved Department's facility of actions needed to resolve the pending matter, including recommendations to settle or deny.

F. Rapid Response Claims

Contractor shall provide a property adjuster to be on call twenty-four hours a day, seven days a week (24/7) for response to calls from the Department of Public Works (DPW) for the handling of emergency sewer backup cases, and Contractor's duties shall include the following:

1. Contractor shall contact the claimant immediately and, if deemed appropriate, Contractor may immediately inspect the area;
2. Contractor shall meet with the claimant in order to explain the Claims process and will obtain a completed Claim for Damages form for immediate filing with the Board of Supervisors. Contractor will also provide claimant with an inventory form for completion;
3. Contractor shall inspect, photograph, and document the damages. Contractor shall contact DPW via email to notify them of the status of the Claim;
4. Contractor shall monitor the remediation process and secure the bill from the mediator for services rendered on behalf of the claimant;
5. Contractor shall secure a bill from the Hygienist once environmental sampling clearance has been secured;

6. Contractor shall educate claimant on the restoration process;
 7. Contractor shall submit an advanced payment request to County for all emergency services prior to settlement of the Claim; and
 8. Contractor shall prepare settlement letter and release to include all amounts paid, the amount adjusted for personal property damages, additional living expenses and the rebuild estimates which were approved by Contractor, less any applicable depreciation.
- G. Set indemnity Claim File Reserves within ten (10) calendar days of receiving the Claim.
- H. Evaluate and, if appropriate, pursue Indemnification/Hold Harmless Agreements in accordance with Section 10.2 (E)(9), of this Statement of Work.
- I. Evaluate the County's liability exposure and assess the injured party's damages.
- J. Resolve the Claim once a detailed and thorough evaluation of the facts, issues, documents, and all evidence has been completed:
1. If there is no liability or liability is unlikely, Contractor shall provide timely, written notification to the claimant that their Claim is denied in accordance with Government Code Section 913; or
 2. If liability is likely, Contractor may obtain Concurrence from the involved County department/facility and negotiate a reasonable settlement with the claimant in accordance with Subparagraph 10.2.1, of this Statement of Work where such settlement is in the County's best interest.
- K. Close the electronic Claim file in the County's risk management Claims information system once a denial letter or settlement warrant has been issued. Contractor shall ensure that all documents related to the Claim are attached to the Electronic File and placed in a separate "hardcopy" file prior to closing.

10.2.1 Settlements

Claims shall be settled at the direction of County Counsel after Concurrence from the involved County department(s) and CEO Risk Management Branch. County Counsel may approve, deny, or modify, in whole or in part, the proposed amount, type, and/or manner of settlement at any time prior to acceptance of

the settlement by the claimant and/or his attorney or legal representative. As part of any settlement, Contractor shall obtain all necessary releases from the claimant or his attorney or legal representative.

10.2.1.1 Settlements \$10,000 and Under

The Contractor shall have the authority to settle Claims for \$10,000 or less per claimant, if such settlement is deemed by the Contractor to be in the County's best interest. The Contractor must seek Concurrence from the involved County department before settling a Claim. Where there are multiple claimants arising out of a single Incident, Contractor shall confer with County Counsel prior to settling all Claims arising from that single Incident.

10.2.1.2 Proposed Settlements Over \$10,000

The Contractor shall have the authority to recommend the settlement of Claims for any amount over \$10,000, subject to the following conditions:

- A. Contractor shall obtain prior approval from the County Counsel Supervising Attorney, or their designee, before negotiating a settlement for an amount over \$10,000. Contractor shall prepare a brief memorandum and forward it to the Assistant County Counsel, or their designee, for General Litigation which oversees Claims and lawsuit intake, the involved department, and CEO Risk Management Branch. The memorandum shall outline:
 - 1. The Contractor's evaluation of the legal theories of liability, including each reason/factor upon which the proposed settlement is based; and
 - 2. An accurate, thorough, but brief recitation of the facts of the case and damages incurred.
- B. Contractor shall negotiate a settlement that is in the best interest of the County after receiving approval of the proposed settlement from the General Litigation Division's Claims and lawsuit County Counsel Supervising Attorney, or their designee, and after conferring with the involved department and CEO Risk Management Branch.
- C. Contractor shall prepare a memorandum of settlement within thirty (30) calendar days of reaching a settlement with the claimant or their

attorney or representative. The memorandum shall contain the following:

1. A fixed dollar settlement amount and the terms and conditions of the settlement;
 2. A thorough, but brief recitation of the facts of the case, damages incurred, and the legal theories upon which liability is based, including each reason/factor for settlement;
 3. A statement certifying that the Contractor obtained the approval of the involved County department; and
 4. A status of the Claim.
- D. Contractor shall forward the memorandum of settlement to the General Litigation Division's claims and lawsuit County Counsel Supervising Attorney, or their designee, and CEO Risk Management Branch for final settlement approval;
- E. In the discretion of and at the direction of the County Counsel Supervising Attorney, Contractor shall be prepared to attend the Claims Board and/or Board of Supervisors meeting to respond to any inquiries related to the settlement, including, but not limited to, inquiries regarding County liability, potential damages, and costs;
- F. Contractor shall prepare and surrender to the plaintiff a warrant draft for the agreed upon settlement amount once Contractor receives approval from the General Litigation Division's Claims and lawsuit County Counsel Supervising Attorney, or their designee, and CEO Risk Management Branch, and all appropriate releases are signed;
- G. Contractor shall follow-up with the Claimant to ensure Claimant and/or their attorney or representative carries out the terms of the settlement agreement;
- H. Contractor shall prepare a closing report after the settlement agreement has been executed, the settlement warrant draft has been issued, and expenses have been paid; and
- I. Contractor shall advise the County on a quarterly basis, or as requested, of all settlements paid and

approved for settlement by the County for Twenty-Thousand Dollars (\$20,000) or more.

10.2.1.3 Structured Settlements

Contractor shall ensure that all Structured Settlements contain a fixed dollar amount. Under the general supervision of the CEO Risk Management Branch, the Contractor will purchase annuity policies for the payment of Structured Settlements. The annuity premium will be considered a settlement cost to be paid from the County's Financial System. Structured settlement shall be subject to County approval.

10.2.2 Closing Report

The Contractor shall scan and attach all documents and photographs in its possession to the appropriate Incident or Claim file in the County's Risk Management Claims Information System and forward all physical evidence to the General Litigation Division's Claims and lawsuit County Counsel Supervising Attorney or their designee within five (5) business days of receiving notice by County Counsel that a Lawsuit has been filed related to an Incident or Claim administered by the Contractor. Contractor shall also prepare a closing report which summarizes all information in the incident or Claim file, analyzes the facts, documents, witness statements, physical evidence, and County liability exposure, and provides a settlement recommendation, along with the Contractor's reason(s) for the recommendation. This report shall be prepared regardless of whether the Incident or Claim is still under investigation by the Contractor at the time the Lawsuit is filed.

10.2.3 Response to Claims

In addition to investigating the facts upon which the Claims are based, Contractor shall, at County Counsel's direction and on behalf of the County, take all necessary and appropriate action to protect the County's rights under the Government Claims Act, Government Code sections 810-996.6. Such action shall include, but not be limited to the following actions:

- A. Deny Claims in writing that have not been filed within the statutory time requirements.
- B. Deny Claims on or before the date a denial is required or permitted by law, if, in the exercise of reasonably prudent judgment and after a review of all pertinent information, there is no basis of liability against the County or its employees.
- C. Deny Claims after reasonable efforts to obtain necessary additional information to clarify or substantiate issues of liability or damage from the claimant or departments are

unsuccessful. If departments fail to respond to Contractor's request for additional information within thirty (30) calendar days of the initial request, Contractor shall notify CEO Risk Management Branch.

- D. Notify claimant or third party of specific insufficiency for each Claim not submitted in accordance with legal statutory filing requirements. Contractor shall deny all Claims where claimant or third-party fails to remedy the noted insufficiencies.
- E. Reject all Applications for Leave to Present A Late Claim unless the untimeliness of filing the Claim falls within Government Code Sections 911.4 and 911.6. In these instances, Contractor shall advise and obtain written approval to accept a late Claim from the General Litigation Division's Claims and lawsuit County Counsel Supervising Attorney, or their designee.
- F. Forward Petitions for Relief to File a Late Claim, pursuant to Government Code Section 946.6, to the General Litigation Division's Claims and lawsuit County Counsel Supervising Attorney or their designee. Contractor shall assist the assigned County Counsel Supervising Attorney and Contract Law Firm in opposing the Petition.

10.2.4 Use of Contract Law Firm

If Contractor believes that the use of a Contract Law Firm is required in the handling of a Claim, Contractor shall communicate this recommendation to the General Litigation Division's Claims and lawsuit County Counsel Supervising Attorney or their designee who will then make a determination, in consultation with the affected Assistant County Counsel. County Counsel will retain and assign the Contract Law Firm. Invoices submitted by such Contract Law Firm will be reviewed and approved pursuant to the requirements set forth in Subparagraph 5.3.7. After approval of the billing invoices, Contractor shall forward them to the appropriate County Counsel Supervising Attorney for approval.

10.2.5 Reserves

Contractor shall establish, update and maintain Claim Reserves.

- A. Set initial Indemnity Reserves within ten (10) calendar days of the date the Claim is received by the Contractor:
 - 1. Indemnity Reserves: An estimate of the amount that a judge or reasonable jury would award the plaintiff if the matter proceeded to trial, plus attorney fees, if recoverable by plaintiff.

2. Expense Reserve: An estimate of attorney fees and costs (such as expert fees, deposition changes, travel expenses) to be expended during the life of the case through trial.
- B. Review and update Reserves on pending Claims until the Claims are resolved. Reserves should be updated based on Claim developments, as warranted, and reviewed for necessary adjustments no less than every ninety (90) days.
- C. Establish necessary management controls to ensure periodic review and maintenance of Claim File Reserves.
- D. Provide the bases and supporting data upon which the Contractor has determined reserve amounts, upon request by County.

10.3 Litigation Management

All Litigation Management services rendered pursuant to this contract will be performed at the direction of County Counsel on behalf of the County. Policies and procedures for all aspects of Litigation Management shall be governed by County Counsel's protocols.

10.3.1 The Contractor shall (if it has not been previously done so) scan and attach all documents and photographs in its possession to the appropriate Incident or Claim file in the County's risk management claims information system and forward all physical evidence to the General Litigation Division's claims and lawsuit County Counsel Supervising Attorney, or their designee, within five (5) business days of receiving notice by County Counsel that a Lawsuit has been filed related to an Incident or Claim administered by the Contractor. Contractor shall also prepare a closing report which summarizes all information in the Incident or Claim file, analyzes the facts, documents, witness statements, physical evidence, and County liability exposure, and provides a settlement recommendation, along with the Contractor's reason(s) for the recommendation. This report shall be prepared regardless of whether the Incident or Claim is still under investigation by the Contractor at the time the Lawsuit is filed.

10.3.2 County Counsel may assign all litigated matters directly to a Contract Law Firm. At the time of assignment, County Counsel will provide the Contract Law Firm with the appropriate direction, including but limited to, a Case Evaluation Plan (CEP) and Case Budget template. County Counsel will also set all Reserves and advise the Contract Law Firm of these Reserves. The Contractor will receive a copy of the assignment letter sent to the Contract Law Firm.

- 10.3.3 Following the assignment of each case, the Contractor shall obtain the completed CEP and Case Budget forms from the assigned Contract Law Firm in the time requirements prescribed by County Counsel's protocols. Contractor shall ensure that the Contract Law Firm attaches the CEP and Case Budget to the e-billing system. The Contractor shall also review and approve each CEP and Case Budget as to both form and content and ensure that they are thorough and complete. Specifically, the Contractor shall ensure that each CEP provides a detailed recommendation of case strategy, including motions to be filed, proposed discovery, necessary legal research, and the identity and/or type of consultant and expert witnesses required to defend against the action. The Contractor shall also ensure that the Case Budget provides a reasonable projection of all fees and costs associated with the defense of the lawsuit through trial, including a breakdown of the fees for each phase and associated task of litigation, staffing levels, hourly rates, and the estimated number of hours and related amount of fees for each partner, associate and paralegal assigned to the case, as well as all associated expenses, such as deposition costs and expert fees. After a thorough review of the CEP and Case Budget, the Contractor shall either approve and forward them to the County Counsel Supervising Attorney indicated in the assignment letter, or, if unacceptable, return the items to the Contract Law Firm for modification and resubmission to the Contractor. After the County Counsel Supervising Attorney approves a Case Budget, the Contractor shall make any necessary adjustments to the Reserves for indemnity and fees and costs in the appropriate fields of the County's Matter Management Databases so that they are consistent with those included in the approved, initial Case Budget, or any Amended Case Budget.
- 10.3.4 In the event that no Claim was filed prior to the filing of the lawsuit, or a Claim was filed, and no investigation was conducted, the Contractor shall conduct an investigation of the Allegations contained in the lawsuit as directed by County Counsel and in conformance with Subparagraph 5.2 (E), of this Statement of Work. During the pendency of the lawsuit, the Contractor shall conduct any additional investigation regarding the lawsuit as directed by County Counsel or the Contract Law Firm assigned to the case. Such further investigation may include, but will not be limited to, obtaining medical records, witness statements, investigation reports, and other items.
- 10.3.5 The Contractor shall serve as a liaison between the County departments involved in each lawsuit and the Contract Law Firm(s) assigned to the case by County Counsel. At the direction of County Counsel, the Contractor shall assist the Contract Law Firm(s) with obtaining all necessary documents

and physical evidence related to the lawsuit from the appropriate personnel of the involved County department. The Contractor shall identify the persons, including County personnel, who have, or may have, knowledge related to the lawsuit and provide the names of such persons to the County Counsel Supervising Attorney and the Contract Law Firm assigned to the case.

10.3.6 The Contractor shall ensure that, as directed by County Counsel, all appropriate case information is entered into the County's risk management claims information system as soon as it becomes available, and that such information is promptly updated as changes occur. By way of example, such information includes, but is not limited to, the trial date, the trial judge, current case status, pre-trial dismissal date, settlement date and amount, trial result, appeal date and appellate result, and the case closed date and basis for the closure.

10.3.7 In compliance with the County Counsel billing requirements, the Contractor shall review, approve and pay all billing invoices issued by the Contract Law Firms. Contractor shall review the billing invoices for accuracy, appropriateness of work and expense charges, and reasonableness. The Contractor shall ensure that the amount of any fee is in proportion to the value of the services rendered and that the services were necessary. The Contractor shall also verify that any time charged was actually worked and that no statements containing "flat rates" or "standard time charges" are approved. The Contractor shall not approve any billing invoice which contains blocked billing, improper staffing, non-specific work, overhead charged as work, unbudgeted charges, or charges exceeding the Case Budget. The Contractor shall ensure that the charges contained in all billing invoices are in compliance and within the budgeted amounts of, the Case Budget, including both phases and tasks. The Contractor shall only approve for payment those "reimbursable expenses" which are accurate, appropriate, and reasonable, and shall not reimburse for any expenses which are designated as "overhead" in the billing requirements. If the Contractor determines that the billing invoice is unacceptable for any reason, the invoice shall be returned to the Contract Law Firm, along with an explanation as to the reason(s) for rejection, for modification and resubmission.

10.3.7.1 The Contractor, at the direction of the Litigation Cost Manager or other County Counsel personnel, shall prepare an analysis that discusses the factual and procedural details as they relate to attorney fees and costs charged to a specified Litigated Case. The analysis shall include an explanation, by case phase, of

the attorney fees and costs expended on the case and any savings achieved by Contractor as compared to the amount billed by the Contract Law Firm. If the fees and costs exceeded the initial budgeted amount, the Contractor shall explain, by case phase, the budget overrun. The Litigation Cost Manager, or designee, will notify the CEO Risk Management Branch when such analysis is required or requested.

- 10.3.8 The Contractor shall use the electronic billing component of County Counsel's Matter Management Databases to process and approve all billing invoices. The Contractor shall monitor the billing invoices and confirm that the County Counsel Supervising Attorney has either rejected or approved the billing invoice within fifteen (15) calendar days of its receipt. At the end of the fifteen (15) day period, the Contractor shall notify both the Supervising Attorney and the Supervising Attorney's Assistant County Counsel that the billing invoice has not been approved or rejected. If the Supervising Attorney has neither approved nor rejected the forwarded billing invoice within thirty (30) days of its receipt, the Contractor shall notify the Supervising Attorney's Senior Assistant County Counsel and/or County Counsel Litigation Cost Manager that no action has been taken by the County Counsel Supervising Attorney on that billing invoice.
- 10.3.9 Roundtable meetings will be scheduled by County Counsel. County Counsel reserves the right to schedule, cancel, or waive any and all Roundtable Meetings. The Roundtable Meetings will be chaired by the County Counsel Supervising Attorney or an Assistant County Counsel with attendance by CEO Risk Management Branch staff, the involved County Department's representative(s), the Contractor, and Contract Law Firm members. Roundtable meetings will be scheduled either every four (4) months, or six (6) months, or as necessary. Approximately 30 Roundtable Meetings will be scheduled every four months. Approximately 125 Roundtable Meetings will be scheduled every six months. Approximately 365 Roundtable Meetings will be scheduled as necessary. The Contractor shall participate in the roundtable process as follows:
1. Discuss all aspects of the case, including facts, law and motion practice, key documents, potential witnesses, selection of experts, tactical decisions, settlement recommendations, and trial strategies;
 2. Present all financial aspects of the case, including the amounts spent and budgeted for fees and costs, compliance with Case Budgets, budget projections, reasons for budget overruns, recommendations for

amended budgets, and methods of controlling and/or reducing fees and costs;

3. Take detailed notes of the occurrences at the Roundtable Meetings and provide a summary of the notes to the County Counsel Supervising Attorney no more than three (3) days after the roundtable; and
4. After each Roundtable Meeting, enter a comprehensive but concise case status on the County Counsel's Matter Management Databases. The case status should include all significant developments occurring since the previous Roundtable Meeting and all significant dates for hearings on motions, settlement conferences, mediations, and trial dates. All significant dates should also be entered in the proper section or field of the County's Matter Management Databases.

10.3.10 The Contractor shall monitor the Contract Law Firms assigned to each case to ensure compliance with County Counsel's protocols and billing requirements.

10.3.11 In the discretion and at the request of the County Counsel Supervising Attorney, the Contractor shall attend any Ad-Hoc meeting convened to discuss any aspect of a litigated matter. These meetings shall be convened when necessary as determined by the County Counsel Supervising Attorney.

10.3.12 The Contractor shall obtain from the Contract Law Firm a number of reports. The Contractor shall review each report to ensure that it is appropriate as to form and content. All these reports are confidential attorney-client or attorney work product and the Contractor shall ensure that they are protected accordingly. These reports shall include:

- A. Trial Counsel Report (TCR): A written report which must be submitted by the Contract Law Firm no later than ten (10) calendar days before each Roundtable Meeting. As appropriate for the subject matter and nature of each case, the TCR should include, but is not limited to, a statement of facts, the procedural status of the case, a legal analysis of the case, a discussion of damages and injuries, the settlement status of the case, the estimated adverse verdict range, the Case Budget, fees and costs expended to date and any proposed additional actions to be taken. The Contractor shall ensure that the TCR is timely submitted by the Contract Law Firm and that it adequately addresses the appropriate areas for each particular case.
- B. Significant Development Report (SDR): Written reports which are submitted by the Contract Law Firm and address any significant actions or developments as they occur

between Roundtable Meetings and the submission of TCRs. By way of example, a significant development may be the addition of a new party to the action, a ruling on a motion, new case strategy, significant deposition testimony, discovery of a critical document, the scheduling of a mediation or settlement conference, or a change in venue or trial judge. An SDR may be submitted by the Contract Law Firm at any time. Following receipt of an SDR, the Contractor shall enter a summary of the SDR in the status field of the County's Matter Management Databases and attach it to the databases.

- C. Daily Trial Reports: Contract Law Firms provide daily trial reports which are required to be submitted to the County Counsel Supervising Attorney and the Contractor at the end of each court day, but no later than 8:00 a.m., the following morning. The reports include a brief summary of the day's testimony, any significant developments or rulings, any settlement demands or discussions and a brief description of what is anticipated to occur the next court day. The Contractor shall ensure that such reports are timely submitted.

10.3.13 If the Contractor determines that a member of a Contract Law Firm assigned to a lawsuit fails to comply with any protocols or billing requirements, the Contractor shall immediately notify both the Contract Law Firm and the County Counsel Supervising Attorney of such failure and recommend a course of action to remedy the failure. The Contractor shall immediately report any concern regarding the manner in which a member of a Contract Law Firm is handling the defense of a lawsuit directly to the County Counsel Supervising Attorney.

10.3.14 Contractor shall attend all mediations and settlement conferences. Prior to attending a mediation or settlement conference, Contractor shall communicate with the County Counsel Supervising Attorney in order to discuss settlement strategy and authorized amounts.

10.3.15 Initial Reserves in all Litigated Matters will be established and entered into the County Counsel's Matter Management Databases by County Counsel. These Reserves are:

1. Indemnity Reserves: An estimate of the amount that a judge or reasonable jury would award the plaintiff if the matter proceeded to trial, plus attorney fees, if recoverable by plaintiff.
2. Expense Reserve: An estimate of attorney fees and costs (such as expert fees, deposition charges, travel expenses) to be expended during the life of the case through trial.

The Contractor shall ensure that any Case Budget submitted by the Contract Law Firm conforms to the reserve initially set by County Counsel. In the event that the Reserves differ, the Contractor shall advise the assigned Contract Law Firm that any deviation from the initial budgeted Reserves established by County Counsel must be explained in the Case Budget. Following the approval by the County Counsel Supervising Attorney of any Case Budget, the Contractor shall make any necessary adjustments to the Reserves for both indemnity and fees and costs in the County's Matter Management Databases to ensure that they are consistent with those included in the most recent Case Budget or Amended Case Budget. The Contractor shall ensure that the Reserves in the County's Matter Management Databases accurately reflect the Reserves as established in the most recent Case Budget and Amended Case Budget. When necessary, the Contractor shall enter the reserve amount for both indemnity and fees and costs as reflected in the most recent Case Budget or Amended Case Budget in the County Counsel's Matter Management Databases.

10.3.16 Within three (3) days of receiving a request for case closure from the County Counsel Supervising Attorney, the Contractor shall close a litigated matter on the County Counsel's Matter Management Databases in accordance with applicable protocols. Such closure shall not relieve the Contractor of reviewing and approving all outstanding billing invoices received after the closure.

10.3.17 Court Appearances where County Counsel is ordered to appear in Court, Contractor shall:

- A. Inform the County Counsel Supervising Attorney in charge of the litigation of the date and location of the appearance within seventy-two (72) hours of Contractor becoming aware of the court order; and
- B. Brief the County Counsel Supervising Attorney on the facts and circumstances of the order for the purpose of identifying and anticipating the problems and issues that may be addressed at the scheduled court appearance.

10.3.18 Board Appearances

In the discretion of and at the direction of the County Counsel Supervising Attorney, Contractor shall be prepared to attend the Claims Board and/or Board of Supervisors meeting to respond to any inquiries related to a Litigated Case, including, but not limited to, inquiries regarding settlements, County liability, potential damages, and costs.

10.3.19 Settlements

Once a settlement has been approved by the County of Los Angeles Claims Board or the Board of Supervisors, Contractor shall:

- A. Prepare and surrender to the plaintiff a check draft for the agreed upon settlement amount;
- B. Follow-up with the assigned Contract Law Firm to ensure plaintiff and/or his attorney or representative carries out the terms of the settlement agreement;
- E. Prepare a closing report after the settlement agreements have been executed, the settlement check draft has been issued, and expenses have been paid; and
- D. Advise County Counsel on a quarterly basis, or as requested, of all settlements for which the Contractor prepared a settlement check draft or for which the County approved a settlement totaling Twenty Thousand Dollars (\$20,000) or more.

10.3.20 Structured Settlements

Contractor shall ensure that all Structured Settlements contain a fixed dollar amount. Under the general supervision of CEO Risk Management Branch, the Contractor shall purchase annuity policies for the payment of Structured Settlements. The annuity premium will be considered a settlement cost to be paid from the County's Financial System. Structured settlement shall be subject to County approval.

10.3.21 Liens and Encumbrances

The Contractor shall identify, verify, and report to CEO Risk Management Branch and the County Counsel Supervising Attorney the existence of all liens and encumbrances against a proposed settlement and assert all appropriate defenses to any such liens and encumbrances. The Contractor shall negotiate such liens and encumbrances and ensure that the liens and encumbrances are satisfied, or will be satisfied, either by plaintiff/claimant, outside third-parties, through a compromise and release by the lien holder, or by the stated terms and conditions of the proposed settlement.

10.4 Mandatory Reports

The Contractor shall prepare:

- A. Cost Management Reports: The Contractor shall provide quarterly reports to the Litigation Cost Manager to facilitate the analysis and monitoring of legal expenses. The quarterly reports shall include: 1) a list of all lawsuits managed by the Contractor, 2) a list of all lawsuits

managed by the Contractor that were dismissed, 3) a list of all lawsuits that were approved for settlement by the County during the quarter for more than Twenty Thousand Dollars (\$20,000), and settlement of Twenty-Thousand (\$20,000) or less paid in the quarter, 4) trials and writs concluded for which a verdict or court decision was rendered, and 5) cases for which an appellate decision was rendered. The information shall be provided on an excel spreadsheet at the conclusion of each quarter.

- B. Trial Calendar Report: On the 15th day of every month, the Contractor shall submit a report which lists all lawsuits scheduled (pending) for trial in the following month. The report shall indicate the case name, County database number, priority level, trial date, judge/court, type of action, legal fees and costs expended to date, County department, the Contract Law Firm, and the plaintiff attorney. In a separate section, the report shall also list the disposition of all cases set for trial in the preceding month. This report will contain the same information as is in the "pending" trial report, together with additional information related to the disposition of the case set for trial, such as the trial result, settlement amount, reason for dismissal or that the case was continued.
- C. Trial Status Report: At the discretion and direction of the County Counsel Supervising Attorney, the Contractor shall attend each day of trial and provide a report to the County Counsel Supervising Attorney at the conclusion of each day regarding trial developments. The report shall summarize each day's developments and will be submitted as soon as reasonable at the end of the court day, but no later than 8:00 am, the following morning. The daily report should include significant rulings, an assessment of the effectiveness of the Contract Law Firm, a description of any settlement demands or discussions and any recommendations regarding settlement. The Contractor shall immediately notify the County Counsel Supervising Attorney if any verdict or decision is rendered in the case.
- D. Management Summary Reports: These reports will summarize financial, claims, legal defense-related risk management activities, as requested by the County Contract Administrator, to be used to monitor Contract costs and service performance. Such reports shall include, but not be limited to the Claims Filed and Closed Report, which shows the list of open and closed claims, name of claimant, County department, cause of loss, date reported, date claim filed, litigation status, indemnity and expense payments, outstanding indemnify and expense Reserves, and total incurred costs to date.
- E. Financial Administration Reports: These reports list reserve amounts, indemnity payments, Allocated Expenses, and other expenditures on an individual and cumulative total basis. This information must be available on an accrual and cash payment basis, and categorized by fund, budget unit, department and automobile or general liability.

These reports will be used to perform monthly reconciliations and enable cash flow.

- F. Risk Management Reports: These reports shall provide information relating to loss frequency and severity, and accident types, causes, and trends to assist in identifying and treating County risk exposures and assist in actuarial analyses.
- G. Ad Hoc Reports: The Contractor may be required to provide other reports on an Ad Hoc basis. Ad hoc Reports are those reports generated at the request of the County on an informal and improvised basis. The Contractor will be required to provide such reports on an expedited basis at the request of the CCA or the Litigation Cost Manager, or their designee. The Litigation Cost Manager, or their designee, will notify the CEO Risk Management Branch staff when County Counsel requires/requests such reports.

10.5 Indemnification/Hold Harmless Agreements

Contractor shall identify and evaluate Indemnification/Hold Harmless Agreements which may provide indemnification for the County by other parties.

- A. The Contractor shall investigate the existence of any related Indemnification/Hold Harmless Agreements which might provide the County with indemnification rights regarding an incident, claim, or lawsuit.
 - 1. As soon as practicable, but in no event more than ten (10) days of determining that the agreement is enforceable, the Contractor shall tender the defense and indemnification of the County to the appropriate indemnitor(s). The Contractor shall make reasonable efforts to obtain a timely response to the tender.
 - 2. If the Contractor tenders the matter during the claim phase and the indemnitor(s) refuses or fails to respond to the Contractor's demand for indemnification within thirty (30) calendar days of the request, Contractor shall notify the claims and lawsuit intake County Counsel Supervising Attorney.
 - 3. During the pendency of a lawsuit, the Contractor shall notify the County Counsel Supervising Attorney prior to tendering the defense or demanding the indemnification of the County and shall obtain the consent of the County Counsel Supervising Attorney before making such a demand. If the indemnitor refuses to accept the tender or fails to respond within thirty (30) calendar days of the Contractor's initial written demand, Contractor shall notify the County Counsel Supervising Attorney and the assigned Contract Law Firm within two (2) business days of the third party's refusal or the expiration of the response period.

4. If the indemnitor rejects or fails to timely respond to an indemnification demand in either the claim or litigation phase, the Contractor's notice shall include:
 - a. A letter detailing the steps the Contractor took to tender the matter to the third party;
 - b. Copies of all tender letters; and
 - c. Contractor's recommended course of action.

10.6 Subrogation

Contractor shall provide the following services:

- 10.6.1 Contractor shall be responsible for the identification, evaluation, administration, resolution, collection and deposit with the County of all monies recovered.
- 10.6.2 Provide experienced and qualified staff and support personnel for the subrogation of damage to County vehicles and employee vehicles determined to be covered as a result of investigation.
- 10.6.3 Develop and implement procedures to comply with County policy and criteria for identifying incidents and liability claims for subrogation recovery.
- 10.6.4 Develop, maintain and comply with a procedures manual to ensure subrogation is conducted in a timely and cost-effective manner and subrogation recoveries are maximized, including instances when the County can also pursue workers' compensation subrogation.
- 10.6.5 Obtain information and documents (i.e. incident, police, medical and other reports, repair estimates, claim status) relevant to subrogation efforts.
- 10.6.6 Conduct subrogation, including preparing correspondence to effect collection, collecting payments from the responsible party/insurance company and crediting files when a subrogation recovery is received.
- 10.6.7 Maintain and provide statistical and financial reports on subrogation conducted, recoveries received and the costs of subrogation services, as required by the County.
- 10.6.8 Submit subrogation requests to County Counsel when it is cost effective or it is to the County's benefit to litigate. Provide reports on litigation efforts and costs as required by County.
- 10.6.9 Advise and work with County personnel to resolve operational difficulties.

11.0 GREEN INITIATIVES

- 11.1 Contractor shall use reasonable efforts to initiate “green” practices for environmental and energy conservation benefits.
- 11.2 Contractor shall notify County’s Project Manager of Contractor’s new green initiatives prior to the contract commencement.

12.0 PERFORMANCE REQUIREMENTS SUMMARY

A Performance Requirements Summary (PRS) chart, Exhibit A-2 of Technical Exhibits to the Statement of Work, listing required services that will be monitored by the Count during the term of this Contract is an important monitoring tool for the County. The chart should:

- reference section of the contract
- list required services
- indicate method of monitoring
- indicate the deductions/fees to be assessed for each service that is not satisfactory

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

13.0 FINANCIAL AND RELATED ADMINISTRATIVE SERVICES MANAGEMENT**13.1 County Audits of TPA Financials and Performance**

Contractor’s staff shall fully cooperate with all County audits. Financial, performance and related audits may be performed by the CCA or designee and may be conducted by outside auditing services at County’s sole discretion. Such audits shall be scheduled at a frequency determined by County.

13.2 Information Management

The Contractor shall use the County’s risk management claims information system for services required under this Contract. Contractor shall secure prior to the Effective Date of this Contract and maintain during the course of the Contract program information system that is compatible with County Counsel’s Matter Management Databases, RMIS, or any County successor information system. The majority of the needed information will be available through the use of the County’s risk management information system, the County Counsel’s Matter Management Databases, or any County successor information system. The County’s information system functions include, but are not limited to,

claims and matter management, vendor management necessary for transmitting/interfaces payment information, payment and payment approvals, and Ad Hoc Reports.

13.2.1 Equipment

Contractor shall maintain and/or upgrade the required PC configurations, software, and hardware to keep up with industry standards and for compatibility with the County's information systems.

13.2.2 System Security

Contractor shall meet any additional security measures as required by the County. Contractor's security measures must be approved by the County.

13.2.3 System Data Maintenance

Contractor shall, on a daily basis, accurately input, update, and maintain all data fields on the County's information systems for all matters administered by Contractor.

13.2.4 County System Training

County will furnish necessary system instructional material and security information and will provide initial system training to Contractor's staff. County will provide follow-up training to Contractor's key information system staff. These key information staff shall provide training as needed to Contractor's staff.

13.3 Education Programs

Continuing Education for TPA Staff Contractor shall provide ongoing claims administration training to its staff to ensure they are knowledgeable about the latest developments in liability risk management and claims administration practices. In-service education shall be an established program for Contractor with emphasis placed upon incident evaluation, new employee orientation, employment-related liability, establishment and adjustment of Reserves, claims investigation, and other significant related issues.

13.4 Administrative Services

13.4.1 Physical Security

Contractor shall be responsible for safeguarding all County property provided for Contractor's use. At the close of each workday, all cases, files, supplies, equipment and computer access shall be secured.

13.4.2 Employee Records

Contractor shall keep current and accurate records of all its employees providing services under this Contract. Such

records shall include Contractor Employee Acknowledgment and Confidentiality Agreement, date of employment, current address, telephone number, current salary, and licenses, if required.

13.4.3 Other County Contractors and Vendors

County has contracts with a number of private businesses and firms to provide services related to claims management. Contractor shall utilize the services of only those firms approved by the County and shall use a rotational system for making the assignments, unless otherwise instructed by the CCA or County Counsel.

13.4.4 E-Mail

Contractor shall comply with the CEO's e-mail protocol dealing with content and confidentiality when using e-mail for County information.

13.5 Incident, Claim, Subrogation, and Litigation Management Services Procedures Manual

Within ninety (90) days of this contract being awarded, the Contractor shall develop and maintain a procedures manual that the Contractor will use to guide its administration of incidents, claims, subrogation, and litigation activities under this contract. The procedures contained in the manual must be consistent with the County's Incident Reporting and Accident Review Guidelines (Technical Exhibits to the Statement of Work, Exhibit A-7) and County Counsel's litigation protocols and be approved by the CEO Risk Management Branch and County Counsel. The manual shall include the internal procedures and standards for:

- A. Receiving and reporting incidents, claims, subrogation actions, and lawsuits between the Contractor and the County;
- B. Monitoring, reviewing, auditing, and approving Contract Law Firm fees and Allocated Expenses;
- C. Processing indemnity judgment and settlement payments;
- D. Monitoring, documenting, and auditing financial transactions;
- E. Completing and submitting required reports to the County;
- F. Submitting memoranda of settlements and requesting settlement authority from CEO Risk Management Branch, County Counsel, and County Departments; and
- G. Identifying, quantifying, and incorporating risk management/loss prevention issues and training into the administration of incidents/claims/lawsuits.

The Contractor shall periodically review the procedures with the CCA and County Counsel to ensure the services provided are in compliance with this contract and meet or exceed sound incident and claim

administration, lawsuit management, and subrogation practices. The Contractor will implement improvements as needed to increase productivity and to enhance the quality of the services provided.

13.6 Business Continuity Plan

Contractor shall provide a written Business Continuity Plan that describes a structured and integrated process that ensures the uninterrupted provision of services following an event which could interrupt Contractor's operations.

The Plan shall include, but not be limited to, the following information:

- A. Description of critical services and business processes.
- B. Contractor policies and procedures to assure continued business following an event. Name, address, telephone, facsimile, contact and other information for alternative business processes and locations following an event. Contractor shall provide County with annual Business Continuity Plan updates.

STATEMENT OF WORK TECHNICAL EXHIBITS

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CONTRACT DISCREPANCY REPORT**TO:** _____**FROM:** _____ **DATES:** _____**Prepared:** _____**Returned by Contractor:** _____**Action Completed:** _____**DISCREPANCY PROBLEMS:** _____

Signature of County Representative_____
Date**CONTRACTOR RESPONSE (Cause and Corrective Action):** _____

Signature of Contractor Representative_____
Date**COUNTY EVALUATION OF CONTRACTOR RESPONSE:** _____

Signature of Contractor Representative_____
Date**COUNTY ACTIONS:** _____

_____**CONTRACTOR NOTIFIED OF ACTION:**_____
Contractor Representative's Signature_____
Date_____
Signature of Contractor Representative_____
Date

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

FOR THE PROVISION OF

AUTOMOBILE AND GENERAL LIABILITY CLAIMS

ADMINISTRATION AND LEGAL DEFENSE MANAGEMENT SERVICES

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
Contract, Paragraph 4.0, Term of Contract Subparagraph 4.4	Contractor shall notify CCA when this Contract is within six (6) months of the expiration of the term.	Ensure notification to CCA when this Contract is within six (6) months of the expiration of the term as provided for hereinabove.	100%	Receipt and review of records	\$50 per occurrence for failed compliance.
Contract, Paragraph 5.0, Contract Sum Subparagraph 5.3, Notification of 75% of Total Contract Sum Subparagraph 5.3.1	Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five (75%) of the total contract authorization under this Contract.	Ensure that a system of record keeping is maintain.	100%	Receipt and review of records	\$50 per occurrence for failed compliance.
Contract, Paragraph 5.0, Contract Sum Subparagraph 5.5, Invoices and Payments Subparagraph 5.5.4	Contractor shall submit the monthly invoices to the County by the 15th calendar day of the month following the month of service.	Ensure monthly invoices are received by the 15th calendar day of the following month.	100%	Receipt and review of records	\$50 per occurrence per day Contractor lapsed submission.

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
Contract, Paragraph 8.0, Standard Terms and Conditions Subparagraph 8.5, Complaints Subparagraph 8.5.2, Complaint Procedures Subparagraph 8.5.2.1	Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints within thirty (30) business days after the Contract effective date	Ensure Contractor submits the Complaint policy	100%	Receipt and review of records	\$100 per occurrence for failed compliance.
Contract, Paragraph 8.0, Standard Terms and Conditions Subparagraph 8.5, Complaints Subparagraph 8.5.2, Complaint Procedures Subparagraph 8.5.2.3	Contractor shall make changes as requested by County to the compliant policy and resubmit within five (5) business days for County approval.	Ensure Contractor resubmits the Complaint policy	100%	Receipt and review of records	\$50 per occurrence for failed compliance.

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
Contract, Paragraph 8.0, Standard Terms and Conditions Subparagraph 8.5, Complaints Subparagraph 8.5.2, Complaint Procedures Subparagraph 8.5.2.5	Contractor shall preliminarily investigate all complaints and notify the County's Contract Manager of the status of the investigation within five (5) business days of receiving the complaint.	Ensure notification of the status of the investigation	100%	Receipt and review of records	\$100 per occurrence for failed compliance.
Contract, Paragraph 8.0, Standard Terms and Conditions Subparagraph 8.5, Complaints Subparagraph 8.5.2, Complaint Procedures Subparagraph 8.5.2.7	Contractor shall send copies of all written responses to the County's Project Manager within three (3) business days of mailing to the complainant.	Ensure copies of all written responses to the County's Project Manager	100%	Receipt and review of records	\$50 per occurrence for failed compliance.

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
Contract, Paragraph 8.0, Standard Terms and Conditions, Subparagraph 8.24, General Provisions for all Insurance Coverage Subparagraph 8.24.2.2	Contractor shall provide certificate(s) of insurance coverage (Certificates) satisfactorily to County, and a copy of an Additional Insured endorsement confirming County and its Agents. Renewal Certificates shall be provided to County not less than ten (10) days prior to Contractor's policy expiration date.	Ensure copies of all Certificates and Additional Insured endorsements on County files are current	100%	Receipt and review of records	\$100 per occurrence for failed compliance.
Contract, Paragraph 8.0, Standard Terms and Conditions, Subparagraph 8.24, General Provisions for all Insurance Coverage Subparagraph 8.24.4	Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance at least ten (10) days in advance of cancellation for non-payment or premium and thirty (30) days in advance for any other cancellation or policy change.	Ensure timely notification of cancellation or any change in the Required Insurance	100%	Receipt and review of records	\$100 per occurrence for failed compliance.

PERFORMANCE REQUIREMENTS SUMMARY(PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
<p>Contract, Paragraph 8.0, Standard Terms and Conditions, Subparagraph 8.24, General Provisions for all Insurance Coverage</p> <p>Subparagraph 8.24.11, Claims Made Coverage</p>	<p>Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.</p>	<p>Ensure Contractor maintain coverages as stipulated in Contract.</p>	<p>100%</p>	<p>Receipt and review of records</p>	<p>\$100 per occurrence for failed compliance.</p>

PERFORMANCE REQUIREMENTS SUMMARY(PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
Contract, Paragraph 8.0, Standard Terms and Conditions Subparagraph 8.34, Notices	Contractor shall notify County by giving ten (10) days prior written notice of any changes to the Exhibit F – Contractor's Administration.	Ensure timely notification of changes to Contractor's Administration.	100%	Receipt and review of records	\$100 per occurrence for failed compliance.
Contract, Paragraph 8.0, Standard Terms and Conditions Subparagraph 8.38, Record Retention and Inspection-Audit Settlement	Contractor shall maintain all records as specified	Ensure maintenance of records.	100%	Receipt and inspection of files, and review of records	\$50 per occurrence for failed compliance.

PERFORMANCE REQUIREMENTS SUMMARY(PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
Contract, Paragraph 8.0, Standard Terms and Conditions Subparagraph 8.40, Subcontracting	Contractor shall obtain County's written approval prior to subcontracting any work.	Ensure approval prior to onboarding subcontractor.	100%	Inspection of files, and review of records	\$50 per occurrence; possible termination for default of contract
Contract, Paragraph 8.0, Standard Terms and Conditions Subparagraph 8.41, Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program	Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to subparagraph 8.43	Ensure Contractor cure default timely.	100%	Receipt and review of records	Terminate this Contract pursuant to subparagraph 8.43.

PERFORMANCE REQUIREMENTS SUMMARY(PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
Contract, Paragraph 8.0, Standard Terms and Conditions Subparagraph 8.53, Time off for Voting	Contractor shall keep posted conspicuously at the place of work, if practicable, or elsewhere seen by employees, information regarding time off for voting law, not less than ten (10) days before every statewide election.	Ensure Contractor posts information as stipulated in contract.	100%	Observe posting	\$50 per occurrence per day of failed posting.

PERFORMANCE REQUIREMENTS SUMMARY(PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
SOW, Paragraph 10.1, Scheduled Regular or Ad Hoc Meetings	Contractor's representative to attend scheduled meetings as arranged by County.	Ensure Contractor's representative attend meetings as directed and or stipulated in the Contract.	100%	Attendance	\$50 per occurrence per person that did not attend.
SOW, Paragraph 9.0, Quality Control	Contractor shall provide to CCA, comprehensive Quality Control Plan 10 days prior to Effective Date of Contract.	Ensure Contractor provides a comprehensive QCP as stipulated in the Contract.	100%	Inspection & Observation	\$100 per occurrence per day plan is not provided.
SOW, Paragraph 13.2.4, Administration Claims Procedure Manual	Contractor shall provide a Claims Procedure Manual to staff and CCA within three (3) months of Contract award	Ensure Contractor provides a claim procedure manual as stipulated in the Contract.	100%	Inspection and Observation	\$100 per occurrence per day manual is late.
SOW, Paragraph 13.3.1, Physical Security	Contractor shall ensure security of all County property, claims and files, computer access, etc.	Ensure Contractor secures all County property as stipulated in the Contract.	100%	Inspection & Observation	\$100 per occurrence per day that all County property is unsecured

PERFORMANCE REQUIREMENTS SUMMARY(PRS) CHART

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Specific Performance Reference	Required Services	Standard(s) of Performance	Acceptable Quality Level (AQL)	Monitoring Methods	Fiscal Deductions
SOW, Paragraph 13.4, Business Continuity Plan	Contractor shall provide plan to ensure continuity of operations to CCA and update annually	Ensure Contractor provides a plan as stipulated in the Contract.	100%	Inspection & Observation	\$100 per occurrence per day plan is not provided.
SOW, Paragraph 13.4, Business Continuity Plan	Contractor Shall provide a written Business Continuity Plan to staff and CCA within six (6) months of Contract award	Ensure Contractor provides the BCP as stipulated in the Contract.	100%	Inspection & Observation	\$100 per occurrence per day plan is not provided.

CLAIMS AND CASELOAD DATA

INTENTIONALLY OMITTED

COUNTY OF LOS ANGELES CASE RESERVE POLICY

1. **POLICY OBJECTIVE:** To establish and maintain accurate Reserves to provide a foundation for budget preparation and estimates of future funding requirements.
2. **POLICY SCOPE:** Reserves for indemnity and expense payments must be established for each Case File. Reserves shall be set by County Risk Management, County's third-party administrators (TPA), or attorneys (County Counsel or contract legal defense firms), at the earliest opportunity, and updated periodically on evaluation of Case developments.
3. **POLICY ADMINISTRATOR:** The County Contract Administrator shall monitor compliance with the requirements of this policy on a periodic basis, and update this policy as needed.
4. **POLICY PROCEDURES:**
 - A. The TPA/Attorney is responsible for ensuring Reserves accurately reflect the ultimate loss exposure for each claim.
 - B. The TPA/Attorney shall establish and maintain an indemnity and expense reserve on each Case File assigned to or handled by TPA/Attorney.
 - C. Initial Reserves shall be set within ten (10) working days from the date a Case File is set up. Thereafter, Reserves shall be reviewed and evaluated against Case developments as warranted, but at least every ninety (90) days by the TPA, until the file is closed.
 - D. An initial reserve shall be set based upon TPA/Attorney's professional judgment considering all information available at the time a file is opened. Indemnity Reserves set on files established by verified claims or lawsuits should reflect the claim's ultimate cost. Indemnity Reserves for files set up based on an incident report should reflect a minimum exposure level and should be immediately reviewed and revised, if necessary, when a verified claim or lawsuit is filed.
 - E. Although the goal is to set Reserves which will be adequate for the life of the Case File, Reserves are subject to changes because of continuing Case developments. The TPA/Attorney should monitor claims activity to determine if adjustments (increases or decreases) in Reserves are necessary.
 - F. All initial Reserves or modifications to existing Reserves must be entered into Contractor's case management information system and documented

in the Case File. Notations that changes in Reserves are unnecessary must be noted in the Case File.

COUNTY OF LOS ANGELES ACCELERATED CLAIMS SETTLEMENT PROGRAM

1. **PROGRAM OBJECTIVE:** Early resolution of claims when it is legally and financially advantageous to County.
2. **PROGRAM SCOPE:** These guidelines apply only to those incidents and claims which have been identified and targeted for early intervention and resolution, and which are administered by a Third-Party Administrator (TPA).
3. **PROGRAM CRITERIA:** This program promotes expedient investigation by County Department personnel and TPA to identify incidents and develop claims information in a more proactive manner to achieve the program objective.

County Department personnel will commence immediate investigation of the incident or claim to determine County's liability and provide TPA with a recommendation for resolution. County Department personnel will contact the TPA representative who has been appointed to exclusively review, process, and expediently resolve the matter through the County's Claims Administration Program.

Incidents and claims targeted for early resolution will be based on determination by the County Department and TPA that:

- The County is clearly liable.
- A strategic advantage exists where early resolution would resolve future costs associated with incident and/or claim.
- Department reports or personnel statements indicate County liability.

Duties of the County Contract Administrator (CCA):

- Develop program goals and procedural guidelines for review and Concurrence by County Counsel and County Departments.
- Coordinate implementation of Accelerated Claims Settlement Program with County Risk Management, County Counsel, County Department and TPA.
- Monitor Program performance and progress of TPA and County Department.
- Provide approval for resolved claims over \$20,000 and arrange funding for all settlements.
- Provide periodic reports to County Departments and Board.

Duties of County Counsel:

- Provide ongoing legal advice.
- Review TPA recommendations and provide immediate Concurrence, approval or disapproval to resolve claims.

Duties of the County Department:

- Maintain and provide a listing, including the address and telephone number of the designated Department Staff Liaison(s).
- Report all medical incidents to TPA promptly in accordance with the County's Incident Reporting Guidelines.

- Completed Incident reports should be sent to the TPA via e-mail.
- Perform immediate field investigation if requested by TPA and forward findings to TPA with recommendation that expedient resolution is warranted.
- Follow-up or provide additional information if necessary.

Duties of TPA:

- Review all County Incident Reports of Medical Mal-Practice within twenty-four (24) hours of receipt, to determine if early resolution is warranted.
- Contact Department liaison if additional information is required to evaluate the resolution.
- Contact claimants within twenty-four (24) hours to secure tentative settlement agreement. Assist claimant in completing and submitting required claim forms.
- Obtain Concurrence from County Department on the terms of resolution if different from Department's recommendation.
- Issue settlement payment request within twenty-four (24) hours of obtaining signed release.
- Issue closing report and close file within thirty (30) days after payment of settlement.
- Maintain statistical information and provide progress reports to CCA.

4. PROGRAM REVIEW: TPA may be asked to provide monthly status reports of program to County departments for monitoring and evaluation of program.

COUNTY OF LOS ANGELES

STRUCTURED SETTLEMENT PROGRAM GUIDELINES

1. **PROGRAM OBJECTIVE:** To provide criteria for use of structured payments to reduce claims costs and provide earlier settlement of liability claims.
2. **PROGRAM SCOPE:** Structured Settlements shall be considered for any claim when it is economically beneficial to County or assists in the favorable settlement of a claim. Structured Settlements provide a financial alternative to reduce the cost of settlements and meet court requirements in Allegations involving minors and other dependent parties.
3. **PROGRAM DEFINITIONS:** A structured settlement is defined as any settlement in which a portion of the payment or payments to the plaintiff is deferred to the future. Deferred payments may be made through a Commercial Annuity contract purchased from an insurance company or under a self-funded arrangement.

The payment schedule can be split wherein some payments are annuitized and some are self-funded. Commercial Annuity payments are made directly by the insurance company and self-funded payments may be made by County's third-party administrator (TPA).

Structured Settlements may include an immediate cash payment or periodic future payments, or a combination. Whenever possible and agreed to by plaintiff and their attorney, County shall be named as the beneficiary of future payments upon the death of the claimant.

4. **PROGRAM ADMINISTRATOR:** The Chief Executive Office (CEO) will decide if settlements will be financed through Commercial Annuities or self-funding. Such decision will be based on comparison of cost and consideration of budget factors. CEO approval will be indicated in writing to the TPA or County Counsel on the Request for Settlement Authority form.

There may be special circumstances in which the Court or settlement negotiations require one method of funding over the other. In those circumstances, the TPA, County Risk Management, or County Counsel is authorized to finance the settlement according to the settlement restrictions.

5. **PROGRAM CLAIM CRITERIA:** It is the responsibility of the TPA, County Risk Management, and County Counsel to identify opportunities and secure quotations for the following types of claims:
 - a. Claims with Indemnity Reserves greater than \$ 100,000.
 - b. Claims involving minors or persons who are legally incompetent.
 - c. Claims involving persons with temporary or permanent impairments.
 - d. Claims where the widow or widower needs monthly or annual income.
6. **PROGRAM PARTICIPANT CRITERIA:** Structured settlement proposals shall be obtained from annuity insurers and brokers meeting the following selection criteria:

Annuities – Annuities may only be purchased from annuity insurers who have the following minimum ratings:

A.M. Best's – Rating of A+, financial size of X or higher. Use of an alternative insurer is subject to the sole discretion of County CEO Risk Management.

In addition to the A.M. Best rating, the annuity insurers must be rated by at least one of the following:

- a. **Moody's**: Rating of Aa2 (Aa3 if less than 10 years) or higher.
- b. **Standard and Poor's**: Rating of AA (AA- if less than 10 years) or higher.

Any annuity insurer who receives a rating lower than noted in Subsections 1 or 2 above will be unacceptable.

If the annuity is unassigned, the insurer must have minimum rating of AAA from Moody's or AAA from Standard and Poor's, and the annuity insurers Adjusted Surplus to Total Assets ratio must be greater than 5.6%. The Adjusted Surplus is defined as Net Worth (Capital+ Surplus) + MSVR (Mandatory Security Valuation Reserve).

B. Distribution of Annuities

- 1. Total annuity purchases from a single company cannot exceed 10% of company surplus for an Aa2/AA or higher insurer or 5% for an Aa3/AA- or higher insurer.
- 2. No more than 20% of County's annuities may be purchased from a single insurer with a rating of Aa2/AA or higher, and 10% for an insurer with a rating of Aa3/AA.
- 3. There is an annual limit of 10% of insurer's business for an Aa2/AA or higher insurer, and 5% for an Aa3/AA- insurer. The insurer's business is defined as all the annuity premiums sold in one year.

C. Annuity Brokers:

Annuities shall be purchased through licensed annuity brokers who have the specialized experience and knowledge in obtaining and monitoring annuities. To be acceptable, the brokers shall meet the following minimum criteria:

- 1. Licensed in the State of California as an annuity broker.
- 2. Have a direct agency agreement with all annuity insurers which meet County's selection criteria.
- 3. Maintain Errors and Omissions liability insurance with a minimum policy limit of \$5,000,000 per claim.
- 4. Provides annuities solely for defendants in bodily injury cases.

Each person who works on County Structured Settlements shall be an employee or an independent contractor of a company which meets the above criteria which is centrally managed and controlled. If the consultant is an independent contractor, County has the right to review the independent contractor's agreement with the broker to determine

whether there is sufficient control over the actions of the independent contractor.

Current County policy requires that the TPA select at least three (3) brokers who meet the preceding requirements and who are interested in participating on a panel from which the County would then select. The assignments shall be made by the TPA on a rotation basis, unless County Risk Management, County Counsel or the TPA determine that one specific broker is better suited to the assignment. The broker assignment should be made in an equitable manner.

7. ANNUITY PLACEMENT PROCEDURES:

- A. Counsel will advise annuity broker of the types of claims listed under Section 5 (Program Selection Criteria) of this program guideline and provide relevant information (i.e. medical records and specials, outstanding liens, medical specials, age of plaintiffs, indemnity reserve, plaintiffs demand, need for long-term medical care, college fund, etc.) as soon as negotiations are contemplated.
- B. Annuity broker shall prepare preliminary proposal(s) based on information provided to demonstrate the benefits available under a structured settlement.
- C. TPA/County Risk Management/County Counsel will review the preliminary proposal(s) and request annuity broker to revise proposal(s) based on TPA/County Counsel assessment of Allegation or discuss preliminary proposal(s) with claimant's attorney.
- D. TPA/County Risk Management/County Counsel will direct annuity broker to revise proposal(s) based on plaintiffs demands during negotiations.
- E. Annuity broker shall obtain final proposal(s) from all qualifying insurers and submit to the TPA, County Risk Management, or County Counsel.
- F. The TPA/County Risk Management/County Counsel, upon agreement on type and structure of settlement, will contact annuity broker to finalize annuity costs. CEO will determine if settlement should be annuitized or self-funded.
- G. The TPA/County Risk Management/County Counsel will insure that all required documentation is completed and forwarded to annuity broker for final review before submitting documentation to the court.
- H. Annuity broker shall review the materials submitted by TPA/County Risk Management/County Counsel to ensure the required documentation meets all the criteria and Internal Revenue Service codes in order for the proceeds to be classified as non-taxable.
- I. The TPA/County Risk Management/County Counsel will submit final documents to the court to obtain funding from the CEO and direct claimant's attorney to execute the documents.
- J. TPA shall provide a report of the annuity to County Risk Management, including validity of annuitant for duration of annuity period. TPA shall ensure that a certified copy of the annuity is submitted to the CEO.
- K. CEO will review annuity broker's performance and compliance with these guidelines on an on-going basis. The County Treasurer Tax Collector will

continue to review the rating of insurers with whom County has purchased annuities.

8. POST ANNUITY PLACEMENT PROCEDURES

- A. Once an annuity is selected, TPA shall determine if the policy will be assigned through a qualified assignment or if County will retain annuity ownership. The majority of annuity policies will involve a qualified assignment during placement and the responsibility of the County and TPA will end once the assignment is completed. In a limited number of annuities placed, assignment will not be possible. An example of such is an annuity purchased as a special needs trust set up for a minor or individual who is incompetent. In such circumstances, County will retain ownership of the policy and in some instances, may ultimately become the beneficiary of the trust proceeds once conditions prescribed in the annuity are met. An example of this would be the demise of the annuitant. These annuities are usually court-ordered as a result of minor's compromise hearing and are structured under strict conditions set by the court.
- B. If the TPA establishes that an annuity is County-owned, and ownership will continue after the Case File is closed, the TPA shall continue to monitor payments and mortality of the annuitant throughout the duration of the annuity.
- C. The TPA shall maintain a current list of all County-owned annuities that are actively issuing payment to annuitants.
- D. The TPA shall conduct annual reviews of the status of the annuitant and payments being made to ensure that payments are appropriate.

INCIDENT REPORTING AND ACCIDENT REVIEW GUIDELINES

1. **PROGRAM OBJECTIVE:** To reduce and control future liability costs by requiring County Departments to timely report incidents and accidents, determine their cause and ensure appropriate loss prevention measures have been taken.
2. **PROGRAM SCOPE:** These guidelines were designed to provide County Departments and County Third Party Claims Administrators (TPA5) with instruction on their roles and actions to be taken in this process. These guidelines apply to the following:
 - A. Auto-related incidents and accidents involving County-owned or leased, or employee owned vehicles used in the course of employment and work performance.
 - B. General liability incidents and accidents including slips and falls, stolen or missing property and contract disputes.

These guidelines do not apply to reporting of employee injuries (workers' compensation claims).

3. **PROGRAM ADMINISTRATION:** The County Contract Administrator will have the responsibility for overall coordination of County-wide risk management administration functions. This responsibility includes developing and monitoring of an effective incident reporting system.

Compliance with these guidelines by County Departments supports the administration of claims and lawsuits by:

- A. TPA for auto and general liability; and
 - B. County Counsel for general and professional liability.
4. **INCIDENT REPORTING SYSTEM:**
 - A. Incident Report Forms: The County's incident reporting system is designed to facilitate the collection and transmittal of specific accident from County staff to the TPA. This requires County staff to complete one of the following incident report forms.
 1. *Report of Vehicle Accident or Incident* — for auto-related incidents
 2. *Non-Employee Injury Report* — for medical or hospital related incidents
 3. *Special Event Report of Incident/Accident* — for Special Event Liability insurance

INCIDENT REPORTING AND ACCIDENT REVIEW GUIDELINES

The incident report provides a written description of the event and the name(s), telephone number(s) and address(es) of involved parties and witnesses. Incident reports are invaluable to preserve critical information. Information collected at the time of incident expedites future investigations and minimizes County's costs.

B. County Department Duties:

1. Incorporates these guidelines within the Department loss prevention plan.
2. Develops internal procedures to implement these guidelines and distribute to Department employees with instructions to comply.
3. Notifies TPA of incidents by completing the appropriate incident report and submitting within ten (10) days of date of incident.

Department should not delay in submitting the report because some information is unavailable, and report cannot be completed. A follow-up report may be subsequently submitted when the information does become available.

4. Submit statement that incident may warrant early intervention/resolution in accordance with Accelerated Claims Settlement guidelines, along with incident report to TPA, if initial review of incident indicates it.
5. Contact TPA by telephone immediately if incident involving serious injury or death.
6. Review incident reports for the following:
 - a. Cause of accident;
 - b. If accident was preventable or non-preventable;
 - c. Necessary corrective action required;
 - d. If opening Case File is warranted due to Severe Injury or death; and
 - e. Potential tender based upon indemnification from subcontractor, vendors, or other parties. (NOTE: NEED CLARIFICATION FOR THIS PROVISION)
7. Take appropriate loss prevention measures to control or remove the causes to prevent future accidents if corrective action is necessary. If immediate corrective action is warranted, but cannot be taken, County Counsel should be immediately contacted for assistance.

INCIDENT REPORTING AND ACCIDENT REVIEW GUIDELINES

8. Provide a summary of loss prevention measures taken if requested by CCA or TPA.
- C. Third Party Administrator (TPA) Duties:
1. Review all incident reports for the following:
 - a. Initiate early intervention/resolution with County Department in accordance with Accelerated Claims Settlement Program guidelines.
 - b. Initiate immediate review by County Departments for serious injury or damage in accordance with TPA Contract provisions.
 - c. Determine and advise CCA of incidents that require loss prevention review.
 2. Enter pertinent incident report data into the claims database.
- D. County Contract Administrator Duties:
1. Monitor TPA and County Departments compliance with these guidelines.
 2. Provide assistance and consultation to support County Department loss prevention efforts when requested.
- Direct questions concerning these guidelines to the CCA.

VEHICLE ACCIDENT SUBROGATION PROCESS

1. **OBJECTIVE:** To maximize recovery of vehicle damages repair or replacement costs from third parties who are at fault.
2. **TASKS AND RESPONSIBILITIES:** The following Subsections define the responsibilities and tasks of County Contract Administrator, County Counsel, Contractor's claims staff and subrogation unit, legal defense attorneys and County Departments.
 - A. **County Contract Administrator (CCA):** The CCA has overall responsibility for program's performance. The CCA has authority to modify subrogation program as necessary to maximize recoveries and improve program effectiveness. The CCA has the following responsibilities:
 1. Monitor County Departments, Contractor's performance.
 2. Coordinate Vehicle Accident Subrogation Program
 3. Review and approve payments to Contractor
 4. Review and approve and/or respond to Contractor's request for settlement approval.
 5. Establish and implement procedures for timely deposit of subrogation payments into County account.
 6. Retain responsibility to conduct subrogation on any damage to County vehicle and notify Contractor of such decision.
 - B. **County Counsel:** County Counsel is responsible for administration of subrogation litigation and for providing legal advice on subrogation efforts. County Counsel has the following responsibilities:
 1. Review and approve requests to settle subrogation.
 2. Review litigation requests and assign law firm.
 3. Manage contracts with subrogation law firms.
 4. Provide Contractor with information needed for subrogation on lawsuits managed by Counsel.
 5. Provide CCA and County Departments with required or requested financial and statistical reports on subrogation in litigation.

VEHICLE ACCIDENT SUBROGATION PROCESS

C. County Departments: The County Departments are responsible for advising Contractor of potential subrogation opportunities and provide relevant information to Contractor. County Departments have the following responsibilities.

1. Identify and refer incidents to Contractor.
2. Provide repair estimates and other information requested by Contractor.

D. Legal Defense Firms: Subrogation law firms shall be responsible for the recovery of vehicle repair or replacement costs. Legal defense firms have the following responsibilities:

1. Provide experienced and qualified attorneys and clerical/support personnel for litigation of vehicle accident subrogation.
2. Obtain required information, conduct litigation in a cost effective and timely manner and collect payments from responsible parties/insurance companies.
3. Provide CCA, County Counsel and County Departments with required or requested financial and statistical reports on subrogation in litigation.

E. Contractor's Subrogation Unit: The subrogation unit shall be responsible for recovery of vehicle repair or replacement costs from the party(ies) that caused the accident or damage in a cost effective and timely manner. Contractor shall have the following responsibilities:

1. Provide experienced and qualified staff and clerical/support staff for the subrogation of damage to County vehicles;
2. Develop criteria for identifying and referring incidents or liability claims for subrogation;
3. Develop, maintain and comply with procedure manual to ensure subrogation is conducted in a timely and cost-effective manner that maximizes recoveries. Such procedures shall include, when appropriate, notifying the appropriate County personnel in order to pursue Workers' Compensation subrogation;
4. Obtain required documents, conduct subrogation and collect payments from the responsible party(ies)/insurance company in accordance with Contract procedures;

VEHICLE ACCIDENT SUBROGATION PROCESS

5. Maintain and provide required statistical and financial reports on subrogation conducted, recoveries received and costs of subrogation services;
6. Submit litigation request when it is cost effective or in the best interest of the County to do so. Provide required reports on litigation efforts and costs; and
7. Advise and collaborate with County staff to resolve any operational difficulties.

F. Contractor's Claim Staff: The claims staff shall be responsible for advising subrogation unit of potential subrogation opportunities and providing relevant information to subrogation unit. The claims staff shall provide the following:

1. Identify and refer incidents and claims to subrogation unit for subrogation processing;
2. Provide to subrogation unit police, medical and other reports, repair estimates, claim status and other information relevant to subrogation efforts;
3. Credit Case File when a subrogation recovery is received; and
4. Advise and collaborate with County staff to resolve any operational difficulties.

3. SUBROGATION PROCESS: The subrogation process shall facilitate an effective exchange of information between the parties specified in Section 2 in order to maximize recovery of County costs. The subrogation process includes identifying incidents and claims for subrogation, opening a file and conducting investigation, litigation of subrogation and collection of monies. The extent of the subrogation effort will be based on the amount of costs to be recovered, third party(ies) financial/resource circumstances and facts of the vehicle accident.

A. Identify Vehicle Accidents/Incidents for Subrogation

1. Pursue subrogation when County employees are injured in a vehicle accident and/or, when the vehicle is damaged, and a third party is at fault.
2. Subrogation should not be pursued on vehicle accidents under the following circumstances:

VEHICLE ACCIDENT SUBROGATION PROCESS

- a. The accident exclusively involves County owned vehicles operated by County employees.
 - b. The County driver is clearly at fault.
 - c. The County vehicle was not damaged, or the County employee was not injured, and no workers' compensation benefits have been issued.
 - d. The third party that caused the accident cannot be identified.
3. County Departments will write "Subrogation" on the County's Report of Vehicle Accident or Incidents to identify vehicle accidents for subrogation and submit the reports to Contractor for subrogation process.
 4. Contractor's claim staff shall identify liability file with subrogation potential and submit to subrogation unit relevant information, including, but not limited to, claim number, name of adjuster, repair estimates, police and medical reports, insurance information on third parties and percentage of liability, in order to proceed with subrogation process. Incident reports with no liability file shall be identified with "No Auto."

B. Opening Subrogation File and Conducting Investigation

1. Subrogation unit shall review incident reports and open a file on incident with subrogation potential. The subrogation unit will also advise and explain to referring County Department and/or adjuster of any incident in which subrogation should not be pursued.
2. For incidents with a companion liability file (NOTE: IS THIS THE SAME AS CASE FILE?), subrogation unit shall be responsible for the following:
 - a. Obtain police reports, repair estimates, name of registered owner of other vehicle and other information if such information was not provided or cannot be obtained from claims staff.
 - b. Contact third party that caused the accident or damage, or the insurance company. If appropriate, file form SR 19 with the California Department of Motor Vehicles (DMV) to obtain insurance information or confirm uninsured status of third party.

VEHICLE ACCIDENT SUBROGATION PROCESS

- c. Provide any information relevant to liability claims to Contractor's claims staff.
 - d. Maintain and provide statistical and financial reports on subrogation to CCA, referring County Department and Contractor Program Manager.
- 3. For incidents in which the third party or insurance company contacts County to reimburse County for its costs, the subrogation unit shall:
 - a. Obtain incident report, repair estimates, cost of workers' compensation benefits paid, and other information needed to ensure maximum recovery of County costs.
 - b. Provide statistical and financial reports as required for monitoring the subrogation program to CCA, referring County Department and Contractor Program Manager.
- 4. For incidents with no companion liability file and no contact from third party(ies)/insurance company to reimburse County for damages, the following procedures shall apply:
 - a. Suspend subrogation until six (6) months after accident/incident date in order to avoid soliciting a claim from the third party. Generally, claims for injury must be filed within six (6) months of accident/incident date; after the six (6) months, County does not have to accept the claim.
 - b. Open a subrogation file, as specified above, if a liability claim is received during the six (6) month period.
 - c. Open a subrogation file and pursue recovery of vehicle damage if no liability claim is received during the six (6) month period.
 - d. Provide statistical and financial reports as required for monitoring the subrogation program to CCA, referring County Department and Contractor Program Manager.

VEHICLE ACCIDENT SUBROGATION PROCESS

C. Litigation

1. Subrogation unit will recommend litigation when each of the following criteria warrants the added cost of litigation:
 - a. The amount of costs to be recovered;
 - b. Liability for accident; and
 - c. Financial status of third party (is commercially insured or has sufficient assets to reimburse County for its costs).
2. Litigation against uninsured motorist shall not be recommended unless the third party has adequate assets with which to satisfy a judgment. Subrogation of an uninsured motorist through litigation could result in uncollectable judgment and unwarranted attorney expenses.
3. Litigation will be conducted to protect County's subrogation interest and maximize recovery of County costs in a cost effective and timely manner.
4. Subrogation unit shall maintain and provide statistical and financial reports on litigated subrogation to CCA, referring County Department and Contractor Program Manager.

D. Closing of Subrogation File

1. Upon receipt of a recovery check, the subrogation unit shall:
 - a. Deposit check immediately into County account.
 - b. Send copy of check to CCA, referring County Department, Contractor claim staff, as appropriate, along with a closing report advising that recovery is complete and subrogation file will be closed.
2. If no payment is received, the subrogation unit shall:
 - a. Submit request to CCA to close file without payment specifying reason for closure and including supporting documentation, such as credit check of uninsured motorist and California DMV response to SRI9 form.
 - b. Close file upon approval from CCA.

RISK MANAGEMENT INFORMATION SYSTEM **COUNTY OF LOS ANGELES**

RMIS SYSTEM OVERVIEW

The Risk Management Information System (RMIS) is a comprehensive hosted solution for managing financial risk for the County of Los Angeles (County). The purpose of RMIS is not only to track the life of a claim, but to effectively track and manage litigation and the costs that occur from litigation, including other legal matters. One major goal of RMIS has been to provide an enterprise solution for managing third-party liability for the County.

RMIS is designed to cohesively track all data on a claim from many different perspectives. Each claim is assigned to a particular User Group, depending on the type of claim and circumstances surrounding the claim.

Each claim submitted to the County is entered directly into RMIS and processed by the respective User Groups. Users may securely access RMIS only with permission from the County.

RMIS simplifies the County's extremely complex and cumbersome process by providing a comprehensive system allowing for information management and exchange.

RMIS OBJECTIVES

- To provide claims administration information to the County's Chief Executive Office (CEO), County departments, including County Counsel, in an efficient, secure, and accurate manner.
- To provide real-time access to claims administration information from third-party claims administrators and County Counsel.
- To provide an ad-hoc reporting environment to users who require complex risk management analysis.
- To provide meaningful, standard reports to users (including statistical and financial reports) on a monthly basis.
- To implement technologically advanced methods consistent with the Chief Information Office (CIO) recommendations for standardization of County information systems.
- To provide ease of use from the standpoint of claims administration.
- To provide a high level of system security.
- To provide the ability to interface with other systems.

COUNTY OF LOS ANGELES RMIS ARCHITECTURE

The County has contracted with a RMIS vendor to provide a secure hosted solution to protect County Data and prevent security breaches. User access to RMIS will be done using a properly configured and secure PC workstation and the designated web browser.

The Third-Party Administrator (TPA) users will securely access RMIS by having their organization's source IP Address Range whitelisted.

RMIS is integrated with the County's Microsoft Azure AD for Identify Management where user access will be managed and enforced to ensure access is appropriate and secure.

MINIMUM WORKSTATION CONFIGURATIONS

The TPA shall maintain and/or upgrade their PC configurations, software, and hardware to keep up with industry standards and for compatibility with the County's RMIS to ensure access is proper, functional, and secure.

Processor:	3.0 Ghz or higher
Memory:	Minimum 3 GB Recommended 8 GB
Internal Storage:	At least 10 GB available disk space
Operating System:	Windows 10
Web Browser:	Google Chrome (Current Version)

Recommended Trusted Sites Settings for Google Chrome

1. Click Start > Search or the Cortana search icon located in the Windows task bar
2. Enter Internet Options in the search box and open it when found
3. Click the Security tab
4. Select Trusted Sites
5. Click the Sites button
6. Uncheck Require server verification (https:) for all sites in this zone
7. Type *.ventivclient.com
8. Click Add

Other Software:	<ol style="list-style-type: none"> 1. Microsoft Office 365 (Word and Excel) 2. Microsoft Authenticator Mobile (Single Sign-On Multi-Factor Authentication) 3. Adobe Acrobat Pro
------------------------	--

RMIS SYSTEM FUNCTIONALITY

RMIS is intended to provide several critical services:

- A comprehensive system for claims administration.
- The ability to collect data that is meaningful and useful to the County in its objective to measure, monitor, and control risk.
- The ability to provide a single, consolidated incident reporting system to collect information regarding the County's exposures.
- The ability to produce standard reports and Ad Hoc Reports.

RMIS FUNCTIONALITY

Access to one or many of the functional areas and is dependent on the user's membership to a defined user group. The following lists each functional area at a high level in RMIS to support the County objectives:

- a. User Dashboard*
Feature provides configurable views such as Open, Pending, and Completed Tasks. It can also provide staff workload and staff metrics.
- b. Search*
Feature provides robust search capabilities throughout the system.
- c. Intake*
Feature provides intake workflow of incidents and claims.
- d. Documentation and Communication*
Feature provides ability to document communication through the RMIS system. Notes, Diaries, and Correspondences are a few examples of available features. *Feature has integration with **Microsoft Word**.*
- e. Legal Matter*
Feature provides tracking and management of legal activities.
- f. Claim Management*
Feature provides robust Claim Management capabilities.
- g. Financial Management*
Feature provides robust Financial Management capabilities. *Feature has integration with **Microsoft Excel**.*
- h. Claims and Documentation Administration*
Feature provides claims and documentation administration for mass assignments and documentation intake and assignment to claims.
- i. Reports*
Feature provides the ability to create and run reports, both standard and ad-hoc.

COUNTY'S LEGAL BILLING REQUIREMENTS

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COUNTY'S LEGAL BILLING REQUIREMENTS SUBMISSION OF INVOICE

Invoices for services and reimbursable expenses must be submitted monthly (in arrears), or quarterly (in arrears) if approved by the supervising County Counsel attorney. Each invoice must be for services performed and expenses incurred commencing on the first day of the calendar month and ending on the last day of that month. The monthly invoice must include **all** services and reimbursable expenses incurred during the month. Charges for court reporters, experts, document reproduction, and other recurrent expenses must be included in the invoice for the month in which the cost was incurred.

If a case is assigned by a Third-Party Administrator (TPA) for the County, the original invoice should be sent to the person(s) at the location provided by the TPA. Please submit all other original invoices to:

Office of the Los Angeles County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012
Attention: Accounting

FORMAT OF INVOICE

Identification and Certification of Invoice

The first page of every invoice must clearly state: (1) the **Matter or Case Name**; (2) the firm **Tax Identification Number** ("TIN"); (3) the firm **Invoice Number** (each invoice should have a unique firm number); and (4) the County Counsel **RMIS Number** (provided to the firm upon assignment of case or matter); (5) the **TPA File Number**, if any (provided to the firm upon assignment); and (6) the case **Litigation Priority Code Number** (provided to the firm upon assignment). Please see attached **Sample Invoice**.

The following statement, signed and dated by the supervising firm attorney, **must** appear at the end of every invoice:

I have personally examined this billing statement. All entries are in accordance with the Agreement for Professional Legal Services, are correct and reasonable for the services performed and costs incurred, and no item on this statement has been previously billed to County.

Date

Signature and Title

Invoices submitted without proper identification and certification will not be considered for payment.

COUNTY'S LEGAL BILLING REQUIREMENTS

Invoice Categories

Each invoice must be organized into four distinct categories:

1. Legal Services
2. Expert Invoices
3. Court Reporter Invoices
4. All Other Costs

Each category must be clearly identified. Please see attached **Sample Invoice**. The invoice must show the *total charges* for each category. The total charges for all four categories should equal the total amount of the invoice.

Time Charges

All legal services must be billed in one-tenth of an hour (**.10/hour**) or six-minute increments. Legal services billed in quarter-hour or half-hour increments are not acceptable. The Legal Services category of the invoice must set forth: (1) the *date* of each service; (2) a *description* of the specific service rendered; (3) the *identity of the attorney or paralegal* rendering the service; (4) the *time expended* for each service; and (5) the *amount charged* for each service. The Legal Services category of the invoice concludes with a summary of Legal Services for the month. This summary must show the name and title (partner, associate, or paralegal) of the person providing the services, that person's billable rate, the total hours expended by each person for that month, and the total amount of charges attributed to *each* person who billed for that particular month.

Description of Service. Only professional services should be billed. There are numerous secretarial or clerical functions which are integral to the business of the law firm which do not constitute professional services. Such functions include scheduling meetings, collating, proofreading, calendaring, and processing of vendor bills. Such services are considered firm overhead expenses. Generic or general activity descriptions are *not* acceptable. Descriptions such as *Conference/Meet*, *Discovery*, *Attend Deposition*, *Prepare Motion*, *Receipt/Review Document(s)*, and *Research* are not sufficient descriptions. Each billed service must be described with sufficient detail to permit: (1) a determination of the precise legal service provided, and (2) an assessment as to the appropriateness of the related time charge. Each specific service must be separately described. "Block billing" is not acceptable. Descriptions which are acceptable: (1) *identify the purpose* and attendees of the conference; (2) *describe* the form of discovery propounded or responded to; (3) *identify* the deponent and the party who noticed the deposition; (4) *provide a general description* of the documents reviewed; and (5) *specify* the nature and purpose of the research.

Time Expended. The Time Charge must reflect the *actual time* expended on the service. Standardized charges are not acceptable. Many documents are maintained as forms and are utilized repeatedly as modified for a particular case or matter. *Only* the time required for modification should be billed. Such billing practices also apply to similar or identical notices or subpoenas which are prepared with minimal modifications and served on multiple parties. *Only* the time spent on modifications should be billed.

Hourly Rates. The appropriate staff should be assigned to each case or matter. Each attorney or paralegal should have a clear role in the case or matter. No attorney or paralegal is permitted to bill for services on any case or matter if the supervising County Counsel has indicated that such attorney or paralegal should not work on that case or matter. The billing rates must conform to the rates set forth in the Agreement for Professional Legal Services.

Cumulative Case Total Tables

Each invoice must also include cumulative or "*life-of-the-case*" total charges for three distinct areas: (1) All Fees & Costs; (2) All Legal Services; and (3) All Expert Invoices. These cumulative totals must be shown in separate tables which reflect the required information from the date the case or matter was assigned to the firm through the most recent invoice.

All Fees & Costs. This Cumulative Case Total Table shows the charges for all *Four Invoice Categories* according to each invoice, as well as a cumulative total for each of the categories for the life of the case. It also shows a cumulative grand total of all *Four Invoice Categories* from the assignment of the case to the firm through the most current invoice. Although the attached Sample Invoice contains a more detailed example of this table, the following presents an abbreviated illustration:

John Doe v. County of Los Angeles

Law Firm Invoice Date	Legal Service	Expert Invoice	Court Reporter	All Other Costs	Total Law Firm Invoice
1/4/01	\$ 6,000.00	\$2,500.00	\$500.00	\$600.00	\$ 9,600.00
2/5/01	4,000.00	1,000.00		250.00	5,250.00
Cumulative Case Totals	\$10,000.00	\$3,500.00	\$500.00	\$850.00	\$14,850.00

All Legal Services. This Cumulative Case Total Table shows the name, title, hourly rate, total hours expended, and total dollar amount of fees invoiced for each attorney and paralegal who has billed time to the case for the life of the case. The total charges should equal the *Legal Services Cumulative Case Total* in the All Fees & Costs Cumulative Case Total Table. Although a more detailed description may be found in the attached Sample Invoice, an abbreviated illustration follows:

John Doe v. County of Los Angeles

Staff Member	Title	Rate	Cumulative Hours	Cumulative Fees Submitted
I. M. Abel	Partner	\$100.00	90.2	\$ 9,020.00
Michelle H. Smith	Associate	\$ 70.00	14.0	\$ 980.00
Cumulative Legal Services				\$10,000.00

All Expert Invoices. This Cumulative Case Total Table shows every expert invoice which has been paid and submitted by the law firm as an expense or disbursement from the inception of the case to the most recent invoice. The table shows the date of each invoice, the identity of each expert or expert firm, the amount of each invoice submitted, and the total amount invoiced by all experts paid by the firm for the life of the case. The total or *Cumulative Expert Invoices* shown in this table should equal the total amount shown for the *Cumulative Case Totals* for the Expert Invoice Category in the All Fees & Costs Cumulative Case Total Table.

Although a more detailed example is shown in the Sample Invoice, an abbreviated illustration follows:

John Doe v. County of Los Angeles

Law Firm Invoice Date	I.M. Expert, Inc.	Xperts R Us	ConsultUS, Inc.	All Expert
1/4/01	\$1,000.00		\$ 1,500.00	\$ 2,500.00
2/5/01		\$750.00	250.00	1,000.00
Cumulative Expert Invoice	\$1,000.00	\$750.00	\$1,750.00	\$3,500.00

DISBURSEMENTS AND EXPENSES

Overhead Expenses

Expenses, such as document reproduction and scanning, postage, telephone charges (local and long distance), facsimile/telecopier (local and long distance), local (within the Counties of Los Angeles, Orange, Riverside, San Bernardino and Ventura) transportation costs (travel/mileage/parking), secretarial or clerical time or overtime, on-line computer-assisted research, word processing, books, office supplies, time responding to invoice audits or inquiries, and other ordinary expenses which the firm incurs to maintain its offices are overhead expenses and are not reimbursed by the County.

Reimbursable Expenses and Disbursements

Reimbursable expenses and disbursements include costs attributable to conducting depositions (including transcript and videos fees), retaining experts and consultants, messenger and investigative services, filing fees for which the County is not exempt, out-of-town travel expenditures, and other expenses for which the firm *obtains prior approval* from the supervising County Counsel.

All expenses and disbursements for which the firm seeks reimbursement must be included in the Court Reporter Invoices, Expert Invoices, or All Other Costs categories of each invoice. As a general rule, the firm should request reimbursement for charges relating to depositions, experts and consultants, and the like in the invoice for the month in which the firm incurred the cost. The invoice must provide an itemized breakdown of all such costs incurred by the firm in that month. Each item must be separately listed on the invoice. For all costs, a vendor's statement or invoice must be attached to the firm invoice. The entry on the invoice must provide sufficient details to easily correlate the entry on the invoice with the attached vendor's invoice. All billing entries which have a supporting attachment must be labeled, "See Attachment No. __," and all attachments

must be labeled, "Attachment No. ." All such attachments to the firm's invoice are to be attached in the order in which the expense is listed on the firm's invoice.

Deposition and Transcript Expenses. Prior approval by the supervising County Counsel should be obtained before scheduling any *video-taped* depositions. Prior approval must be reflected on the firm invoice, along with the date of approval and the name of the supervising County Counsel attorney from whom approval was obtained. If video-taped depositions are scheduled by another party, attendance is permitted without prior approval. When retaining the services of a court reporter or videographer, the rates set forth on the attached Deposition Rate Schedule must be observed. Prior approval by the supervising County Counsel is required before any rate contained in the Deposition Rate Schedule may be exceeded.

Experts and Consultants. Retention of any expert or consultant must be approved in advance by the supervising County Counsel. Such prior approval must be reflected on the invoice, along with the date and name of the supervising County Counsel from whom it was obtained. The retention of any expert should be documented with a letter of engagement from the firm confirming the fees and instructing the expert to submit all charges in conformance with the "Sample Invoice." With the exception of the Invoice Categories and the Cumulative Case Total Tables, the format of the expert invoice should be consistent with the law firm's invoice. Unless approved by the supervising County Counsel, the expert invoice must set forth a description of each specific service rendered, the time expended for each service, the date of each service, the identity of the individual rendering the service, and the hourly rate of each person providing services. Expert and consultant invoices should be paid by the firm and reimbursement sought by itemizing the expense in the firm invoice. In exceptional circumstances and when approved by the supervising County Counsel, an expert invoice may be approved by the firm attorney responsible for the case or matter and submitted directly to the County for payment. In the event that the invoice is submitted directly to the County and no reimbursement is sought by the firm, please confirm that the expert invoice conforms to these requirements before submission. Expert invoices submitted directly for payment should *not* be included on the Cumulative Case Total Tables.

Messenger/Courier/ Delivery/Express/Overnight Mail Services. The use of messengers and expedited mail services is considered part of the normal overhead costs of the firm. Such costs will *only* be reimbursed if they are: (1) specifically requested by the supervising County Counsel; (2) required because of an emergency situation over which the firm had no control; or (3) necessary to ensure the safekeeping of sensitive documents or materials. With the exception of an emergency, such services must be pre-approved by the supervising County Counsel and such approval must be reflected on the invoice, listing the date of approval and the identity of the supervising County Counsel granting the approval.

Travel. The County does not reimburse for taxis, mileage, meals, parking or other *local* (within counties of Los Angeles, Orange, Riverside, San Bernardino and Ventura) travel expenses. When *out-of-town travel* is required, mileage will be reimbursed. The County will also reimburse for coach airline travel only. Should counsel or a retained expert elect to travel first-class, the coach rate should be indicated on the travel voucher submitted with the invoice. Airport parking will be reimbursed at various rates depending upon the location of the lot. Out-of-town ground transportation (taxi or rental car) will be

reimbursed at cost. A per diem is provided for out-of-town meals. The actual cost of meals must be itemized and supported by receipts. Lodging will be reimbursed on a per night basis (single occupancy, plus tax) with the submission of the hotel receipt. A special "Capital City" daily per diem is also paid by the County. *The special "Capital City" per diem is intended only to reimburse the firm for actual expenses which exceed the meal and lodging per diems when traveling to the designated cities.* Mileage, airport parking, meal and "Capital City" per diems, and lodging will be reimbursed at County-approved rates. These rates are updated and provided to the firm on an annual basis. Any out-of-town travel must be pre-approved by the supervising County Counsel. Such approval must be reflected on the firm invoice, along with the date of approval and name of the supervising County Counsel. Telephone bills and personal expenses, such as charges for "gift shop," "valet," "movies," bar," and the like, will not be reimbursed.

Reproduction/Photocopying and Scanning. The internal copying and scanning of documents are considered to be overhead items which are part of the firm's cost of doing business. The County expects all monthly copying and scanning *projects* not exceeding **500 pages** to be performed internally. A single billing period may contain multiple copying and scanning "*projects*." Outside photocopying or scanning services should be used for large volume (exceeding 500 pages), or special-sized or formatted projects.

Copying. When documents are *copied* by an outside vendor, the County will reimburse the firm for the actual cost of the copying project not to exceed **\$.15 per page**. Should the number of copies exceed **2,500 pages**, the County shall be billed at a reduced rate not to exceed **\$.10 per page**. If the firm elects to internally copy a large volume (exceeding 500 pages) project, the County will reimburse the firm at a rate comparable to that charged by local outside vendors, not to exceed **\$.15 per page** for copies **over 500 pages** and **\$.10 per page** for copies **over 2,500 pages**.

Scanning. When documents are *scanned or imaged* by an outside vendor, the County will reimburse the firm for the actual cost of imaging not to exceed **\$.20 per page**. Hard copies or "blow-backs" produced by imaging vendors will be reimbursed at **\$.05 per page**. An additional charge of up to **\$.03 per hard copy** may be added if the documents are "bate- stamped." The County will reimburse the firm for projects **over 500 pages** at the firm's actual cost of scanning or imaging, "blow-backs," and bate-stamping not to exceed the allowable outside vendor rates for such services.

Invoicing. Copying and scanning charges must be documented, i.e., the number of pages and cost per page as reflected by the firm's records (showing the assigned RMIS number) when copied or scanned internally, and by the vendor's invoice when copied or scanned outside. Such costs should be included in the *All Other Costs* category of the firm's invoice. The firm or vendor invoice should specifically reference each copying or scanning project for which reimbursement is sought.

On-Line Computer-Assisted Research. Charges arising from Westlaw, LexisNexis, and other on-line computer research databases are non-reimbursable. However, in exceptional circumstances, the County will consider reimbursement of the firm's "on-line" charges. Such reimbursement must be **pre-approved** by the supervising County Counsel. When seeking such approval, please be prepared to provide the reason the research project is exceptional as well as the projected expense (both attorney fees and on-line costs) for the research. If the firm has previously conducted similar

research, an explanation should also be given as to why additional research is required. The approval must be reflected on the firm's invoice, listing the date of approval and the identity of the supervising County Counsel granting the approval.

Kindly adhere to the requirements set forth above. If you have any questions regarding the requirements, please contact the supervising County Counsel attorney or the Los Angeles County Litigation Cost Manager at (213) 974-1762.

COUNTY'S LEGAL BILLING REQUIREMENTS

REVISED

07/01/08

SAMPLE INVOICE FOR LEGAL AND EXPERT SERVICES

Abel, Prepared & Egar, A Professional Law Corporation
 1 Legal Center, Penthouse
 1000 North Wilshire Boulevard
 Los Angeles, California 90000
 Tel: (213) 555-5555
 Fax: (213) 555-0000

April 2, 2008

Carolyn S. Taylor
 Office of the County Counsel
 648 Kenneth Hahn Hall of Administration
 500 West Temple Street
 Los Angeles, California 90012

Law Firm's Invoice # _____

Taxpayer ID # _____

Re: Henderson v. COLA
 Case Priority: 2
 County Counsel RMIS No.: 03-0000123*001
 TPA Number: 9447

LEGAL SERVICES

Date:	Description	Staff	Time	Amount
3/1/08	Telephone conference with Deputy Jones regarding deposition	IMA	.10	\$10.00
3/2/08	Revise Reply to Opposition to Plaintiff's MSJ	IMA	2.00	200.00
3/4/08	Telephone conference with Deputy Dugg regarding Order to Produce	IMA	.10	10.00
3/4/08	Telephone conference with Deputy Huble regarding Order to Produce	IMA	.10	10.00
3/4/08	Telephone call to Deputy Dori about being a witness	IMA	.10	10.00
3/4/08	Extended telephone conference with Lt. Burns about facts and law	IMA	.50	50.00
	Extended telephone conference with Bob Aber about status case	IMA	.40	40.00

Case: Henderson v. COLA
Case Priority: 2

April 2, 2008
County Counsel RMIS No.: 03-0000123* 001
TPA Number: 9447

Date:	Description	Staff	Time	Amount
3/5/08	Revise and finalize Reply to Opposition to MSJ	IMA	1.00	100.00
3/5/08	Draft Memorandum of Contentions of Fact and Law per pre-trial rules	IMA	1.00	100.00
3/6/08	Further drafting of memorandum of contentions, fact and law	IMA	.40	40.00
3/6/08	Review letter on Rule 9 and discovery issues from attorney for co-defendant City of Los Angeles	IMA	.40	40.00
3/6/08	Lexis research on right of set-off of settlement by co-defendant City of Alhambra	IBP	.30	15.00
3/15/08	Travel to and attend hearing on MSJ in Superior Court, Pomona	IMA	2.20	220.00
3/15/08	Telephone call to Lt. Burns about hearing on MSJ	IMA	.10	10.00
3/15/08	Telephone call to Kevin Braze about hearing	IMA	.10	10.00
3/22/08	Review Court ruling on MSJ	IMA	.20	20.00
3/22/08	Telephone call to Lt. burns about ruling on MSJ	IMA	.10	10.00
3/22/08	Telephone call to Kevin Braze about ruling on MSJ	IMA	.20	20.00
3/28/08	Prepare for an attend deposition of Deputy Dori in Diamond Bar	IMA	3.30	330.00
3/28/08	Prepare status report for County Counsel with copy to Sherriff's Department	IMA	1.00	100.00
TOTAL LEGAL SERVICES:				\$1,345.00

Case: Henderson v. COLA
Case Priority: 2

April 2, 2008
County Counsel RMIS No.: 03-0000123* 001
TPA Number: 9447

SUMMARY OF LEGAL SERVICE FOR THE MONTH

Staff	Title	Time	Rate	Total
I.M. Abel (IMA)	Partner	13.65	\$100.00	\$1,365.00
I.M. Pushing (IBP)	Paralegal	.30	\$50.00	15.00
TOTAL LEGAL SERVICES FOR THE MONTH:				\$1,380.00

EXPERT INVOICES

Invoice Date	Expert	Invoice Amount
3/03/08	I.M Expert (See attached invoice, Attachment No. 1)	\$540.00
3/05/08	Xperts R US (See attached invoice, Attachment No. 2)	480.00
3/08/08	ConsultUS, Inc. (See attached invoice, Attachment No. 3)	507.00
TOTAL EXPERT INVOICES:		\$1,527.00

COURT REPORTER INVOICES

Invoice Date	Invoice	Invoice Amount
3/28/08	Best Shorthand Reporting, Inc. (See attached invoice, Attachment No. 4)	\$500.00
TOTAL COURT REPORTER INVOICES:		\$500.00

ALL OTHER COSTS

Invoice Date	Invoice	Invoice Amount
3/5/08	Snap Copy Service – 750 pages (See attached invoice, Attachment No. 5)	\$112.50
3/5/08	Fleet-of-Feet Messenger Service To File Reply to Opposition to MSJ – approved by John Lee on 3/1/08 (See attached invoice, Attachment No. 6)	22.00
TOTAL ALL OTHER COSTS:		\$134.50

Case: Henderson v. COLA
Case Priority: 2

April 2, 2008
County Counsel RMIS No.: 03-0000123* 001
TPA Number: 9447

INVOICE TOTAL FOR THE MONTH _____

Invoice	Invoice Amount
Legal Services:	\$1,380.00
Expert Invoices:	1,527.00
Court Reporter Invoices:	500.00
All Other Costs:	134.50
TOTAL LAW FIRM INVOICE:	\$3,541.50

I have personally examined this billing statement. All entries are in accordance with the agreement for Professional Legal Services, are correct and reasonable for the services performed and costs incurred, and no item on this statement has been previously billed to County.

DATE_____
SIGNATURE AND TITLE

COUNTY'S LEGAL BILLING REQUIREMENTS

Case: Henderson v. COLA
Case Priority: 2

April 2, 2008
County Counsel RMIS No.: 03-0000123* 001
TPA Number: 9447

<p align="center">CUMULATIVE CASE TOTALS</p> <p align="center">ALL FEES AND COSTS</p> <p align="center">From the Inception of the Case</p> <p align="center">Henderson v. County of Los Angeles</p>					
Law Firm Invoice Date	Legal Services	Expert Invoices	Court Reporter Invoices	All Other Costs	Total Law Firm Invoice
01/04/08	\$5,732.00	\$2,453.00	\$0.00	\$658.90	\$8,843.90
02/05/08	8,239.00	5,900.25	0.00	231.84	14,371.09
03/08/08	10,808.00	7,000.00	0.00	1,085.30	18,893.30
04/02/08	1,345.00	1,527.00	500.00	134.50	3,506.50
Cumulative Fees and Costs Invoice:	\$26,124.00	\$16,880.25	\$500.00	\$2,110.54	\$45,614.79

COUNTY'S LEGAL BILLING REQUIREMENTS

Case: Henderson v. COLA

April 2, 2008

Case Priority: 2

County Counsel RMIS No.: 03-0000123* 001

TPA Number: 9447

CUMULATIVE CASE TOTALS ALL LEGAL SERVICES From the Inception of the Case Henderson v. County of Los Angeles				
Staff Member	Title	Rate	Cumulative Hours	Cumulative Fees Submitted
I. M. Abel	Partner	\$100.00	90.2	\$9,020.00
Michelle H. Smith	Partner	100.00	13.4	1,340.00
Pamela R. Ross	Associate	90.00	59.6	8,329.00
I. B. Pushing	Paralegal	50.00	80.2	4,010.00
Taylor Anderson	Paralegal	50.00	128.5	3,425.00
Cumulative Legal Services				\$26,124.00

COUNTY'S LEGAL BILLING REQUIREMENTS

Case: Henderson v. COLA

April 2, 2008

Case Priority: 2

County Counsel RMIS No.: 03-0000123* 001

TPA Number: 9447

CUMULATIVE CASE TOTALS ALL EXPERT INVOICES From the Inception of the Case Henderson v. County of Los Angeles				
Law Firm Invoice Date	I.M. Expert, Inc.	Xperts R Us	ConsultUS, Inc.	All Expert Invoices
01/04/08	\$2,453.00			\$2,453.00
02/05/08	4,567.25	\$1,333.00		\$5,900.25
03/08/08			\$7,000.00	\$7,000.00
04/02/08	540.00	480.00	507.00	\$1,527.00
Cumulative Expert Invoice:	\$7,560.25	\$1,813.00	\$7,507.00	\$16,880.25

COUNTY'S LEGAL BILLING REQUIREMENTS**DEPOSITION RATE SCHEDULE**

This schedule sets forth the maximum acceptable rates. Any charges which exceed these rates must be pre-approved by the supervising County Counsel. Such approval and the identity of the County Counsel approving the rate increase must be reflected on the firm's invoice.

Deposition Transcripts (Original & one certified copy - maximum per page)

Non-Expert.....	\$4.75
Expert, Interpreted, Video and Hearings	\$5.25
Certified Copies Only	\$1.75
Interactive Real Time (includes ASCII)	\$1.00
Real Time (Rough/Dirty ASCII)	\$.75
Exhibits (Tabbed)	\$.25

Media Conversion

Condensed Transcript.....	No Charge
Full Text Index.....	No Charge
ASCII Diskettes	No Charge
E-Transcripts (complete rough/final)	\$15.00
Exhibits on CD-ROM	\$15.00

Minimums & Per Diems

Minimum Transcript	\$225.00
Certificate of Non-Appearence	\$225.00
Deposition per diem - No write-up	\$40.00/hour
Weekend/Holiday, before 9:00 a.m. and after 5:00 p.m.	\$40.00/hour

Miscellaneous

Delivery & Handling	\$25.00
Special Delivery (approval/receipt required)	At cost
Parking	At cost

Expedited Charges (Original & one certified copy – maximum per page)

Transcript Delivery Time	Non-expert	Expert
Non-expedited Rate (10-day delivery)	\$4.75	\$5.25
Next to 2nd Day After (75%)	\$8.30	\$9.20
Third to Fourth Day After (50%)	\$7.15	\$7.90
Fifth to Ninth Day After (20%)	\$5.70	\$6.30

COUNTY'S LEGAL BILLING REQUIREMENTS**Video Services** (Videographer or firm must be NCRA Certified Legal Video Specialist)

2-Hour Minimum (includes set-up & breakdown) \$325.00
 After 2 Hours \$80 per hour
 \$40 per ½ hour

Minimum and hourly charges include Stock Fees (master, back-up and audio) and choice of session on DVD or MPEG 1.

Additional Video Copies (per disc)

DVD Format.....\$30.00
 Compressed MPEG 1 Format.....\$35.00

CONTRACTOR REPORTS REQUIREMENTS

The following lists those reports that are expected to be generated by the Contractor.

REPORT NAME	DESCRIPTION	TYPE	FREQUENCY
1. Trial Calendar / Financial Status Report	List of arbitration, MSC, trial dates with attached financial reports on cases over \$50,000	Claims/Financial	Monthly
2. Assignment of Cases	List of cases assigned to law firms during month and firms assigned	Claims/Financial	Monthly
3. Closing/Settlement Report	Notification of case closing and details of settlement	Claims/Financial	Upon closure of File and as needed
4. Caseload Summary	List of all Supervisors and Claims Adjusters and their current caseload by general and auto liability	Claims	Monthly
5. Major Case Report	List of all cases over \$100,000 broken down by funding source and case type along with financial projections for three (3) fiscal years	Claims/Financial	Monthly
6. Case Status Report	Current status of open, active Case files	Claims	Every 30/90 days on all open filed and as needed
7. Financial Status Report	Current financial status of case and case summary	Financial	As required
8. Budget Status Report (Estimated Actual)	Status on all cases over \$100,000 and those cases budgeted for the fiscal year	Financial	Monthly
9. Subrogation Summary Report	Summary of subrogation files and their status and funds collected	Financial	Monthly
10. MSC, Arbitration, and Trial Report	Pre and post MSC, arbitration and trial reports	Claims	As Required
11. Authority Request	Request and report for settlement authority	Claims	As Required

EXHIBIT A-12

**RMIS SPECIFICATION AND FUNCTIONALITY DOCUMENTS
(SYSTEM REQUIREMENTS AND FUNCTIONAL REQUIREMENTS)**

INTENTIONALLY OMITTED

PAYMENT SCHEDULES**ANNUAL CONTRACT TERM**
July 1, 2021 through June 30, 2022

Payment Schedule (1):

July 1, 2021 through June 30, 2022

TERM	YEAR FIXED FEE*
Year 9 (07/01/2021 – 06/30/2022)	\$2,215,383.60

ANNUAL CONTRACT TERM
July 1, 2022 through June 30, 2023

Payment Schedule (2):

July 1, 2022 through June 30, 2023

TERM	YEAR FIXED FEE
Year 10 (07/01/2022 – 06/30/2023)	\$2,324,088.00

PAYMENT SCHEDULES**ANNUAL CONTRACT TERM**
July 1, 2023 through June 30, 2024**EXTENSION OPTION**

Payment Schedule (3):

July 1, 2023 through June 30, 2024

TERM	YEAR FIXED FEE
Year 11 (07/01/2023 – 06/30/2024)	\$2,399,310.64

Fiscal Year – July 1, 2021 through June 30, 2022 = \$2,215,383.60

Fiscal Year – July 1, 2022 through June 30, 2023 = \$2,324,088.00

Option Year – July 1, 2023 through June 30, 2024 = \$2,399,310.64

The contract cost for the 24-month base term is \$4,539,471.60. If the 1-year option is exercised, the contract cost increases to \$6,938,782.24.

County reserves the right to reallocate funds up to \$2,399,310.64 from FY 2023-24, to a prior fiscal year as necessary, should unanticipated shortfalls occur.

CONTRACTOR'S PROPOSED SCHEDULE
INTENTIONALLY OMITTED

CONTRACTOR'S EEO CERTIFICATION

Carl Warren and Company

Contractor Name

Address

Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

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

CONTRACTOR'S SPECIFIC CERTIFICATIONS

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

Authorized Official's Printed Name and Title

Authorized Official's Signature

Date

COUNTY'S ADMINISTRATION

CONTRACT NO. AO-21-403

COUNTY PROJECT DIRECTOR:

Name: _____

Title: _____

Address: _____

Telephone: _____ Facsimile: _____

E-Mail Address: _____

COUNTY PROJECT MANAGER:

Name: _____

Title: _____

Address: _____

Telephone: _____ Facsimile: _____

E-Mail Address: _____

COUNTY CONTRACT PROJECT MONITOR:

Name: _____

Title: _____

Address: _____

Telephone: _____ Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S ADMINISTRATION**CONTRACTOR'S NAME:** Carl Warren and Company**CONTRACT NO:** AO-21-403**CONTRACTOR'S PROJECT MANAGER:** _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Notices to Contractor shall be sent to the following:

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

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

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

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

NON-IT CONTRACTS

G1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

OR

G2 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

G3 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR NAME Carl Warren and Company Contract No. AO-21-403

GENERAL INFORMATION:

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

CONTRACTOR ACKNOWLEDGEMENT:

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

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

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

Contractor Name Carl Warren and Company Contract No. AO-21-403

Employee Name _____

GENERAL INFORMATION:

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

EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

Contractor Name Carl Warren and Company Contract No. AO-21-403

Non-Employee Name _____

GENERAL INFORMATION:

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

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

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2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. “Contractor” means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. “Employee” means any California resident who is a full-time employee of a contractor under the laws of California.
- C. “Contract” means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 2 of 4

5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 4 of 4

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

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

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

Safely Surrendered



No shame. No blame. No names.

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

www.babysafela.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

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

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

How does it work?

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

What if a parent wants the baby back?

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

Can only a parent bring in the baby?

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

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

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

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

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

What happens to the baby?

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

What happens to the parent or surrendering adult?

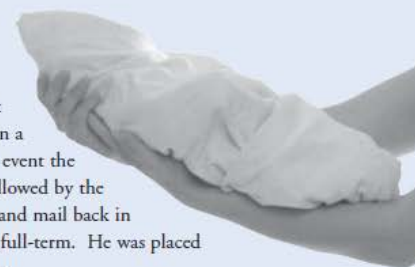
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

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

A baby's story

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



Ley de Entrega de Bebés *Sin Peligro*



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

Sin pena. Sin culpa. Sin nombres.

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

www.babysafela.org



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

www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

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

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

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

¿Cómo funciona?

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

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

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

¿Sólo los padres podrán llevar al recién nacido?

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

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

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

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

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

¿Qué pasará con el bebé?

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

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

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

¿Por qué se está haciendo esto en California?

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

Historia de un bebé

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



LIVING WAGE ORDINANCE

INTENTIONALLY OMITTED

LIVING WAGE RATE ANNUAL ADJUSTMENTS

INTENTIONALLY OMITTED

PAYROLL STATEMENT OF COMPLIANCE
INTENTIONALLY OMITTED

INTELLECTUAL PROPERTY DEVELOPED DESIGNED BY CONTRACTOR
INTENTIONALLY OMITTED

INDIVIDUAL'S ASSIGNMENT AND TRANSFER OF COPYRIGHT

INTENTIONALLY OMITTED

CONTRACTOR'S ASSIGNMENT AND TRANSFER OF COPYRIGHT
INTENTIONALLY OMITTED

NOTARY STATEMENT FOR ASSIGNMENT AND TRANSFER OF COPYRIGHT
INTENTIONALLY OMITTED

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) AGREEMENT

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

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

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

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

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

Therefore, the parties agree as follows:

1. DEFINITIONS

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

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

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- 1.11 "Health Care Operations" has the same meaning as the term "health care operations" at 45 C.F.R. § 164.501.
- 1.12 "Individual" has the same meaning as the term "individual" at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).
- 1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.
- 1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 164.502 (b).
- 1.15 "Protected Health Information" has the same meaning as the term "protected health information" at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Protected Health Information.
- 1.16 "Required by Law" " has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.
- 1.17 "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103
- 1.18 "Security Incident" has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.
- 1.19 "Services" means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) AGREEMENT

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

2. PERMITTED AND REQUIRED USES AND DISCLOSES OF PROTECTED HEALTH INFORMATION

- 2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.
- 2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with the Covered Entity's applicable Minimum Necessary policies and procedures.
- 2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.
- 2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed (i.e., the recipient) that it will be held confidentially and Used or further Disclosed only as Required by Law or for the purposes for which it was disclosed to the recipient and the recipient notifies Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

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

3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

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

4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION

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

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

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.
- 5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.

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- 5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.
- 5.1.3. Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.
- 5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.
- 5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:
- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
 - (b) The number of Individuals whose Protected Health Information is involved;
 - (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
 - (d) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-

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permitted Use or Disclosure of PHI, Security Incident, or
Breach

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

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;
- (e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;
- (f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;
- (g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and

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- (h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.

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

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

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

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

6. WRITTEN ASSURANCES OF SUBCONTRACTORS

6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.

6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.

6.3 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.

6.4 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify

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Covered Entity in the event of a Breach of Unsecured Protected Health Information.

- 6.5 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

7. ACCESS TO PROTECTED HEALTH INFORMATION

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.
- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.

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- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the Individual with access to the Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

8. AMENDMENT OF PROTECTED HEALTH INFORMATION

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

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.
- 9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:
- (a) The date of the Disclosure;
 - (b) The name, and address if known, of the entity or person who received the Protected Health Information;
 - (c) A brief description of the Protected Health Information Disclosed; and

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(d) A brief statement of the purpose of the Disclosure.

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

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

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

10. COMPLIANCE WITH APPLICABLE HIPAA RULES

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

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

11. AVAILABILITY OF RECORDS

11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.

11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

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12. MITIGATION OF HARMFUL EFFECTS

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

13. BREACH NOTIFICATION TO INDIVIDUALS

- 13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.

13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.

13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

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

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free telephone number, an e-mail address, Web site, or postal address.

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

14. INDEMNIFICATION

- 14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.
- 14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

15. OBLIGATIONS OF COVERED ENTITY

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

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Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

16. TERM

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

17. TERMINATION FOR CAUSE

- 17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.
- 17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate,

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including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.

- 18.2 Destruction for purposes of Section 18.2 and Section 6.6 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.
- 18.3 Notwithstanding Section 18.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.
- 18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.
- 18.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.
- 18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

19. AUDIT, INSPECTION, AND EXAMINATION

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- 19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in section 17.
- 19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.
- 19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20. MISCELLANEOUS PROVISIONS

- 20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of

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this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.

- 20.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.
- 20.3 No Third-Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 20.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 20.7 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

**SB 1262 – NONPROFIT INTEGRITY ACT OF 2004
CHARITABLE CONTRIBUTIONS CERTIFICATION**

INTENTIONALLY OMITTED

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

2.206.010 Findings and declarations.

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

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

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

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2.206.030 Applicability.

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

2.206.040 Required solicitation and contract language.

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

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

2.206.050 Administration and compliance certification.

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

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2.206.060 Exclusions/Exemptions.

A. This chapter shall not apply to the following contracts:

1. Chief Executive Office delegated authority agreements under \$50,000;
2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
3. A purchase made through a state or federal contract;
4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.
7. Program agreements that utilize Board of Supervisors' discretionary funds;
8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
12. A non-agreement purchase worth a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.

B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

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2.206.070 Enforcement and remedies.

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

2.206.080 Severability.

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