



County of Los Angeles CHIEF EXECUTIVE OFFICE OPERATIONS CLUSTER

FESIA A. DAVENPORT
Chief Executive Officer

DATE: June 8, 2022
TIME: 2:00 p.m. – 4:00 p.m.
LOCATION: **TELECONFERENCE CALL-IN NUMBER: 1(323)776-6996**
TELECONFERENCE ID: 605696861#

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

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

[Click here to join the meeting](#)

**THIS MEETING WILL CONTINUE TO BE CONDUCTED VIRTUALLY TO ENSURE
THE SAFETY OF MEMBERS OF THE PUBLIC AND EMPLOYEES AS PERMITTED
UNDER STATE LAW**

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 – Kirk Shelton/Anthony Baker**

2. **INFORMATIONAL ITEM(S):**

A) Board Letter:

REQUEST APPROVAL TO DELEGATE AUTHORITY TO AMEND
CONTRACT NUMBER 79109 WITH FINANCIAL STATEMENT
SERVICES, INC.

TTC – Keith Knox, Treasurer and Tax Collector;

Elizabeth Buenrostro Ginsberg, Chief Deputy;

Deondria Barajas, Assistant Treasurer and Tax Collector

B) Board Letter:

SALE OF EASEMENT FROM THE COUNTY OF LOS ANGELES TO
GUYLA CLAYTON FOR FAIR MARKET VALUE, ASSESSOR'S
IDENTIFICATION NUMBERS: APN: 3206-001-901 UNINCORPORATED
LEONA VALLEY

CEO/RE – Michael Rodriguez, Chief Program Specialist

CONTINUED ON PAGE 2

C) Board Letter:
TWO-YEAR PARKING LICENSE DEPARTMENT OF PUBLIC
WORKS/DEPARTMENT OF HEALTH SERVICES, 923 WEST CARSON
STREET, TORRANCE
CEO/RE/DPW/DHS – Michael Navarro, Chief Program Specialist

D) Board Letter:
APPROVAL OF CONTRACT FOR UNEMPLOYMENT INSURANCE
CLAIMS THIRD-PARTY ADMINISTRATIVE SERVICES WITH TALX
CORPORATION, PROVIDER OF EQUIFAX WORKFORCE
SOLUTIONS
DHR – Maggie Martinez, Assistant Director

3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

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

5. **Adjournment**

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

A) CEO/CLASSIFICATIONS – COUNTYWIDE
CLASSIFICATION/COMPENSATION ACTIONS TO IMPLEMENT THE
FISCAL YEAR 2022-2023 RECOMMENDED BUDGET AND OTHER
CLASSIFICATION/COMPENSATION ACTIONS

B) LACDA – AMENDMENTS TO TEMPORARY PERSONNEL SERVICES
AND SOFTWARE CONTRACT FOR THE EMERGENCY HOUSING
VOUCHER PROGRAM

C) WDACS – NOTICE OF INTENT TO NEGOTIATE SOLE SOURCE
AMENDMENT WITH XAVUS SOLUTIONS, LLC

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	6/8/2022	
BOARD MEETING DATE	6/28/2022	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Treasurer and Tax Collector (TTC)	
SUBJECT	Request approval to delegate authority to amend contract number 79109 with Financial Statement Services, Inc. (FSSI)	
PROGRAM	N/A	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS	June 28, 2022. The requested action will allow the Treasurer and Tax Collector (TTC) to amend the FSSI contract to increase the Contract Sum to address unanticipated cost increases.	
COST & FUNDING	Total cost: Annual Contract Sum plus up to 15%	Funding source: TTC's Adopted Departmental Budget
	TERMS (if applicable):	
	Explanation: Unanticipated industry-wide cost increases related to paper stock and envelopes as a result of the COVID-19 pandemic.	
PURPOSE OF REQUEST	Request for delegation of authority to the Treasurer and Tax Collector to execute amendments to increase the Contract Sum by no more than 15% annually, to account for unanticipated paper stock and envelope costs, provided that the TTC obtains documented proof of the cost increase from a paper mill or supplier and the approval of County Counsel prior to the execution of such amendments.	
BACKGROUND (include internal/external issues that may exist including any related motions)	TTC currently has a contract with FSSI to provide printing, sorting, and mailing services (PSMS). FSSI informed TTC of industry-wide paper mill cost increases to paper stock and envelope fees due to the COVID-19 pandemic resulting in an increase to the PSMS Contract Sum. The TTC reviewed and verified documented proof of the cost increase from FSSI's mill supplier, which exceeds the TTC's current delegated authority of no more than five percent annually for paper stock and envelopes. Independently, the TTC contacted other vendors to obtain quotes which verified the proposed cost increases were consistent industry-wide. Approval of this recommendation would allow TTC to fulfill its responsibilities of billing and collecting taxes on behalf of all taxing agencies in the County and to continue with its mailing of the Annual Secured and Unsecured Property Tax Bills, and the Weekly Secured Property Tax Bills.	
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: • Keith Knox, Treasurer and Tax Collector, (213) 974-2101 kknox@ttc.lacounty.gov • Elizabeth Buenrostro Ginsberg, Chief Deputy, (213) 974-0703 eginsberg@ttc.lacounty.gov • Deondria Barajas, Assistant Treasurer and Tax Collector, (213) 974-2077 dbarajas@ttc.lacounty.gov	



KEITH KNOX
TREASURER AND TAX COLLECTOR

COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 437, Los Angeles, California 90012
Telephone: (213) 974-2101 Fax: (213) 626-1812
ttc.lacounty.gov and propertytax.lacounty.gov

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 28, 2022

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

Dear Supervisors:

**TREASURER AND TAX COLLECTOR
REQUEST APPROVAL TO DELEGATE AUTHORITY TO
AMEND CONTRACT NUMBER 79109 WITH
FINANCIAL STATEMENT SERVICES, INC.
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

The recommended action is to approve delegated authority to the Treasurer and Tax Collector (TTC) to execute Amendments to Contract Number 79109 (Contract) with Financial Statement Services, Inc. (FSSI) for the Printing, Sorting, and Mailing Services (PSMS) Contract as a result of unanticipated cost increases impacting the paper mill industry due to the COVID-19 pandemic.

IT IS RECOMMENDED THAT THE BOARD:

Delegate authority to the Treasurer and Tax Collector, or his designee, to execute contract amendments to increase the Contract Sum, by no more than 15 percent annually, to account for unanticipated paper stock and envelope costs, provided that the TTC obtains documented proof of the cost increase from a paper mill or supplier and the approval of County Counsel prior to the execution of such amendments.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On November 17, 2020, the Board of Supervisors (Board) approved the Contract with FSSI for the current PSMS and delegated authority to the Treasurer and Tax Collector, or his designee, to execute amendments to increase the Contract Sum by no more than 15 percent annually based on unanticipated workload increases or reporting requirements, and for paper stock and envelope fee increases by no more than five

percent annually with documented proof of the cost increase from a paper mill or supplier. The TTC utilizes PSMS in fulfilling its responsibilities of billing and collecting taxes on behalf of all taxing agencies in the County. Additionally, the TTC mails secured and unsecured tax bills and related notices throughout the year, although the largest mailings occur each October with the mailing of approximately 2.5 million Annual Secured Property Tax Bills and each April with the mailing of approximately 185,000 Annual Unsecured Property Tax Bills.

On April 25, 2022, FSSI informed the TTC that there are industry-wide paper mill cost increases due to the COVID-19 pandemic, resulting in an increase to the PSMS Contract. The TTC reviewed and verified documented proof of the cost increase from FSSI's paper mill supplier, which exceeds the TTC's current delegated authority of no more than five percent annually for paper stock and envelopes. Independently, the TTC also contacted eight other County-affiliated vendors to obtain quotes for the paper products, which verified the proposed cost increases from FSSI were consistent industry-wide.

The cost increases impact the TTC's Annual Secured Property Tax Bills, Annual Unsecured Property Tax Bills, and the Weekly Secured Property Tax Bills (Supplemental and Adjusted Tax Bills). Therefore, the TTC is requesting to increase its delegated authority from five to 15 percent to accommodate these increases on an as needed basis. Semi-annually, the TTC will request documentation from FSSI reflecting current costs to assess if the increased prices remain consistent or have decreased.

Implementation of Strategic Plan Goals

The approval of this delegation of authority is consistent with the County Strategic Plan Strategy III.3 – Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

The TTC will include additional funding in subsequent Fiscal Year budgets. The Contract does not include the cost of postage, which is budgeted and procured separately.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to California Government Code Section 31000, your Board is authorized to contract for special services.

The Contract expressly provides that the County does not have an obligation to pay FSSI for expenditures that exceed the maximum Contract Sum. Additionally, the Contract contains performance standards, including liquidated damages for substandard and/or non-performance.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The approval of the recommended delegation of authority will enable the TTC to proceed with billing and collecting taxes on behalf of all taxing agencies in the County and to continue with its mailing of Annual Secured and Unsecured Property Tax Bills and the Weekly Secured Property Tax Bills (Supplemental and Adjusted Tax Bills).

Respectfully submitted,

KEITH KNOX
Treasurer and Tax Collector

KK:EBG:NK:MD:EVT:MV:II

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

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	6/8/2022			
BOARD MEETING DATE	6/28/2022			
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1st <input type="checkbox"/> 2nd <input type="checkbox"/> 3rd <input type="checkbox"/> 4th <input checked="" type="checkbox"/> 5th			
DEPARTMENT(S)	Chief Executive Office (CEO)			
SUBJECT	<p>Sale of easement from County of Los Angeles to Guyla Jean Clayton, Trustee of the Clayton Family Trust Revocable Living Trust dated August 6, 1997 (Clayton). Clayton, for its fair market value. Clayton, an adjacent owner of a developed, residential property currently uses a dirt road located on vacant County property as their primary access road to their residence. Clayton has requested from the County an access easement over the dirt road granting them permanent rights over a 4,776 sf. portion of the County property to construct improvements to the road, and use the road, to access their residence.</p> <p>Address: APN: 3206-001-901 (portion) Lost Valley Rancho Road, Unincorporated Leona Valley</p>			
PROGRAM	N/A			
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:			
DEADLINES/ TIME CONSTRAINTS	N/A			
COST & FUNDING	<table border="1"> <tr> <td>Total cost: \$ None. Clayton has paid County \$11,000 for the easement.</td><td>Funding source: N/A</td></tr> </table> <p>TERMS (if applicable): In accordance with the proposed sale and purchase agreement, Clayton is to pay the County the fair market value of \$11,000 for the easement, and County is in receipt of payment. Clayton is also to improve the access road to County standards.</p> <p>Explanation: The County commissioned an appraisal to determine the value of the easement area to be granted, totaling 4,776 sf. Based upon sales of similar properties in the County, the County's contracted appraiser determined that the parcel totals \$11,000, averaging approximately, \$2.30 per square foot. The sales amount for the parcel represents the current fair market value for the access easement.</p>		Total cost: \$ None. Clayton has paid County \$11,000 for the easement.	Funding source: N/A
Total cost: \$ None. Clayton has paid County \$11,000 for the easement.	Funding source: N/A			
PURPOSE OF REQUEST	County Counsel has stated that the sale and conveyance of the access easement to Clayton will remove the County from the liability posed by having the public traverse County property without an easement.			
BACKGROUND (include internal/external issues that may exist including any related motions)	The County parcel to be encumbered with this access easement was acquired by the County on January 17, 1952 and has remained vacant and unimproved since that time. The parcel is surrounded by privately-owned parcels. A dirt road traverses the County parcel and has been used by Clayton for access to her property. Clayton requested from the County an easement granting them permanent access over this road to reach their private property. The County is willing to grant the easement for its fair market value, in addition to the conditions requiring Clayton to improve the dirt road to County standards.			
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:			
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:			
DEPARTMENTAL CONTACTS	Michael Rodriguez, Chief Program Specialist 213-974-4246 mgrodriguez@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>

Board of Supervisors
HILDA L. SOLIS
First District

HOLLY MITCHELL
Second District

SHEILA KUEHL
Third District

JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

June 28, 2022

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

Dear Supervisors:

**SALE OF EASEMENT
FROM THE COUNTY OF LOS ANGELES TO GUYLA CLAYTON
FOR FAIR MARKET VALUE
ASSESSOR'S IDENTIFICATION NUMBERS: APN: 3206-001-901
UNINCORPORATED LEONA VALLEY
(FIFTH DISTRICT) 3 VOTES)**

SUBJECT:

Authorize the sale of an easement for access and road improvements over a portion of a County-owned property to Guyla Jean Clayton, Trustee of the Clayton Family Trust Revocable Living Trust dated August 6, 1997, for the easement's fair market value.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed sale and grant of easement is categorically exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to sections 15303 (New Construction or Conversion of Small Structures) and 15304 (Minor Alterations to Land) of the State of California CEQA Guidelines, and none of the exceptions to the application of the exemptions apply.
2. Find that the grant of easement for access and road improvements is no longer necessary for County or other public purposes.
3. Approve and authorize the proposed sale and grant of an easement to adjoining property owner, Guyla Jean Clayton, Trustee of the Clayton Family Trust Revocable Living Trust dated August 6, 1997, for access and road improvements over a portion of County property known as Assessor's Parcel Number 3206-001-901, located in Leona Valley, for \$11,000.

"To Enrich Lives Through Effective And Caring Service"

4. Authorize the Chief Executive Officer, or her designee, to execute the Sale and Purchase Agreement of Easement and the Easement Deed.
5. Instruct the Auditor-Controller to deposit the sale proceeds in the Asset Development Implementation Fund.

PURPOSE OF RECOMMENDED ACTION/JUSTIFICATION

The purpose of the recommended actions is to authorize the sale and grant of an easement over a vacant, County-owned parcel of land in the unincorporated Leona Valley area to an adjacent property owner, Guyla Jean Clayton, Trustee of the Clayton Family Trust Revocable Living Trust dated August 6, 1997 (Clayton).

The parcel upon which the easement will be granted and recorded totals approximately 33,000 square feet and was acquired by the County in the 1960's, as a result of property tax defaults. A dirt road, historically used by Clayton as their primary driveway to access their adjacent residential property, crosses over the County parcel. Clayton has requested from the County an easement granting them permanent access rights over this road to reach their private property. The parcel has never been contemplated for use or development by the County and the easement to be granted over the parcel will be conveyed in accordance with State law. The County has proposed to grant the easement to Clayton for its fair market value.

The sale of the easement will eliminate County exposure to liability related to travel over and across the dirt road, eliminate any potential maintenance costs posed by having a dirt road traversed by the public on County land, and provide the County with funds that can be better allocated for the rehabilitation, purchase, or construction of other County facilities.

Implementation of Strategic Plan Goals

The proposed sale and grant of easement support the Countywide Strategic Plan Goal III.3.2, which calls to maximize use of County assets, guide strategic investments, and support economic development, in ways that are fiscally responsible and align with the County's highest priority needs. The proposed grant of easement is also consistent with the Strategic Asset Management Goal of Tightening Connection between Service Priorities and Asset Decisions and Key Objective No. 5 Funding Highest Priority Needs. This transaction requires Clayton, at her expense and for valuable consideration to be paid to the County, to construct, operate, and maintain a Fire Department-approved access road over an existing, unstable dirt road that was constructed and encroaching on vacant County land. This transaction will thereby improve the quality of life for the County residents who use the road in a manner that is fiscally responsible and its conveyance to Clayton will remove the County from the liability posed by having an unpermitted, privately used road on County property, and the revenue generated from the sale can be used to fund appropriate programs in the Asset Development Implementation Fund.

FISCAL IMPACT/FINANCING

The County commissioned an appraisal to determine the value of the access and road easement to be granted. Based upon sales of similar properties in the County, the County's contracted appraiser determined that the easement, measuring 4,776 sf, has a fair market value of \$11,000, averaging approximately, \$0.38 per square foot.

The proceeds from this sale will be deposited into the County's Asset Development Implementation Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The granting of the easement directly to a private party is authorized by Government Code section 25526.5, which authorizes the direct sale of any interest in real property having an estimated sales price not exceeding \$25,000. Notification of the Board's intended action has been posted in accordance with this Government Code section 25526.5.

As stated in the sale and purchase agreement, the conveyance to Clayton is subject to several conditions, restrictions, and reservations, including: (i) the requirement to construct an access road over the parcel of land in conformance with the Fire Department's requirements; (ii) the requirement to pay for all costs for construction and maintenance of the easement are upon which the road will be constructed to County standards; (iii) the County's right to use the property for any and all purposes; (iv) the restriction from parking or storing vehicles or personal property within the easement area; and (v) the mineral rights for the property will be retained by the County.

The Sale and Purchase Agreement of an Easement and Easement Deed for this conveyance have been reviewed and approved as to form by County Counsel, and the copies are enclosed hereto as Enclosures.

ENVIRONMENTAL DOCUMENTATION

The proposed project is exempt from CEQA. The grant of easement will provide for access and road improvements over a portion of a County-owned property, involving negligible or no extension with property. These actions are within certain classes of projects that have been determined not to have a significant effect on the environment in that they meet the criteria set forth in categorically exempt from the provisions of CEQA, pursuant to sections 15301 and 15303 of the State CEQA Guidelines and Classes 1 and 3 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G.

The Honorable Board of Supervisors
June 28, 2022
Page 4

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)

Approval of the recommended actions will not have any impact on current services or projects.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors, return the adopted, stamped Board letter to the CEO, Real Estate Division, at 320 West Temple Street, 7th Floor, Los Angeles, CA 90012, for further processing.

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

Attachment

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

SALE AND PURCHASE AGREEMENT OF EASEMENT

THIS SALE AND PURCHASE AGREEMENT OF EASEMENT ("Agreement") is made and entered into as of the _____ day of _____, 2022 by and between the **COUNTY OF LOS ANGELES**, a body corporate and politic ("Grantor") and Guyla Jean Clayton, Trustee of the Clayton Family Trust Revocable Living Trust dated 08/06/1997 ("Grantee"). Based upon the mutual consideration provided for herein, Grantor and Grantee hereby agree as follows:

1. **Sale and Purchase.** Grantor is the owner of certain real property located at 9000 Lost Valley Ranch Road in unincorporated Leona Valley, County of Los Angeles, commonly known as APN: 3206-001-901 and legally described in Exhibit "A", attached hereto and incorporated herein by reference ("Grantor's Property"). Grantee is the owner of that certain property commonly known as Los Angeles County Assessor's Parcel No. 3206-001-016 and legally described in Exhibit "B" attached hereto and incorporated herein by reference ("Grantee's Property"). Grantor desires to grant an access easement legally described in Exhibit "C" (collectively, "Easement"), over a portion of the Grantor's Property, and convey the Easement to Grantee as an appurtenant easement to and for the benefit of the Grantee's Property, and Grantee desires to purchase the Easement and accept it from Grantor, for the consideration and on the terms and conditions hereinafter set forth.

2. **Purchase Price.** The purchase price ("Purchase Price") for the Easement is Eleven Thousand and NO/100 Dollars (\$11,000.00), payable by Grantee to Grantor contemporaneously with the execution of this Agreement ("Payment") and refunded to Grantee only in the event the Easement is not conveyed to Grantee as the sole direct result of Grantor's uncured breach of this Agreement. Payment shall be made by certified check payable to the County of Los Angeles.

3. **Costs.** All costs and expenses related to this transaction shall be paid by Grantee, including, but not limited to, the cost of a title insurance policy, and all documentary transfer taxes and document drafting, recording fees and any other miscellaneous charges and fees. Grantee shall also pay for the cost of surveying the location of the Easement, if necessary, and creating the legal description of the Easement as provided for herein. In the event any cost or expense is paid by Grantor, Grantee shall immediately, upon Grantor's request, remit a certified check payable to the County of Los Angeles in an amount equal to the aggregate of all such costs and expenses. Any remaining costs and expenses, if any, shall be paid in accordance with this Section 3.

4. **Conveyance and Closing Date.** On the Closing Date (defined below), Grantor shall convey the Easement to Grantee by an easement deed ("Deed"), in the form attached hereto and incorporated herein as Exhibit "D", subject to:

- A. All taxes, interest, penalties, and assessments of record assessed but not yet due, if any;
- B. Covenants, conditions, restrictions, reservations, easements,

licenses, rights, and rights-of-way of record, if any; and

C. The following restrictions and/or reservations:

- i. Grantee acknowledges that no surface rights are herein created except the non-exclusive right to ingress and egress in, on, over and across the portion of the Grantor's Property to contain the Easement ("Easement Area") in addition to the right, subject to Grantor's approval, to construct within the Easement Area the following improvements: an access road ("Improvement"). Said Improvement to be constructed at Grantee's sole cost within the Easement Area as described in Exhibit B. Grantee is also hereby further granted the non-exclusive right to use the Easement Area, and the rights to periodically maintain, repair, and/or replace, at Grantee's sole cost, the Improvement installed within the Easement Area by Grantee.
- ii. Grantee shall also be responsible for constructing said access road within the Easement Area in conformance with any LA County Fire Department ("Fire Department") required materials for road construction and in conformance to the Fire Department's minimum road and turning radius clearances to allow Fire Department and/or County vehicles with unfettered and unobstructed access over and across the Easement Area and Grantee's Property at all times.
- iii. It is expressly understood that upon Grantee's approval of Grantee's access road by the Fire Department, and/or other local jurisdictions, that Grantor will not be called upon to repair, maintain, or reconstruct any part or portion of the Easement Area, including but not limited to the access road and/or the Improvements constructed thereon.
- iv. The provisions and conditions contained in the Easement shall be recorded and shall be binding upon Grantee, its successors, and assigns.
- v. Grantor reserves the right to use the Grantor's Property for any and all purposes consistent with enjoyment of the Grantor's Property herein granted, provided that said purposes do not unreasonably interfere with or unreasonably limit Grantee's ability to use, maintain, and/or repair the Easement Area and Improvement.
- vi. Under no circumstances is Grantee permitted to park or store vehicles or personal property for any length of time on or within the Easement Area or Grantor's Property.
- vii. Grantor hereby also grants to Grantee, its successors and assigns, and its and their contractors, agents and employees, the right of free access within the Easement Area every part thereof, at all times, for

the purpose of exercising the rights herein granted.

- viii. In the event that Grantor determines in its sole and absolute discretion that the restrictions set forth in this subsection 4(C) are not being complied with ("Default Condition"), written notice shall be given to the record owner of Grantee's Property and the owner shall have thirty (30) days from the date of the notice to cure the Default Condition, provided that if the nature of the Default Condition is such that it cannot reasonably be cured within the thirty (30) day period described above, and such cure is commenced within such thirty (30) day period and thereafter diligently prosecuted to completion, additional time to cure, as determined by the County, will be allowed. If the Default Condition is not so cured, then all right, title, and interest in and to the Easement shall automatically revert back to Grantor without further action by Grantor. The record owner shall relinquish possession and execute a quitclaim deed conveying the Easement to Grantor upon request.

- D. Grantor's reservation to itself and exception from the conveyance contemplated herein of all oil, gas, hydrocarbons, or other minerals in and under the Easement Area, without the use of the surface or subsurface (except as otherwise provided herein), to a depth of five hundred (500) feet, measured vertically, from the surface of the Easement Area, in perpetuity.

5. Closing Date. Grantor shall convey the Easement on a date (the "Closing Date") occurring approximately sixty (60) days after the later of (A) the date on which the County of Los Angeles Board of Supervisors (the "County Board"), in its sole and absolute discretion, approves the sale of the Easement and (B) the date on which Grantor is in receipt of Grantee's Payment, the balance of any additional costs and expenses required to be paid by Grantee pursuant to Section 3 hereof, and executed associated documents necessary to complete the conveyance. In the event Grantee fails to provide Grantor with the Purchase Price Payment, payments for the balance of any additional costs and expenses required to be paid by Grantee pursuant to Section 3 hereof, and/or any associated documents (and any other documents reasonably requested by County in connection with the conveyance of the Easement) to effectuate the Closing within 180 days of the date Grantor executes this Agreement and Deed, Grantor, at its option and in its sole and absolute discretion, may elect to terminate this Agreement, and thereafter Grantor shall have no further obligations to Grantee pursuant to this Agreement.

6. AS-IS Sale. Grantee understands that the Easement is being sold "AS-IS," "WHERE IS" and "WITH ALL FAULTS" and without any representation or warranty of any kind, and Grantee further acknowledges and understands that Grantor expressly disclaims any such representation or warranty, express or implied. Grantee accepts all matters of record and understands that Grantor will not provide a policy of title insurance

and makes no representations or warranties of any kind with regard to the Easement or the Grantor's Property. Grantee acknowledges that Grantee has the right but not the obligation to engage, at Grantee's sole cost and expense, a licensed title company to issue a policy of title insurance and/or a title report. Grantee agrees that the condition of the Easement and the Grantor's Property shall not be cause for Grantee's cancellation of this Agreement.

7. Recording. Grantor shall prepare the Deed indicating title to the Easement to be vested in the name of the Grantee as follows: Guyla Jean Clayton, Trustee of the Clayton Family Trust Revocable Living Trust dated 08/06/1997 and shall cause the Deed to be recorded in the official records of the Los Angeles County Recorder, subject to all terms and conditions of this Agreement. At the recording, Grantee shall be entitled to obtain a CLTA policy of title insurance insuring Grantee's appurtenant easement rights for the benefit of Grantee's Property which will be issued by First American or such other title insurer as Grantee designates, the cost of which title policy and any endorsements thereto, shall be paid for by Grantee.

8. Delivery of Deed. Grantor shall transmit to Grantee a copy of the Deed stamped by the Recorder, the original of which shall be mailed to the Grantee by the Recorder at the address for notice to Grantee pursuant to Section 14 herein.

9. Condition of the Easement.

A. Grantee acknowledges that Grantee is purchasing the Easement "AS IS," "WHERE IS" and "WITH ALL FAULTS" solely in reliance on Grantee's own investigation, and that no representation or warranty of any kind whatsoever, express or implied, has been made by Grantor or Grantor's agents, and Grantor hereby expressly disclaims any such representation or warranty of any kind, express or implied. Any information given or disclosure made to Grantee by Grantor or Grantor's agents concerning the Easement, Easement Area or the Grantor's Property shall not constitute or be construed as a representation or warranty made by Grantor. Grantee acknowledges and agrees that it has been given the full opportunity to inspect the Easement Area and the Property prior to execution of this Agreement. Grantee shall be solely responsible for any and all costs and expenses incurred in connection with the removal and lawful disposal of all contaminated materials, toxic or hazardous substances, and asbestos, if any, on the Easement Area.

B. Grantee acknowledges and agrees that Grantor has disclosed all information in Grantor's possession that impacts Grantee's use of the Easement. Such disclosures are not exhaustive and do not imply that no other conditions impact Grantee's use of, or the value of the Easement or that other conditions are not known to Grantor. Grantee knowingly and willingly assumes any and all risk related to the existence of any and all other conditions that could impact Grantee's use of or the value of the Easement.

- C. Grantee also acknowledges that it is aware of all zoning regulations, other governmental requirements, site and physical conditions, and all other matters affecting the use and condition of the Easement, and Grantee agrees to purchase the Easement in said condition and to fully comply with all such zoning regulations and other governmental requirements at all times during Grantee's use of the Easement.
- D. Grantee waives any and all Claims (as hereinafter defined) against County and its Special Districts, elected and appointed officers, employees, and agents (collectively, "County Indemnitees"), and agrees to indemnify, defend, save, and hold harmless the County Indemnitees, and each of them, from and against any and all claims, demands, actions, rights, causes of action, obligations, liabilities, penalties, costs and expenses, including without limitation reasonable attorneys' fees and court costs (collectively, "Claims") of any nature whatsoever in any way related to or arising out of or in connection with this Agreement, the Easement or the Grantor's Property .

10. Possession/Risk of Loss. Any and all risk of loss or damage with respect to Grantee's use, repair, maintenance and improvement of the Easement and Easement Area shall pass from Grantor to Grantee on the Closing Date.

11. Brokerage Commission. Grantee and Grantor hereby acknowledge and represent that there are no broker's commission or finder's fees due in connection with this Agreement. Each party shall indemnify and hold the other party harmless from any claim of any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of either party with respect to the transaction contemplated hereunder.

12. Conflicts. In the event of a conflict between the provisions of this Agreement and the provisions of any other documents executed or agreements made or purported to be executed or made between the parties prior to the date hereof, the provisions contained in this Agreement shall in all instances govern and prevail.

13. Binding Effect on Successors. This Agreement and all covenants and restrictions contained herein shall, to the fullest extent permitted by law and equity, and without regard to technical classifications or designations, be deemed to be covenants running with the land and binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement is made with the intent of satisfying section 1468 of the California Civil Code.

14. Notices. All notices, demands, and requests required or desired to be given pursuant to this Agreement by either party shall be sent by United States Mail, nationally recognized overnight mail service, registered or certified, postage prepaid, and addressed

to the parties as follows:

Grantor: County of Los Angeles
Chief Executive Office
320 W. Temple St., 7th Floor
Los Angeles, CA 90012
Attention: Dean Lehman, Senior Manager
Real Estate

Grantee: Guyla Jean Clayton,
Trustees of the Clayton Family Trust Revocable Living Trust
dated 08/06/1997
9000 W. Lost Valley Ranch Road
Leona Valley, CA 93551

Notices, demands, and requests served in the above manner shall be considered sufficiently given or served for all purposes under this Agreement at the time the notice, demand, or request is postmarked to the addresses shown above.

15. Time is of the Essence. Time is of the essence for each and every term, condition, covenant, obligation, and provision of this Agreement.

16. Grantor's Remedies. In the event of Grantee's failure to consummate the transaction contemplated by this Agreement, or in the event of termination of this Agreement due to Grantee's violation of any provision of this Agreement, Grantor shall have all remedies in law and equity, and shall be entitled to enforce this Agreement and to obtain the benefit of the bargain contained herein.

THE PURCHASE PRICE SHALL BE RETAINED BY GRANTOR, IN THE EVENT OF GRANTEE'S FAILURE TO CONSUMMATE THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT, TO COMPENSATE GRANTOR FOR THE COST ASSOCIATED WITH NEGOTIATING, OBTAINING BOARD OF SUPERVISOR'S APPROVAL AND ENTERING INTO THIS AGREEMENT. THE PURCHASE PRICE AMOUNT SHALL BE PRESUMED TO BE A REASONABLE ESTIMATE OF THE AMOUNT OF ACTUAL CONSEQUENTIAL DAMAGES SUSTAINED BY GRANTOR BECAUSE OF GRANTEE'S BREACH OF ITS OBLIGATION TO PURCHASE THE EASEMENT. GRANTOR HAS AUDITED ITS HISTORIC COSTS OF CONDUCTING NEGOTIATIONS, OBTAINING BOARD OF SUPERVISOR'S APPROVAL AND ENTERING INTO THIS AGREEMENT AND HAS DETERMINED THAT SUCH COSTS EXCEED TWENTY-FIVE THOUSAND DOLLARS (\$25,000). AS SUCH, IN THE EVENT OF GRANTEE'S BREACH OF ITS OBLIGATION TO PURCHASE THE EASEMENT, GRANTEE AND GRANTOR AGREE AS FOLLOWS: (1) THAT THE AMOUNT OF THE PURCHASE PRICE IS INSUFFICIENT TO COVER GRANTOR'S COST OF THE TYPE OF TRANSACTION CONTEMPLATED BY THIS AGREEMENT; AND (2) THAT THE PURCHASE PRICE SHALL BE RETAINED BY GRANTOR, TOGETHER WITH ALL REMEDIES AT LAW OR IN EQUITY TO OTHERWISE ENFORCE THIS AGREEMENT AND OBTAIN THE BENEFIT OF THE BARGAIN. GRANTOR'S OTHER REMEDIES SHALL INCLUDE,

WITHOUT LIMITATION, THE RIGHT TO SUE FOR THE EXCESS, IF ANY, WHICH WOULD HAVE BEEN DUE TO THE GRANTOR UNDER THIS AGREEMENT OVER THE VALUE OF THE EASEMENT TO GRANTOR, PLUS INTEREST, OR THE RIGHT TO SUE FOR SPECIFIC PERFORMANCE OF THIS AGREEMENT.

Grantor's Initials _____

Grantee's Initials GC

17. Conveyance of Grantee's Property. If, at any time during the period between the execution of this Agreement by Grantee and the conveyance of the Easement from Grantor to Grantee, the Grantee's Property or any part thereof is granted, conveyed, transferred, or quitclaimed to any third party, or vested by any means in any name(s) other than Grantee, Grantor, at its option, may elect to terminate this Agreement, and thereafter, Grantor shall have no further obligations to Grantee pursuant to this Agreement. Grantor, at its sole option, shall have all remedies in law and equity and shall be entitled to enforce any part of this Agreement and to obtain the benefit of the bargain, together with all remedies contained herein and in accordance with all provisions of this Agreement.

18. County Lobbyist Ordinance. Grantee is aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code, and certifies and represents and warrants that Grantee is in full compliance with the requirements thereof. Failure to fully comply with all such requirements at all times shall constitute a material breach upon which County may terminate this Agreement.

19. Severability. In the event any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be severed from this Agreement and the remaining parts hereof shall remain in full force and effect as fully as though such invalid, illegal or unenforceable portion had never been part of this Agreement; provided that the remaining Agreement can be reasonably and equitably enforced.

20. Binding on Successors. Subject to the limitations set forth herein, the Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto.

21. Governing Law and Forum. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Agreement shall be conducted in the courts of the County of Los Angeles, State of California.

22. Waivers. No waiver by either party of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provision.

23. Captions. The captions and the section and subsection numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections of this Agreement nor in any way affect this Agreement.

24. No Presumption Re: Drafter. The parties acknowledge and agree that the terms and provisions of this Agreement have been negotiated and discussed between the parties and their attorneys, and this Agreement reflects their mutual agreement regarding the same. Because of the nature of such negotiations and discussions, it would be inappropriate to deem any party to be the drafter of this Agreement, and therefore, no presumption for or against validity or as to any interpretation hereof, based upon the identity of the drafter shall be applicable in interpreting or enforcing this Agreement.

25. Assistance of Counsel. Each party hereto either had the assistance of legal counsel of its choice or had legal counsel available to it, in the negotiation for, and the execution of, this Agreement, and all related documents.

26. Required Actions of Grantee and Grantor. Grantee and Grantor agree to execute such reasonable instruments and documents and to take such reasonable action as may be reasonably required in order to consummate the purchase and sale herein contemplated.

27. Power and Authority. The Grantee has the legal right authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby. Grantee further represents that he has the power and authority to enter into this Agreement and the documents referenced in this Agreement and to consummate the transaction contemplated by this Agreement and otherwise to perform Grantee's obligations under this Agreement.

28. Survival of Covenants. The covenants, agreements, representations, and warranties made herein are intended to survive the consummation of the sale of the Easement and recordation of the Deed.

29. Interpretation. Unless the context of this Agreement clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine, and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

30. Entire Agreement. This Agreement contains the entire agreement between the parties herein, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both Grantor and Grantee

31. Counterparts and Electronic Copies. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Signatures transmitted electronically or by facsimile will be deemed original signatures. Electronic copies of this Agreement shall constitute and be deemed an original copy of this

Agreement for all purposes, provided that such electronic copies are fully executed, dated and identical in form to the original hard copy version of this Agreement.

[signatures on following page.]

IN WITNESS HEREOF, the parties have executed this Agreement as of the day and year first written above.

GRANTEE

**Guyla Jean Clayton, Trustee of the
Clayton Family Trust Revocable
Living Trust dated 08/06/1997**

By: *Guyla Jean Clayton, Trustee*
Guyla Jean Clayton, Trustee

Upon approval of this Agreement, a signed copy will be mailed via United States Postal Service to Grantee.

GRANTOR

**COUNTY OF LOS ANGELES,
a body corporate and politic**

By _____
John T. Cooke
Assistant Chief Executive Officer
Asset Management Branch

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/ County Clerk

By _____
Deputy

APPROVED AS TO FORM:
DAWYN R. HARRISON
ACTING COUNTY COUNSEL

Dawyn R. Harrison
Deputy

**EXHIBIT A
LEGAL DESCRIPTION
PROPERTY OWNED BY GRANTOR**

APN: 3206-001-901

PARCEL NO. 1-1EXF

That certain parcel of land described as "0.76± Ac S 100 ft. of E 330ft of Lot 1 in Sec 19 T6N R13W" in deed recorded on April 3, 1952, as Document No. 2942 in Book 38630, page 158, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles.

Containing: 33,000± square feet (0.76 acres}

**EXHIBIT B
LEGAL DESCRIPTION
PROPERTY OWNED BY GRANTEE**

APN: 3206-001-016

The East half of the Northeast Quarter of the Southeast Quarter of the Northeast Quarter of Section 19, Township 6 North, Range 13 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the Official Plat of the Survey of said land.

**EXHIBIT C
LEGAL DESCRIPTION
EASEMENT AREA**

That portion of the East 1/2 of Lot 1 in the Northeast 1/2 of Section 19, Township 6 North, Range 13 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the official plat of said land lying within the land conveyed to Holly Hawk per document recorded December 27, 2000 as Instrument No. 00-2012701 of Official Records of said County, described as follows:

A 20.00 foot wide strip of land lying 10 feet on each side of the following described line:

Beginning at a point on the southerly line of said East ½ of Lot 1 distant South 89°52'53" West, 22.82 feet along said southerly line from the southeasterly corner of said land, said point being the beginning of a non-tangent curve concave southwesterly and having a radius of 65.00 feet, a radial line to said point bears North 72°11 '09" East; thence northwesterly and westerly along said curve an arc length of 79.37 feet through a central angle of 69°57'39"; thence North 87°46'30" West, 74.34 feet to the beginning of a curve concave northeasterly and having a radius of 60.00 feet; thence westerly, northwesterly, and northerly an arc length of 62.81 feet through a central angle of 59°58'41"; thence N27°47'49" West, 15.87 feet to the beginning of a curve concave easterly and having a radius of 100.00 feet; thence northerly along said curve an arc length of 90.94 feet through a central angle of 52°06'11" to the centerline of the travelled way of Lost Valley Ranch Road, being the Point of Termination of the described centerline.

The sidelines of said strip shall terminate southerly at said southerly line of the East 1/2 of Lot 1 and northerly at said centerline of the travelled way of Lost Valley Ranch Road.

SAID EASEMENT CONTAINING 4,763.59 SF.SQUARE FEET.

**EXHIBIT D
EASEMENT DEED**

**RECORDING REQUESTED BY
AND MAIL TO:**

County of Los Angeles
Chief Executive Office
Real Estate Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Recording fees exempt per Gov Code § 6103 and 27383

APN: 3206-001-901 (portion)

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT ("Agreement") is entered into as of _____, 2022 by and between COUNTY OF LOS ANGELES, a body corporate and politic ("Grantor"), and GUYLA JEAN CLAYTON, Trustee of the Clayton Family Trust Revocable Living Trust dated 08/06/1997 ("Grantee").

RECITALS

- A. Grantor is the current owner of that certain real property located in the County of Los Angeles, State of California, as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Burdened Property").
- B. Grantee is the current owner of that certain real property located in the County of Los Angeles, State of California, as more particularly described in Exhibit "B" attached hereto and incorporated herein by this reference (the "Benefitted Property").
- B. Grantee has requested a permanent easement in, over, across and through those certain and limited portions of the Burdened Property described and depicted on Exhibit "C" attached hereto and incorporated herein by this reference (the "Easement Area") for the Easement Improvements and Easement Uses (as those terms are defined in Section 1 below).
- C. Grantor is willing to grant such easement upon the terms and conditions set forth below.
- D. Grantor or any subsequent owner of the Burdened Property is hereafter referred to as the "Burdened Owner", and Grantee and its successors and assigns are hereafter referred to as the "Benefitted Owner".

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

1. Grant of Easement. Grantor hereby grants to Grantee an appurtenant 20' wide easement in, over, across and through the Easement Area for the purposes of laying down, locating, constructing, reconstructing, removing, replacing, repairing, maintaining, operating and

using those access road improvements depicted on those certain plans to be prepared by the Benefitted Owner and to be provided to the Los Angeles County Department of Public Works for its approval for the access road and for the purpose of access in connection therewith (such improvements being referred to in this Agreement as the "Easement Improvements"). The foregoing purposes are collectively referred to herein as the "Easement Uses".

2. Term. This Agreement shall continue in full force and effect from the date of recordation of this Agreement in perpetuity, unless this Agreement is amended, modified or terminated by an agreement executed, acknowledged and recorded by the Burdened Owner and Benefitted Owner.
3. Construction, Maintenance and Repairs.
 - 3.1 By Benefitted Owner. All expenses and costs for the construction of the Easement Improvements shall be borne by the Benefitted Owner. The Benefitted Owner shall periodically inspect, maintain, repair, reconstruct, and replace the Easement Improvements to insure the safe, lawful and reasonable operation of such Easement Improvements. All costs and expenses for such inspection, maintenance, repair, reconstruction, and replacement of the Easement Improvements shall be borne solely by the Benefitted Owner. The Benefitted Owner shall give the Burdened Owner at least fourteen (14) days prior written notice of any laying down, location, construction, reconstruction, removal, replacement, inspection, repair, or maintenance of the Easement Improvements or on the Easement Area except in the event of a bona fide emergency, in which event whatever notice is reasonable under the circumstances shall be given. Any laying down, location, construction, reconstruction, removal, replacement, inspection, repair, or maintenance of the Easement Improvements or on the Easement Area by the Benefitted Owner shall be performed in a manner which, to the extent reasonable under the then existing circumstances, minimizes disruption to the Burdened Property and Burdened Owner's operations on the Burdened Property.
 - 3.2 By Burdened Owner. If, at any time, the Benefitted Owner should fail to perform any of its obligations under Section 3.1 above, then the Burdened Owner shall provide the Benefitted Owner with written notice thereof. The Benefitted Owner shall thereafter use reasonable efforts to cure any such failure within thirty (30) days of the Benefitted Owner's receipt of such notice. If the Benefitted Owner fails to cure any such failure within such thirty (30) day time period, then the Burdened Owner shall have the right, but not the obligation, to immediately inspect, maintain, repair, reconstruct and replace the Easement Improvements pursuant to this Section 3.2 to insure the safe, lawful and reasonable operation of such Easement Improvements; provided, however, if such cure is one that will reasonably require more than thirty (30) days to cure, the Burdened Owner shall not have the right to inspect, maintain, repair, reconstruct and replace the Easement Improvements if the Benefitted Owner commences cure within such thirty (30) day period and diligently prosecutes the cure to completion within a reasonable period. Within thirty (30) days of written request, the Benefitted Owner shall reimburse the Burdened Owner for any costs and expenses incurred by the Burdened Owner in inspecting, maintaining, repairing, reconstructing and replacing any portion of the Easement Improvements and Easement Area pursuant to this Section 3.2. In the event the Benefitted Owner fails to reimburse any such costs and expenses within such thirty (30) day period, from and after such period the Benefitted Owner shall additionally be

obligated to pay the Burdened Owner interest on any unreimbursed costs and expenses in the amount of ten percent (10%) per annum.

- 3.3 Grantee shall also be responsible for constructing said access road and Easement Improvements within the Easement Area by a licensed contractor ("Contractor"), in conformance with the LA County Fire Department's ("Fire Department") required materials for road construction and in conformance to the Fire Department's minimum road and turning radius clearances to allow Fire Department and/or Grantor vehicles with unfettered and unobstructed access over and across the Easement Area and Benefitted Property at all times.
4. Damage to Easement Area or Burdened Property. If the Benefitted Owner should damage or destroy any portion of the Easement Area or Burdened Property, the Benefitted Owner shall, at the election of the Burdened Owner, either (a) repair, reconstruct or replace such damaged or destroyed portion of the Easement Area or Burdened Property (at the Benefitted Owner's sole cost and expense) or (b) reimburse such party upon demand for all reasonable costs and expenses actually incurred by such party in repairing, reconstructing or replacing such damaged portion of the Easement Area or Burdened Property, as applicable. Alternatively, if the damage to Easement Area or Burdened Property is not so cured by Benefitted Owner, then all right, title, and interest in and to the Burdened Property shall automatically revert back to the Grantor without further action by the Grantor. The Grantee shall relinquish possession and execute a quitclaim deed conveying their interests to Grantor upon request.
5. Covenants.
 - 5.1 Mechanic's Liens and Removal of Liens. The Benefitted Owner shall keep the Easement Area and Burdened Property free and clear of all design professional's mechanic's or materialmen's liens which may arise out of any laying down, location, construction, reconstruction, removal, replacement, inspection, repair or maintenance on the Easement Area or of the Easement Improvements or out of the Easement Uses or any other activities or work on the Easement Area or Easement Improvements. To the extent any such liens are recorded against the Burdened Property or any part thereof, the Benefitted Owner shall cause such lien to be released and removed within fifteen (15) days of knowledge or being served notice of such filing and/or recording, either by satisfaction or by the posting of a release bond in the amount required by statute.
 - 5.2 Indemnification. The Benefitted Owner shall indemnify, defend and hold harmless the Burdened Owner, its Special Districts, elected and appointed officers, employees, agents and volunteers ("Burdened Owner Indemnitees") from and against any and all liability, including but not limited to claims, demands, suits, costs, expenses, liabilities, fines, penalties, losses, damages and injury to person, property or otherwise, including, without limitation, direct, indirect and consequential damages, court costs and attorney's fees, arising from or in any respect related to the use of the Easement Area, Easement Uses, or this Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the Burdened Owner Indemnitees. The Benefitted Owner shall assume all risks and bear all cost for loss of, damage to, or missing or stolen, equipment, tools, vehicles and materials owned, hired, leased or used by the Benefitted Owner under this Agreement.

- 5.3 No Storage. Grantee covenants that under no circumstances shall Grantee park or store vehicles or personal property for any length of time on or within the Burdened Property.
- 5.4 Licensed Contractors. Benefitted Owner shall not permit any work to be performed anywhere within the Easement Area or Burdened Property except by duly licensed contractors, each of whom must carry adequate general public liability, builder's risk, and workman's compensation insurance, certificates naming Burdened Owner as additionally insured of which shall be furnished Burdened Owner prior to the commencement of any such work on the Burdened Property.
6. Notices. Any notice, consent, approval or request for consent required or permitted to be given under this Agreement shall be given in writing and shall be effective (a) if personally delivered, upon delivery or refusal to accept such delivery; or (b) if mailed, three (3) days after mailing, by United States registered or certified mail, postage pre-paid, return receipt requested, to the applicable address set forth below:
- If to Grantor: County of Los Angeles
Chief Executive Office
Real Estate Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
- If to Grantee: Guyla Jean Clayton, Trustees of the Clayton Family
Trust Revocable Living Trust dated 08/06/1997
9000 W. Lost Valley Ranch Road
Leona Valley, CA 93551
- The foregoing address and addressees may be changed by giving notice of such change in the manner provided for in this Section 6.
7. Binding Effect and Governing Law. This Agreement and all covenants and restrictions contained herein shall, to the fullest extent permitted by law and equity and without regard to technical classifications or designations, be deemed to be covenants running with the land of the Burdened Property, and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement is made with the intent of satisfying Section 1468 of the California Civil Code. This Agreement shall be governed and construed in accordance with the laws of the State of California.
8. Entire Agreement. This Agreement, including the recitals and Exhibits "A" and "B" attached hereto, all of which are incorporated herein by this reference, constitutes the entire agreement between the parties with respect to the grant of easement hereunder.
9. Amendments. Subject to Section 7 above, this Agreement may be amended, modified or supplemented only by a written document executed by all of the parties hereto (or their successors and assigns).
10. No Third Party Beneficiaries. This Agreement is only for the benefit of the parties hereto and their successors and assigns as set forth in Section 7 above. Except as set forth in Section 5.3, no other person or entity or property shall be entitled to rely hereon, receive

any benefit herefrom or enforce any provision hereof against any party hereto (or their respective successors assigns).

11. Reservation Interests. Grantor reserves to itself and exception from the conveyance contemplated herein, of all oil, gas, hydrocarbons, or other minerals in and under the Easement Area, without the use of the surface or subsurface (except as otherwise provided herein), to a depth of five hundred (500) feet, measured vertically, from the surface of the Easement Area, in perpetuity. Grantor reserves the right to use the Burdened Property for any and all purposes consistent with enjoyment of the Burdened Property herein granted, provided that said purposes do not unreasonably interfere with or unreasonably limit Grantee's ability to use, maintain, and/or repair the Burdened Property and Easement Improvements.
12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Easement Agreement as of the date first above written.

"GRANTOR"

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer
Chief Executive Office

APPROVED AS TO FORM:

DAWYN R. HARRISON
Acting County Counsel

By: _____
Deputy

Pursuant to the authority delegated by the Board of Supervisors of the County of Los Angeles, this Easement Agreement has been executed on behalf of said COUNTY by the Chief Executive Officer of the County of Los Angeles Chief Executive Office.

"GRANTEE"

GUYLA JEAN CLAYTON, Trustee of the Clayton
Family Trust Revocable Living Trust dated
08/06/1997

By: _____
Guyla Jean Clayton

Exhibit "A"
To
Easement Agreement

LEGAL DESCRIPTION OF THE BURDENED PROPERTY

APN: 3206-001-901

PARCEL NO. 1-1EXF

That certain parcel of land described as "0.76± Ac S 100 ft. of E 330ft of Lot 1 in Sec 19 T6N R13W" in deed recorded on April 3, 1952, as Document No. 2942 in Book 38630, page 158, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles.

Containing: 33,000± square feet (0.76 acres}

Exhibit "B"
To
Easement Agreement

LEGAL DESCRIPTION OF THE BENEFITTED PROPERTY

APN: 3206-001-016

The East half of the Northeast Quarter of the Southeast Quarter of the Northeast Quarter of Section 19, Township 6 North, Range 13 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the Official Plat of the Survey of said land.

Exhibit "C"
To
Easement Agreement

LEGAL DESCRIPTION AND DEPICTION OF THE EASEMENT AREA

That portion of the East 1/2 of Lot 1 in the Northeast 1/2 of Section 19, Township 6 North, Range 13 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the official plat of said land lying within the land conveyed to Holly Hawk per document recorded December 27, 2000 as Instrument No. 00-2012701 of Official Records of said County, described as follows:

A 20.00 foot wide strip of land lying 10 feet on each side of the following described line:

Beginning at a point on the southerly line of said East 1/2 of Lot 1 distant South 89°52'53" West, 22.82 feet along said southerly line from the southeasterly corner of said land, said point being the beginning of a non-tangent curve concave southwesterly and having a radius of 65.00 feet, a radial line to said point bears North 72°11'09" East; thence northwesterly and westerly along said curve an arc length of 79.37 feet through a central angle of 69°57'39"; thence North 87°46'30" West, 74.34 feet to the beginning of a curve concave northeasterly and having a radius of 60.00 feet; thence westerly, northwesterly, and northerly an arc length of 62.81 feet through a central angle of 59°58'41"; thence N27°47'49" West, 15.87 feet to the beginning of a curve concave easterly and having a radius of 100.00 feet; thence northerly along said curve an arc length of 90.94 feet through a central angle of 52°06'11" to the centerline of the travelled way of Lost Valley Ranch Road, being the Point of Termination of the described centerline.

The sidelines of said strip shall terminate southerly at said southerly line of the East 1/2 of Lot 1 and northerly at said centerline of the travelled way of Lost Valley Ranch Road.

SAID EASEMENT CONTAINING 4,763.59 SF.SQUARE FEET.

CLAYTON PROPERTY LEGAL DESCRIPTION

The East ½ of the Northeast ¼ of the Southeast ¼ of the Northeast ¼ of Section 19, Township 6 North, Range 13 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the official plat of said land.

CLAYTON ACCESS EASEMENT

Portion of APN 3206-001-018

That portion of the East ½ of Lot 1 in the Northeast ¼ of Section 19, Township 6 North, Range 13 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the official plat of said land lying within the land conveyed to Holly Hawk per document recorded December 27, 2000 as Instrument No. 00-2012701 of Official Records of said county, described as follows:

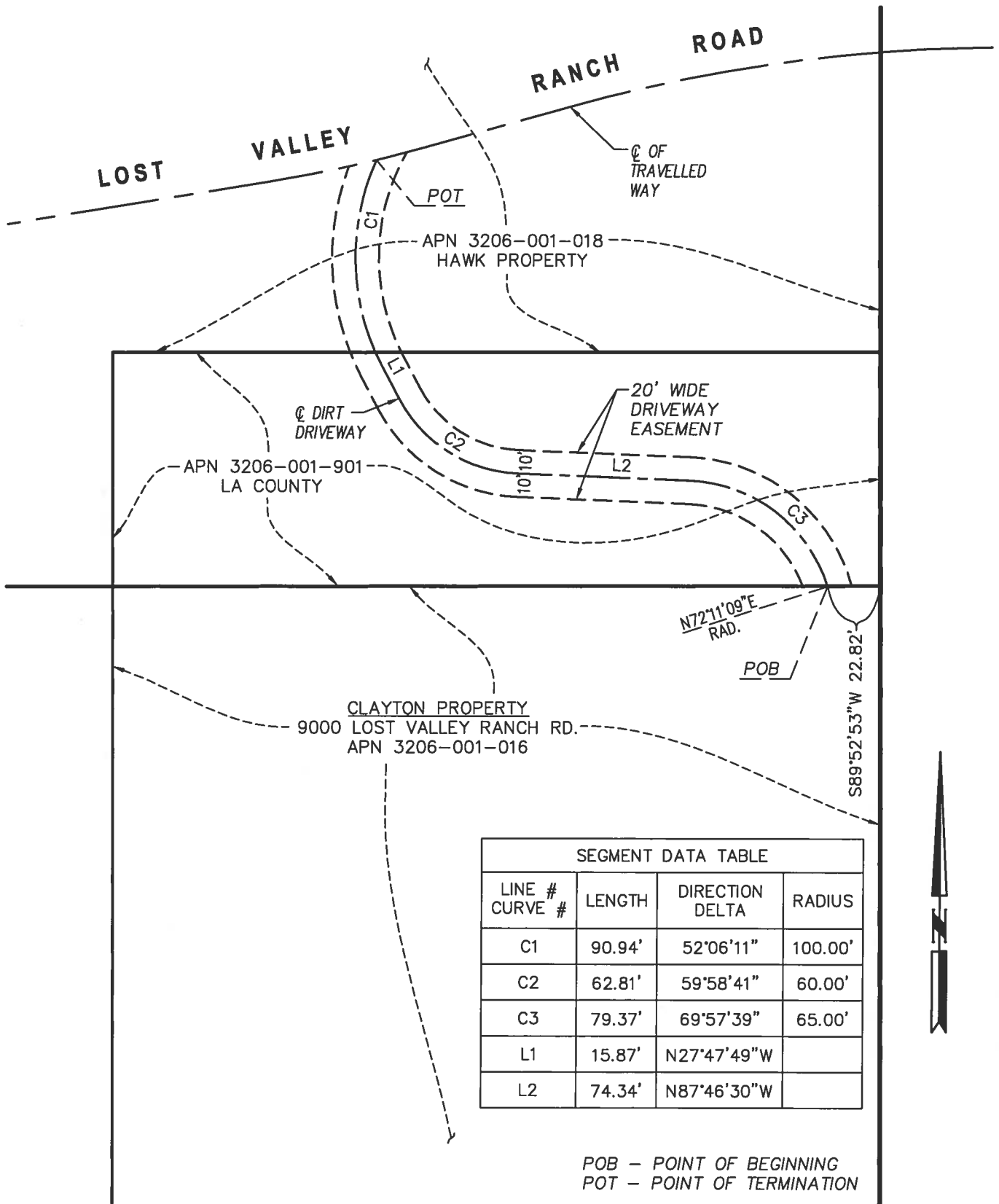
A 20.00 foot wide strip of land lying 10 feet on each side of the following described line:

Beginning at a point on the southerly line of said East ½ of Lot 1 distant South 89°52'53" West, 22.82 feet along said southerly line from the southeasterly corner of said land, said point being the beginning of a non-tangent curve concave southwesterly and having a radius of 65.00 feet, a radial line to said point bears North 72°11'09" East; thence northwesterly and westerly along said curve an arc length of 79.37 feet through a central angle of 69°57'39"; thence North 87°46'30" West, 74.34 feet to the beginning of a curve concave northeasterly and having a radius of 60.00 feet; thence westerly, northwesterly, and northerly an arc length of 62.81 feet through a central angle of 59°58'41"; thence N27°47'49" West, 15.87 feet to the beginning of a curve concave easterly and having a radius of 100.00 feet; thence northerly along said curve an arc length of 90.94 feet through a central angle of 52°06'11" to the centerline of the travelled way of Lost Valley Ranch Road, being the Point of Termination of the described centerline.

The sidelines of said strip shall terminate southerly at said southerly line of the East ½ of Lot 1 and northerly at said centerline of the travelled way of Lost Valley Ranch Road.

The intent of this 20 foot wide strip is to secure and preserve driveway access to the travelled way of Lost Valley Ranch Road. The location of the travelled way has been known to change due to stormwater runoff and erosion. In the event that Lost Valley Ranch Road is relocated at any time in the future, either due to erosion, stormwater runoff, or for any other reason, the easement location granted herein shall be modified from time to time so that it terminates at the centerline of Lost Valley Ranch Road as it exists and wherever it exists in the future.

EXHIBIT 'B'



\\IND-DC1\MAPPING\LITIGATION\LOSTVALLEYRANCHRD 9070\07 EXHIBIT B\501 EXHIBIT B CLARK 60-8.5X11.DWG



Lost Valley Ranch Road
9000 block of Lost Valley Ranch Rd.
Unincorporated (Leona Valley), California

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	6/8/2022			
BOARD MEETING DATE	6/28/2022			
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input checked="" type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th			
DEPARTMENTS	DEPMARTMENT OF PUBLIC WORKS (DPW) & DEPARTMENT OF HEALTH SERVICES (DHS)			
SUBJECT	Approval of a proposed two-year license for 24,222 square feet of surface parking with 58 existing on-site parking spaces for use by employees, patients, and visitors of DHS.			
PROGRAM	Supplemental Parking for Harbor-UCLA Medical Center (H-UCLA MC) Replacement Program			
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:			
DEADLINES/ TIME CONSTRAINTS	The H-UCLA MC Replacement Program is scheduled to start in September 2022. We need use of this parking lot by July 1, 2022 so DPW can make the required minor site improvements so it is ready and available for use prior to the construction of the new parking structure.			
COST & FUNDING	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Total cost: \$492,000 over the 2-year term</td> <td style="width: 50%;">Funding source: The costs will be funded 100 percent by the Capital Project No. 67965.</td> </tr> </table>		Total cost: \$492,000 over the 2-year term	Funding source: The costs will be funded 100 percent by the Capital Project No. 67965.
Total cost: \$492,000 over the 2-year term	Funding source: The costs will be funded 100 percent by the Capital Project No. 67965.			
	TERMS (if applicable): Base rent is not subject to annual increases during the initial two-year term. During the option period, if exercised, the base rent shall increase by 2.5 percent.			
	Explanation: Sufficient funding for the proposed license for the first year of the term is included in the Fiscal Year (FY) 2021-22 Rent Expense budget and will be reimbursed from the H-UCLA MC Replacement Program, Capital Project No. 67965. Sufficient appropriation is budgeted in FY 2021-22 under Capital Project No. 67965 to pay for the rental expense.			
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and adequately provide the necessary supplemental parking spaces for DPW and DHS.			
BACKGROUND (include internal/external issues that may exist including any related motions)	The proposed license will provide H-UCLA MC with 24,222 square feet of surface parking, including 58 existing on-site parking spaces and the option to re-stripe the area to gain additional parking. This temporary parking is needed during the construction of a parking garage as part of the Harbor-UCLA Medical Center (H-UCLA MC) Replacement Program approved by the Board on February 8, 2022, and under management by the Department of Public Works.			
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:			
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:			
DEPARTMENTAL CONTACTS	Michael Navarro CEO – Real Estate Division 213-974-4364 Mnavarro@ceo.lacounty.gov			



County of Los Angeles CHIEF EXECUTIVE OFFICE

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

FESIA A. DAVENPORT
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 28, 2022

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

Dear Supervisors:

**TWO-YEAR PARKING LICENSE
DEPARTMENT OF PUBLIC WORKS/DEPARTMENT OF HEALTH SERVICES
923 WEST CARSON STREET, TORRANCE
(SECOND DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed two-year license for 24,222 square feet of surface parking with 58 existing on-site parking spaces for use by employees, patients, and visitors of the Department of Health Services (DHS). This temporary parking is needed during the construction of a parking garage as part of the Harbor-UCLA Medical Center (H-UCLA MC) Replacement Program approved by the Board on February 8, 2022, and under management by Department of Public Works (DPW).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed license 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 license with DA Properties, LLC, a California limited liability company (Landlord), for approximately 24,222 square feet of surface parking with 58 existing on-site parking spaces located at 923 West Carson Street, Torrance, CA 90502, to be utilized to offset the temporary loss of parking at the H-UCLA MC during the first two years of implementation of the H-UCLA MC Replacement Program as a result of the new H-UCLA MC construction project overseen by DPW. The estimated maximum first year base rental cost is \$246,000. The estimated total lease cost is

\$492,000 over the two-year term. The costs will be funded by the H-UCLA MC Replacement Program, Capital Project No. 67965, approved by the Board on February 8, 2022.

3. Authorize and direct the Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the terms of the proposed license, and to take actions necessary and appropriate to implement the terms of the proposed license, including, without limitation, exercising a one-time option to extend the term for an additional six months, if needed.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On February 8, 2022, the Board approved a revised total project budget of \$1,695,000,000 for the H-UCLA MC Replacement Program and authorized the execution of a Stipulated Sum Design-Build contract with Hensel Phelps Construction Company for a maximum not-to-exceed contract sum of \$1,238,179,000.

The first phase of the project includes the construction of a new parking structure, which is scheduled to start in September 2022 and be completed within two-years. During the construction of the parking structure, H-UCLA MC will be deficient in on-site parking. To help mitigate this loss, the County has implemented attended on-site parking at four parking lots on the H-UCLA MC campus using an existing Internal Services Department (ISD) on-call contract. To further help mitigate the loss, the County has researched other parking lots in the vicinity of the H-UCLA MC campus for off-site parking. The proposed license agreement is for use of the lot located at 923 West Carson Street. This lot is conveniently located across Carson Street from H-UCLA MC and would not require the shuttlebus service to transport employees parking in the lot to and from the campus. Upon completion of the parking structure in March 2024, off-site parking will no longer be required.

The proposed license will provide H-UCLA MC with 24,222 square feet of surface parking, including 58 existing on-site parking spaces and the option to re-stripe the area to gain additional parking.

Approval of the recommended actions will find that the proposed license is exempt from CEQA and will resolve the on-site parking shortage caused by the H-UCLA MC Replacement Project.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal 1 - *“Make Investments That Transform Lives”* - provides that we will aggressively address society’s most complicated social, health, and public safety challenges. We want to be a highly responsive organization capable of responding to complex societal challenges – one person at a time.

The proposed license 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 license supports these goals and objective by fulfilling the need for supplemental parking during the first phase of the H-UCLA MC Replacement Project.

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

FISCAL IMPACT/FINANCING

The aggregate cost associated with the proposed license over the entire term is \$492,000 as shown on Enclosure B, which will be funded by the Capital Project No. 67965.

Sufficient funding for the proposed license for the first year of the term is included in the Fiscal Year (FY) 2021-22 Rent Expense budget and will be reimbursed from the H-UCLA MC Replacement Program, Capital Project No. 67965. Sufficient appropriation is budgeted in FY 2021-22 under Capital Project No. 67965 to pay for the rental expense.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Base rent is not subject to annual increases during the initial two-year term. During the option period, if exercised, the base rent shall increase by 2.5 percent.
- The Landlord is responsible for all operating and maintenance cost associated with the premises, including utilities. The County has no responsibility for any operating and maintenance costs. Should the County decide security is needed at this parking lot, the County will be responsible for any security costs.
- Neither party has the right to terminate the proposed license early.

- Holdover at the termination of the license term is permitted on a month-to-month basis, and with the same license terms and conditions, and shall be at the same rental rate as the base rent applicable during the last rental period of the term.
- The proposed license will be effective on the first day of the first calendar month after approval by the Board and full execution of the proposed license.
- The License provides the ability for the County to potentially access up to 8 more parking spaces currently available at this lot but not included within this lease agreement, at no additional cost.

The Chief Executive Office (CEO) issued a flyer soliciting proposals for available parking from landlords, brokers, and other owner representatives, for this supplemental parking need, through the Board's Executive Office website and Real Estate's County website. However, we did not receive any responses as a result of the limited supply of available parking within the requested search area.

The CEO conducted a market search of available parking spaces for lease but was unable to identify any sites that could accommodate this requirement more economically or that were within a reasonable travel distance from the hospital campus. Based upon a review of available industry data, it has been established that the annual parking rental range for a comparable license in the area is between \$2,046.44 and \$9,000 rate per parking space. The annual rate per parking space of \$4,241.38 for the proposed license represents a rate that is within the market range for the area. The subject property is located across the street from the H-UCLA MC, thereby eliminating the need and expense of utilizing a bus shuttle service that the other comparable properties would require. We recommend the proposed subject property as the most suitable to meet the County's parking space requirements.

Co-working space or telework is not a consideration for this license for parking spaces.

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

County Counsel has reviewed the enclosed license and has approved it as to form. The proposed license is authorized by Government Code section 25524, which allows the County to enter into any lease upon such consideration or for such rental, as is authorized by the action of the Board of supervisors.

The proposed license will provide supplemental parking across the street from H-UCLA MC, which is consistent with the County's Facility Location Policy, adopted by the Board of Supervisors 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 license, which involves the licensing of existing parking spaces with minor tenant improvements within an existing parking lot, with no expansion of any 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 license will help maintain regular services at H-UCLA MC by providing sufficient parking during the first phase of construction. Patient care services will not be impacted by this license agreement.

The Honorable Board of Supervisors

June 28, 2022

Page 6

CONCLUSION

It is requested that the Executive Office of the Board of Supervisors, 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,

FESIA A. DAVENPORT
Chief Executive Officer

FAD:JMN:JTC:JLC
MN:MAC:AD:gw

Enclosures

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

**DEPARTMENT OF PUBLIC WORKS/DEPARTMENT OF HEALTH SERVICES
923 WEST CARSON STREET, TORRANCE**

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			X
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ²			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?	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 enclosed as Enclosure C?	X		
	G	Was build-to-suit or capital project considered? ²		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?		X	
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. <u>X</u> No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ 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 Department of Public Works completed seismic review/approval?			X
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not? G: The volume of cars to be served by this lot and the length of time the lot is needed do not make the build-to-suit or designated capital project feasible.					

OVERVIEW OF THE PROPOSED BUDGETED LICENSE AND RELATED COSTS			
Department of Public Works/Department of Health Services			
923 West Carson Street, Torrance			
Basic License Assumptions			
Parking Area (sq.ft.)	24,222		
Parking Spaces	58		
Term (months)	24		
Annual Rent Adjustment ¹	2.50%		
Base Rent	Cost Per Space Per Month	Cost Per Space Per Year	
	\$353.45	\$4,241.38	
	1st Year	2nd Year	Total 2 Year Rental Costs
Annual Base Rent Costs¹	246,000	246,000	492,000
Utilities ²	0	0	0
Total Annual License Costs	246,000	246,000	492,000
Footnotes			
¹ Base rent is not subject to annual increases during the initial two-year term. During the option period, if exercised, the base rent shall increase by 2.5 percent.			
² Licensor pays all utilities.			
*Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.			

DEPARTMENT OF PUBLIC WORKS/DEPARTMENT OF HEALTH SERVICES**SPACE SEARCH – 3 MILE RADIUS FROM
923 WEST CARSON STREET, TORRANCE**

LACO	Name	Address	Ownership Type	Parking Sq. Ft.	Vacant
L116	DHS – LA Biomedical Research Institute Parking	1116 W. 220 th St Torrance, CA 90502	Gratis Lease	28,919	None
A128	DHS – Harbor Radiology Records Storage/Parking Lot	826 W. 220 th St Torrance, CA 90502	Lease	82,616	None
10197	Sheriff – Carson Station Parking	21356 S. Avalon Blvd Carson, CA 90745	Owned	113,029	None
T533	DHS – Employees Child Care Center	975 W. Carson St Torrance, CA 90502	Owned	16,040	None
5861	Library – Carson Library	151 E Carson St Carson, CA 90745	Owned	56,488	None
0921	CEO – Old Torrance Public Health Center	2300 W. Carson St Torrance, CA 90501	Owned	13,710	13,710

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Two-year license for the Department of Health Services – 923 West Carson Street, Torrance – Second District.

A. Establish Service Function Category – Supplemental parking for Harbor-UCLA Medical Center.

B. Determination of the Service Area – The proposed two-year license will provide the medical center employees, patients, and visitors off-site parking that is conveniently located across the street from the Harbor-UCLA Medical Center.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: Centrally located to service the Southern region of the County
- Need for proximity to existing County facilities: Close to the medical center.
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services and is in close proximity to bus and light rail connections, and the I-110 Harbor and I-405 freeways.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: N/A
- Compatibility with local land use plans: The subject property is located in unincorporated West Carson within the Second District, which has been notified of the proposed County use which is consistent with its use and zoning for parking space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed license over the entire term is \$492,000.

D. Analyze results and identify location alternatives

The CEO conducted a market search of available parking spaces 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 parking rental range for a comparable license in the area is between \$2,046.44 and \$9,000 rate per parking space. The annual rate per parking space of \$4,241.38 for the proposed license represents a rate that is within the market range for the area. The subject property is located across the street from the Harbor-UCLA Medical Center campus, thereby eliminating the need and expense of utilizing a bus shuttle service that the other comparable properties would require. We recommend the proposed subject property as the most suitable to meet the County's parking space requirements.

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

The proposed license will partially provide the necessary parking spaces for use by DHS employees, patients and visitors of the medical center. This parking lot satisfies the off-site parking requirements and is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LICENSE AGREEMENT**

THIS LICENSE AGREEMENT ("License") is made and entered into this _____ day of _____, 20____, by and between DA PROPERTIES, LLC, a California limited liability company, hereinafter referred to as the Licenser, and the COUNTY OF LOS ANGELES, a body corporate and politic, hereinafter referred to as the Licensee.

1. DESCRIPTION OF PREMISES:

The Licenser, for and in consideration of the performance of the covenants and agreements hereinafter contained, hereby licenses to the Licensee the exclusive right to an approximately 24,222 square foot area with approximately 58 parking spaces (Parking Area) at 923 West Carson Street, Torrance, California 90502, APN: 7345-010-021, and as shown in red on Exhibit A attached hereto and incorporated by this reference (the "Premises").

2. TERM:

The term of this License shall be for a period of two years, commencing upon the first day of the first calendar month following approval of this License by the Board of Supervisors and full execution by the Licenser and Licensee ("Commencement Date") and terminate at midnight on the day before the 2nd anniversary of the Commencement Date, unless this License is cancelled or otherwise terminated earlier in accordance with the provisions of this License.

3. OPTION TO EXTEND:

Licensee shall have one (1) option, for a period of six (6) months to renew the term of this license. The option must be exercised no later than three (3) months before the end of the then-expiring Initial Term. The Base Rent during the term of the option period shall be increased by two and one-half percent (2.5%) and subject to the existing terms and conditions of the license.

4. ACCESS:

Licenser shall provide Licensee with access to the Premises twenty-four hours a day and seven days a week ("Access Times").

5. BASE RENT:

The Base Rent shall be on a Full-Service Gross basis, and not subject to any operating expense, insurance, and real estate tax pass-throughs as follows:

Year	Monthly Base Rent	Annual Base Rent
1	\$20,500	\$246,000
2	\$20,500	\$246,000

6. **USE:** Licensee may use and occupy the Premises for parking of passenger vehicles/vans in the spaces depicted in Exhibit A and, for any other lawful use except the storage of heavy equipment. Licensee will be permitted to replace the initial tenant department with any County of Los Angeles Department or Division or associated agency at its sole discretion, so long as such replacement continues to provide the County of Los Angeles prima facie obligation for Licensee's obligations under this document.
7. **RIGHTS TO
ADDITIONAL PARKING
SPACES:** Licensor currently leases the building and parking to an existing tenant. In accordance with the addendum to that existing lease agreement, the existing tenant releases its right to possession for the Premises but shall retain the right to use eight (8) parking spaces. If Licensor notifies Licensee that the existing tenant's lease expired and no new tenant takes the existing tenant's place, then Licensee shall be able to use the additional eight (8) parking spaces at no additional cost to Licensee. However, at any time that Licensor leases the building and the eight (8) parking spaces to a new tenant, then upon thirty (30) days written notice, the eight (8) parking spaces will revert back to Licensor and Licensee shall have no further rights to use the additional eight (8) parking spaces.
8. **HOLDOVER:** If the License expires, Licensee can remain in the Premises on a holdover basis subject to the then existing terms and conditions of the License. In the event that Licensor does give notice to Licensee to vacate the Premises, Licensee must vacate the Premises within sixty (60) days of receipt of such notification.
9. **REPAIR,
MAINTENANCE,
REPLACEMENT:** During the term of this License, Licensee shall be permitted to perform the following improvements to the Premises, (i) reconfigure and restripe the parking spaces, including accessible spaces as necessary, (ii) install a security booth, and (iii) install signage at the entry and throughout the parking lot as needed. Licensee agrees to remove all decals, signage, and marking from Premises upon vacating the Premises. Licensor shall deliver the Premises in "As-Is" condition. Licensee has responsibility to make repairs to Premises for damages caused by Licensee in accordance with paragraph 13B of this License Agreement.
10. **SECURITY DEPOSIT:** Licensee will not be subject to any security deposit.
11. **LICENSOR'S ACCESS:** Licensee agrees to permit the Licensor or Licensor's authorized agents free access to the Premises at all reasonable times for the purpose of inspection or for making necessary improvements or repairs.

12. NOTICES:

Notices desired or required to be given by this License or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United States Postal Service.

Any such notice and the envelope containing the same shall be addressed to the Licensor as follows:

DA Properties, LLC
Attn: Scott An
25 Hillcrest Manor
Rolling Hills Estate, CA 90274

The notices and envelopes containing the same shall be addressed to the Licensee as follows:

County of Los Angeles
Chief Executive Office-Real Estate Division
Attn: Director of Real Estate
320 West Temple Street, 7th Floor
Los Angeles, CA 90012

or such other place as may hereinafter be designated in writing by the Licensor or Licensee except that Licensor shall at all times maintain a mailing address in California.

13. INDEMNIFICATION:

A. The Licensor shall indemnify, defend and hold harmless the Licensee 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 Licensor's repair, maintenance and other acts and omissions arising from and/or relating to the Licensor's ownership of the Premises.

B. The Licensee shall indemnify, defend and hold harmless the Licensor, 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 Licensee's repair, maintenance and other acts and omissions arising from and/or relating to the Licensee's use of the Premises.

C. Licensee's policy is to self-insure for liability and property damage and has elected, herein, to self-insure for Licensee's obligations, which may arise in connection with this License Agreement. Licensor consents, herein, to Licensee's election to self-insure.

14. EXPENSES:

Licensor will be responsible for paying at its sole costs and expense, all operating expenses and real estate taxes associated with the Premises, including but not limited to all utilities, supplemental taxes, assessments, and insurance.

**15. ASSIGNMENT
SUBLETTING:**

Licensee may transfer or assign this License or any rights hereunder, or sublet the property or any portion of the property thereof, or grant any interest, privilege or license whatsoever over the licensed Premises, except that any such transfer to a transferee other than a County of Los Angeles entity requires the written consent of Licensor.

**16. GENERAL
PROVISIONS:**

A. Waiver

The waiver by Licensor or Licensee of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained.

B. Marginal Headings

The paragraph titles in this License are not a part of this License and shall have no effect upon the construction or interpretation of any part hereof.

C. Time

Time is of the essence of this License and each and all of its provisions in which performance is a factor.

D. Recordation

Neither party may record this License.

E. Quiet Possession

Upon Licensee paying the License fee hereunder Licensee shall have quiet possession of the Premises for the entire term hereof subject to all the provisions in this License.

F. Prior Agreements

This License contains all the agreements of the parties hereto with respect to any matter covered or mentioned in this License and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose. No provision of this License may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This License shall not be effective or binding on any party until fully executed by both parties hereto.

G. Force Majeure

In the event that either party is delayed or hindered from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war or other reasons of a like nature beyond the control of such party, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

H. Severability

Any provision of this License which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

I. Cumulative Remedies

No remedy or election hereunder shall be deemed exclusive but shall wherever possible be cumulative with all other remedies at law or in equity.

J. Impairment of Title

Licensor hereby covenants to notify Licensee in writing within ten (10)-days of each and every occurrence, which may impair Licensor's title to the Premises. Such occurrences include, but are not limited to, default on a trust deed, transfer of any interest in any trust deed, notification of any lien recordation, notification of any foreclosure, and notification of default in the master License. Licensor further agrees to notify Licensee, in writing, within ten (10)-days of receipt of any written notice regarding redevelopment, zoning, or conditional use permits which affect the property, the subject of this License or real property adjacent thereto.

K. Choice of Law

This License shall be governed by the laws of the State of California, exclusive of conflict of law provisions. Any litigation with respect to this License shall be conducted in the courts of the County of Los Angeles, California.

L. Interpretation

The language of this License shall be construed according to its fair meaning and not strictly for or against Licensor or Licensee.

M. Lobbyists

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

N. Brokers

Licensors warrants that it has dealt with only the following real estate broker(s), agent(s), and/or finder(s) in connection with this letter or the transaction contemplated by this letter: Wendell Brown with RE/MAX Commercial, Licensor's Agent. Licensee warrants that it has not dealt with any real estate broker(s), agent(s), and/or finder(s) in connection with this letter or the transaction contemplated by this letter. Licensor and Licensee 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 the aforementioned representations.

**17. WARRANTY OF
AUTHORITY:**

The undersigned signatory for the Licensor hereby personally covenants, warrants, and guarantees that he/she has the power and authority to execute this License upon the terms and conditions stated herein and agrees to indemnify and hold harmless the Licensee from all damages, costs, and expenses, which result from a breach of this material representation.

**18. SOLICITATION OF
CONSIDERATION:**

It is improper for any County officer, employee or agent to solicit consideration, in any form, from a Licensor with the implication, suggestion or statement that the Licensor's provision of the consideration may secure more favorable treatment for the Licensor in the award of the License or that the Licensor's failure to provide such consideration may negatively affect the County's consideration of the Licensor's submission. A Licensor shall not offer or give, either, directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the License.

A Licensor shall immediately report any attempt by a County officer, employee or agent 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 (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the termination of the License.

19. CONFLICT OF INTEREST:

No County employee whose position in County service enables him/her to influence obtaining or awarding any lease, license or permit, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Licensors herein, or have any other direct or indirect financial interest resulting from this License.

20. MULTI-TENANT ACKNOWLEDGEMENT:

As a condition precedent to the effectiveness of this License, Licensors to provide Licensee a copy of the redacted existing lease agreement, currently in effect, between Licensors and lessee at the Premises, together with a fully executed Addendum to that existing lease agreement, evidencing Licensors' right to enter into this License and grant Licensee (County of Los Angeles) the right to use Premises in accordance with Exhibit A. In the event that Licensors cannot provide the aforementioned Addendum with the current tenant Licensee this License Agreement shall become null and void and neither party shall have any further obligation to each other.

21. IRREVOCABLE OFFER:

In consideration for the time and expense that Tenant will invest in this License, including but not limited to preliminary space planning, legal review, 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 License, Landlord irrevocably offers to enter into this License and not to revoke this offer until the Irrevocable Offer Expiration Date of August 1, 2022.

22. NONDISTURBANCE:

So long as Licensee complies with the provisions of this License, pays all rents and other charges as specified in the License and is not otherwise in default (beyond applicable notice and cure periods) of any of its obligations and covenants pursuant to the License, Licensors agrees for itself and its successors in interest and for any other person acquiring title to the Premises through any means including foreclosure, that Licensee's possession of the Premises as described in the License will not be disturbed during the term of the License by reason of a cancellation or termination of any existing superior lease, including that certain separate lease agreement dated May 31, 2018, as amended, between Licensors and Sorour DMD Dental Group, Corp., a California corporation.

IN WITNESS WHEREOF, the parties have executed this License as of the date specified above.

LICENSOR:

DA PROPERTIES, LLC
a California limited liability company

By: _____

Name: _____

Title: _____

LICENSEE:

COUNTY OF LOS ANGELES

FESIA A. DAVENPORT
Chief Executive Officer

By: _____

John T. Cooke

Assistant Chief Executive Officer

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk of
the County of Los Angeles

By: _____

Deputy

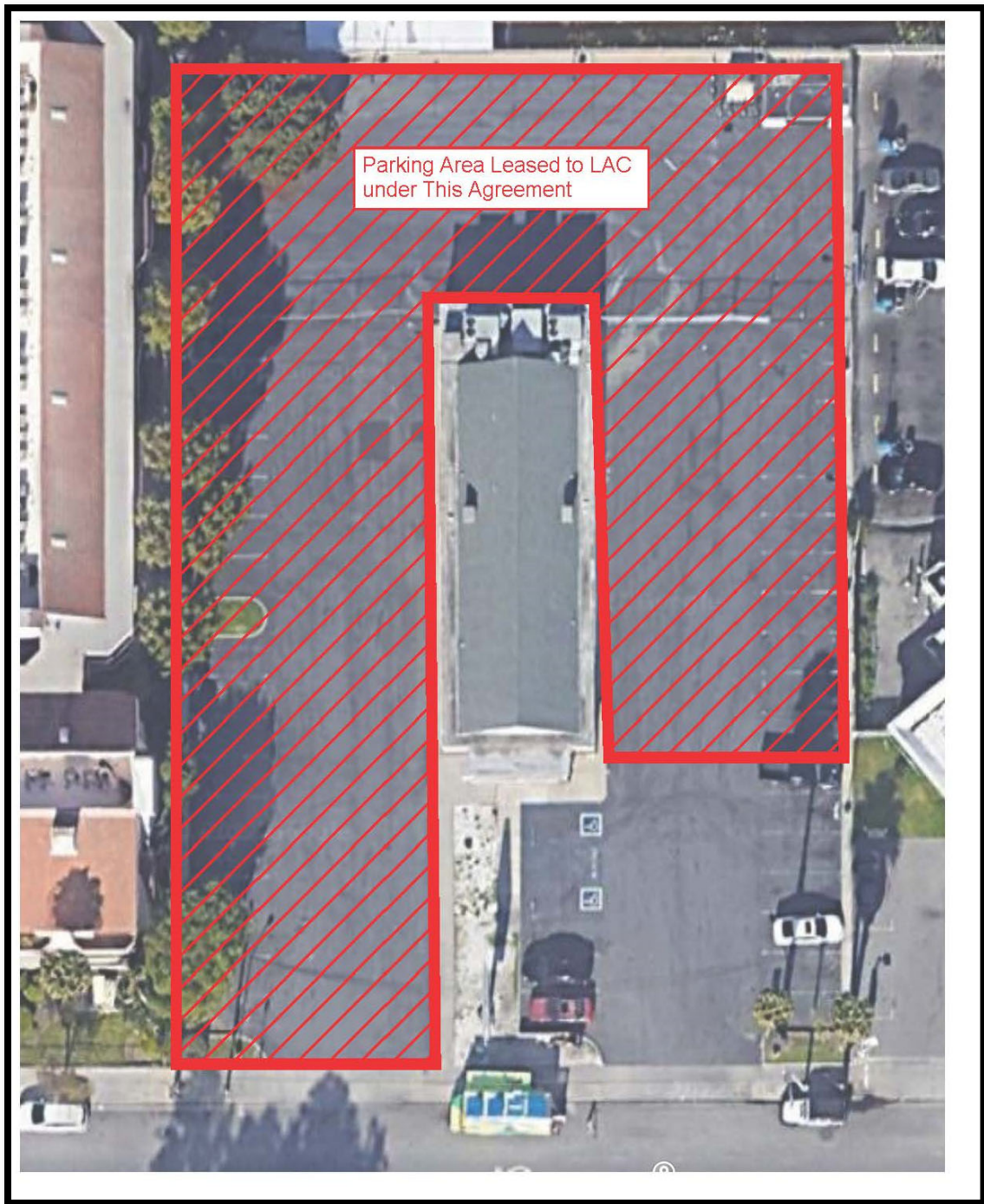
APPROVED AS TO FORM:

DAWYN R. HARRISON
Acting County Counsel

By: _____

Deputy

Exhibit A



BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	6/8/2022	
BOARD MEETING DATE	6/28/2022	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Department of Human Resources (DHR)	
SUBJECT	Approval of Contract for Unemployment Insurance Claims Third-Party Administrative Services with TALX Corporation, Provider of Equifax Workforce Solutions.	
PROGRAM		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (for two one-year optional extensions only)	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS	The current contract expires on July 31, 2022.	
COST & FUNDING	Total estimated maximum cost: \$399,100 including excess claims fees.	Funding source: Costs are billed to departments utilizing the services.
	TERMS (if applicable):	
	Explanation: Estimated maximum cost is for up to 3,500 cases per year over the five-year contract term plus two optional one-year extensions.	
PURPOSE OF REQUEST	DHR's contract with Equifax for unemployment claims administration expires on July 31, 2022. The contract is of critical nature and an urgent necessity, in order to provide necessary services to employees filing unemployment compensation benefits insurance claims upon termination of employment or reduction of hours, and to fulfill the County's legal and statutory requirements.	
BACKGROUND (include internal/external issues that may exist including any related motions)	<ul style="list-style-type: none"> DHR received two responses from the release of its RFP, including one from the current contractor, Equifax, who has been performing these services for the County since 2013. The evaluation committee recommended awarding a contract to Equifax. Contracted services include: claims administration; auditing of charges and credits for claims reported by state EDD; representation at hearings before the state Unemployment Insurance Appeals Board; cost control program management; fulfilling County's legal and statutory requirements; and conducting training seminars for County human resources personnel. Contract negotiations were more time-consuming than anticipated. Equifax sought revisions to certain contractual provisions, including those related to indemnification, insurance, confidentiality, data security, and background investigations. DHR consulted with RMO, County Counsel, DISO, and CISO, and determined that the negotiated provisions satisfactorily meet DHR's business needs. 	
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Maggie Martinez, Assistant Director (213) 351-2921, MMartinez@hr.lacounty.gov	



LISA M. GARRETT
DIRECTOR OF PERSONNEL

COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES

HEADQUARTERS

KENNETH HAHN HALL OF ADMINISTRATION
500 W. TEMPLE STREET, ROOM 579 • LOS ANGELES, CALIFORNIA 90012
(213) 974-2406 • FAX (213) 621-0387

BRANCH OFFICE

510 S. VERMONT AVENUE, 12TH FLOOR • LOS ANGELES, CALIFORNIA 90020
(213) 866-5846 • FAX (213) 637-0821

June 28, 2022

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

Dear Supervisors:

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

SUBJECT

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

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize and direct the Chair to sign the attached agreement (Attachment I) with Equifax for unemployment insurance claims administrative services for the County of Los Angeles, effective August 1, 2022, for five years through July 31, 2027, with two optional one-year extensions through July 31, 2029.
2. Delegate authority to the DHR Director of Personnel, or her designee, to i) exercise options to extend the contract for up to two years; and ii) execute amendments to the contract to add, delete and/or change certain non-substantive terms and conditions as well as terms and conditions required by the Board or the Chief Executive Office, and to maintain compliance with applicable laws, subject to review and approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

DHR currently has a contract with Equifax for unemployment claims administration. The existing contract will expire on July 31, 2022. Approval of the new contract with Equifax will ensure continued administration of unemployment insurance claims.

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

Implementation of Strategic Plan Goals

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

FISCAL IMPACT/FINANCING

Under the current contract, Equifax is paid a fixed annual fee of \$22,725 for all services. There were 1,410 cases processed in 2018 and 1,705 cases processed in 2019, for a prorated cost per case of \$13.33 to \$16.12. In 2020, the number of cases spiked drastically to 7,596 cases with the onset of COVID-19. In 2021, cases decreased to 4,421. For the first four months of 2022, there have been 734 cases.

DHR has negotiated a new fixed rate of \$23,180 for contract year one for up to 1,200 claims and representation on the County's behalf at up to 50 unemployment hearings. The rate will increase by two percent (2%) per contract year up to a maximum of \$26,104 for the final contract year if both option terms are exercised. There is an additional \$15 per claim charge for excess claims and a \$200 per hearing charge for excess hearings. Based on current case data, it is estimated first-year contract costs would be approximately \$42,700. The maximum cost of the agreement, including both option terms, is estimated to be \$399,100. Funding for this contract is included in the Fiscal Year 2022-2023 adopted budget and will be included in budget requests for subsequent years.

The contract and annual renewal options have no cost of living adjustments.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This contract, effective August 1, 2022, upon Board approval, will provide TPA administration of unemployment insurance claims services to assist the County in meeting its legal responsibilities to extend unemployment compensation benefits to County employees. The contract term is five years, through July 31, 2027. The term of the contract may be extended for two additional one-year periods, through July 31, 2029, at the County's option.

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

CONTRACTING PROCESS

On September 3, 2021, DHR released a Request for Proposals (RFP) for Unemployment Insurance Claims Administrative Services and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" website. A notification was sent to 242 registered vendors. A link to the RFP was also sent to seven vendors that DHR researched and identified as providers of unemployment insurance TPA services for organizations of a size comparable to the County. Two proposals were received, including one from the current contractor, Equifax. Both proposals were reviewed by DHR and determined to be responsive and responsible in meeting the minimum requirements of the RFP. The proposals were reviewed by an evaluation committee, which recommended awarding a new contract to Equifax.

The contract negotiations were more time-consuming than initially anticipated, and on January 25, 2022, your Board approved a six-month, month-to-month extension of the original contract through July 31, 2022, in order to allow more time to come to an agreement on terms. Equifax had sought revisions to certain contractual provisions, including those relating to indemnification, insurance, confidentiality, data security, and background investigations. After consulting with Risk Management, County Counsel, and the DHR and County Information Security Officers, DHR determined that the negotiated provisions satisfactorily meet DHR's business needs, and DHR recommends approval of the negotiated contract.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will ensure there is no impact on current services. The new contract with Equifax provides for the continuation of all existing unemployment insurance claims services.

CONCLUSION

Upon approval by the Board, please return three adopted copies of this Board letter to DHR. It is requested that the Executive Office of the Board of Supervisors, notify the DHR's Administrative Services Division, at (213) 974-2515 when the documents are available.

Respectfully submitted,

LISA M. GARRETT
Director of Personnel

LMG:PAM:BK
LF:MA:gc

Enclosures

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

S:\DHRSec_AS\Board Letters\2022\Unemployment Insurance Claims Third-Party Administrative Services – 6.28.22 Agenda

CONTRACT



CONTRACT BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

**TALX CORPORATION, PROVIDER OF
EQUIFAX WORKFORCE SOLUTIONS**

FOR

**UNEMPLOYMENT INSURANCE CLAIMS
ADMINISTRATION SERVICES**

2022

**CONTRACT PROVISIONS
TABLE OF CONTENTS**

PARAGRAPH	TITLE	PAGE
RECITALS		1
1	APPLICABLE DOCUMENTS	2
2	DEFINITIONS	3
2.1	Standard Definitions	3
3	WORK	5
4	TERM OF CONTRACT	5
5	CONTRACT SUM	6
5.1	Total Contract Sum	6
5.2	Written Approval for Reimbursement	6
5.3	Intentionally Omitted	6
5.4	No Payment for Services Provided Following Expiration-Termination of Contract	6
5.5	Invoices and Payments	7
5.6	Intentionally Omitted	8
5.7	Default Method of Payment: Direct Deposit or Electronic Funds Transfer	8
6	ADMINISTRATION OF CONTRACT- COUNTY	9
6.1	County Administration	9
6.2	County's Project Director	9
6.3	County's Project Manager	9
6.4	County's Contract Project Monitor	10
7	ADMINISTRATION OF CONTRACT-CONTRACTOR	10
7.1	Contractor Administration	10
7.2	Contractor's Project Manager	10
7.3	Approval of Contractor's Staff	11
7.4	Contractor's Staff Identification	11
7.5	Background and Security Investigations	11
7.6	Confidentiality	12
8	STANDARD TERMS AND CONDITIONS	13
8.1	Amendments	13
8.2	Assignment and Delegation/Mergers or Acquisitions	14
8.3	Authorization Warranty	15
8.4	Budget Reductions	15
8.5	Data Quality and Data Transmission	15

**CONTRACT PROVISIONS
TABLE OF CONTENTS**

PARAGRAPH	TITLE	PAGE
8.6	Compliance with Applicable Law	17
8.7	Compliance with Civil Rights Laws	17
8.8	Compliance with the County's Jury Service Program	18
8.9	Conflict of Interest.....	19
8.10	Consideration of Hiring County Employees Targeted for Layoffs or are on a County Re-Employment List	20
8.11	Consideration of Hiring GAIN-GROW Participants	20
8.12	Contractor Responsibility and Debarment	21
8.13	Intentionally Omitted	23
8.14	Contractor's Warranty of Adherence to County's Child Support Compliance Program	23
8.15	County's Quality Assurance Plan.....	24
8.16	Damage to County Facilities, Buildings or Grounds.....	24
8.17	Employment Eligibility Verification	25
8.18	Counterparts and Electronic Signatures and Representations	25
8.19	Fair Labor Standards	26
8.20	Force Majeure.....	26
8.21	Governing Law, Jurisdiction, and Venue.....	27
8.22	Independent Contractor Status	27
8.23	Indemnification.....	27
8.24	General Provisions for all Insurance Coverage.....	28
8.25	Insurance Coverage	32
8.26	Performance Requirements Summary (PRS) Remedies	34
8.27	Limitation of Liability	34
8.28	Nondiscrimination and Affirmative Action.....	34
8.29	Non Exclusivity	36
8.30	Notice of Delays.....	36
8.31	Notice of Disputes.....	36
8.32	Notice to Employees Regarding the Federal Earned Income Credit.....	36
8.33	Intentionally Omitted	36
8.34	Notices.....	37
8.35	Prohibition Against Inducement or Persuasion	37
8.36	Public Records Act	37

**CONTRACT PROVISIONS
TABLE OF CONTENTS**

PARAGRAPH	TITLE	PAGE
8.37	Publicity	38
8.38	Record Retention and Inspection-Audit Settlement	38
8.39	Recycled Bond Paper	40
8.40	Subcontracting.....	40
8.41	Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program.....	41
8.42	Termination for Convenience	42
8.43	Termination for Default or Breach	42
8.44	Termination for Improper Consideration	44
8.45	Termination for Insolvency.....	44
8.46	Termination for Non-Adherence of County Lobbyist Ordinance.....	45
8.47	Termination for Non-Appropriation of Funds.....	45
8.48	Validity	45
8.49	Waiver.....	45
8.50	Warranty Against Contingent Fees	46
8.51	Warranty of Compliance with County's Defaulted Property Tax Reduction Program	46
8.52	Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program	46
8.53	Time off for Voting	47
8.54	Compliance with County's Zero Tolerance Policy on Human Trafficking .	47
8.55	Intentionally Omitted	47
8.56	Compliance with Fair Chance Employment Practices	47
8.57	Compliance with the County Policy of Equity.....	48
8.58	Prohibition from Participation in Future Solicitation(s).....	48
8.59	COVID-19 Vaccinations of County Contractor Personnel (As Applicable)	48
9	UNIQUE TERMS AND CONDITIONS	51
9.1	Intentionally Omitted	51
9.2	Intentionally Omitted	51
9.3	Ownership of Materials, Software and Copyright.....	51
9.4	Patent, Copyright and Trade Secret Indemnification	52
9.5	Intentionally Omitted.....	52
9.6	Data Destruction	52

**CONTRACT PROVISIONS
TABLE OF CONTENTS**

PARAGRAPH	TITLE	PAGE
9.7	Intentionally Omitted	53
9.8	Intentionally Omitted	53
9.9	Intentionally Omitted	53
SIGNATURES	54

CONTRACT PROVISIONS TABLE OF CONTENTS

EXHIBITS

A	Statement of Work
B	Pricing Schedule
C	Contractor's Proposed Schedule
D	Contractor's EEO Certification
E	County's Administration
F	Contractor's Administration
G	Forms Required at the Time of Contract Execution (COVID-19 Vaccination Certification of Compliance and Confidentiality Forms)
H	Jury Service Ordinance
I	Intentionally Omitted
J	Contract Discrepancy Report
K	Performance Requirements Summary (PRS) Table
L	Intentionally Omitted
M	Information Security and Privacy Requirements
N	Approved Subcontractors
O	Designated Sensitive Positions

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

This Contract ("Contract") made and entered into this ____ day of _____, 2022 by and between the County of Los Angeles, hereinafter referred to as County and TALX Corporation, provider of Equifax Workforce Solutions, hereinafter referred to as "Contractor." TALX Corporation, provider of Equifax Workforce Solutions is located at 1550 Peachtree Street, NW, Atlanta, Georgia, 30309.

RECITALS

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

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

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

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

WHEREAS, the County has determined that it is legal, feasible, and cost-effective to Contract for Unemployment Insurance Claims Administration 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 APPLICABLE DOCUMENTS

- 1.1 Exhibits A, B, C, D, E, F, G, H, I, J, K, L, M, N, and O 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 (COVID-19 Vaccination Certification of Compliance and Confidentiality Forms)
- 1.8 Exhibit H - Jury Service Ordinance

- 1.9 Exhibit I - Intentionally Omitted
- 1.10 Exhibit J - Contract Discrepancy Report
- 1.11 Exhibit K - Performance Requirements Summary (PRS) Table
- 1.12 Exhibit L - Intentionally Omitted

Information Security and Privacy Requirements Exhibit

- 1.13 Exhibit M - Information Security and Privacy Requirements

Unique Exhibits

- 1.14 Exhibit N - Approved Subcontractors
- 1.15 Exhibit O - Designated Sensitive Positions

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 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 Board or Board of Supervisors (Board): The Board of Supervisors of the County of Los Angeles acting as governing body.

2.1.1.2 Business Day: Monday through Friday excluding County observed holidays.

2.1.1.3 Claim(s): Any and all third party (including employees and former employees of County subject to unemployment proceedings) claims, demands, liabilities, suits, damages, losses, expenses, fines

and costs (including attorneys', experts' and investigators' fees and expenses).

- 2.1.1.4 **Contract:** This Contract executed between County and Contractor. Included are all supplemental Contracts 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
- 2.1.1.5 **Contractor:** The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an Contract with the County to perform or execute the work covered by this Contract.
- 2.1.1.6 **Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award as further described in Sub-paragraph 7.1 (Contractor's Project Manager) of this Contract.
- 2.1.1.7 **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.
- 2.1.1.8 **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.
- 2.1.1.9 **Contractor Project Manager:** The person designated by the Contractor to administer the Contract operations under this Contract.
- 2.1.1.10 **Data:** All employment and income data provided to Contractor by or on behalf of County, which does, or could be used to, directly or indirectly identify an individual.
- 2.1.1.11 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.1.1.12 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

2.1.1.12.1 **Services:** All tasks, deliverables, Services, and other work as set forth in this Contract and Exhibits, including Exhibit A (Statement of Work).

2.1.1.13 **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.

2.1.1.14 **Subcontract:** An agreement by the Contractor to employ a Subcontractor to provide Services to fulfill this Contract.

2.1.1.15 **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.

3 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 TERM OF CONTRACT

- 4.1 The term of this Contract shall be for a period of five (5) years commencing after execution by County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract (Initial Term).
- 4.2 The County has the option, at the Director of Personnel's (Director) discretion, to extend the term of this Contract for up to two additional one-year periods (each an "Option Term"). Such extensions of the term shall be automatic, unless the Director provides notice to Contractor at least thirty (30) days prior to the end of the then current term that Director will not extend the Term of the Contract further. As used herein, "Term" shall mean the Initial Term and, if extended, each Option Term, as the case may be.

4.3 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.

4.4 Intentionally Omitted

5 CONTRACT SUM

5.1 Total Contract Sum

5.1.1 The rates payable by the County to the Contractor for performing all tasks, deliverables, goods, Services, and any other Work required under this Contract shall be as set forth on Exhibit B (Pricing Schedule) of this Contract. Such rates shall be firm and fixed for the term of this Contract.

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. Subject to the terms of Section 8.2, 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, which shall not be unreasonably withheld.

5.3 Intentionally Omitted

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) and shall be submitted monthly, in arrears and shall be priced in accordance with Exhibit B - Pricing Schedule of this Contract. Each invoice submitted by Contractor shall include, but not be limited to:

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

5.5.3 The Contractor's invoices shall contain the information set forth in Exhibit A (Statement of Work) describing the tasks, deliverables, goods, Services, work hours, and facility and/or other work for which payment is claimed.

5.5.4 The Contractor shall submit the monthly invoices to the County by the 15th calendar day of the month following the month of Service.

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

5.5.6 County Approval of Invoices

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

5.5.7 Local Small Business Enterprises – Prompt Payment Program

Certified Local Small Business Enterprises (LSBEs) will receive prompt payment for Services they provide to County departments. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice.

5.6 Intentionally Omitted

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

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

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

- 5.7.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments.

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

6 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 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 Project Manager

7.2.1 The Contractor shall provide a Contractor Project Manager who will act as the Contractor's liaison with the County and who will be responsible for the day-day management of the Contract. The Contractor's Project Manager is designated in Exhibit F (Contractor's Administration) of this Contract. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager or when a Contractor Project Manager designee is required.

7.2.2 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, at least quarterly, in person or by phone, to review project progress and discuss project coordination needs.

- 7.2.3 The Contractor's Project Manager must have full authority to act for Contractor on all matters relating to the operation of the Contract.

7.3 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

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

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

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 reasonable satisfaction of County as a condition of beginning and continuing to perform Services under this Contract
- 7.5.2 If a member of Contractor's staff does not pass the

background investigation, County may request that the member of Contractor's staff be 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.

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

7.5.4 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 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 reasonable 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 Exhibit G1 - Contractor Acknowledgement and Confidentiality Agreement.
- 7.6.5 Contractor shall cause each employee solely performing Services covered by this Contract to sign and adhere to the provisions of Exhibit G2 - Contractor Employee Acknowledgment and Confidentiality Agreement.
- 7.6.6 Contractor shall cause each non-employee solely performing Services covered by this Contract to sign and adhere to the provisions of Exhibit G3 - Contractor Non-Employee Acknowledgment and Confidentiality Agreement

8 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 the Director of Personnel or his/her designee.
- 8.1.2 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by Contractor and the Director of Personnel or his/her designee.
- 8.1.3 The Director of Personnel or his/her designee, may at his/her 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 the Director of Personnel or his/her designee.

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, exchange, transfer, or delegate its rights or duties under this Contract, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent shall be null and void. The County shall not unreasonably withhold such consent. 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 delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County. County acknowledges that Contractor may use independent Contractors to act as hearing representatives and that Contractor may Subcontract administrative, back office tasks (i.e., mail handling, offsite storage and cloud Services) and County expressly approves such relationships and agrees that such relationships are not covered by this Paragraph. Attached as Exhibit N is a list of current approved Subcontractors.
- 8.2.3 Except as otherwise expressly stated herein, 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; at which time the County and Contractor agree to review and revise the workload thresholds accordingly with revised threshold and payment changes to be effective at the beginning of the following Contract year. 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 Data Quality and Data Transmission

8.5.1 County acknowledges that the ability of Contractor to provide accurate information is dependent upon receipt of accurate Data from County. County shall provide current and accurate Data necessary for Contractor to provide the Services. County agrees to provide such Data to Contractor within a mutually agreeable timeframe and to promptly correct and update Data. County further agrees to test and validate the accuracy of the Data on a mutually agreeable frequency using paper-based or electronic Data validation reports provided by Contractor. Both

parties agree to work together to identify and resolve all identified historical and ongoing Data errors within two (2) of County's pay periods. Furthermore, County agrees to transfer Data to Contractor using one of the approved secure shipping methods provided in the table below, which outlines the acceptable options for the secure transfer of employment and income Data, to Contractor. County agrees to use one of these approved secure delivery or transmission methods.

Contractor's preferred methods of receiving Data are Secure File Transfer Protocol (SFTP) with PGP encryption or API.

	Transfer Option	Description	For Added Protection
1	SFTP	Secures credentials and information in the file during transmission using the SSH protocol.	PGP desktop software and use of the EWS PGP encryption key adds extra protection to the Data file itself.
2	API	API level integration with human capital management systems ("HCM") such as Workday and PeopleSoft.	Strong authentication processes and network encryption via TLS 1.2 add extra protection.
3	CD/DVD	Allows for sending data files using encryption software with additional password protection.	PGP desktop software and use of the EWS PGP encryption key encrypts the Data file.
4	Secure Email (Virtu, TLS)	Secures information in the body of the email and attachments.	Client to confirm presence of TLS with their internal email Service team.

8.5.2 To the extent not prohibited by applicable law, County shall indemnify, defend, and hold harmless Contractor, its officers, employees, and agents, from and against Claims to the extent such Claims are caused by any failure by County, its officers, employees, agents, or Subcontractors, to comply with this Paragraph 8.5. Any legal defense pursuant to County's indemnification obligations under this Paragraph 8.5 shall be conducted by County and performed by reputable counsel selected by County. Notwithstanding the preceding sentence, Contractor shall have the right to participate in any such defense at its sole cost and expense, except that in the event County fails to provide Contractor with a full and adequate defense, Contractor shall be entitled to retain its own counsel and reimbursement from County for all such costs and expenses incurred by Contractor in doing so. County shall have the right to settle an indemnified claim under this Paragraph 8.5 without the prior written consent of Contractor so long as such settlement does not impose any unreimbursed monetary or continuing non-monetary obligation on the Contractor and further does not contain an admission of guilt or liability.

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 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 hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary Services of 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 Contract.

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 Layoffs or are on a County 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 Intentionally Omitted

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 (if applicable)

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

- 8.18.1 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.
- 8.18.2 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 Claims 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 (excepting obligations to pay money for work performed if within the control of County to issue such payment) 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 Claims arising

from and/or relating to Contractor's breach of this Contract, except to the extent any loss or damage arises from the negligence or willful misconduct of the County or its 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 within thirty (30) days following Contractor's policy expiration dates.
- 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, 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 sent to:

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

8.24.2.6 To the extent applicable, 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, and employees (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. Use of an automatic or blanket 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, after providing Contractor fifteen (15) calendar days notice, the County may purchase the Required Insurance, and 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. Such approval shall not be unreasonably withheld.

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 the required Commercial, General Liability, Automobile Liability and Workers' Compensation 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 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.

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 two (2) 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 where additional insured status is afforded 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 **Intentionally Omitted**

8.24.15 **County Review and Approval of Insurance Requirements**

The County may from time to time review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures. Any such change shall require mutual written consent of the parties.

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.

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 \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than two (2) years following this Contract's expiration, termination or cancellation.

8.25.4.3 Intentionally Omitted

8.25.4.4 Intentionally Omitted

8.25.4.5 Technology Errors & Omissions Insurance

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

8.25.4.6 Intentionally Omitted

8.25.4.7 Intentionally Omitted

8.26 Performance Requirements Summary (PRS) Remedies

- 8.26.1 The Contractor agrees to those remedies for any contractual non-compliance as set forth in Exhibit K (PRS Table).

8.27 Limitation of Liability

- 8.27.1 In no event shall damages by either party hereunder exceed the greater of: a) the total fees paid by County during the twelve months prior to the act or occurrence which gives rise to the Claim b) one hundred thousand dollars (\$100,000). This limitation on liability shall not apply to any Claim for which either party has an obligation of indemnity pursuant to Section 7.6.2, Section 9.4 ("Patent, Copyright and Trade Secret Indemnification"), and Section 17 ("Privacy and Security Indemnification") of the Information Security and Privacy Requirements Exhibit M, breach of confidentiality obligations (including an Incident) or Claims arising out of a party's gross negligence, willful misconduct, or fraud.
- 8.27.2 Any other Term or Provision of this Contract to the contrary notwithstanding, in no event shall either party, or its affiliates, their directors, officers or employees, be liable for loss of profits or for indirect, punitive, special, incidental or consequential damages arising out of or related to the performance of this Contract, even if that party has been advised of the possibility of such damages. This limitation on liability shall not apply to any Claim for which either party has an obligation of indemnity pursuant to Section 7.6.2, Section 9.4 ("Patent, Copyright and Trade Secret Indemnification"), Section 17 ("Privacy and Security Indemnification") of the Information Security and Privacy Requirements Exhibit M or Claims arising out of a party's gross negligence, willful misconduct, or fraud.

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 no more than once per year and upon reasonable, but not less than thirty (30) days' notice, during regular business hours, subject to Contractor's reasonable security requirements, 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 Intentionally Omitted

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 Director of Personnel 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 Intentionally Omitted

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 Director of Personnel or his /her designee shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.35 Prohibition Against Inducement or Persuasion

- 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. Any such audit shall take place no more than once per year and upon reasonable notice during regular business

hours, subject to Contractors security requirements and to mutually agreeable terms and conditions. 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 not be responsible to 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.
- 8.38.4 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. Notwithstanding the foregoing, the County acknowledges that Contractor may use independent Contractors to act as hearing representatives and that Contractor may Subcontract administrative, back office tasks (i.e., mail handling, offsite storage and cloud Services) and County expressly approves such relationships and agrees that such relationships are not covered by this Paragraph.
- 8.40.2 For Contractor's additional requested Subcontractors (with the exception of new hearing officers), 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; and
- 8.40.2.2 Intentionally Omitted
- 8.40.2.3 Other pertinent and reasonable 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 solely 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 providing Services under this Contract. 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's insurance policies shall cover its Subcontractors, or 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
Department of Human Resources
Administrative Division/Contracts
500 W. Temple Ave, Los Angeles, CA 90012
Attention: Carolyn Scott

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 thirty (30) 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 or Breach

- 8.43.1 The County may, by thirty (30) days' 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 defaulted under or 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 Intentionally Omitted

8.43.2 In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.43.1, Contractor has thirty (30) days, or some other reasonable timeframe under the circumstances and agreed to in writing by the parties, to cure the breach or default. In the event that the breach or default remains uncured in the County's reasonable discretion, the County may: (a) terminate this Contract upon thirty (30) days' written notice to Contractor, or (b) procure, upon such terms and in such manner as the County may deem appropriate and reasonable, goods and Services similar to those so terminated. 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 Intentionally Omitted

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 pursuant to the terms of the 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 pursuant to the terms of 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 Contract.

8.59 COVID-19 Vaccinations of County Contractor Personnel (As Applicable)

1. At Contractor's sole cost, Contractor shall comply with Chapter 2.212 (COVID-19 Vaccinations of County Contractor Personnel) of County Code Title 2 - Administration, Division 4.
4. All employees of Contractor and persons working on its behalf, including but not limited to, Subcontractors of any tier (collectively, "Contractor Personnel"), must be fully vaccinated against the novel coronavirus 2019 ("COVID-19") prior to (1)

interacting in person with County employees, interns, volunteers, and commissioners ("County workforce members"), (2) working on County owned or controlled property while performing Services under this Contract, and/or (3) coming into contact with the public while performing Services under this Contract (collectively, "In-Person Services").

2. Contractor Personnel are considered "fully vaccinated" against COVID-19 two (2) weeks or more after they have received (1) the second dose in a 2-dose COVID-19 vaccine series (e.g. Pfizer-BioNTech or Moderna), (2) a single-dose COVID-19 vaccine (e.g. Johnson and Johnson [J&J]/Janssen), or (3) the final dose of any COVID-19 vaccine authorized by the World Health Organization ("WHO").
3. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated by confirming Contractor Personnel is vaccinated through any of the following documentation: (1) official COVID-19 Vaccination Record Card (issued by the Department of Health and Human Services, CDC or WHO Yellow Card), which includes the name of the person vaccinated, type of vaccine provided, and date of the last dose administered ("Vaccination Record Card"); (2) copy (including a photographic copy) of a Vaccination Record Card; (3) Documentation of vaccination from a licensed medical provider; (4) a digital record that includes a quick response ("QR") code that when scanned by a SMART HealthCard reader displays to the reader client name, date of birth, vaccine dates, and vaccine type, and the QR code confirms the vaccine record as an official record of the State of California; or (5) documentation of vaccination from Contractors who follow the CDPH vaccination records guidelines and standards. Contractor shall also provide written notice to County before the start of work under this Contract that its Contractor Personnel are in compliance with the requirements of this section. Contractor shall retain such proof of vaccination for the document retention period set forth

in this Contract, and must provide such records to the County for audit purposes, when required by County.

4. Contractor shall evaluate any medical or sincerely held religious exemption request of its Contractor Personnel, as required by law. If Contractor has determined that Contractor Personnel is exempt pursuant to a medical or sincerely held religious reason, the Contractor must also maintain records of the Contractor Personnel's testing results. The Contractor must provide such records to the County for audit purposes, when required by County. The unvaccinated exempt Contractor Personnel must meet the following requirements prior to (1) interacting in person with County workforce members, (2) working on County owned or controlled property while performing Services under this Contract, and/or (3) coming into contact with the public while performing Services under this Contract:
 - a. Test for COVID-19 with either a polymerase chain reaction (PCR) or antigen test has an Emergency Use Authorization (EUA) by the FDA or is operating per the Laboratory Developed Test requirements by the U.S. Centers for Medicare and Medicaid Services. Testing must occur at least weekly, or more frequently as required by County or other applicable law, regulation or order.
 - b. Wear a mask that is consistent with CDC recommendations at all times while on County controlled or owned property, and while engaging with members of the public and County workforce members.
 - c. Engage in proper physical distancing, as determined by the applicable County department that the Contract is with.
5. In addition to complying with the requirements of this section, Contractor shall also comply with all other applicable local, departmental, State, and federal laws, regulations and

requirements for COVID-19. A completed Exhibit G (COVID-19 Vaccination Certification of Compliance) is a required part of any Contract with the County.

9 UNIQUE TERMS AND CONDITIONS

9.1 Intentionally Omitted

9.2 Intentionally Omitted

9.3 Ownership of Materials, Software and Copyright

9.3.1 Contractor 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 County shall be the sole owner of all right, title and interest in the Data and any records relating to the same. All such records shall be kept confidential, subject to County's obligations under the Public Records Act, as set forth in Paragraph 8.36 (Public Records Act).

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 Intentionally Omitted

9.3.4 Intentionally Omitted

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 Claims 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>

Upon County's written request at any time during this Contract (including termination or completion of the Services hereunder, whichever is sooner), Contractor will purge, destroy, or otherwise render inaccessible, Data housed in the Contractor production database(s), provided that Contractor may retain archival copies of Data for audit and dispute resolution purposes as required by applicable regulations or industry certifications and all retained copies of Data shall be on encrypted back-up media in which such Data is co-resident with other employment and income data.

Such destruction will be accomplished by purging or physical destruction, in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88. Contractor will certify in writing to County that such Data or destruction has been completed. If Contractor believes that destruction of the Data is technically impossible or impractical, Contractor must provide County with a written statement of the reason that destruction by Contractor is technically impossible or impractical. Contractor will continue to protect the Data in accordance with the terms of this Contract. Contractor shall remain under its Contractual obligation of confidentiality and security to County during such retention and such obligations shall survive termination of the Contract.

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 that certifies and validates the data and information were placed in one or more of the following stored states: unusable, unreadable, and indecipherable.

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 the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR:

TALX CORPORATION, PROVIDER OF
EQUIFAX WORKFORCE SOLUTIONS

Name

By Russell McAllister
Russell McAllister (May 4, 2022 10:46 EDT)

Signature

Russell McAllister

Printed Name

VP, National Accounts

Title

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

ATTEST:

Celia Zavala, Executive Officer
of the Board of Supervisors

By _____

APPROVED AS TO FORM:

DAWN R. HARRISON
County Counsel

By 
Principal Deputy County Counsel

STANDARD EXHIBITS

- A STATEMENT OF WORK
- B PRICING SCHEDULE
- C CONTRACTOR'S PROPOSED SCHEDULE
- D CONTRACTOR'S EEO CERTIFICATION
- E COUNTY'S ADMINISTRATION
- F CONTRACTOR'S ADMINISTRATION
- G FORM(S) REQUIRED AT THE TIME OF CONTRACT EXECUTION (COVID-19 Vaccination Certification of Compliance and Confidentiality Forms)
- H JURY SERVICE ORDINANCE
- I INTENTIONALLY OMITTED
- J CONTRACT DISCREPANCY REPORT
- K PERFORMANCE REQUIREMENTS SUMMARY (PRS) TABLE
- L INTENTIONALLY OMITTED

INFORMATION SECURITY AND PRIVACY REQUIREMENT

- M INFORMATION SECURITY AND PRIVACY REQUIREMENTS

UNIQUE EXHIBITS

- N APPROVED SUBCONTRACTORS
- O DESIGNATED SENSITIVE POSITIONS

STATEMENT OF WORK

TABLE OF CONTENTS

SECTION	TITLE	PAGE
1.0	SCOPE OF WORK	1
2.0	ADDITION AND/OR DELETION OF FACILITIES, SPECIFIC TASKS AND/OR WORK HOURS.....	2
3.0	QUALITY CONTROL.....	2
4.0	QUALITY ASSURANCE PLAN	2
5.0	DEFINITIONS	3
6.0	RESPONSIBILITIES.....	3
	<u>COUNTY</u>	
6.1	Personnel	3
6.2	Intentionally Omitted.....	3
	<u>CONTRACTOR</u>	
6.3	Project Manager	4
6.4	Personnel	4
6.5	Intentionally Omitted.....	4
6.6	Materials and Equipment.....	4
6.7	Training	5
6.8	Contractor's Office.....	5
7.0	HOURS/DAYS OF WORK.....	5
8.0	INTENTIONALLY OMMITTED	5
9.0	UNSCHEDULED WORK	5
10.0	SPECIFIC WORK REQUIREMENTS	6
10.1	Transition Plan for Assumption of Services from Current TPA.....	6
10.2	Claims Administration.....	7
10.3	Cost Validation	9
10.4	Record Keeping.....	9
10.5	Administration and Management Reports	10
10.6	Departmental Service.....	12
10.7	County Staff Training.....	13

TABLE OF CONTENTS

SECTION	TITLE	PAGE
	10.8 County Hearing Representative Training.....	13
	10.9 Web Based Program to Monitor Unemployment Claim Process	13
	10.10 Transition Responsibilities upon Termination	14
	10.11 Reports and Information upon Termination	15
	10.12 County UI Claims Account Number	15
11.0	GREEN INITIATIVES	15
12.0	PERFORMANCE REQUIREMENTS SUMMARY	15

STATEMENT OF WORK (SOW)

BACKGROUND

The County of Los Angeles (County) is one of the nation's largest counties with the largest population – nearly 10.1 million residents, of any county in the United States, and is exceeded by only eight states. We serve the needs of 88 municipalities that lie within our boundaries. We are governed by a five-member Board of Supervisors (Board) elected on a nonpartisan basis to serve four-year, staggered terms as our executive and legislative authorities. With over 110,000 employees and 38 departments and/or commissions and an operating budget of \$38.2 billion, the County provides a broad array of Services to one of the most culturally diverse communities in the country.

The below table shows the number of unemployment insurance claims processed and hearings per year since 2018:

Year	Total number of claims processed	Total number of hearings
2018	1,410	61
2019	1,705	45
2020	7,596	19
2021 (January - March)	1,215	0

1.0 SCOPE OF WORK

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

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

The goals of the UIP are to:

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

STATEMENT OF WORK (SOW)

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

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

3.0 QUALITY CONTROL

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

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

4.0 QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in this Contract, Paragraph 8, Standard Terms and Conditions, Paragraph 8.15, County's Quality Assurance Plan.

4.1 Monthly Meetings

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

4.2 Contract Discrepancy Report (SOW Exhibit A)

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

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

STATEMENT OF WORK (SOW)

4.3 County Observations

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

5.0 DEFINITIONS

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

6.0 RESPONSIBILITIES

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

COUNTY

6.1 Personnel

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

- 6.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.
- 6.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.
- 6.1.3 Preparing Amendments in accordance with the Contract, Paragraph 8. Standard Terms and Conditions, Sub-paragraph 8.1, Amendments.

6.2 Intentionally Omitted

STATEMENT OF WORK (SOW)

CONTRACTOR

6.3 Project Manager

- 6.3.1 Contractor shall provide a full-time Project Manager and a designated alternate. County must have access to the Project Manager during normal business hours, 8:00 a.m. to 5:00 p.m., Pacific Standard Time, Monday through Friday. Contractor shall provide a telephone number where the Project Manager may be reached during normal business hours, 8:00 a.m. to 5:00 p.m., Pacific Standard Time, Monday through Friday.
- 6.3.2 Project Manager shall act as a central point of contact with the County.
- 6.3.3 Project Manager shall have three (3) years of experience within the last five (5) years providing Services equivalent or similar to those described in this Exhibit A (Statement of Work), Sub-paragraph 6.3 (Project Manager).
- 6.3.4 Project Manager/alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Project Manager/alternate shall be able to effectively communicate in English, both orally and in writing.
- 6.3.5 Project Manager/alternate shall have full access to legal, technical, and other specialized staff who routinely review federal and state unemployment laws to ensure compliance.

6.4 Personnel

- 6.4.1 Contractor shall assign a sufficient number of employees to perform the required work. At least one employee of Contractor shall be the primary point of contact, who can provide responses and details (with or without additional Contractor support) to the County and must speak and understand English.
- 6.4.2 Contractor shall be required to background check their employees as set forth in Sub-paragraph 7.44 – Background and Security Investigations, of the Contract.

6.5 Intentionally Omitted

6.6 Materials and Equipment

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

STATEMENT OF WORK (SOW)

6.7 Training

6.7.1 Contractor shall provide virtual live training programs once per year for all new employees who may engage with Contractor operations directly and continuing in-service training for all employees and make the recorded version live training available throughout the year and provide a contact to answer questions throughout.

6.8 Contractor's Office

Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. The office shall be staffed during the hours of 8:00 a.m. to 5 p.m., Pacific Standard Time, Monday through Friday, by at least one employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, the County must be able to leave a voicemail message on the Contractor's office telephone number. **The Contractor shall respond to any voicemail message received after hours within the next business day.**

7.0 HOURS/DAY OF WORK

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

8.0 INTENTIONALLY OMITTED

9.0 UNSCHEDULED WORK

- 9.1 The County Project Manager or his designee may authorize the Contractor to perform unscheduled work, including, but not limited to, repairs and replacements when the need for such work arises out of extraordinary incidents such as vandalism, acts of God, and third party negligence; or to add to, modify or refurbish existing facilities.
- 9.2 Prior to performing any unscheduled work, the Contractor shall prepare and submit a written description of the work with an estimate of labor and materials. If the unscheduled work exceeds the Contractor's estimate, the County Project Director or his designee must approve the excess cost. In any case, no unscheduled work shall commence without written authorization.
- 9.3 When a condition exists wherein there is imminent danger of injury to the public or damage to property, Contractor shall contact County's Project Director for approval before beginning the work. A written estimate shall be sent within twenty-four (24) hours for approval. Contractor shall submit an invoice to County's Project Director within five (5) working days after completion of the work.

STATEMENT OF WORK (SOW)

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

10.0 SPECIFIC WORK REQUIREMENTS

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

The Contractor shall:

- 10.1.1 Provide transitional Services prior to providing the Unemployment Insurance Claims Administration Services described in this Contract. The Contractor shall not receive any fees under this Contract until after the County has received the certification described in Sub-paragraph 10.1.4 hereunder of this SOW.
- 10.1.2 Provide any requested consultation to the County Project Director or designee during the transition;
- 10.1.3 Accomplish the following tasks during this transition period:
 - 10.1.3.1 Prepare a Manual of Tasks, Rules and Procedures detailing all of the steps necessary to transition employee records and accounts.
 - 10.1.3.2 Establish contacts with appropriate County departments, which include the County's Auditor-Controller, Chief Executive Office, and DHR.
 - 10.1.3.3 Obtain all necessary County and state licenses for doing business in the County as a Contractor for the UIP.
 - 10.1.3.4 Hire necessary technical staff.
 - 10.1.3.5 Establish department master files.
 - 10.1.3.6 Take receipt of the current TPA's participant files (hardcopy, diskette and/or microfiche, and electronic files).
- 10.1.4 Provide the County Project Director with a written certification indicating that it is able to assume all responsibilities for administering the UIP and sign a cooperation statement with the existing TPA. The written

STATEMENT OF WORK (SOW)

certification shall be provided to the County Project Director no later than February 1, 2022.

- 10.1.5 Establish written and actual routines for handling claims processing, as set forth in section 10.5.1.

10.2 CLAIMS ADMINISTRATION

The Contractor shall:

- 10.2.1 Provide comprehensive Unemployment Insurance Claims Administration Services as follows:

- 10.2.1.1 Assume full responsibility for monitoring all claims received for unemployment insurance benefits.

- 10.2.1.2 Ensure that all necessary protests and/or appeals are made in each case under all applicable local, state and federal laws and regulations.

- 10.2.1.3 Receive notices of employee separations from County departments on a daily basis and index and store such notices.

- 10.2.1.4 Respond timely and appropriately to the State of California Employment Development Department (EDD) for each unemployment insurance benefit claim filed that indicates the County as the "last employer," and for which the County or the Contractor receives notice of such a claim from the EDD.

- 10.2.1.5 Contact the appropriate County department and thoroughly review the separation incident in order to timely respond to each unemployment insurance benefit claim in cases where information provided by the County and/or its departments on any separation form is unclear or otherwise inadequate. **(Note: It is understood that State law imposes certain penalties on employers that provide incorrect or misleading information in response to notices of unemployment insurance benefit claims from the EDD.)**

- 10.2.2 Serve as the principal contact for the purpose of all further communication with the EDD, request clarification of information provided as described in Sub-paragraph 10.2.1.4 and 10.2.1.5 above, request additional information from the EDD as needed, and respond accurately and appropriately to the EDD on County's behalf.

STATEMENT OF WORK (SOW)

- 10.2.3 Receive notice of a claim determination directly from the EDD in each case where the Contractor has provided a response to a claim notice, review such determination and, if it is adverse to County's interest, perform further factual investigation as applicable.
- 10.2.4 Review the findings of any factual investigation, as described in Sub-paragraph 10.2.3 and, if there is a sufficient basis for appealing the claimant's separation or application or interpretation by the EDD, appeal the determination and, when applicable, request a hearing on the matter.
- 10.2.5 Receive directly from the EDD the notice of the date and time of each requested hearing, as described in Sub-paragraph 10.2.4.
- 10.2.6 Review all pertinent material and contact appropriate County personnel to further review each case.
- 10.2.7 Identify material (usually personnel files, notices of warnings, etc.) that will be required as evidence at the hearing and make appropriate recommendations regarding the provision of County witnesses.
- 10.2.8 Review thoroughly the basis for appealing the determination, indicating the facts that must be established at the hearing in order that the proper decision be obtained.
- 10.2.9 Arrange for any pre-hearing meetings with affected County staff and/or County witnesses that may be required on the particular case, unless notified by the County that County personnel will provide hearing representation, and confirm the date, time and place of the hearing, ensuring that all individuals who are to attend the hearing are aware of same.
- 10.2.10 Present the County's case at all hearings, unless otherwise notified by the County that County personnel will provide hearing representation. County personnel may be present at all such hearings as required and agreed upon by the parties.
- 10.2.11 Receive notice from the EDD regarding the date and time that each hearing is to be conducted, in cases where the initial determination is favorable to the County and where the claimant has the opportunity to appeal the determination, and follow the procedure that is described in Sub-paragraphs 10.2.1 through 10.2.10.
- 10.2.12 Review adverse hearing decisions using the procedure that is described in Sub-paragraphs 10.2.1 through 10.2.10, and, if sufficient grounds exist, pursue further appeal action.

STATEMENT OF WORK (SOW)

10.2.13 Perform all work in strict compliance with rules and regulations of the EDD, and render no service that would constitute the practice of law.

10.2.14 Notify the County Project Manager of any perceived issues with data files, e.g., frequency or data elements, etc., and evidence of fraudulent claims.

10.3 COST VALIDATION

The Contractor shall:

10.3.1 Receive EDD's quarterly notices of benefit charges assessed to the County and perform an audit to ensure that, in each case, benefit payments were made against a valid claim and that the charge is consistent with liability parameters established by Contractor for the claim; and, if applicable, resolve with the EDD any benefit charge errors generated as a result of this auditing process, and obtain the proper financial resolution.

10.3.2 Complete and return all inquiries from the EDD.

10.3.3 Provide an electronic quarterly report that summarizes the above auditing process and that delineates the amount of reimbursement for which County will be liable.

10.4 RECORD KEEPING

The Contractor shall:

10.4.1 Receive and upload electronic payroll information from the County's Auditor Controller including employee salary, social security number, employee status, and employee separation information.

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

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

10.4.4 Maintain backup computer data file.

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

STATEMENT OF WORK (SOW)

10.4.6 Maintain benefit statements on an ongoing basis.

10.5 ADMINISTRATION AND MANAGEMENT REPORTS

The Contractor shall:

- 10.5.1 Prepare and provide to the County for approval, prior to August 1, 2022, a manual of tasks, rules, and procedures for operation of the UIP, including a description for the Contractor's employees of how all Services will be performed and provided to clients by the Contractor. Contractor shall review the manual, update it if necessary, and submit such changes at least annually to the County for review and approval, which shall not be unreasonably withheld.
- 10.5.2 Perform any and all administrative functions necessary to ensure thorough and accurate claim records for each claimant's accounts.
- 10.5.3 Process employee separation forms.
- 10.5.4 Review and inform the County of existing program limitations and administrative structures subject to improvement.
- 10.5.5 Research and resolve any discrepancies regarding a claimant's account with the appropriate County department.
- 10.5.6 Timely inform the County of recently enacted laws and regulations and all present or future legislative changes, or other changes which may have an impact upon the UIP, and propose any amendments to the UIP that may be required by changing conditions, laws or regulations.
- 10.5.7 Prepare and execute any changes or amendments describe in Sub-paragraph 10.5.6 via a Change Order or an Amendment as set forth in Sub-paragraph 8.1 –Amendments and Change Orders of the Contract.
- 10.5.8 Perform all required functions relating to Federal Unemployment Compensation Amendments of 1976 and thereafter.
- 10.5.9 Provide a comprehensive report of all claim activity for each calendar quarter with an annual cumulative report for the calendar year, and list claims in alphabetical order under each County agency listed in departmental code (alpha) order, including but not limited to the following items:
 - Claimant: name, social security number, separation date, type and reason;

STATEMENT OF WORK (SOW)

- Claim status: non-protestable, protestable (favorable, unfavorable or pending decision);
- Liability: maximum chargeable, removed liability, charges to date, reedits, remaining liability;
- All relevant totals for individuals, County departments, and the entire County;
- Percentages: protestable to non-protestable claims, win/loss ratios for protests and hearings.

10.5.10 Provide a brief statistical report that summarizes the activity reported above in Subsection 10.5.9 and include in the calendar year quarter and annual cumulation the following:

- Total claims activity for reporting period;
- Initial chargeable liability;
- Savings achieved or liability removed from account;
- Total number of contested claims;
- Total number of non-protestable claims;
- Percentage of contested claims to total claims;
- Number of protestable claims ruled in County's favor;
- Number of protestable claims ruled unfavorably;
- Number of undecided or pending claims;
- Win ratio of claims ruled upon;
- Number of hearings attended;
- Percentage of hearings to total claims;
- Benefit charge credits received.

STATEMENT OF WORK (SOW)

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

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

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

10.5.13 Provide a quarterly and annual report listing for each County department the total actual unemployment benefit cost, and overall County total cost. For budgetary reasons this report shall be based on the County fiscal year, which runs from July 1 to June 30. Access to reporting will be coordinated between County Project Manager and Contractor Project Manager so that each County department can access their respective unemployment report information.

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

10.5.15 Respond to reasonable requests by County for ad-hoc reports and timely provide such ad hoc reports.

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

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

10.6 DEPARTMENTAL SERVICE

The Contractor shall:

10.6.1 Maintain a core of staff to provide information and Services directly to County departments;

10.6.2 Offer a toll-free telephone line for departmental representatives to use for processing telephone claims and asking questions;

STATEMENT OF WORK (SOW)

10.6.3 Review and explain, at the request of a departmental representative, a claimant's account and, if unavailable at the time of a phone call, call back the departmental representative on the next business day;

10.6.4 Provide special Services for unique or emergent situations.

10.7 COUNTY STAFF TRAINING

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

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

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

10.8 COUNTY HEARING REPRESENTATIVE TRAINING

The Contractor shall provide lecture-workshop training sessions for County employees as hearing representatives, as needed by the County. Once agreed-upon training dates with the County are identified, the Contractor shall provide training on the scheduled dates unless the County agrees to an alternate date.

10.9 WEB BASED PROGRAM TO MONITOR UNEMPLOYMENT CLAIM PROCESS

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

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

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

STATEMENT OF WORK (SOW)

10.10 TRANSITION RESPONSIBILITIES UPON TERMINATION

The Contractor shall:

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

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

10.10.2.1 Provide final updated versions of all standing reports, including but not limited to, the Report of Unemployment Charges, and claims status report, in a mutually agreed upon format, to support transition to new TPA files as described in this Sub-paragraph 10.10.2, and assist the new TPA and the County in learning the content of such documents and files, as will be mutually agreed upon between the Contractor and the County.

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

10.10.2.3 Provide, in hard copy and an easily transferable computerized format, all information that resides in the Contractor's computer files relating to County claimant accounts, including claimant account history that the County reasonably requires for the transition and for the permanent records of the County.

10.10.2.4 Intentionally Omitted

10.10.2.5 Intentionally Omitted

10.10.2.6 Intentionally Omitted

STATEMENT OF WORK (SOW)

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

10.11 REPORTS AND INFORMATION UPON TERMINATION

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

10.12 COUNTY UI CLAIMS ACCOUNT NUMBER

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

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

11.0 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) Table, Exhibit K, listing required Services that will be monitored by the County during the term of this Contract is an important monitoring tool for the County. The chart should:

- Reference specific sections of the Contract;
- List required Services;
- Indicate method of monitoring; and
- 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

STATEMENT OF WORK (SOW)

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

PRICING SCHEDULE

PRICING SCHEDULE

Rates in this Pricing Schedule are based on an annual fee and shall cover all work described in Contract and Exhibit A (Statement of Work), inclusive of all related Services, including but not limited to hearing representation, auditing, reporting, and training for each Contract year (**i.e., effective date of Contract serving as the Begin Date of 12 month Contract Year**) and shall remain firm and fixed for the term of the Contract.

Contract Year	Annual Fee
Year 1 - Initial Term	\$23,180
Year 2 - Initial Term	\$23,643
Year 3 - Initial Term	\$24,116
Year 4 - Initial Term	\$24,598
Year 5 - Initial Term	\$25,090
Year 6 - First Option Term	\$25,592
Year 7 - Second Option Term	\$26,104

Fees provided in the table above include the following language:

Excess Claims Fee: Should the number of claims received in Contract year exceed 1,200 claims, a fee of \$15 per claim will be payable to Contractor for each excess claim. Number of claims received shall be defined as (i) any unemployment related claim document officially generated by a state agency, or (ii) in the event an unemployment claim was not managed by Contractor, any document or inquiry which requires further case management by Contractor.

Hearing Representation: Contractor or Contractor's representatives will attend unemployment hearings upon request by Client at up to 50 hearings per Contract year for no additional charge, whether in person or by telephone, as permitted by law. For each additional hearing attended by Contractor or Contractor's representative in Contract year, a fee of \$200 will be due to Contractor.

CONTRACTOR'S PROPOSED SCHEDULE

CONTRACTOR'S EEO CERTIFICATION

CONTRACTOR'S EEO CERTIFICATIONEquifax

Contractor Name

11432 Lackland Road, St. Louis, MO 63146

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"/> |

Russell McAllister

Authorized Official's Printed Name and Title

Russell McAllister

Russell McAllister (May 4, 2022 10:46 EDT)

Authorized Official's Signature

5-4-2022

Date

COUNTY'S ADMINISTRATION

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY PROJECT DIRECTOR:

Name: Lisa M. Garrett
Title: Director of Personnel
Address: 500 West Temple Street, Room 579
Los Angeles, CA 90012
Telephone: (213) 974-2406 Facsimile: _____
E-Mail Address: bkemper@hr.lacounty.gov

COUNTY PROJECT MANAGER:

Name: Ben Kemper
Title: Senior Human Resource Manager
Address: 510 South Vermont Avenue, 12th
Los Angeles, CA 90020
Telephone: (213) 738-2255 Facsimile: (213) 637-0821
E-Mail Address: bkemper@hr.lacounty.gov

COUNTY PROJECT MONITOR:

Name: Angela Jung
Title: Principal Analyst, Human Resources
Address: 510 South Vermont Avenue, 12th
Los Angeles, CA 90020
Telephone: (213) 738-2284 Facsimile: (213) 637-0821
E-Mail Address: ajung@hr.lacounty.gov

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S ADMINISTRATION**CONTRACTOR'S NAME:** TALX Corporation**CONTRACT NO:** _____**CONTRACTOR'S PROJECT MANAGER:** Jody PenningName: Jody PenningTitle: National Account Manager

Address: _____

Telephone: 636-284-1143

Facsimile: _____

E-Mail Address: jody.penning@equifax.com**CONTRACTOR'S AUTHORIZED OFFICIAL(S)**Name: Russell McAllisterTitle: VP, National Accounts

Address: _____

Telephone: 314-703-3222

Facsimile: _____

E-Mail Address: russell.mcallister@equifax.com

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Notices to Contractor shall be sent to the following:Name: TALX CorporationTitle: Attn: PresidentAddress: 11432 Lackland RoadSt. Louis, MO 63146

Telephone: _____

Facsimile: _____

E-Mail Address: _____

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

COVID-19 COMPLIANCE

COVID-19 Vaccination Certification of Compliance is applicable to Contracts where Contractor's employees 1) Interact in-person with County workforce, 2) Work onsite at County-owned, or controlled facilities/property while performing Services under a Contract with the County; or 3) Come into contact with the public while performing in-person Services under a Contract with the County.

G COVID-19 VACCINATION CERTIFICATION OF COMPLIANCE

NON-IT CONTRACTS

G1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

G2 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

G3 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

COVID-19 Vaccination Certification of Compliance
Urgency Ordinance, County Code Title 2 – Administration, Division 4 – Miscellaneous –
Chapter 2.212 (COVID-19 Vaccinations of County Contractor Personnel)

I, Russell McAllister, on behalf of TALX Corporation, (the
 “Contractor”), certify that on County Contract _____ [ENTER
 CONTRACT NUMBER AND NAME]:

X All Contractor Personnel* on this Contract are fully vaccinated as required by the
 Ordinance.

_____ Most Contractor Personnel* on this Contract are fully vaccinated as required by the
 Ordinance. The Contractor or its employer of record, has granted a valid medical or religious
 exemption to the below identified Contractor Personnel. Contractor will certify weekly that the
 following unvaccinated Contractor Personnel have tested negative within 72 hours of starting their
 work week under the County Contract, unless the contracting County department requires
 otherwise. The Contractor Personnel who have been granted a valid medical or religious
 exemption are [LIST ALL CONTRACTOR PERSONNEL]:

*Contractor Personnel includes subcontractors.

 I have authority to bind the Contractor, and have reviewed the requirements above and
 further certify that I will comply with said requirements.

Russell McAllister
 Russell McAllister (May 4, 2022 10:46 EDT)

Signature

5-4-2022

Date

VP, National Accounts

Title

TALX Corporation

Company/Contractor Name

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENTCONTRACTOR NAME **TALX Corporation**

Contract No. _____

GENERAL INFORMATION:

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

CONTRACTOR ACKNOWLEDGEMENT:

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

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

SIGNATURE: *Russell McAllister*
 Russell McAllister (May 4, 2022 10:46 EDT)

DATE: 05/04/2022

PRINTED NAME: **Russell McAllister**

POSITION: **VP, National Accounts**

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 Equifax Contract No. _____

Employee Name _____

GENERAL INFORMATION:

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

EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

Contractor Name _____ Contract No. _____

Non-Employee Name _____

GENERAL INFORMATION:

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

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

JURY SERVICE ORDINANCE

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury Service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury Service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury Service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform Services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 - 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

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

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury Service. The policy may provide that employees deposit any fees received for such jury Service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury Service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

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

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 3 of 3

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

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

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

INTENTIONALLY OMITTED

CONTRACT DISCREPANCY REPORT

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:

County Representative's Signature and Date _____

Contractor Representative's Signature and Date _____

PERFORMANCE REQUIREMENTS SUMMARY (PRS) TABLE

PERFORMANCE REQUIREMENTS SUMMARY (PRS) TABLE

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
Contract: Paragraph 7.0 - Administration of Contract - Contractor	Contractor shall notify the County in writing of any change in name or address of the Project Manager	Inspection & Observation	\$500 per occurrence
Contract: Sub-paragraph 8.28 - Nondiscrimination and Affirmative Action	Contractor to maintain all requirements as specified in Sub- paragraph 8.28	Receipt of certification and required documents	\$500 per occurrence; possible termination or suspension of Contract
Contract: Sub-paragraph 8.38 - Record Retention & Inspection/Audit Settlement	Contractor to maintain all required documents as specified in Sub- paragraph 8.38	Inspection of files	\$500 per occurrence
Contract: Sub-paragraph 8.40 - Subcontracting	Contractor shall obtain County's approval prior to subcontracting any work in accordance with Paragraph 8.40.2 (Subcontracting).	Inspection & Observation	\$500 per occurrence; possible termination for default of Contract
SOW: Subparagraph 10.1 – Transition Plan for Assumption of Services from Current Third-Party Administrator (TPA)	Contractor shall provide transitional Services as specified in Subsection 10.1.1.	Receipt of certification and required documents	\$500 per occurrence; possible termination for default of Contract
SOW: Subparagraph 10.2 – Claims Administration	Contractor shall monitor all claims received as specified in Section 10.2.	Provide number of monthly claims and number of resolved claims timely.	\$500 per occurrence; possible termination for default of Contract
SOW: Subparagraph 10.2 – Claims Administration	Contractor shall arrange pre- hearing meetings and present County's case at all hearings as specified in Subsections 10.2.9 and 10.2.10, as allowed by state.	Provide number of monthly hearings and win/loss ratio.	\$1,000 per occurrence; possible termination for default of Contract

SOW: Subparagraph 10.3 – Cost Validation	Contractor shall audit EDD quarterly benefit charge notices, resolve any errors, and prepare a quarterly auditing report on time	Receipt of quarterly report summarizing auditing process	\$500 per occurrence; possible termination for default of Contract
SOW: Subparagraph 10.4 – Record Keeping	Contractor shall provide record keeping tasks as specified in Subsection 10.4	Inspection of files	\$500 per occurrence; possible termination for default of Contract
SOW: Subparagraph 10.5– Administration and Management Reports	Contractor shall provide all administration and management tasks as specified in Subsection 10.5	Inspection & Observation Receipt of reports/manual on time	\$500 per occurrence; possible termination for default of Contract
SOW: Subparagraph 10.5.16– Administration and Management Reports	Contractor shall provide timely news bulletins as specified in Subsection 10.5.16	Receipt of news bulletins	\$500 per occurrence; possible termination for default of Contract
SOW: Subparagraph 10.6– Departmental Service	Contractor shall provide Services to County Departments as specified in Subsection 10.6	Receipt of Department's complaint	\$500 per occurrence
SOW: Subparagraph 10.7 – County Staff Training	Contractor shall provide training sessions for County staff annually and as needed	Receipt of training schedule	\$500 per occurrence
SOW: Subparagraph 10.8 – County Hearing Representative Training	Contractor shall provide training for County staff as specified in Subsection 10.8	Receipt of training schedule	\$500 per occurrence
SOW: Subparagraph 10.9 – Web Based Program to Monitor Unemployment Claim Process	Contractor shall provide web-based program as specified in Subsection 10.9	Development and implementation of working program	\$500 per occurrence; possible termination for default of Contract

INTENTIONALLY OMITTED

INFORMATION SECURITY AND PRIVACY REQUIREMENTS

INFORMATION SECURITY AND PRIVACY REQUIREMENTS EXHIBIT

The County of Los Angeles ("County") is committed to safeguarding the Integrity of the County systems, Data, Information and protecting the privacy rights of the individuals that it serves. This Information Security and Privacy Requirements Exhibit ("Exhibit") sets forth the County 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 Exhibit 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 County 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 County 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 Exhibit will constitute a material, breach of Contract by the Contractor, entitling the County, in addition to the cumulative of all other remedies available to it at law, in equity, or under the Contract, to terminate the Contract if Contractor does not cure the breach within thirty (30) days. To the extent there are conflicts between this Exhibit and the Contract, this Exhibit shall prevail unless stated otherwise.

1. DEFINITIONS

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

- 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. **County Information:** all Data and Information belonging to the County.
- d. **Data:** all records and information including employment and income data provided to Contractor by or on behalf of County, which does, or could be used to, directly or indirectly identify an individual.
- e. **Incident:** a successful, confirmed, actual or reasonable basis of unauthorized electronic and/or physical access to or acquisition of Data.
- 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 County'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 County 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 County 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, and other persons whose conduct, in the performance of work for Los Angeles County, is under the direct control of Los Angeles County, whether or not they are paid by Los Angeles County. This includes, but may not be limited to, full and part time elected or appointed officials, employees, affiliates, associates, students, and staff from third party entities who provide Service to the County.

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 County 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 County 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 County Information.

The Contractor's Information Security Program shall:

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

All County Information is deemed property of the County, and the County shall retain exclusive rights and ownership thereto. County 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 County, any County Information it receives from, receives addressed to, or stores on behalf of, the County. Notwithstanding the foregoing, the Contractor may aggregate, compile, and use County 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 County Information in such aggregated or compiled pool is identifiable as originating from, or can be traced back to the County, and (ii) such Data or Information cannot be associated or matched with the identity of an individual alone, or linkable to a specific individual.

4. CONTRACTOR'S USE OF COUNTY INFORMATION

The Contractor may use County Information only as necessary to carry out its obligations under this Contract. The Contractor shall collect, maintain, or use County 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 County 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 COUNTY 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, County Information to a third party for monetary or other valuable consideration.

6. CONFIDENTIALITY

- a. **Confidentiality of County Information.** The Contractor agrees that all County Information is Confidential and proprietary to the County regardless of whether such Information was disclosed intentionally or unintentionally, or marked as "confidential".
- b. **Disclosure of County Information.** The Contractor may disclose County Information only as necessary to carry out its obligations under this Contract, or as required by law, and is prohibited from using County Information for any other purpose without the prior express written approval of the County's contract administrator in consultation with the County's Chief Information Security Officer and/or Chief Privacy Officer. If required by a court of competent jurisdiction or an administrative body to disclose County Information, the Contractor shall notify the County's contract administrator promptly and prior to any such disclosure, to provide the County 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 County 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 County 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 County 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 County within seven (7) calendar days. Without limiting Contractors obligations in accordance with Section 14 (Security and Privacy Incidents), if an individual makes a request directly to the Contractor involving County information, or if the Contractor receives a privacy or security complaint. Contractor will follow all FCRA requirements.
- e. **Retention of County Information.** The Contractor shall not retain any County 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 County Information for potential security Risks in accordance with Contract Section 7.5 (Background and Security Investigations). 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, and agents 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 County Information to ensure that no individual knowingly accesses County Information whose past criminal conduct poses a risk or threat to County Information.

The Contractor shall require all employees, and agents to abide by the requirements in this Exhibit, 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 County Information:** The proper identification, storage, transfer, archiving, and destruction of County 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 County 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 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 County's Chief Information Security Officer and/or Chief Privacy Officer prior to subcontracting Services subject to this Exhibit.

9. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

All County 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 County Information in accordance with Federal Information Processing Standard (FIPS) 140-2 or otherwise approved by the County's Chief Information Security Officer.

The Contractor will encrypt County 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 County's Chief Information Security Officer.

In addition, the Contractor shall not store County Information in the cloud, on any other platform other than their own or with any other online storage provider, without written authorization from the County's Chief Information Security Officer, which authorization shall not be unreasonably withheld. All mobile devices storing County 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 County's Chief Information Security Officer.

10. RETURN OF COUNTY INFORMATION

The Contractor shall return or otherwise render inaccessible County Information in the manner prescribed in this section unless the Contract prescribes procedures for returning or destroying

County Information and those procedures are no less stringent than the procedures described in this section.

- a. **Return.** Upon County's written request, or upon expiration or termination of this Contract for any reason, Contractor deliver all copies of reports generated from any Data, 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 this Section. For all documents or materials referred to in this Section that the County requests be returned to the County, the Contractor shall provide a written attestation on company letterhead certifying that all documents and materials have been delivered to the County. Upon termination or expiration of the Contract or at any time upon the County's request, the Contractor shall return all hardware, if any, provided by the County to the Contractor. The hardware should be physically sealed and returned via a bonded courier, or as otherwise directed by the County.
- b. **Intentionally Omitted.**

11. PHYSICAL AND ENVIRONMENTAL SECURITY

All Contractor facilities that process County 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 County 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 County 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 County 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 COUNTY INFORMATION), all such backups shall be encrypted in compliance with the encryption requirements noted above in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

13. ACCESS CONTROL

Subject to and without limiting the requirements under Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION, County Information (i) may only be made available and accessible to those parties explicitly authorized under the Contract or otherwise expressly approved by the County Project Director or Project Manager in writing; and (ii) if transferred using removable media (as described in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION) must be sent via a bonded courier and protected using encryption technology designated by the Contractor and approved by the County's Chief Information Security Officer 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 County 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 County Information is removed in a timely manner;
- d. Applications will include access control to limit user access to County 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 COUNTY INFORMATION) must be disposed of or sent off-site for servicing, the Contractor shall ensure all County Information, has been eradicated from such hardware and/or media using industry best practices as discussed in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

14. SECURITY AND PRIVACY INCIDENTS

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

- a. Promptly notify the County's Chief Information Security Officer, the Departmental Information Security Officer, and the County's Chief Privacy Officer of any Incidents involving County Information, within forty-eight (48) hours of detection of the Incident. All notifications shall be submitted via encrypted email and telephone.

County Chief Information Security Officer and Chief Privacy Officer email
CISO-CPO_Notify@lacounty.gov

Chief Information Security Officer:
Jeffrey Aguilar
Chief Information Security Officer

320 W Temple, 7th Floor
Los Angeles, CA 90012
(213) 253-5600

Chief Privacy Officer:

Lillian Russell
Chief Privacy Officer
320 W Temple, 7th Floor
Los Angeles, CA 90012
(213) 351-5363

Departmental Information Security Officer:

Jeremy Keller
Departmental Information Security Officer
Kenneth Hahn Hall of Administration
500 W Temple Street- IT Division
Los Angeles, CA 90012
(626) 293-1402
DHR-DISO@hr.lacounty.gov

- 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 County 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 County to investigate the Incident and seek to identify the specific County Information involved in the Incident upon the County's written request, without charge, unless the Incident was caused by the acts or omissions of the County. 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 County to allow the County to notify affected individuals, government agencies, and/or credit bureaus.
- d. Promptly 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. To the extent any County Data is affected during the Incident, reasonably assist and cooperate with forensic investigators, the County, law firms, and and/or law enforcement to help determine the nature, extent, and source of any Incident, and reasonably assist and cooperate with the County on any additional disclosures that the County is required to make as a result of the Incident.
- f. Intentionally Omitted

In the event of an Incident, Contractor shall, at its sole cost and expense: (a) fully restore the Data and institute appropriate measures to prevent any recurrence of the problem as soon as is reasonably practicable; (b) on behalf of County, assume the cost of providing required notices, which may include Contractor engaging a third party, regarding affected individuals who County, with the reasonable assistance of Contractor, confirms had their information compromised as a result of the Incident requiring notification under applicable law; and (c) provide one (1) year of credit monitoring from Equifax Inc., for such individuals.

15. NON-EXCLUSIVE EQUITABLE REMEDY

The Contractor acknowledges and agrees that due to the unique nature of County 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 County, and therefore, that upon any such breach, the County 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 in the exclusive discretion of the County if the Contractor does not cure the breach within thirty (30) days.

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 County.

The Contractor shall have a process for correcting control deficiencies that have been identified in the periodic audit, including follow-up documentation in the form of an executive summary on company letterhead signed by an executive who is responsible for information. The Contractor shall provide the summary containing a list of the number of deficiencies and their severity as well as any completed or anticipated corrective action at the County's request. With respect to any other report, certification, audit or test results prepared or received by the Contractor that contains any County Information, the Contractor shall promptly provide the County with a summary version of the same upon the County's reasonable request, including a list of the number of failures or exceptions and their severity in the Contractor's Information systems, products, and Services, and the corresponding steps taken or anticipated by the Contractor to mitigate such failure or exception. Any reports and related materials provided to the County pursuant to this Section shall be provided at no additional charge to the County.

- b. **County Requested Audits.** At its own expense, the County shall have the right to perform an onsite inspection or security assessment ("Assessment") no more frequently than once per year. Such Assessment shall be defined as the County having the right to, (i) review policies and procedures; (ii) review high level network and infrastructure diagrams; (iii) review the executive summary of third party audit reports; (iv) participate in a "Question and Answer" session with subject matter experts; (iiv) conduct site tour (site tour will not include access to the raised floor area of the datacenter); and (v) other items as may be approved by Contractor's security team. Upon the County's request the Contractor shall complete a questionnaire regarding Contractor's Information Security and/or program. The County shall pay for the County requested audit unless the auditor finds that the Contractor has materially breached this Exhibit, in which case

the Contractor shall bear all costs of the audit; and if the audit reveals material non-compliance with this Exhibit, the County may exercise its termination rights underneath the Contract. The right to conduct an Assessment does not allow County to perform security testing, vulnerability assessment, or penetration testing against Contractor. As an alternative to allowing County or their auditors to perform their own scans, Contractor shall either hire an independent nationally recognized third party to perform an ethical hack/penetration test annually, or where a third party is not feasible, will conduct an internal ethical hack/penetration test annually. County may review the executive summary results of either the third party test or the internal test either onsite at Contractor's company headquarters or via web conference. The County or its auditors shall not be given access to any of Contractor's systems for auditing purposes.

The Assessment shall be conducted during the Contractor's normal business hours on a mutually agreed upon date with reasonable but no less than thirty (30) days advance notice, in a manner that does not materially disrupt or otherwise unreasonably and adversely affect the Contractor's normal business operations and subject to Contractor's security policies over its facilities and systems. It is understood that Contractor will not be required to provide access to the proprietary data of Contractor or its other clients and 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 County in the development of the scope and methodology for the audit, and the timing and implementation of the audit. To the extent permitted by law this right of access shall extend to any regulators with oversight of the County. 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 County 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 either onsite at Contractor's company headquarters or via web conference. All information learned or exchanged in connection with an Assessment shall be kept confidential, subject to County's obligations under the Public Records Act, as set forth in the Contract, Paragraph 8.36 (Public Records Act).

17. CYBER LIABILITY INSURANCE

The Contractor shall secure and maintain cyber liability insurance coverage with limits of not less than \$3 million per occurrence and 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 County 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 County as an additional insured to its cyber liability insurance policy and provide to the County certificates of insurance evidencing the foregoing upon the County'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 County, its Special Districts, elected and appointed officers, agents, and employees from and against any and all Claims arising from, connected with, or relating to:

- Any Information loss, breach of Confidentiality, or Incident involving any County Information that occurs on the Contractor's systems or networks (including all costs and expenses incurred by the County 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 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.

APPROVED SUBCONTRACTORS

APPROVED SUBCONTRACTORS

Subcontractor Name	General Description of Services Performed
Canon Business Process Services	Mailroom Services and Clerical Processing
Iron Mountain	Document Management, Storage and/or Destruction

DESIGNATED SENSITIVE POSITIONS

DESIGNATED SENSITIVE POSITIONS

- Client Relationship Manager
- Unemployment Insurance Consultants
- Hearing Representatives
- System Administrators
- Data Owners (those who have access to Data)