



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE  
OPERATIONS CLUSTER**

FESIA A. DAVENPORT  
Chief Executive Officer

**DATE:** August 31, 2022  
**TIME:** 2:00 P.M. – 4:00 P.M.  
**LOCATION:** **TELECONFERENCE CALL-IN NUMBER: 1(323)776-6996**  
**TELECONFERENCE ID: 439827168#**

To Join Via Phone, Dial 1(323)776-6996, Then Press 439827168#.

**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 – Koffi Kouassi/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**
  - A) Board Letter:  
REQUEST FOR APPROVAL TO AWARD AND EXECUTE COMMUNITY  
BROADBAND NETWORK SERVICES MASTER AGREEMENTS  
ISD – Christie Carr, Division Manager, ISD Contracting Division
  - B) Board Letter:  
INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 5.90 (VEHICLE  
TRIP REDUCTION-RIDESHARING) OF CHAPTER 5 (PERSONNEL) OF THE  
LOS ANGELES COUNTY CODE  
ISD – Minh Le, General Manager
  - C) Board Letter:  
APPROVAL OF AMENDMENT NO. 15 TO SOLE SOURCE AGREEMENT  
NO. 77540 WITH 3M HEALTH INFORMATION SYSTEMS, INC. FOR  
TRANSCRIPTION IT SOFTWARE SYSTEMS AND RELATED MEDICAL  
AND RADIOLOGY REPORTS TRANSCRIPTION SERVICES  
DHS – Christopher J. Rodriguez, HIM Director;

**CONTINUED ON PAGE 2**

Rick Nguyen, Enterprise Clinical Imaging; Kevin Lynch, CIO; Julio Alvarado, Dir. of Cont. Admin. & Mntr.; and Truc Moore, Principal Deputy County Counsel

D) Board Memo:

ADVANCE NOTIFICATION OF INTENT TO EXECUTE A SOLE SOURCE AMENDMENT TO AGREEMENT HA-707157 WITH NETSMART TECHNOLOGIES, INC. FOR THE PROVISION OF A MANAGED CARE INFORMATION SYSTEM TO INCREASE THE MAXIMUM AGREEMENT SUM  
DPH – Gary Tsai, Director, PH Substance Abuse Prevention and Control; and David W. Hindman, EHR Management Branch, PH Substance Abuse Prevention and Control

E) Board Letter:

SEVEN-YEAR LEASE, DEPARTMENT OF PUBLIC SOCIAL SERVICES  
3307 NORTH GLENOAKS BOULEVARD, BURBANK  
CEO/RE – Michael Navarro, Chief Program Specialist

3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

4. **Public Comment**

(2 Minutes Each Speaker)

5. **Adjournment**

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**FUTURE AGENDA TOPICS**

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**CALENDAR LOOKAHEAD:**

- A) TTC – CODIFYING FEES CHARGED BY THE LOS ANGELES COUNTY TREASURER AND TAX COLLECTOR AND LOS ANGELES COUNTY DEVELOPMENT AUTHORITY FOR RECOVERY OF COSTS ASSOCIATED WITH THE SALE OF TAX-DEFAULTED PROPERTY
- B) CEO/RE – CONVEYANCE OF COUNTY OF LOS ANGELES OWNED REAL PROPERTY TO THE CITY OF LA CAÑADA FLINTRIDGE
- C) APPROVE AN EXCLUSIVE NEGOTIATING AGREEMENT WITH CENTURY AFFORDABLE DEVELOPMENT, INC., FOR THE POTENTIAL DEVELOPMENT OF COUNTY-OWNED PROPERTY AT THE NORTHEAST CORNER OF NORTH MISSION ROAD AND GRIFFIN AVENUE IN THE CITY OF LOS ANGELES
- D) AECOM SUPPLEMENTAL SERVICES AGREEMENT AMENDMENT NO. 4 FOR CONTINUED AND ADDITIONAL PROGRAM SERVICES

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER DATE</b>	8/31/2022	
<b>BOARD MEETING DATE</b>	9/13/2022	
<b>SUPERVISORIAL DISTRICT</b>	X 1 <sup>st</sup> X 2 <sup>nd</sup> X 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> X 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Internal Services Department	
<b>SUBJECT</b>	Request for approval and authority to award and execute Master Agreements for the installation and operation of Community Broadband Network Services for County residents.	
<b>PROGRAM</b>	Investments to Accelerate Digital Equity by Bridging (Deleting) the Digital Divide	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	X Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes X No	
	If Yes, please explain why: N/A	
<b>DEADLINES/CONSTRAINTS</b>	N/A	
<b>COST &amp; FUNDING</b>	<p>Total cost: Expenditures under the agreements will vary from year to year based on the direction of the County and Work Order awards, the number of households and/or service areas in which the County will deliver services; Work Orders can be funded through a variety of funding strategies including annual budget appropriations and external sources such as State and Federal grants.</p>	<p>Funding source: All Master Agreement Work Order expenditures will remain within budgeted appropriations from each funding source.</p>
	TERMS (if applicable): Initial five (5) years with five (5) additional one-year extensions for a maximum total Master Agreement term of ten (10) years.	
	<p>Explanation: Services will be solicited by the Internal Services Department through a competitive subordinate solicitation process. The Internal Services Department will return to your Board with an evaluation analysis for each individual Work Order Solicitation, including solution options and costs, and the highest-ranking proposer for each option for your Board's consideration. Unless otherwise directed by your Board, the Internal Services Department shall provide the Board with the results of the Work Order Solicitation and preferred Community Broadband Network solution option. The Board will have the option to introduce and adopt a Board Motion to direct the Director of Internal Services Department, or his designee, to execute the Work Order using the applicable Community Broadband Network solution option selected by the Board. Adoption of the Motion will allow the County to move forward with the award of the Work Order. Approval of the Master Agreements do not guarantee a contractor any minimum amount of work. The County only incurs an obligation as individual Work Orders are awarded.</p>	
<b>PURPOSE OF REQUEST</b>	The purpose and goal of the recommended Master Agreements is to allow the Internal Services Department and the County to deliver free broadband services and increase internet adoption within the next two years to County households, targeting neighborhoods identified as having low adoption rates. Recommendation number one requests delegated authority to the Internal Services Department to execute Master Agreements to provide Community Broadband Network Services; Recommendation number two will allow the Internal Services Department to execute additional Master Agreements with new vendors, effectively manage the Master Agreements, and release competitive Work Order Solicitations.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	On November 16, 2021, the Board adopted a Motion titled "Investments to Accelerate Digital Equity" to proceed with initial plans to provide high-quality, affordable broadband internet service for unserved and underserved low-income residents of Los Angeles County. The Motion instructed the Internal Services Department to lead efforts on residential service initiatives to close the Digital Divide. The Internal Services Department, per the direction from your Board, developed and released a Request for Statement of Qualifications for Community Broadband Network Services Master Agreements to deliver free broadband services to County residents.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<p>X Yes <input type="checkbox"/> No</p> <p>Work Orders will provide high-quality, affordable broadband internet service for unserved and underserved low-income residents of Los Angeles County. The neighborhoods that are the focus of this effort are home to multi-ethnic and multilingual communities. As such, Managed Service Providers shall be required to implement multilingual community outreach programs and advertising to help engage residents from a variety of cultural backgrounds working in collaboration with community-based organizations for local hiring.</p>	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<p>X Yes <input type="checkbox"/> No</p> <p>POVERTY ALLEVIATION: It is the Internal Services Department's intent, through the Master Agreements, to address the Board's priorities to support proposals for investments in broadband infrastructure in historically underserved and rural communities, create workforce development pipeline programs in the broadband, fiber and related telecommunications infrastructure space, and utilize innovative, short-term and long-term strategies to provide free or low-cost high-speed internet and related devices to disadvantaged communities.</p>	
<b>DEPARTMENT CONTACT</b>	Christie Carr, Division Manager, Internal Services Department Contracting Division; (323) 267-3101, <a href="mailto:ccarr@isd.lacounty.gov">ccarr@isd.lacounty.gov</a>	



**SELWYN HOLLINS**  
Director

## County of Los Angeles INTERNAL SERVICES DEPARTMENT

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*"Trusted Partner and Provider of Choice"*

September 13, 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:

**REQUEST FOR APPROVAL TO AWARD AND EXECUTE  
COMMUNITY BROADBAND NETWORK SERVICES  
MASTER AGREEMENTS  
(ALL DISTRICTS - 3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ( )  
DISAPPROVE ( )**

**SUBJECT**

The Internal Services Department is requesting approval and authority to award and execute Master Agreements for the installation and operation of Community Broadband Network Services for County residents.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize the Director of the Internal Services Department, or his designee, to award and execute Master Agreements, substantially similar to Attachment 1, with nine vendors listed in Attachment 2, to provide Community Broadband Network Services under the Master Agreement, following approval by your Board, for an initial five-year term, with five, one-year optional extensions, for a maximum total term of 10 years.
2. Authorize the Director of the Internal Services Department, or his designee, to execute Master Agreements with new vendors as they become qualified throughout the term of the Community Broadband Network Services Master Agreement; exercise the renewal option extensions; suspend or terminate agreements for the administrative convenience of the County when vendors cease to be in administrative compliance (e.g., non-performance related issues, etc.); upon review and approval as to form by County Counsel, execute applicable

amendments to make necessary changes which affect the scope of services and/or features to existing services to meet the County's needs; make changes to the terms and conditions to align with Board policy changes and directives; and execute applicable agreement amendments should the original contracting entity merge, be acquired, or otherwise have a change in entity.

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

### **Background**

On November 16, 2021, the Los Angeles County Board of Supervisors (Board) unanimously adopted a Motion titled "Investments to Accelerate Digital Equity" to proceed with initial plans to provide high-quality, affordable broadband internet service for unserved and underserved low-income residents of Los Angeles County with the goal of delivering free broadband within the next two years to low-income County households, targeting neighborhoods identified as having low adoption rates in previous broadband analyses and as identified by the County.

The Motion instructed the Internal Services Department to lead efforts on residential service initiatives to close the Digital Divide. Specifically, in response to Directive #4b: "Provide options for internet solutions, including cost estimates and timeline, that meet the digital needs of our most vulnerable residents: affordability, sustainability, and connectivity to high speed, quality service". The Internal Services Department, per the direction from your Board, developed and released a Request for Statement of Qualifications for Community Broadband Network Services Master Agreements to deliver free broadband services to low-income County residents. The Request for Statement of Qualifications is designed to create a pool of pre-qualified Managed Services Providers who will be awarded Master Agreements to compete for future work orders to deploy and operate broadband networks in communities impacted by the digital divide. The Request for Statement of Qualifications approach promotes competition amongst providers and allows the County to expand the project's scope as new communities are identified.

The County identified seven Demonstration Service Areas (Attachment 3) in the Request for Statement of Qualifications that were determined to be well-suited to a broadband internet service approach. They comprised communities with some of the County's lowest levels of household broadband adoption, and they feature relatively uniform building typologies of single-story homes with few vertical obstructions that could interfere with broadband connections. The service area neighborhoods that are the focus of this effort are home to multi-ethnic and multilingual communities. As such, the Request for Statement of Qualifications also included community engagement requirements to

implement multilingual community outreach programs and advertising to help engage residents from a variety of cultural backgrounds working in collaboration with community-based organizations for local hiring by lowering the barriers to design and deployment, the County is aiming to foster innovative technological solutions using Managed Services Providers to deliver free broadband services and increase internet adoption in Los Angeles County. Through the Master Agreements, the County will contract with Managed Services Providers to deliver the following services:

- Design and provisioning of residential broadband and associated network services.
- Operation, monitoring, and management of the Community Broadband Network, ensured by strong Service Level Agreements.
- End-user customer support and adoption services for the Community Broadband Network in multiple languages.

### **RECOMMENDATIONS**

Recommendation number one requests delegated authority to the Director of the Internal Services Department, or designee, to execute Master Agreements to provide Community Broadband Network Services.

Approval of recommendation number two will allow the Internal Services Department to execute additional Master Agreements with new vendors as they become qualified throughout the term of the Community Broadband Network Services Master Agreement and to effectively manage the Master Agreements through suspending and/or terminating Master Agreements when vendors cease to be in compliance, executing the amendments to exercise renewal options and by making necessary changes that affect the scope of services to ensure the County aligns with the ever-changing information technology needs.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended actions support County Strategic Plan Goal I, Making Investments That Transform Lives, by aggressively addressing society's most complicated societal challenges, one household at a time; Goal II, Foster Vibrant and Resilient Communities, by investing in the lives of County residents and ensuring that we work towards continually deleting the digital divide in the County; Goal III, Realize Tomorrow's Government Today, Strategy III.3 to Pursue Operational Effectiveness, Fiscal Responsibility, Accountability,

and Manage and Maximize County Assets, by effectively managing County resources and providing efficient and cost-effective broadband solutions to the County and its residents.

### **FISCAL IMPACT/FINANCING**

Approval of the recommended Master Agreements do not guarantee a contractor any minimum amount of work. The County only incurs an obligation as individual Work Orders are awarded. Expenditures under the Master Agreements will vary from year to year based on the need for Community Broadband Network services. Projects can be funded through a variety of funding sources including annual budget appropriations and external sources including the Federal Communications Commission Affordable Connectivity Program benefits. The Affordable Connectivity Program helps ensure that households can afford the broadband they need for work, school, healthcare and more. The benefit provides a discount toward internet service for eligible households.

All Master Agreements Work Order expenditures will remain within budgeted appropriations from each funding source. Contractors will not be asked to perform services which exceed the amounts, scope of work, and dates specified in each individual Work Order.

Under the proposed agreements, the Managed Services Providers will provide Community Broadband Network services at no cost to the low-income County residents. County costs may include, but are not limited to, ongoing administrative costs incurred by the Managed Services Providers, monthly operational costs, for core and labor, equipment, and materials costs for core and distribution networks. All fiber optics and outside plant cabling constructed and funded by the County for the project shall become property of the County or otherwise remain under the County's long-term control.

The Community Broadband Network Services Master Agreements will not incur any net County costs. The individual Work Orders may be funded in part by net County costs, should that be determined as one of the funding sources.

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

The Internal Services Department included the most advantageous and commercially responsible terms possible for the County. The terms and conditions of the recommended Master Agreement have been approved as to form by County Counsel.

The recommended Master Agreement contains the required Board policy provisions, including those pertaining to consideration of qualified County employees targeted for layoff as well as qualified GAIN/GROW participants for employment openings, compliance with the Jury Duty Ordinance, Safely Surrender Baby Law, Child Support Program, and Zero Tolerance Human Trafficking. The recommended contract also contains provisions for assignment and delegation, compliance with applicable law, force majeure, indemnification, Public Records Act compliance, and termination for default.

Appropriate provisions were included for confidentiality, privacy, the handling of security incidents, and liquidated damages to correct deficiencies. The required limits of applicable insurance for cyber liability and technology errors and omissions coverage are also included.

Due to the highly specialized and technical nature of the services, the recommended Master Agreement is not a Proposition A agreement and is not subject to the Living Wage Program (County Code Chapter 2.221). As such, the recommended Master Agreement does not allow for a cost-of-living adjustment. The Internal Services Department has determined that the services under the recommended Master Agreement do not impact Board Policy No. 5.030, "Low-Cost Labor Resource Program", due to the specialized nature of the services.

The proposed agreements include all Board-required programmatic provisions and are unchanged from the Sample Master Agreement that was issued with the Request for Statement of Qualifications.

In compliance with Board Policy 6.020, the Office of the Chief Information Officer (OCIO) reviewed this request and recommends approval. The OCIO determined this recommended action provides a contracting vehicle and does not include any new information technology items that would necessitate a formal written CIO Analysis.

### **CONTRACTING PROCESS**

The objective of this Request for Statement of Qualifications process is to pre-qualify one or more qualified contractors to provide managed, residential broadband network infrastructure and services. Specific services, tasks, and deliverables will be determined at the time the Internal Services Department releases Work Order Solicitations which



shall describe in detail the particular project and the work required for the performance thereof. Work Orders will be solicited under competitive conditions among these qualified contractors to provide as-needed Community Broadband Network infrastructure and services to be awarded by the County.

On March 21, 2022, the Internal Services Department released the Request for Statement of Qualifications for the Installation and Operation of Community Wireless Networks to Delivery Residential Broadband Services and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site, Instagram, Twitter, and LinkedIn which was distributed to approximately 1,000 vendors (Attachment 4).

To increase opportunities and participation from County Preference Program vendors (i.e., Local Small Business Enterprise, Disabled Veteran Business Enterprise, or Social Enterprise and the Community Business Enterprise program, the Internal Services Department regularly coordinates outreach efforts such as vendor events with the Department of Consumer and Business Affairs, Office of Small Business and other County departments. Additionally, the Internal Services Department hosted two virtual vendor events to advertise this contracting opportunity, specifically to increase participation from our small business community. The Internal Services Department will continue to advertise the contracting opportunities provided under the recommended Master Agreement and new vendors may qualify at any time to be awarded.

A non-mandatory virtual vendors conference was held on April 8, 2022, with representatives from 32 firms.

Since the release of the Request for Statement of Qualifications, 12 Statements of Qualifications have been received by the May 13, 2022, initial deadline.

On July 13, 2022, the Internal Services Department released an addendum to the Request for Statement of Qualifications to expand service options from strictly wireless solutions to broadband solutions to ensure that the County was considering all possible service options for residents and allowed all vendors to provide Statements of Qualifications resubmissions.

Phase 1 of the evaluation process consisted of reviewing all Statements of Qualifications for responsiveness and compliance with minimum qualifications set forth in the Request for Statement of Qualifications. Ten of the vendors who submitted Statements of Qualifications in response to the Request for Statement of Qualifications were determined to meet the qualifications of Phase 1. Additionally, as a requirement to Phase 1, vendors

provided signed Master Agreements certifying understanding and agreement that submission of the Statements of Qualifications constitutes acknowledgement and acceptance of, and a willingness to comply with, all terms and conditions contained in the agreement, as some may from time to time be amended. Of the ten, one vendor who submitted an Statements of Qualifications has since withdrawn their submission.

Phase 2 of the evaluation process consisted of an evaluation committee comprised of subject matter experts from various County departments evaluating the nine Statements of Qualifications, that passed Phase 1, in accordance with the evaluation process and criteria described in the Request for Statement of Qualifications, including qualifications/experience demonstrating the vendor's capacity to execute projects of this type and magnitude, approach, and budgetary capital and operational cost estimates. Phase 2 of the evaluation process will score and rank the Statements of Qualifications and is currently underway.

Two vendors have been determined to not meet the minimum qualifications identified in the Request for Statement of Qualifications. However, they may resubmit at a later date, and new vendors may qualify at any time during the term of the Master Agreement by submitting a Statement of Qualifications. Qualified vendors will be subsequently awarded Master Agreements, provided they meet the minimum qualifications identified in the Request for Statement of Qualifications. The Internal Services Department will be continuously accepting Statement of Qualifications throughout the duration of the Master Agreement to qualify additional vendors.

New vendors may qualify at any time during the term of the Master Agreement by submitting a Statements of Qualifications. These vendors will be subsequently added to the Master Agreement provided they meet the minimum requirements identified in the Request for Statement of Qualifications. Thereafter, as services are needed, qualified contractors will be solicited under competitive conditions to provide Community Broadband Network services under Work Orders released by the Internal Services Department. All qualified contractors can respond to a Work Order Solicitation by submitting a bid/proposal. Specific services, tasks, and deliverables will be determined at the time the Internal Services Department releases Work Order Solicitations. Work Order Solicitations may include multiple solution options (e.g., fiber or broadband solutions). The bids/proposals will be reviewed by the Internal Services Department for compliance with the minimum requirements set forth in the Work Order Solicitation. Those that are determined to be in compliance with the minimum requirements will be evaluated by an evaluation committee in accordance with the evaluation criteria set forth in the Work Order Solicitation. Contractors certified as a Local Small Business Enterprise, Disabled

Veteran Business Enterprise, or Social Enterprise will receive the applicable preference on their bids/proposals.

Following the completion of the evaluation, the Internal Services Department will return to your Board with an evaluation analysis for each individual Work Order Solicitation, including solution options and costs, and the highest-ranking proposer for each option for your Board's consideration. Unless otherwise directed by your Board, the Internal Services Department shall provide the Board with the results of the Work Order Solicitation and preferred Community Broadband Network solution option. The Board will have the option to introduce and adopt a Board Motion to direct the Director of the Internal Services Department, or his designee, to execute the Work Order using the applicable Community Broadband Network solution option selected by the Board. Adoption of the Motion will allow the County to move forward with the award of the Work Order. After 90 days, if the Board does not decide to proceed with a Board Motion, the Internal Services Department will proceed with cancelation of the Work Order Solicitation.

A summary of the Community Business Enterprise Program information for the recommended vendors is provided (Attachment 5). The recommended firms were selected without regard to gender, race, creed, color, or national origin for award of a Master Agreement.

### **IMPACTS ON CURRENT SERVICES OR PROJECTS**

There is no impact on current services or projects. Additionally, the County will provide Managed Services Providers with access to assets owned by the County, City of Los Angeles and Los Angeles County Office of Education schools for placement of equipment to reduce impacts to the County's residents.

### **CONCLUSION**

The Internal Services Department understands the necessity of proactively enhancing the economic well-being of County residents. As such, through the recommended Community Broadband Network Services Master Agreements, it is the Internal Services Department's intent to address the Board's priorities to support proposals for investments in broadband infrastructure in historically underserved and rural communities, create workforce development pipeline programs in the broadband, fiber, and related telecommunications infrastructure industries, and utilize innovative strategies to provide free or low-cost high-speed internet and related devices to disadvantaged communities.

The Honorable Board of Supervisors  
September 13, 2022  
Page 9

Upon approval by the Board, it is requested that the Executive Office, Board of Supervisors return one stamped copy of the approved Board Letter to the Director of the Internal Services Department.

Respectfully submitted,

Reviewed by,

SELWYN HOLLINS  
Director

PETER LOO  
Acting Chief Information Officer

SH:MO:LG:CC:ew

Attachments

c:      Executive Office, Board of Supervisors  
         Chief Executive Office  
         Chief Information Office  
         Internal Services Department Board Deputies  
         County Counsel

**APPENDIX G**

**SAMPLE MASTER AGREEMENT**



**MASTER AGREEMENT**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**INTERNAL SERVICES DEPARTMENT**

**AND**

**(CONTRACTOR)**

**FOR**

**INSTALLATION AND OPERATION OF COMMUNITY  
BROADBAND NETWORKS TO DELIVER RESIDENTIAL  
SERVICES**

**MASTER AGREEMENT PROVISIONS  
TABLE OF CONTENTS**

PARAGRAPH	TITLE	PAGE
-----------	-------	------

## **Table of Contents**

<b>RECITALS .....</b>	<b>1</b>
<b>1.0 APPLICABLE DOCUMENTS .....</b>	<b>2</b>
<b>2.0 DEFINITIONS .....</b>	<b>3</b>
<b>3.0 WORK.....</b>	<b>5</b>
<b>4.0 TERM OF MASTER AGREEMENT .....</b>	<b>6</b>
<b>5.0 CONTRACT SUM .....</b>	<b>7</b>
<b>6.0 ADMINISTRATION OF MASTER AGREEMENT - COUNTY .....</b>	<b>10</b>
6.1 County's Master Agreement Program Director (MAPD) .....	10
6.2 County's Project Director .....	10
6.3 County's Work Order Director .....	10
6.4 County's Project Manager .....	10
<b>7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR.....</b>	<b>11</b>
7.1 Contractor's Project Director .....	11
7.2 Contractor's Project Manager .....	11
7.3 Contractor's Authorized Official(s) .....	11
7.4 Approval of Contractor's Staff .....	11
7.5 Contractor's Training.....	12
7.6 Contractor's Staff Identification .....	12
7.7 Background and Security Investigations.....	12
7.8 Confidentiality .....	12
<b>8.0 STANDARD TERMS AND CONDITIONS .....</b>	<b>14</b>
8.1 Amendments to Master Agreement and Work Order(s) .....	14
8.2 Assignment and Delegation/Mergers or Acquisitions .....	14
8.3 Authorization Warranty .....	15
8.4 Complaints .....	15
8.5 Compliance with Applicable Laws.....	16
8.6 Compliance with Civil Rights Laws .....	16
8.7 Compliance with County's Jury Service Program .....	17
8.8 Conflict of Interest.....	18
8.9 Consideration of Hiring County Employees Targeted for Layoff or are on a County Re-employment List.....	18
8.10 Consideration of Hiring GAIN-GROW Participants .....	19
8.11 Contractor Responsibility and Debarment .....	19

## MASTER AGREEMENT PROVISIONS

### TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
8.12	Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law .....	21
8.13	Contractor's Warranty of Adherence to County's Child Support Compliance Program .....	21
8.14	County's Quality Assurance Plan.....	21
8.15	Damage to County Facilities, Buildings or Grounds .....	22
8.16	Employment Eligibility Verification .....	22
8.17	Counterparts and Electronic Signatures and Representations .....	22
8.18	Fair Labor Standards .....	23
8.19	Force Majeure.....	23
8.20	Governing Law, Jurisdiction, and Venue .....	24
8.21	Independent Contractor Status .....	24
8.22	Indemnification.....	24
8.23	General Provisions for All Insurance Coverage .....	25
8.24	Insurance Coverage.....	29
8.25	Liquidated Damages .....	30
8.26	Most Favored Public Entity .....	31
8.27	Nondiscrimination and Affirmative Action .....	32
8.28	Non Exclusivity .....	33
8.29	Notice of Delays.....	33
8.30	Notice of Disputes.....	33
8.31	Notice to Employees Regarding the Federal Earned Income Credit .....	33
8.32	Notice to Employees Regarding the Safely Surrendered Baby Law.....	33
8.33	Notices... ..	34
8.34	Prohibition Against Inducement or Persuasion .....	34
8.35	Public Records Act.....	34
8.36	Publicity .....	34
8.37	Record Retention and Inspection-Audit Settlement .....	35
8.38	Recycled Bond Paper .....	36
8.39	Subcontracting .....	36
8.40	Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program.....	37
8.41	Termination for Convenience.....	37
8.42	Termination for Default .....	38
8.43	Termination for Improper Consideration .....	39
8.44	Termination for Insolvency.....	40
8.45	Termination for Non-Adherence of County Lobbyist Ordinance .....	40
8.46	Termination for Non-Appropriation of Funds.....	40

# MASTER AGREEMENT PROVISIONS

## TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
8.47	Validity .....	41
8.48	Waiver .....	41
8.49	Warranty Against Contingent Fees .....	41
8.50	Warranty of Compliance with County's Defaulted Property Tax Reduction Program.....	41
8.51	Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program .....	42
8.52	Time off For Voting .....	42
8.53	Compliance with County's Zero Tolerance Policy on Human Trafficking .....	42
8.54	Transition Services .....	42
8.55	Dispute Resolution Procedure .....	43
8.56	Compliance with Fair Chance Employment Practice .....	44
8.57	Compliance with the County Policy of Equity.....	44
8.58	Compliance with Information Security and Privacy Requirements and Encryption Requirements .....	44
8.59	Compliance with Kari's Law and Ray Baum's Act .....	45
8.60	Prohibition from Participation in Future Solicitation(s) .....	45
8.61	COVID-19 Vaccinations of County Contractor Personnel.....	45
8.62	Compliance with the American Rescue Plan Act Requirements .....	47
<b>9.0</b>	<b>UNIQUE TERMS AND CONDITIONS.....</b>	<b>48</b>
9.1	Intentionally Omitted .....	48
9.2	Intentionally Omitted .....	48
9.3	Ownership of Materials, Software and Copyright.....	48
9.4	Patent, Copyright and Trade Secret Indemnification .....	50
9.5	Limitation of Liability.....	51
9.6	Social Enterprise (SE) Preference Program .....	52
9.7	Data Destruction .....	52
9.8	Disabled Veteran Business Enterprise (DVBE) Preference Program.....	53
9.9	Access Rights .....	54
9.10	Resale of Services .....	54
9.11	Warranty .....	54
9.12	Guiding Principles.....	55
9.13	No Third Party Beneficiaries .....	56
9.14	Survival .....	56



**MASTER AGREEMENT PROVISIONS**  
**TABLE OF CONTENTS**

**STANDARD EXHIBITS**

- A County's Administration
- B Contractor's Administration
- C Contractor's EEO Certification
- D Jury Service Ordinance
- E Safely Surrendered Baby Law
- F Sample Work Order Formats
- G Forms Required For Each Work Order Before Work Begins (COVID-19 Vaccination Certification of Compliance, Certifications, and Confidentiality Forms)

**UNIQUE EXHIBITS**

- H Forms Required at Completion of Each Work Order Involving Intellectual Property that is Developed/Designed by Contractor
- I Information Security and Privacy Requirements
- J Contractor's Compliance with Encryption Requirements
- K American Rescue Plan Act Requirements and Form
- L Subsequent Executed Work Orders

# Appendix G

Sample Master Agreement

**MASTER AGREEMENT BETWEEN  
COUNTY OF LOS ANGELES,  
INTERNAL SERVICES DEPARTMENT**

**AND**

---

**FOR**

**INSTALLATION AND OPERATION OF COMMUNITY BROADBAND NETWORKS TO  
DELIVER RESIDENTIAL SERVICES**

This Master Agreement and Exhibits is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ ("Effective Date") by and between the County of Los Angeles, Internal Services Department hereinafter referred to as County and \_\_\_\_\_, hereinafter referred to as Contractor, to provide Residential Broadband Services.

## **RECITALS**

WHEREAS, the County may contract with private businesses for Residential Broadband Services and related goods (collectively, the "Services") when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing the Services; and

WHEREAS, in response to County's Request for Statement of Qualifications ("RFSQ") for Residential Broadband Services (hereinafter "RFSQ"), Contractor submitted its statement of qualifications ("SOQ") to County and desires and is prepared to provide the Services; and

WHEREAS, Contractor has established that it has met the minimum requirements of the RFSQ and is qualified to provide Services for Service Areas, as defined in the RFSQ and in this Master Agreement; and

WHEREAS, the Contractor is qualified by reason of experience, preparation, organization and staffing to provide to County all of the Services contemplated by this Master Agreement and resulting work orders; and

WHEREAS, the County is relying on Contractor's expertise and experience to successfully deliver the Services; and

WHEREAS, this Master Agreement is therefore authorized under California Codes, Government Code Section 31000 which authorizes the Board of Supervisors to contract for special services; and

WHEREAS, the Board of Supervisors has authorized the Director of the Internal Services Department or designee to execute and administer this Master Agreement; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

## **1.0 APPLICABLE DOCUMENTS**

Exhibits A, B, C, D, E, F, G, H, I, J, K, and L are attached to and form a part of this Master Agreement. 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 Master Agreement and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Master Agreement and then to the Exhibits according to the following priority:

### **Standard Exhibits:**

- |     |           |   |
|-----|-----------|---|
| 1.1 | Exhibit A | County's Administration   |
| 1.2 | Exhibit B | Contractor's Administration   |
| 1.3 | Exhibit C | Contractor's EEO Certification  |
| 1.4 | Exhibit D | Jury Service Ordinance  |
| 1.5 | Exhibit E | Safely Surrendered Baby Law   |
| 1.6 | Exhibit F | Sample Work Order Formats   |
| 1.7 | Exhibit G | Forms Required For Each Work Order Before Work Begins (COVID-19 Vaccination Certification of Compliance, Certifications, and Confidentiality Forms) |

### **Unique Exhibits:**

- |     |           |  |
|-----|-----------|--|
| 1.8 | Exhibit H | Forms Required at Completion of Each Work Order Involving Intellectual Property that is Developed / Designed by Contractor |
|-----|-----------|--|

- 1.9 Exhibit I Information Security and Privacy Requirements
- 1.10 Exhibit J Contractor's Compliance with Encryption Requirements
- 1.11 Exhibit K Subsequent Executed Work Orders

This Master Agreement and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Master Agreements, written and oral, and all communications between the parties relating to the subject matter of this Master Agreement. No change to this Master Agreement shall be valid unless prepared pursuant to Paragraph 8.1 (Amendments) and signed by both parties.

## 2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Active Contractor or Contractor:** Identifies a Qualified Contractor who is in compliance with the terms and conditions and whose evidence of insurance requirements have all been received by the Department and are valid and in effect at the time of a given Work Order award. As used herein, the terms Active Contractor and Contractor may be used interchangeably throughout this document.
- 2.2 **Assets:** As defined in Paragraph 9.11 (Warranty).
- 2.3 **Business Days:** Monday through Friday, exclusive of holidays observed by County.
- 2.4 **Confidential Information:** As defined in Paragraph 7.8 (Confidentiality).
- 2.5 **Contractor Equipment:** As defined in Paragraph 9.3.6.
- 2.5 **Contractor Materials:** As defined in Paragraph 9.3.1.1.
- 2.7 **Contractor Project Director:** The individual designed by the Contractor pursuant to Paragraph 7.1 (Contractor's Project Director).
- 2.8 **Contractor Project Manager:** The individual designated by the Contractor to administer the Master Agreement operations after the Master Agreement award pursuant to Paragraph 7.2 (Contractor's Project Manager).
- 2.9 **County Master Agreement Program Director (MAPD):** Person designated by Director with authority to negotiate and recommend all changes on behalf of County.
- 2.10 **County Materials and Data:** As defined in Paragraph 9.3.1.3.
- 2.11 **County Project Director:** Person designated by Director with authority to approve all Work Order solicitations and executions.
- 2.12 **County Project Manager:** Person designated as chief contact person with respect to the day-to-day administration of the Master Agreement.

- 2.13 County's Work Order Directors:** Responsible for coordinating and monitoring the Work Order.
- 2.14 Day(s):** Calendar day(s) unless otherwise specified.
- 2.15 Department or ISD:** Internal Services Department.
- 2.16 Developed Materials:** As defined in Paragraph 9.3.1.2.
- 2.17 Director:** Director of Internal Services Department.
- 2.18 Effective Date:** The date contained in the introductory paragraph of the Master Agreement, which sets forth the date which this Master Agreement takes effect.
- 2.19 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.20 Guiding Principles:** As defined in Paragraph 9.12 (Guiding Principles).
- 2.21 Master Agreement:** County's standard agreement executed between County and individual Contractors. It sets forth the terms and conditions for the issuance and performance of, and otherwise governs, subsequent Work Orders.
- 2.22 Qualified Contractor:** A Contractor who has submitted a Statement of Qualifications (SOQ) in response to County's Request For Statement of Qualifications (RFSQ); has met the minimum qualifications listed in the RFSQ, and has an executed Master Agreement with the Internal Services Department.
- 2.23 Request For Statement of Qualifications (RFSQ):** A solicitation based on establishing a pool of Qualified Vendors to provide services through Master Agreements.
- 2.24 Service Area – Neighborhood 1 Watts-Willowbrook:** Neighborhood 1 contains a total of 8,556 households, including an estimated 5,911 households eligible for the Affordable Connectivity Program (ACP). Boundaries and Available Locations are shown in the map in Figure 2 of the RFSQ and a detailed description is available in Appendix K (Neighborhood and Household Census Data) of the RFSQ.
- 2.25 Service Area – Neighborhood 2 South Los Angeles:** Neighborhood 2 contains a total of 11,411 households, including 7,661 ACP-eligible households. Boundaries and Available Locations are shown in the map in Figure 3 of the RFSQ and a detailed description is available in Appendix K (Neighborhood and Household Census Data) of the RFSQ.
- 2.26 Service Area – Neighborhood 3 Pico-Union:** Neighborhood 3 contains a total of 21,496 households, including 14,839 ACP-eligible households. Boundaries and Available Locations are shown in the map in Figure 4 of the RFSQ and a detailed description is available in Appendix K (Neighborhood and Household Census Data) of the RFSQ.
- 2.27 Service Area – Neighborhood 4 Boyle Heights:** Neighborhood 4 contains a total of 6,607 households, including 3,797 ACP-eligible households. Boundaries and Available Locations are shown in the map in Figure 5 of the RFSQ and a detailed description is available in Appendix K (Neighborhood and Household Census Data) of the RFSQ.

- 2.28 Service Area – Neighborhood 5 East Los Angeles:** Neighborhood 5 contains a total of 31,549 households, including 15,701 ACP-eligible households. Boundaries and Available Locations are shown in the map in Figure 6 of the RFSQ and a detailed description is available in Appendix K (Neighborhood and Household Census Data) of the RFSQ.
- 2.28 Service Area – Neighborhood 6 Panorama City:** Neighborhood 6 contains a total of 20,505 households, including 12,461 ACP-eligible households. Boundaries and Available Locations are shown in the map in Figure 7 of the RFSQ and a detailed description is available in Appendix K (Neighborhood and Household Census Data) of the RFSQ.
- 2.29 Service Area – Neighborhood 7 Sun Valley-North Hollywood:** Neighborhood 7 contains a total of 12,850 households, including 6,526 ACP-eligible households. Boundaries and Available Locations are shown in the map in Figure 8 of the RFSQ and a detailed description is available in Appendix K (Neighborhood and Household Census Data) of the RFSQ.
- 2.30 Service Credits:** Credits or any other form of discount or reductions to be applied to the applicable fees that may be assessed by County pursuant to Paragraph 3.1, and as set forth in the applicable Work Orders.
- 2.31 Service Level Requirements or SLRs:** When rendering the Services, Contractor shall meet the requirements that are specified in the applicable Work Orders, or a Service Credit will be assessed.
- 2.32 Statement of Qualifications (SOQ):** A Contractor's response to an RFSQ.
- 2.33 Statement of Work:** A written description of tasks and/or deliverables desired by County for a specific Work Order.
- 2.34 Work Order:** A subordinate agreement executed wholly within and subject to the provisions of this Master Agreement, for the performance of tasks and/or provision of deliverables as described in a specification or a Statement of Work. Each Work Order shall result from bids, solicited by and tendered to County, by Qualified Contractors. Unless otherwise specified in the Work Order Solicitation Notice, County shall select the lowest cost, qualified bid responding to the requirements of the proposed Work Order. No work shall be performed by Contractors except in accordance with validly bid and executed Work Orders.
- 2.35 Work Order Solicitation:** Competitive solicitation, containing the Statement of Work, evaluation and selection criteria, and any other relevant information necessary for Qualified Contractors to bid on a Work Order. The Work Order Solicitation will be sent to the Qualified Contractors in the respective Skill Categories. The Work Order Solicitation may result in the award of a Work Order for the services identified in the Work Order Solicitation.

## **3.0 WORK**

- 3.1** Pursuant to the provisions of this Master Agreement, which includes the applicable Work Orders issued thereunder, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth herein, and meet or exceed the applicable Service Level Requirements for the Services. Where Contractor fails to meet the Service Level Requirements, County may assess Service Credits.

- 3.2 Work Orders shall generally conform to either Exhibit F1 or F2, depending on whether the particular Work Order is to be performed on a time and materials basis (see Exhibit F1) or on a fixed price per deliverable basis (see Exhibit F2) as determined by County. Each Work Order shall include an attached Statement of Work, which shall describe in detail the particular project and the work required for the performance thereof. Payment for all work shall be either on a time and materials basis or on a fixed priced per deliverable basis, subject to the Total Maximum Amount specified on each individual Work Order.
- 3.3 If Contractor provides any task, deliverable, service, or other work to County that utilizes other than approved Contractor Personnel, and/or that goes beyond the Work Order expiration date, and/or that exceeds the Total Maximum Amount as specified in the Work Order as originally written or modified in accordance with Paragraph 8.1 (Amendments), these shall be gratuitous efforts on the part of Contractor for which Contractor shall have no claim whatsoever against County.
- 3.4 County procedures for issuing and executing Work Orders are as set forth in this Paragraph 3.4. Upon determination by County to issue a Work Order solicitation, County shall issue a Work Order solicitation containing a Statement of Work to all Master Agreement Qualified Contractors. Each interested Qualified Contractor so contacted shall submit a bid to the County address and within the timeframe specified in the solicitation. Failure of Contractor to provide a bid within the specified timeframe may disqualify Contractor for that particular Work Order.
- 3.5 Upon completion of evaluations, County shall execute the Work Order by and through the Internal Services Department staff identified in this Master Agreement with the lowest cost Qualified Contractor or best value Qualified Contractor when the combination of quality, price, quantities, and various other elements related to the Services are evaluated. It is understood by Contractor that County's competitive bidding procedure may have the effect that no Work Orders are awarded to some Master Agreement Qualified Contractors.
- 3.6 County will select Contractor following completion of the evaluations of the particular Work Order bids. Following selection, all Contractors selected must be available to meet with County on the starting date specified in the Work Order. Inability of Contractor to comply with such commencement date may be cause for disqualification of Contractor from the particular Work Order as determined in the sole discretion of County's Project Director.
- 3.7 In the event Contractor defaults three times under Paragraph 3.6 within a given County fiscal year, then County may terminate this Master Agreement pursuant to Paragraph 8.42 (Termination for Default).

## **4.0 TERM OF MASTER AGREEMENT**

- 4.1 This Master Agreement is effective upon the Effective Date and shall expire five (5) years from the Effective Date unless sooner extended or terminated, in whole or in part, as provided herein.
- 4.2 The County shall have the sole option to extend the Master Agreement term for up to five (5) additional one-year periods, for a maximum total

Master Agreement term of ten (10) years. Each such option and extension shall be exercised at the sole discretion of the Department Head or his/her designee as authorized by the Board of Supervisors.

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

- 4.3 Contractor shall notify the Department when this Master Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to the Internal Services Department at the address herein provided in Exhibit A (County's Administration).

## **5.0 CONTRACT SUM**

- 5.1 Contractor shall not be entitled to any payment by County under this Master Agreement except pursuant to validly executed and satisfactorily performed Work Orders. In each year of this Master Agreement, the total of all amounts actually expended by County hereunder ("maximum annual expenditures") may not exceed amounts allocated to the Internal Services Department by the County Board of Supervisors in their approved budgets. The County has sole discretion to expend some, all, or none of such budgeted amounts. The sum of such annual expenditures for the duration of the Master Agreement is the Contract Sum.

- 5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's express prior written approval.

- 5.3 **No Payment for Services Provided Following Expiration/ Termination of Master Agreement**

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Master Agreement. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Master Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Master Agreement.

- 5.4 **Invoices and Payments**

5.4.1 For providing the tasks, deliverables, services, and other work authorized pursuant to this Master Agreement, Contractor shall



separately invoice County for each Work Order either: (1) monthly, if performed on a Time and Materials basis (see Exhibit F1) or (2) by deliverable, if performed on a fixed price per deliverable basis (see Exhibit F2).

- 5.4.2 Payment for all work shall be on either a Time and Materials basis or a fixed price per deliverable basis, subject to the Total Maximum Amount specified in each Work Order less any amounts assessed in accordance with Paragraph 8.25 (Liquidated Damages) and Service Credits assessed by County as set forth in the applicable Work Order.
- 5.4.3 County shall not pay Contractor for any overtime premiums, travel expenses, meals, lodging, holidays, vacation, sick leave, per diem, or miscellaneous expenses, etc.
- 5.4.4 All work performed by, and all invoices submitted by, Contractor pursuant to Work Orders issued hereunder must receive the written approval of County's Work Order Director, who shall be responsible for a detailed evaluation of Contractor's performance before approval of work and/or payment of invoices is permitted.
- 5.4.5 Invoices under this Master Agreement shall be submitted to the address(es) set forth in the applicable Work Order.
- 5.4.6 **Invoice Content**

The period of performance specified in Contractor's invoice(s) must coincide with the period of performance specified in the applicable Work Order.

**Time and Materials Work Order:**

Each invoice submitted by Contractor shall specify:

- County numbers of the Work Order and Contractor's Master Agreement;
- Period of performance of work being invoiced;
- Name(s) of persons who performed the work;
- Number of hours being billed for the individual(s) and the labor rate(s) as specified in the Work Order; and
- Total amount of the invoice.
- Reflect any Liquidated Damages or Service Credits assessed by the County.

**Fixed Price Per Deliverable**

Each invoice submitted by Contractor shall specify:

- County numbers of the Work Order and Contractor's Master Agreement;
- Period of performance of work being invoiced;
- Name(s) of persons who performed the work;

- A brief description of the deliverable(s) for which payment is claimed, the respective number(s) assigned to the deliverable(s), and the individual amount being billed for each deliverable; and
- The total amount of the invoice.
- Reflect any Liquidated Damages or Service Credits assessed by the County.

#### **5.4.7 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.

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

- 5.5.1 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).
- 5.5.2 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.
- 5.5.3 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.
- 5.5.4 At any time during the duration of the agreement/contract, a Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), shall decide whether to approve exemption requests.

## **6.0 ADMINISTRATION OF MASTER AGREEMENT - COUNTY**

A listing of all County Administration referenced in the following Paragraphs are designated in Exhibit A (County's Administration). The County shall notify the Contractor in writing of any change in the names or addresses shown.

### **6.1 County's Master Agreement Program Director (MAPD)**

The MAPD has the authority to negotiate, recommend all changes to this Master Agreement, and resolve disputes between the Internal Services Department and Contractor.

### **6.2 County's Project Director**

The County's Project Director, or designee, is the approving authority for individual Work Order solicitations and executions.

### **6.3 County's Work Order Director**

A Work Order Director will be assigned for each Work Order by County's Project Director.

#### **6.3.1** The responsibilities of the Work Order Director include, but are not limited to:

1. ensuring that the technical standards and task requirements articulated in the individual Work Order are satisfactorily complied with, and shall provide, on request, such information, coordination, documentation, and materials as may be reasonably required by Contractor to perform Work Orders;
2. coordinating and monitoring the work of Contractor personnel assigned to the Work Order Director's specific projects, and for ensuring that this Master Agreement's objectives are met;
3. monitoring, evaluating and reporting Contractor performance and progress on the Work Order;
4. coordinating with Contractor's Project Manager, on a regular basis, regarding the performance of Contractor's personnel on each particular project; and
5. providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

#### **6.3.2** County's Work Order Directors are not authorized to make any changes in Work Order labor rates, dollar totals or periods of performance, or in the terms and conditions of this Master Agreement, except through formally prepared Amendments, Paragraph 8.1 (Amendments).

### **6.4 County's Project Manager**

The County's Project Manager is County's chief contact person with respect to the day-to-day administration of this Master Agreement. The Project Manager shall prepare and issue Work Orders and any

Amendments thereto, and generally be the first person for Contractor to contact with any questions.

## **7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR**

### **7.1 Contractor's Project Director**

- 7.1.1 Contractor's Project Director is designated in Exhibit B (Contractor's Administration). The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.
- 7.1.2 Contractor's Project Director shall be responsible for the Contractor's activities as related to this Master Agreement and shall coordinate with County's Project Director on a regular basis.

### **7.2 Contractor's Project Manager**

- 7.2.1 Contractor's Project Manager is designated in Exhibit B (Contractor's Administration). The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.
- 7.2.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Master Agreement and shall coordinate with County's Work Order Directors on a regular basis with respect to all active Work Orders.

### **7.3 Contractor's Authorized Official(s)**

- 7.3.1 Contractor's Authorized Official(s) are designated in Exhibit B (Contractor's Administration). Contractor shall promptly notify County in writing of any change in the name(s) or address(es) of Contractor's Authorized Official(s).
- 7.3.2 Contractor represents and warrants that all requirements of Contractor have been fulfilled to provide actual authority to such officials to execute documents under this Master Agreement on behalf of Contractor.

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

County has the absolute right to approve or disapprove all of Contractor's staff performing work hereunder and as set forth in the Work Orders, and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Project Manager. Contractor shall provide County with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution. Contractor employees assigned to County facilities shall wear appropriate attire for the work being performed at all times, and shall be consistent with applicable legal requirements, Contractor's policies, union rules and California OSHA safety requirements.

## **7.5 Contractor's Training**

Contractor shall provide training programs for all new Contractor staff and continuing in-service training for all Contractor staff. All Contractor staff shall be trained in their assigned tasks and in the safe handling of equipment needed for the Services. Contractor shall check all equipment at reasonable intervals for safety, as well as on a daily basis for safety, if needed. All Contractor staff must wear safety and protective gear according to OSHA standards for the work performed.

## **7.6 Contractor's Staff Identification**

Contractor shall provide, at Contractor's expense, all staff providing Services under this Master Agreement with a photo identification badge.

## **7.7 Background and Security Investigations**

**7.7.1** Each of Contractor's staff performing services under this Master Agreement who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Master Agreement. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.

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

**7.7.3** 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.

**7.7.4** Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.7 (Background and Security Investigations) shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Master Agreement.

## **7.8 Confidentiality**

**7.8.1** "Confidential Information" means ideas, know-how, trade secrets, computer programs, technical information, and other confidential information which is disclosed by a disclosing party to a receiving party under this Master Agreement. Written or other tangible confidential information shall at the time

of disclosure be identified and labeled as confidential information belonging to the disclosing party. When disclosed orally or visually, confidential information shall be identified as confidential at the time of the disclosure, with subsequent confirmation in writing within fifteen (15) days after disclosure. Each party shall maintain the confidentiality of all records obtained from the other party under this Master Agreement in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality and shall protect the other party's Confidential Information with the same degree of care and in accordance with the security regulation by which it protects its own confidential business records. In addition, Contactor shall also follow guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

- 7.8.2** To the extent not prohibited by federal, State or local authority relating to confidentiality, including the California Public Records Act, neither party may during the Term and for three years thereafter disclose any of the other party's Confidential Information to any third party.
- 7.8.3** Neither party may use the other party's Confidential Information except to perform its duties under this Master Agreement or as otherwise permitted in this Master Agreement, including in the applicable Work Order. Further, Contractor shall not disclose to any third party any County Materials and Data, Developed Materials, or any other records, information, documents, or data received from County. Contractor also may not use any County Materials and Data, Developed Materials, or any other records, information, documents, or data received from County for any purposes other than to perform the Services required pursuant to this Master Agreement, unless County has approved in writing otherwise.
- 7.8.4** The Confidential Information restrictions set forth in this Paragraph 7.8 (Confidentiality) will not apply to information that is (i) already known to the receiving party provided the receiving parties knowledge of the information did not come from the disclosing party as part of prior disclosures of Confidential Information, (ii) becomes publicly available through no wrongful act of the receiving party, (iii) independently developed by the receiving party without benefit of the disclosing party's Confidential Information, or (iv) disclosed by the disclosing party to a third party without an obligation of confidentiality. Until directed otherwise by County in writing, Contractor's Program Director, Program Manager, and all staff supporting this Master Agreement may discuss and disclose County's customer proprietary network

information (CPNI) to any employee or agent of County without a need for further authentication or authorization.

**7.8.5** Each party shall inform all of its officers, employees, agents and subcontractors providing Services hereunder of the confidentiality provisions of this Master Agreement.

**7.8.6** Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit G3.

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 Amendments to Master Agreement and Work Order(s)**

**8.1.1** 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 Master Agreement during the term of this Master Agreement. 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 orders, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by the Director of the Internal Services Department, or his/her designee.

**8.1.2** The Director of the Internal Services Department, or his/her designee may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Master Agreement). The Contractor agrees that such extensions of time shall not change any other term or condition of this Master Agreement during the period of such extensions. To implement an extension of time, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by the Director of the Internal Services Department, or his/her designee.

**8.1.3** Addition of Skilled Categories/Technical Specializations

An Amendment to the Master Agreement shall be prepared and executed by the Contractor and by the Director of the Internal Services Department, or his/her designee, to add or delete Skilled Categories or Technical Specializations.

**8.1.4** County reserves the right to add or change services and/or products as County deems appropriate. Such changes shall be based on the rates listed in Cost Schedules associated with each executed Work Order. County also reserves the right to obtain service and/or product pricing or receive bids from other Qualified Contractors. In the event any additions or changes are made, a Work Order Amendment shall be prepared and executed by the County's Director of ISD, 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 Master Agreement, 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. For purposes of this sub-paragraph, County consent shall require a written amendment to the Master Agreement, 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 Master Agreement shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

**8.2.3** 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 Master Agreement which may result in the termination of this Master Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

### **8.3 Authorization Warranty**

The Contractor represents and warrants that the person executing this Master Agreement 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 Master Agreement and that all requirements of the Contractor have been fulfilled to provide such actual authority.

### **8.4 Complaints**

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

**8.4.1** Within 15 business days after the Master Agreement effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

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

**8.4.3** If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within 10 business days for County approval.

**8.4.4** If, at any time, the Contractor wishes to change the Contractor's policy, the



Contractor shall submit proposed changes to the County for approval before implementation.

- 8.4.5** The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within 3 business days of receiving the complaint.
- 8.4.6** When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.4.7** Copies of all written responses shall be sent to the County's Project Manager within 5 business days of mailing to the complainant.

## **8.5 Compliance with Applicable Laws**

- 8.5.1** In the performance of this Master Agreement, 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 Master Agreement are hereby incorporated herein by reference.
- 8.5.2** Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.5 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

## **8.6 Compliance with Civil Rights Laws**

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

program, or activity supported by this Master Agreement. The Contractor shall comply with Exhibit C - Contractor's EEO Certification.

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

**8.7.1** Jury Service Program: This Master Agreement 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 D (Jury Service Ordinance) and incorporated by reference into and made part of this Master Agreement.

### **8.7.2** Written Employee Jury Service Policy

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Paragraph, "Contractor" means a person, partnership, corporation or other entity which has a Master Agreement with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County Master Agreements or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Master Agreement, the subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Master Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury

Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Master Agreement and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this Paragraph of the Master Agreement may constitute a material breach of the Master Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Master Agreement and/or bar Contractor from the award of future County Master Agreements for a period of time consistent with the seriousness of the breach.

## **8.8 Conflict of Interest**

**8.8.1** No County employee whose position with the County enables such employee to influence the award of this Master Agreement or any competing Master Agreement, 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 Master Agreement. 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.

**8.8.2** 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 Master Agreement. 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 8.8 (Conflict of Interest) shall be a material breach of this Master Agreement.

## **8.9 Consideration of Hiring County Employees Targeted for Layoff or are on a County Re-employment List**

Should the Contractor require additional or replacement personnel after the effective date of this Master Agreement 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 Master Agreement.

## **8.10 Consideration of Hiring GAIN-GROW Participants**

- 8.10.1** Should the Contractor require additional or replacement personnel after the effective date of this Master Agreement, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor. Contractors shall report all job openings with job requirements to: [GAINGROW@DPSS.LACOUNTY.GOV](mailto:GAINGROW@DPSS.LACOUNTY.GOV) and [BSERVICES@WDACS.LACOUNTY.GOV](mailto:BSERVICES@WDACS.LACOUNTY.GOV) and DPSS will refer qualified GAIN/GROW job candidates.
- 8.10.2** In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

## **8.11 Contractor Responsibility and Debarment**

### **8.11.1 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 Master Agreement. It is the County's policy to conduct business only with responsible Contractors.

### **8.11.2 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 Master Agreements which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in this Master Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

### **8.11.3 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 Master Agreement 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 Master Agreement 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.

#### **8.11.4 Contractor Hearing Board**

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment

or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

#### **8.11.5 Subcontractors of Contractor**

These terms shall also apply to subcontractors of County Contractors.

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

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

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

**8.13.1** The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Purchase Order or Master Agreement 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.

**8.13.2** As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Master Agreement to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Master Agreement 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).

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

The County or its agent(s) will monitor the contractor's performance under this Master Agreement on not less than an annual basis. Such monitoring will include assessing the contractor's compliance with all Master Agreement terms and conditions and performance standards. Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Master Agreement

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 Master Agreement or impose other penalties as specified in this Master Agreement.

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

- 8.15.1** Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.15.2** If 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 Contractor by cash payment upon demand, or at the County's election, deducted as a credit from amounts due to Contractor for Services.

## **8.16 Employment Eligibility Verification**

- 8.16.1** 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 Master Agreement 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.
- 8.16.2** 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 Master Agreement.

## **8.17 Counterparts and Electronic Signatures and Representations**

This Master Agreement 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 Master Agreement. The facsimile, email or electronic signature of the Parties shall be deemed to

constitute original signatures, and facsimile or electronic copies hereof shall be deemed to constitute duplicate originals.

The County and the Contractor hereby agree to regard electronic representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 8.1 (Amendments) and received via communications facilities (facsimile, email or electronic signature), as legally sufficient evidence that such legally binding signatures have been affixed to Amendments to this Master Agreement.

## **8.18 Fair Labor Standards**

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

## **8.19 Force Majeure**

- 8.19.1** Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Master Agreement, 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").
- 8.19.2** 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 Paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.
- 8.19.3** 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.

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

This Master Agreement 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 Master Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

## **8.21 Independent Contractor Status**

- 8.21.1** This Master Agreement 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.
- 8.21.2** The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Master Agreement 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.
- 8.21.3** The Contractor understands and agrees that all persons performing work pursuant to this Master Agreement 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 Master Agreement.
- 8.21.4** The Contractor shall adhere to the provisions stated in Paragraph 7.8 (Confidentiality).

## **8.22 Indemnification**

Each party shall indemnify, defend and hold harmless the other party, its Special Districts, elected and appointed officers, directors, employees, and/or agents from and against any and all third party claims and related liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), for bodily injury, death, personal injury, or damage to tangible real or tangible personal property directly arising from or connected with the indemnifying party's acts, errors, or omissions and/or willful misconduct arising from and/or relating to this Master Agreement. No party shall have the obligation to indemnify, defend and hold harmless the other party for any loss or damage

arising from the sole negligence or sole willful misconduct of the other party. The obligation to indemnify and/or any liability of the indemnifying party for damages under this Paragraph 8.22 (Indemnification) shall correspond to the relative and proportionate responsibility of the indemnifying party for such damages. The indemnifying party's obligation to defend and indemnify the other party is contingent upon (i) the other party providing the indemnifying party prompt written notice of any claim; and (ii) the other party providing the indemnifying party all reasonable information and assistance requested by the indemnifying party to settle, defend, or bring a countersuit in conjunction with any claim.

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

Without limiting Contractor's indemnification of County, and in the performance of this Master Agreement and until all of its obligations pursuant to this Master Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Paragraph 8.23 (General Provisions for All Insurance Coverage) and Paragraph 8.24 (Insurance Coverage) of this Master Agreement. 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 Master Agreement. 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 Master Agreement.

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

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Master Agreement.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Master Agreement 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 Master Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured

retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.

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

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

County of Los Angeles  
Information Technology Contracts – PCS  
Telecommunications Services Master Agreement  
9150 E. Imperial Hwy, MS 46  
Downey, CA 90242  
Attention: Contract Analyst

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

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

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

#### **8.23.3 Cancellation of or Changes in Insurance**

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be

provided to County at least 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 Master Agreement, in the sole discretion of the County, upon which the County may suspend or terminate this Master Agreement.

**8.23.4 Failure to Maintain Insurance**

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

**8.23.5 Insurer Financial Ratings**

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

**8.23.6 Contractor's Insurance Shall Be Primary**

Contractor's insurance policies, with respect to any claims related to this Master Agreement, 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.

**8.23.7 Waivers of Subrogation**

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

**8.23.8 Sub-Contractor Insurance Coverage Requirements**

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

policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

**8.23.9 Deductibles and Self-Insured Retentions (SIRs)**

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

**8.23.10 Claims Made Coverage**

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

**8.23.11 Application of Excess Liability Coverage**

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

**8.23.12 Separation of Insureds**

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

**8.23.13 Alternative Risk Financing Programs**

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance

provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

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

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

### **8.24 Insurance Coverage**

#### **8.24.1 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:	\$4 million
Products/Completed Operations Aggregate:	\$2 million
Personal and Advertising Injury:	\$2 million
Each Occurrence:	\$2 million

#### **8.24.2 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 Master Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.**

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

#### **8.24.4 Professional Liability/Errors and Omissions**

Insurance covering Contractor's liability arising from or related to this Master Agreement, with limits of not less than \$5 million per claim and \$5 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

#### **8.24.5 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.

#### **8.24.6 Cyber Liability Insurance**

The Contractor shall secure and maintain cyber liability insurance coverage with limits of \$10 million per occurrence and in the aggregate during the term of the Master Agreement, 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 Master Agreement. 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.

#### **8.24.7 Installation Floater**

Insurance that covers personal property installed, fabricated or erected by Contractor. It shall cover the property until the installation work is accepted by the County or when the County's interest in the property/equipment installed ceases.

### **8.25 Liquidated Damages**

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

Contractor by the Director, or his/her designee, in a written notice describing the reasons for said action.

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

(a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is Five Hundred Dollars (\$500) per day per infraction, or more as may be specified in any Performance Requirements Summary (PRS) Charts or Service Level Requirements (SLRs) in future Work Orders, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or

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

**8.25.3** The action noted in Paragraph 8.25.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Master Agreement.

**8.25.4** This Paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Master Agreement provided by law or as specified in the PRS or Paragraph 8.25.2, and shall not, in any manner, restrict or limit the County's right to terminate this Master Agreement as agreed to herein.

## **8.26 Most Favored Public Entity**

If the Contractor's prices decline, or should the Contractor at any time during the term of this Master Agreement provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Master Agreement, then such lower prices shall be immediately extended to the County.



## **8.27 Nondiscrimination and Affirmative Action**

- 8.27.1** 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.
- 8.27.2** The Contractor shall certify to, and comply with, the provisions of Exhibit C (Contractor's EEO Certification).
- 8.27.3** 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.
- 8.27.4** 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.
- 8.27.5** 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 Master Agreement or under any project, program, or activity supported by this Master Agreement.
- 8.27.6** The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.27 (Nondiscrimination and Affirmative Action) when so requested by the County.
- 8.27.7** If the County finds that any provisions of this Paragraph 8.27 (Nondiscrimination and Affirmative Action) have been violated, such violation shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Master Agreement 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 Master Agreement.

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

## **8.28 Non Exclusivity**

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

## **8.29 Notice of Delays**

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

## **8.30 Notice of Disputes**

The Contractor shall bring to the attention of the County Project Manager and/or County Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Master Agreement. If the County Project Manager or County Project Director is not able to resolve the dispute, the Director of Internal Services Department, or designee shall resolve it.

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

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

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

The contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit E, Safely Surrendered Baby Law of this Master Agreement. Additional information is available at [www.babysafela.org](http://www.babysafela.org).

### **8.33 Notices**

All notices or demands required or permitted to be given or made under this Master Agreement 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 A, County's Administration and B, 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 Internal Services Department or his/her designee shall have the authority to issue all notices or demands required or permitted by the County under this Master Agreement.

### **8.34 Prohibition Against Inducement or Persuasion**

Notwithstanding the above, the Contractor and the County agree that, during the term of this Master Agreement 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.

### **8.35 Public Records Act**

**8.35.1** Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Paragraph 8.37 - Record Retention and Inspection/Audit Settlement of this Master Agreement; as well as those documents which were required to be submitted in response to the Request for Statement of Qualifications (RFSQ) used in the solicitation process for this Master Agreement, 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.

**8.35.2** 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 an SOQ 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.

### **8.36 Publicity**

**8.36.1** The Contractor shall not disclose any details in connection with this Master Agreement 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 Master Agreement within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Master Agreement, 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.

**8.36.2** The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Master Agreement with the County of Los Angeles, provided that the requirements of this Paragraph 8.36 shall apply.

### **8.37 Record Retention and Inspection-Audit Settlement**

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Master Agreement 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 Master Agreement. 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 Master Agreement. 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 Master Agreement and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

**8.37.1** In the event that an audit of the Contractor is conducted specifically regarding this Master Agreement 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 Master Agreement.

The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

**8.37.2** Failure on the part of the Contractor to comply with any of the provisions of this Paragraph shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement.

**8.37.3** If, at any time during the term of this Master Agreement or within five (5) years after the expiration or termination of this Master Agreement, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Master Agreement, 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 Master Agreement 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 Master Agreement exceed the funds appropriated by the County for the purpose of this Master Agreement.

## **8.38 Recycled Bond Paper**

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

## **8.39 Subcontracting**

**8.39.1** The requirements of this Master Agreement 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 Master Agreement.

**8.39.2** If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

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

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

**8.39.4** The Contractor shall remain fully responsible for all performances required of it under this Master Agreement, including those that the Contractor has

determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

- 8.39.5** The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Master Agreement. The Contractor is responsible to notify its subcontractors of this County right.
- 8.39.6** The County's MAPD is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.
- 8.39.7** 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.
- 8.39.8** The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents before any subcontractor employee may perform any work hereunder to:

County of Los Angeles  
Information Technology Contracts – PCS  
Telecommunications Services Master Agreement  
9150 E. Imperial Hwy, MS 46  
Downey, CA 90242  
Attention: Contract Analyst

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

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 8.13 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), shall constitute a default under this Master Agreement. Without limiting the rights and remedies available to the County under any other provision of this Master Agreement, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which the County may terminate this Master Agreement pursuant to Paragraph 8.42 (Termination for Default) and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

## **8.41 Termination for Convenience**

- 8.41.1** County may terminate this Master Agreement, and any Work Order issued hereunder, in whole or in part, from time to time or permanently, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to

Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

**8.41.2** Upon receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall immediately:

- Stop work under the Work Order or under this Master Agreement, as identified in such notice;
- Transfer title and deliver to County all completed work and work in process; and
- Complete performance of such part of the work as shall not have been terminated by such notice.

**8.41.3** All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Master Agreement or Work Order shall be maintained by the Contractor in accordance with Paragraph 8.37 (Record Retention and Inspection/Audit Settlement).

## **8.42 Termination for Default**

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

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

**8.42.2** In the event that the County terminates this Master Agreement in whole or in part as provided in Paragraph 8.42.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall

continue the performance of this Master Agreement to the extent not terminated under the provisions of this Paragraph.

- 8.42.3** 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 8.42.2 if its failure to perform this Master Agreement, including any Work Order issued hereunder, 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 8.42.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.
- 8.42.4** If, after the County has given notice of termination under the provisions of this Paragraph 8.42, it is determined by the County that the Contractor was not in default under the provisions of this Paragraph 8.42, or that the default was excusable under the provisions of Paragraph 8.42.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 8.41 (Termination for Convenience).
- 8.42.5** The rights and remedies of the County provided in this Paragraph 8.42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

## **8.43 Termination for Improper Consideration**

- 8.43.1** The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Master Agreement 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 Master Agreement or securing favorable treatment with respect to the award, amendment, or extension of this Master Agreement or the making of any determinations with respect to the Contractor's performance pursuant to this Master Agreement. 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.
- 8.43.2** 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.

- 8.43.3** Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

## **8.44 Termination for Insolvency**

- 8.44.1** The County may terminate this Master Agreement forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

- 8.44.2** The rights and remedies of the County provided in this Paragraph 8.44 (Termination for Insolvency) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

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

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

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

Notwithstanding any other provision of this Master Agreement, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Master Agreement during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Master Agreement in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Master Agreement, then this Master Agreement 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.

#### **8.47 Validity**

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

#### **8.48 Waiver**

No waiver by the County of any breach of any provision of this Master Agreement 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 Master Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 8.48 (Waiver) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

#### **8.49 Warranty Against Contingent Fees**

- 8.49.1** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Master Agreement upon any agreement 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.
- 8.49.2** For breach of this warranty, the County shall have the right to terminate this Master Agreement and, at its sole discretion, deduct from the Master Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

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

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

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

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

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.50 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this Master Agreement. Without limiting the rights and remedies available to County under any other provision of this Master Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Master Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

### **8.52 Time off For Voting**

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

### **8.53 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 Master Agreement. 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 Master Agreement.

### **8.54 Transition Services**

Prior to the expiration or termination of this Master Agreement, Contractor shall work with County to transition the Services of the Master Agreement to County or to County's successor contractor. The transition of the Services shall include, at a minimum, the procedures, schedules, and deliverables required for transition of each Service, the responsibilities of the parties, and provision of and payment for Services which may be necessary but which are outside the scope of this Master Agreement.

## **8.55 Dispute Resolution Procedure**

- 8.55.1** Contractor and County agree to act promptly and diligently to mutually resolve any disputes which may arise with respect to this Master Agreement. All such disputes shall be subject to the provisions of this Paragraph 8.55 (Dispute Resolution Procedure).
- 8.55.2** Contractor and County agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, County shall continue to pay sums not in dispute during any such period of continued performance. If Contractor fails to continue without delay its performance hereunder which County, in its reasonable discretion, determines should not be delayed as a result of such dispute, then any additional costs which may be incurred by Contractor or County as a result of Contractor's failure to continue to so perform shall be borne by Contractor, and Contractor shall make no claim whatsoever against County for such costs. The cost incurred by County shall not exceed the fair market cost of performing the required action and County shall provide Contractor with supporting documentation, of such costs under this Paragraph 8.55 (Dispute Resolution Procedure) at the time it submits such costs for payment by Contractor. However, County shall be entitled to the actual costs of goods, Services, and/or other work provided under this Subparagraph in an emergency situation(s). Contractor shall promptly reimburse County for such County costs, as determined by County, or County may deduct all such additional costs from any amounts due to Contractor from County, whether under this Master Agreement or otherwise.
- 8.55.3** In the event of any dispute between the parties with respect to this Master Agreement, Contractor and County shall submit the matter to County's Project Manager and Contractor's Project Manager for the purpose of endeavoring to resolve such dispute.
- 8.55.4** In the event that County's Project Manager and Contractor's Project Manager are unable to resolve the dispute within a reasonable time not to exceed five (5) Business Days from the date of submission of the dispute to them, then the matter shall immediately be submitted to the County's Work Order Director, County's Project Manager and Contractor's Project Director for further consideration and discussion to attempt to resolve the dispute.
- 8.55.5** In the event that County's Work Order Director, County's Project Director and Contractor's Project Director are unable to resolve the dispute within a reasonable time not to exceed five (5) Business Days from the date of submission of the dispute to them, then the matter shall immediately be submitted to County's Master Agreement Program Director and Contractor's equivalent position for further consideration and discussion to attempt to resolve the dispute.
- 8.55.6** In the event that County's Master Agreement Program Director and Contractor's equivalent position are unable to resolve the dispute within a reasonable time not to exceed ten (10) Business Days from the date of submission of the dispute to them, then each party may assert its other rights and remedies provided under this Master Agreement and/or its rights and remedies as provided by law.

- 8.55.7** All disputes utilizing this dispute resolution procedure shall be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all levels described in this Paragraph 8.55 (Dispute Resolution), the efforts to resolve a dispute shall be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.
- 8.55.8** Notwithstanding any other provision of this Master Agreement, County's right to terminate this Master Agreement pursuant to Paragraph 8.44 (Termination for Insolvency), Paragraph 8.42 (Termination for Default), or any other termination provision hereunder, and either party's right to seek injunctive relief to enforce the provisions of Paragraph 7.7 (Confidentiality), shall not be subject to this dispute resolution procedure.

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

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

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

- 8.57.1** 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 Compliance with Information Security and Privacy Requirements and Encryption Requirements**

Contractor shall be required to certify that they are in full compliance with the provisions of the Information Security and Privacy Requirements and Encryption Requirements. Contractor shall maintain compliance during the term of this contract. Failure to maintain compliance, or to timely cure defects, may be cause for termination of a contract or initiation of debarment proceedings against the non-compliant Contractor (Los Angeles County Code, Chapter 2.202).

- 8.58.1** Contractor shall comply with Exhibit K (Information Security and Privacy Requirements). The Information Security and Privacy Requirements applies to both Contractors and their subcontractors.
- 8.58.2** Contractor shall comply with Exhibit L (Contractor's Compliance with Encryption Requirements). The Encryption Requirements applies to both Contractors and their subcontractors.

## **8.59 Compliance with Kari's Law and Ray Baum's Act**

- 8.59.1** Contractor and its subcontractor(s) shall comply with the Kari's Law Act of 2017 and Section 506 of the Ray Baum's Act, as further implemented pursuant to Federal Communications Commission Report and Order FCC 19-76 issued on August 1, 2019. Kari's Law requires multi-line telephone systems (MLTS) to be configured in a manner that allows users to directly dial 911 without dialing additional digits and codes, and further requires that the MLTS provide a crisis alert notification to a central location at a facility when a 911 call is made, if such capability exists. Section 506 of the Ray Baum's Act, as implemented by FCC 19-76, ensures that the dispatchable location is conveyed when a 911 call is made, regardless of the technological platform used. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract.

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

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

## **8.61 COVID-19 Vaccinations of County Contractor Personnel**

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. 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 Certification of Compliance) is a required part of any agreement with the County.

## **8.62 Compliance with the American Rescue Plan Act Requirements**

- 8.62.1** Contractor and all of its subcontractors, agents, service providers, subrecipients (as defined in 2 CFR Section 200.93) at any tier, and any other entities or persons (excluding beneficiaries) receiving or being reimbursed under the Agreement shall comply with the American Rescue Plan (ARP) Act as described in Exhibit K of this Master Agreement.

Contractors who receive funding under the American Rescue Plan ("ARP") Coronavirus State and Local Fiscal Recovery Fund ("ARP Funds" or "SLFRF") shall comply with all ARP applicable requirements of federal, State, and local laws, ordinances, executive orders, regulations, project and administrative requirements, policies and any other requirements including but not limited to current and subsequent Treasury rules, regulations, guidelines, and instructions, executive orders and other applicable laws (collectively "Treasury Laws and Regulations").

Exhibit K (American Rescue Plan Act Requirements and Form) includes key provisions of the ARP Act set forth in 2 CFR Appendix II to Part 200 (Contract Provisions for Non-Federal Entity Contracts Under Federal Awards), and in no means limits the Contractor's obligation to comply with all applicable requirements of federal, State, and local laws, ordinances, executive orders, regulations, program and administrative requirements, policies and any other requirements as they pertain to the performance of this Agreement including Treasury Laws and Regulations.

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.



## **9.0 UNIQUE TERMS AND CONDITIONS**

### **9.1 Intentionally Omitted**

### **9.2 Intentionally Omitted**

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

#### **9.3.1 The following shall apply:**

##### **1. Contractor Pre-Existing Materials**

Unless otherwise provided in the applicable Work Order, 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, "Contractor Materials") that are provided by Contractor and used to provide Services to County under this Master Agreement. Unless otherwise provided in the applicable Work Order, Contractor grants County, for no additional consideration, a limited, non-transferable and non-exclusive license (without the right to sublicense) to access and use the software, in object code form, solely in connection with the Services for which the software is provided and solely in accordance with the applicable written and electronic documentation. Any software used with the Service(s) will be governed by the written terms and conditions applicable to such software that are agreed to by the County and included in the applicable Work Order. Unless otherwise provided in the applicable Work Order, title to software remains with Contractor or its supplier.

##### **2. Contractor Developed Materials for County**

County shall be the sole and exclusive owner of all right, title and interest, including copyright, in and to all unique and/or customized Materials that are developed by Contractor under this Master Agreement for the exclusive benefit of County (hereafter, "Developed Materials"). Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in County all of Contractor's right, title and interest in and to such Developed Materials, including any copyright, patent and trade secret rights which arise pursuant to Contractor's work under this Master Agreement.

Developed Materials to which the County shall be the sole and exclusive owner of all right, title and interest, including copyright, include but are not limited to, all developed network drawings, drawings of any type or nature, procedures, server scripts, router configurations, switch configurations, gateway configurations, contract center workflows and diagrams, reports for County owned routers and switches; reports of any type or nature for the County, any Contractor developed call flow programming, IVR scripts and

recordings, special custom reporting, job aides, and any procedure, use and training manuals developed for the County. To the extent the Developed Materials include preexisting Contractor Materials to which Contractor owns the preexisting intellectual property, Contractor grants to County a limited, non-exclusive, non-transferable, perpetual and irrevocable license to County to use, copy, and distribute these Contractor Materials for County's business purposes.

### 3. County Provided Materials and Data

All of the County's provided materials, equipment, documents, software, infrastructure of any kind; any data and information, including without limitation personal information, personally identifiable information, protected health information, medical information and other data, records, and information of County to which Contractor has access, or is otherwise provided to Contractor to perform the Services; and all circuit and services inventory data, status and performance data concerning any system resources used in the provision of services, status and performance data concerning the timely delivery of services to County locations, billing data concerning the delivery Services; and all of the output from the Services generated by County's use of the Services, including without limitation, voicemail, reports, graphs, charts, modified County data and information, policies and procedures, processes etc., (collectively, "County Materials and Data"), is and shall remain the property of County, and County shall retain all right and title to such County Materials and Data, including any intellectual property rights. All data shall be provided to County upon request by County, and Contractor shall provide the most current data available, and agree to work with, any subsequent contractor to provide the same, or similar, services to County at the conclusion/termination of the Master Agreement.

#### 1. Contractor shall not use any

County Materials and Data, Developed Materials, or any other records, information, documents, or data received from County, for any purposes other than to provide the Services to County, unless County has previously approved such uses in writing.

**9.3.2** During the term of this Master Agreement and for five (5) years thereafter, Contractor shall maintain and provide security for all Contractor's working papers prepared under this Master Agreement. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Master Agreement, any and all such working papers and all information contained therein. Contractor shall assist County in accessing and understanding all information and data provided by Contractor in these working papers.

**9.3.3** Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Master Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor

to County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Propriety" or "Confidential" on each appropriate page of any document containing such material.

- 9.3.4** County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.
- 9.3.5** Notwithstanding any other provision of this Master Agreement, County will not be obligated to Contractor in any way under Paragraph 9.3.4 for any of Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Paragraph 9.3.3 or for any disclosure which County is required to make under any state or federal law or order of court.
- 9.3.6** Services may include use of certain equipment owned by Contractor that is located at a County location (hereinafter "Contractor Equipment"), but title to the Contractor Equipment will remain with Contractor. County will bear the risk of loss or damage to Contractor Equipment only to the extent caused by County's negligence or willful misconduct.
- 9.3.7** Except as set forth otherwise in this Master Agreement or in the Work Order, the purchase of all materials and equipment to provide the needed Services is the sole responsibility of Contractor.
- 9.3.8** All the rights and obligations of this Paragraph 9.3 (Ownership of Materials, Software and Copyright) shall survive the expiration or termination of this Master Agreement.

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

- 9.4.1** Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Contractor's work under this Master Agreement. County shall inform Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support 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, 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** 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 Contractor, in a manner for which the questioned product was not designed nor intended.

## **9.5 Limitation of Liability**

**9.5.1** Neither party shall be liable to the other for any indirect, incidental, punitive, exemplary, special, or consequential damages (including without limitation, damages related to lost profits, revenue or increased cost of operations) arising under this Master Agreement, regardless of the form of action, whether in contract, tort (including negligence), strict liability or otherwise and regardless of whether or not such damages are foreseen or unforeseen. The total aggregate liability of the Contractor, its suppliers, licensors, affiliates, directors, officers, and/or employees under or in connection with this Master Agreement to County not to exceed per claim (or in the aggregate during any twelve (12) month period) an amount equal to the total charges paid by County for all Services during the twelve (12) months preceding the month in which the event giving rise to the claim occurred. In the event there is less than a twelve (12) month period, then the period will be annualized for the full twelve (12) months.

**9.5.2** The per claim or aggregate twelve (12) month limitations described in the preceding paragraph will not apply to:

- (i) bodily injury, death or damage to real or tangible property omissions arising from and/or relating to this Master Agreement;
- (ii) breach of Paragraph 7.6 (Confidentiality) and Paragraph 8.36 (Publicity);
- (iii) settlement, defense or payment obligations under Paragraph 9.4 (Patent, Copyright and Trade Secret Indemnification);
- (iv) damages arising from a party's willful misconduct; and
- (v) alteration, loss or destruction of County's applications, content or data arising from Contractor's gross negligence or willful misconduct.

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

- 9.6.1** This Master Agreement is subject to the provisions of the County's ordinance entitled SE Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.
- 9.6.2** Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.
- 9.6.3** Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a SE.
- 9.6.4** If Contractor has obtained County certification as a SE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Master Agreement to which it would not otherwise have been entitled, Contractor shall:
  - 1. Pay to the County any difference between the Master Agreement amount and what the County's costs would have been if the Master Agreement had been properly awarded;
  - 2. In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the Master Agreement; and
  - 3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

## **9.7 Data Destruction**

Contractor(s) and vendor(s) that have maintained, processed, or stored the County's data and/or information, implied or expressed, have the sole responsibility to certify that the data and information have been appropriately destroyed consistent with the National Institute of Standards and Technology (NIST) Special Publication SP 800-88 titled Guidelines for Media Sanitization. (Available at:

<http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-88 Rev.%201>)

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

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

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

- 9.8.1** This Master Agreement is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in Chapter 2.211 of the Los Angeles County Code.
- 9.8.2** Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.
- 9.8.3** Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.
- 9.8.4** If Contractor has obtained certification as a DVBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Master Agreement to which it would not otherwise have been entitled, Contractor shall:
  - 1. Pay to the County any difference between the Master Agreement amount and what the County's costs would have been if the Master Agreement had been properly awarded;
  - 2. In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than 10 percent of the amount of the Master Agreement; and
  - 3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

## **9.9 Access Rights**

County will in a timely manner allow Contractor to access County-owned and controlled property and equipment as required to provide the Services. Access rights include the right to construct, install, repair, maintain, replace and remove access lines and network facilities, as well as to use ancillary equipment space within a building, as necessary for County's connection to Contractor's network. County will provide Contractor timely information and access to County's facilities and equipment as Contractor reasonably requires to provide the Services, subject to County's security policies and any other applicable rules. Unless otherwise set forth in this Master Agreement, including the Work Orders, County will furnish any conduit, holes, wireways, wiring, plans, equipment, space, power/utilities, and other items reasonably required to perform installation of the Services, and obtain any necessary licenses, permits and consents (including easements and rights-of-way), consistent with California Public Utility Commission decisions defining the point at which the wiring under the control of the vendor ends, and the wiring under the control of the property owner begins (i.e., Minimum Point of Entry (MPOE) and Local Loop Demarcation Point (LLDP) rules). County will notify the Contractor when the site is available for Contractor to perform its work according to a mutually agreed schedule. In non-County controlled facilities (i.e., leased buildings), unless otherwise set forth in the Master Agreement, including the Work Orders, County will obtain access and secure necessary space, power, alterations and wiring paths that are needed for the Contractor to provide the requested goods and services. Contractor will work cooperatively with County in support of County's efforts with the property owner.

## **9.10 Resale of Services**

County will not resell the Services to third parties without Contractor's written consent.

## **9.11 Warranty**

Contractor hereby warrants to County that all Services provided by Contractor to County under this Master Agreement shall conform to the Work Orders, Statements of Work and this Master Agreement. With regard to each and every piece of personal property purchased by County under this Master Agreement, including any software or other intellectual property (the "Assets"), Contractor shall pass through to County, to the fullest extent permitted by law or agreement, any applicable hardware and/or software warranties offered by the manufacturer for such Assets.

Contractor further represents, warrants, covenants and agrees that:

- Contractor shall comply with the descriptions and representations set forth in all Statements of Work and Work Orders, and correct any deficiencies at no cost to the County.

- All tasks, subtasks, deliverables, Assets, goods, Services, and other work shall be performed in a timely and professional manner by qualified personnel.
- All tasks, subtasks, deliverables, Assets, goods, Services, and other work shall be completed in accordance with this Master Agreement and industry standards.
- All Services shall perform in accordance with this Master Agreement and shall meet or exceed the functional and performance requirements set forth in this Master Agreement.
- The Services shall be capable of interconnecting and/or interfacing with each other and County's existing systems as identified in the Work Order, where applicable, and that the Services and existing systems, when taken together, shall be capable of delivering all Services as set forth in this Master Agreement.

EXCEPT FOR THE EXPRESS WARRANTIES SPECIFIED IN THIS MASTER AGREEMENT, INCLUDING THE WORK ORDER(S), CONTRACTOR MAKES NO WARRANTIES EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

## **9.12 Guiding Principles**

The parties agree that the following principles ("Guiding Principles") are important to ensure the success of their relationship. If any term or condition of this Master Agreement is ambiguous or unclear or if the parties did not anticipate a particular issue, the parties shall use the Guiding Principles to interpret or resolve the issue arising from the execution of this Master Agreement.

### **9.12.1 Enhance IT Capabilities and Provide Consistent and Stable Infrastructure Support**

Services will be provided in a manner that enhances the County's ability to deliver consistent, stable, high-quality, cost-effective services both internally within the County and externally to its customers with minimal interruptions and few, if any, disruptions to the County's business. Technology and processes used by the Contractor will provide the County with industry-prevailing levels of functionality and performance.

### **9.12.2 Reduce and Control IT Costs**

Cost control and reduction are key objectives for the County in securing Services from the Contractor. The Contractor will continuously propose new and cost-effective processes and technologies in order to, at minimum, control and with all due expectations further reduce the overall cost of Services to the County.

### **9.12.3 Maintain and Improve Technology**

The Contractor will implement industry best practices and new technologies to deliver Services to the County that allow the County to take advantage of improvements in cost-efficiencies and service functionalities, and with that



objective will continually update the processes, procedures and methodologies as well as the underpinning technologies.

### **9.13 No Third Party Beneficiaries**

This Master Agreement is for the benefit of County and Contractor, and does not provide any third party (including any third party users of Services provided hereunder) the right to enforce or bring an action for any remedy, claim, liability, reimbursement, cause of action or other right or privilege.

### **9.14 Survival**

The respective obligations of County and Contractor that by their nature would continue beyond the termination or expiration of this Master Agreement, including without limitation, the obligations set forth in Paragraph 7.8 (Confidentiality), Paragraph 8.1 (Amendments), Paragraph 8.15 (Damage to County Facilities, Buildings or Grounds) Paragraph 8.22 (Indemnification), Paragraph 8.35 (Public Records Act), Paragraph 8.37 (Record Retention and Inspection/Audit Settlement), Paragraph 8.47 (Validity), Paragraph 8.48 (Waiver), Paragraph 9.1 (Contractor's Obligations Under Health Insurance Portability & Accountability Act of 1996 (HIPAA)), Paragraph 9.3 (Ownership of Materials, Software and Copyright), Paragraph 9.4 (Patent, Copyright and Trade Secret Indemnification), Paragraph 9.5 (Limitation of Liability), Paragraph 9.11 (Warranty), Paragraph 9.12 (Guiding Principles) and this Paragraph 9.14 (Survival), will survive termination or expiration.

**AUTHORIZATION OF MASTER AGREEMENT FOR  
INSTALLATION AND OPERATION OF COMMUNITY BROADBAND NETWORKS TO  
DELIVER RESIDENTIAL<sup>[NR1]</sup> SERVICES**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Master Agreement to be executed by the Director, Internal Services Department or designee and approved by County Counsel, and Contractor has caused this Master Agreement to be executed in its behalf by its duly authorized officer, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

COUNTY OF LOS ANGELES

By \_\_\_\_\_

Director

Internal Services Department

By \_\_\_\_\_

Contractor

Signed: \_\_\_\_\_

Printed: \_\_\_\_\_

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

APPROVED AS TO FORM:

\_\_\_\_\_  
DAWYN R. HARRISON

Acting County Counsel

By \_\_\_\_\_

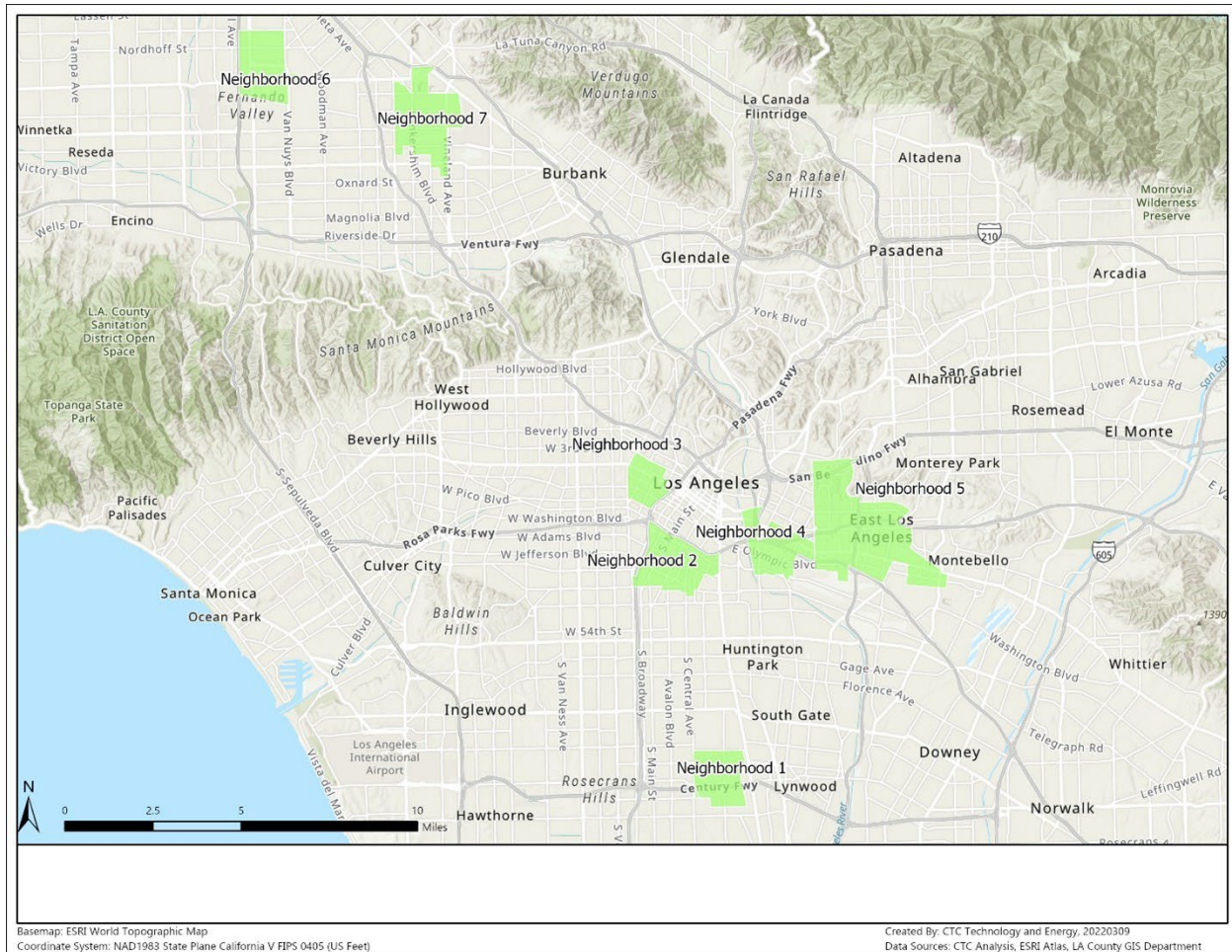
Principal County Counsel

**LIST OF VENDORS RECOMMENDED FOR MASTER AGREEMENT AWARD**

1. ICCN
2. Insight
3. Kajeet
4. Smartwave
5. NetSync
6. AT&T
7. T-Mobile
8. Motorola
9. Deloitte Consulting, LLP

## Demonstration Service Areas (Service Areas)

Figure 1: Map of Demonstration Service Areas



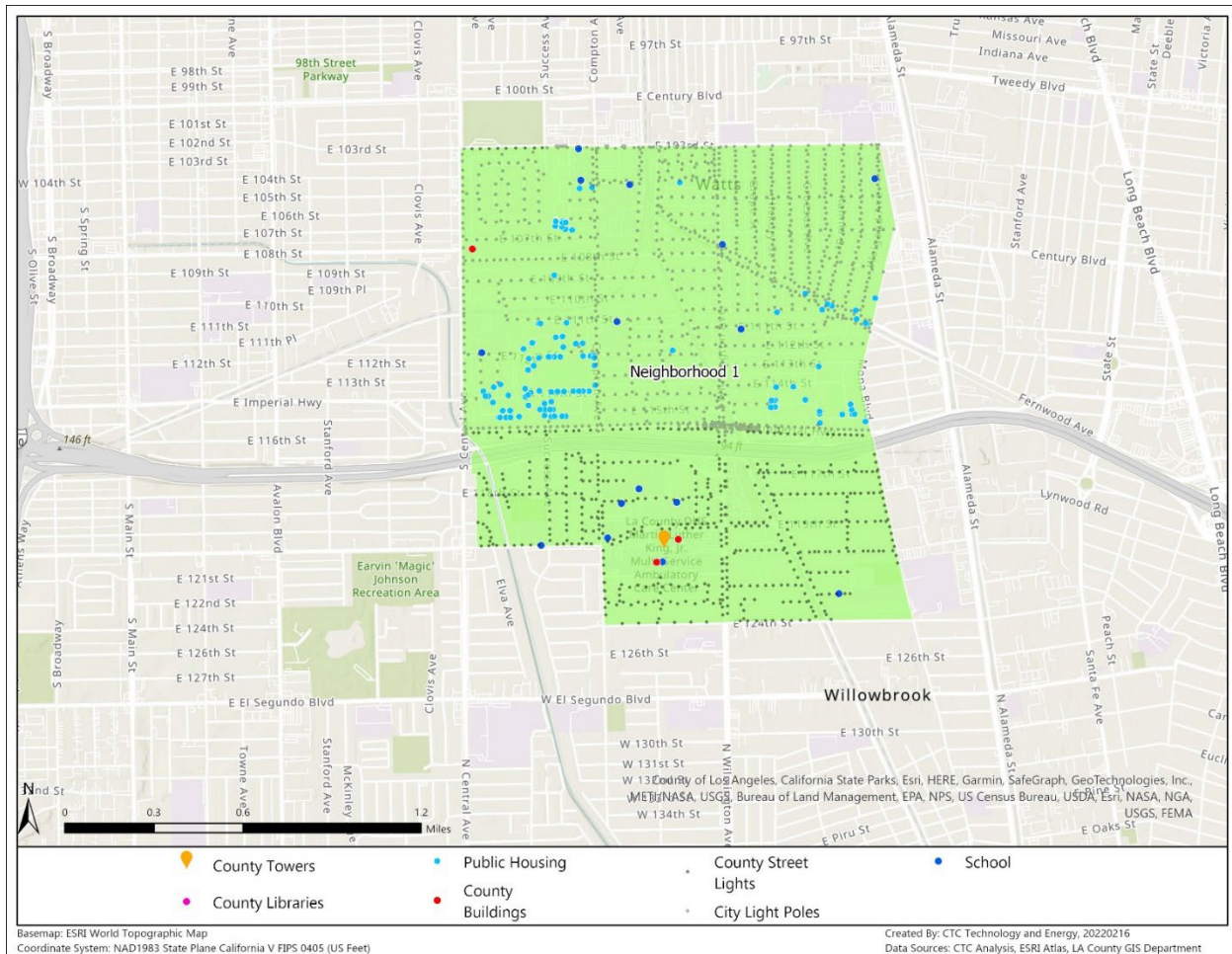
### Neighborhood 1 – Watts-Willowbrook (SD 2)

Neighborhood 1 contains a total of 8,556 households, including an estimated 5,911 households eligible for the Affordable Connectivity Program (ACP).<sup>1</sup> Boundaries and Available Locations are

<sup>1</sup> Number of ACP-eligible households estimated using the total number of households with a household income at or below 200% of the Federal Poverty Guidelines as reported by the American Communities Survey 2019 5-year estimates. These estimates do not reflect all ACP eligibility criteria.

shown in the map in Figure 2. A detailed description is available in Appendix K (Neighborhood and Household Census Data).

**Figure 2a: Service Area for Watts-Willowbrook**

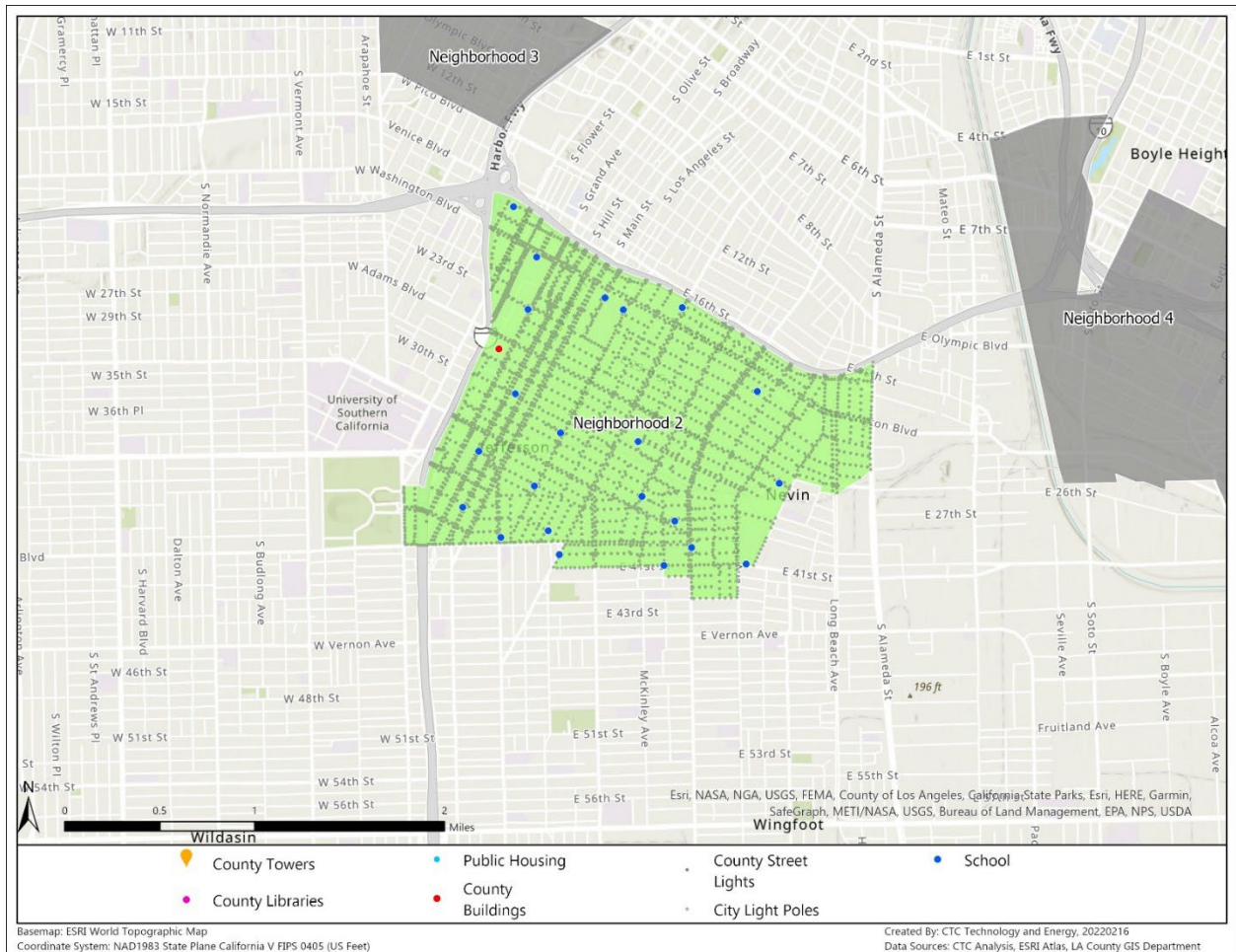




## Neighborhood 2 – South Los Angeles (SD 2)

Neighborhood 2 contains a total of 11,411 households, including 7,661 ACP-eligible households.<sup>2</sup> Boundaries and Available Locations are shown in the map in Figure 3. A detailed description is available in Appendix K (Neighborhood and Household Census Data).

**Figure 3a: Service Area for South Los Angeles**



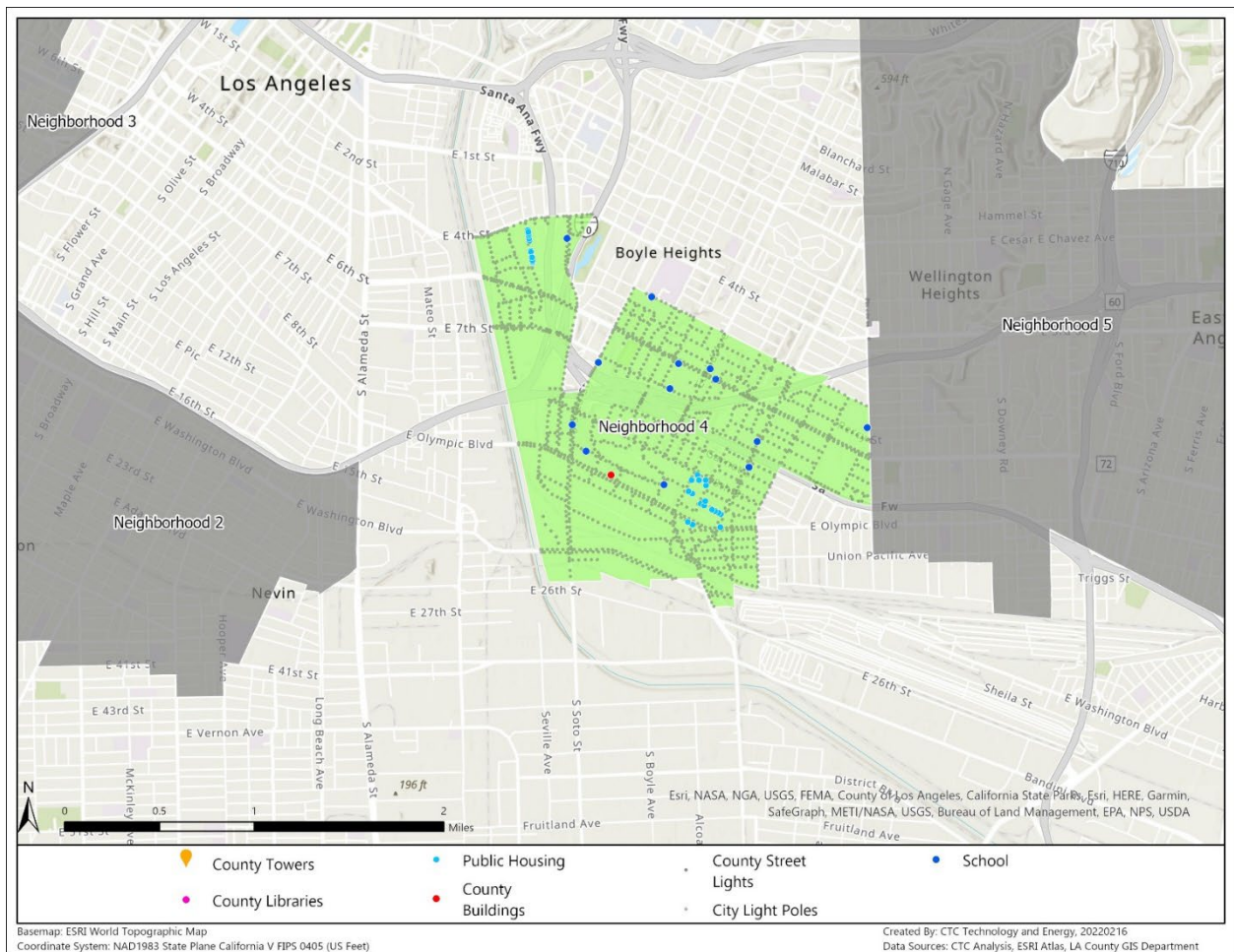
<sup>2</sup> Number of ACP-eligible households estimated using the total number of households with a household income at or below 200% of the Federal Poverty Guidelines as reported by the American Communities Survey 2019 5-year estimates. These estimates do not reflect all ACP eligibility criteria.

### Neighborhood 3 – Pico-Union (SD 1)

## Neighborhood 4 – Boyle Heights (SD 1)

Neighborhood 4 contains a total of 6,607 households, including 3,797 ACP-eligible households.<sup>4</sup> Boundaries and Available Locations are shown in the map in Figure 5. A detailed description is available in Appendix K (Neighborhood and Household Census Data).

**Figure 5a: Service Area for Boyle Heights**



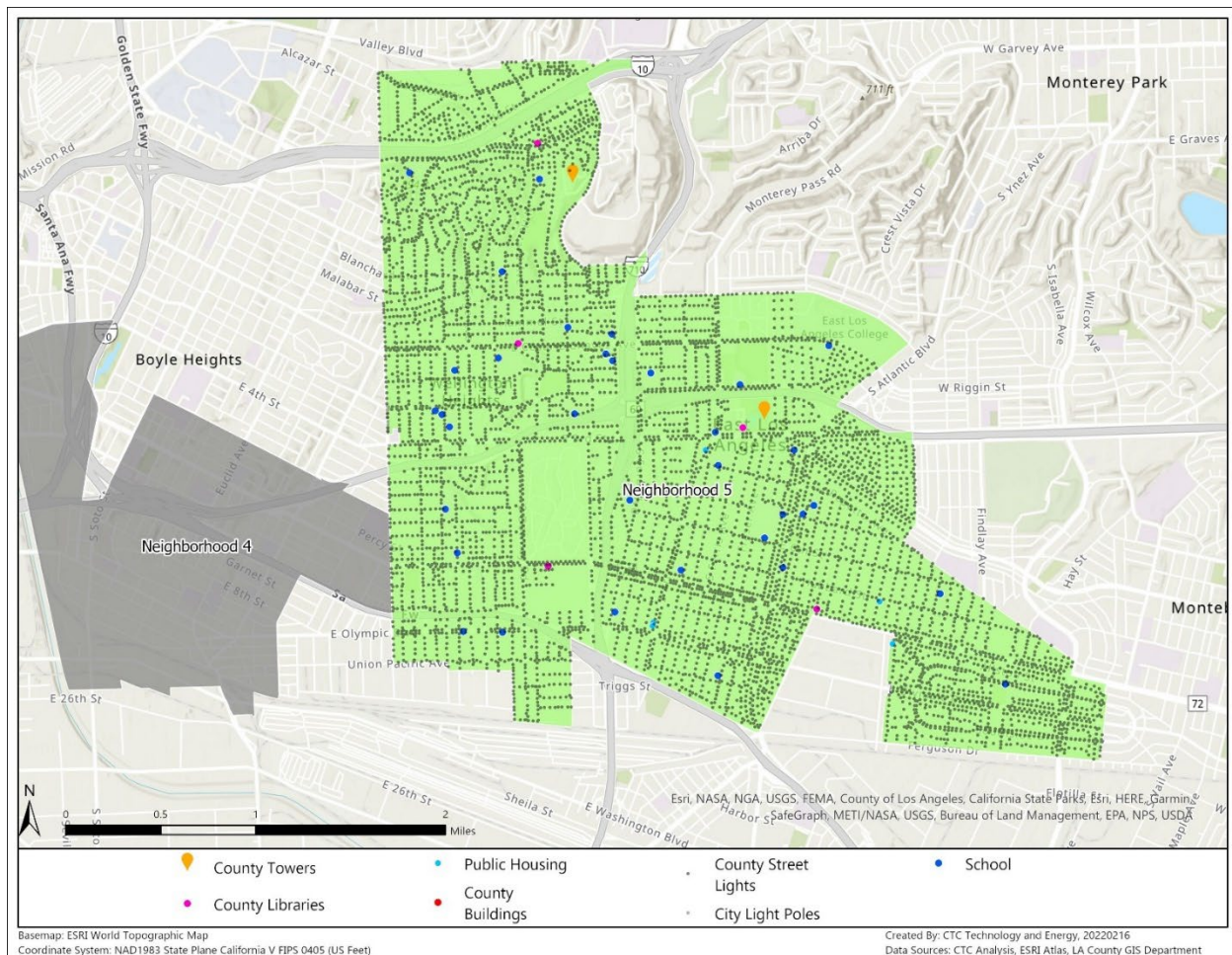
<sup>4</sup> Number of ACP-eligible households estimated using the total number of households with a household income at or below 200% of the Federal Poverty Guidelines as reported by the American Communities Survey 2019 5-year estimates. These estimates do not reflect all ACP eligibility criteria.



## Neighborhood 5 – East Los Angeles (SD 1)

Neighborhood 5 contains a total of 31,549 households, including 15,701 ACP-eligible households.<sup>5</sup> Boundaries and Available Locations are shown in the map in Figure 6. A detailed description is available in Appendix K (Neighborhood and Household Census Data).

**Figure 6a – Service Area for East Los Angeles**

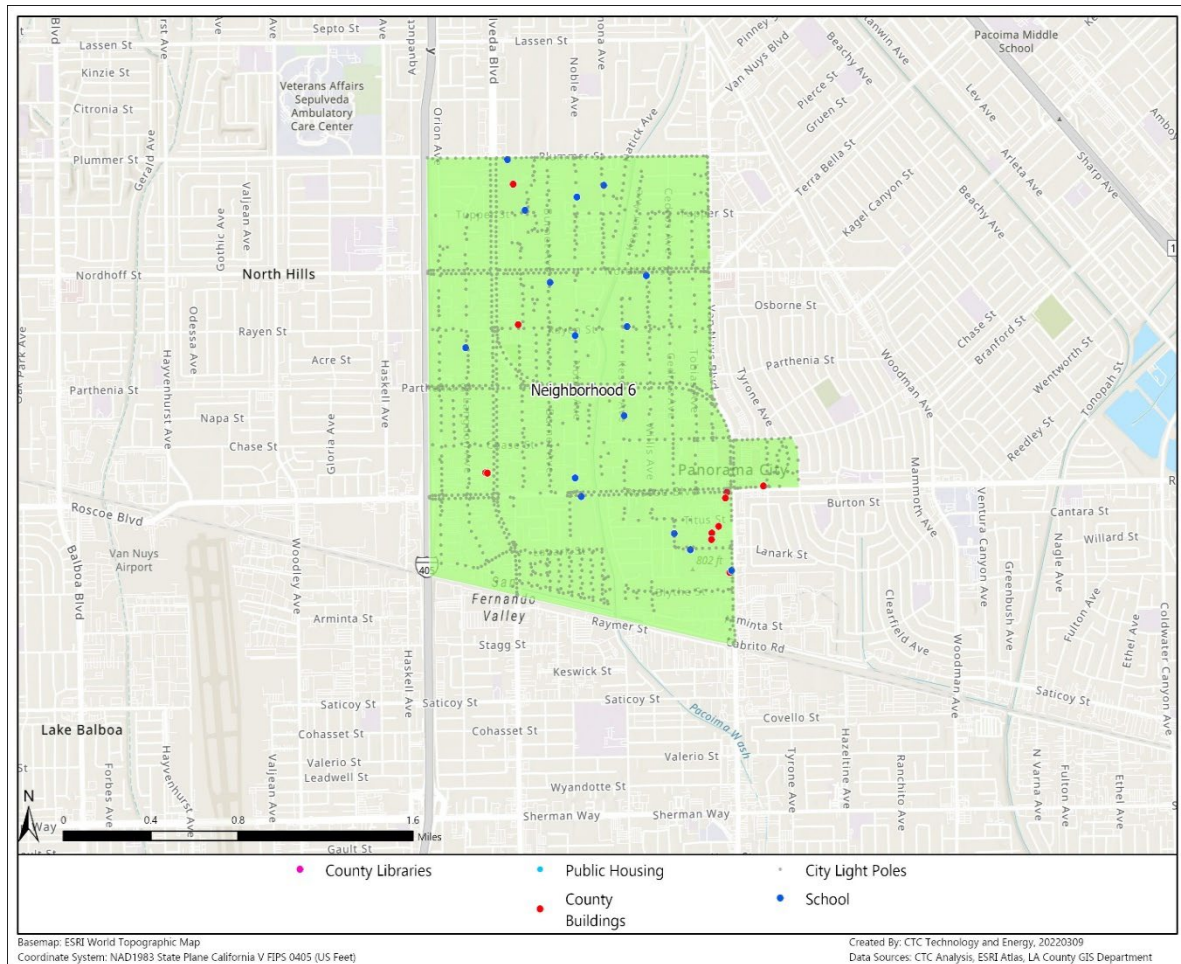


<sup>5</sup> Number of ACP-eligible households estimated using the total number of households with a household income at or below 200% of the Federal Poverty Guidelines as reported by the American Communities Survey 2019 5-year estimates. These estimates do not reflect all ACP eligibility criteria.

## Neighborhood 6 – Panorama City (SD 3)

Neighborhood 6 contains a total of 20,505 households, including 12,461 ACP-eligible households.<sup>6</sup> Boundaries and Available Locations are shown in the map in Figure 7. A detailed description is available in Appendix K (Neighborhood and Household Census Data).

**Figure 7a – Service Area for Panorama City**



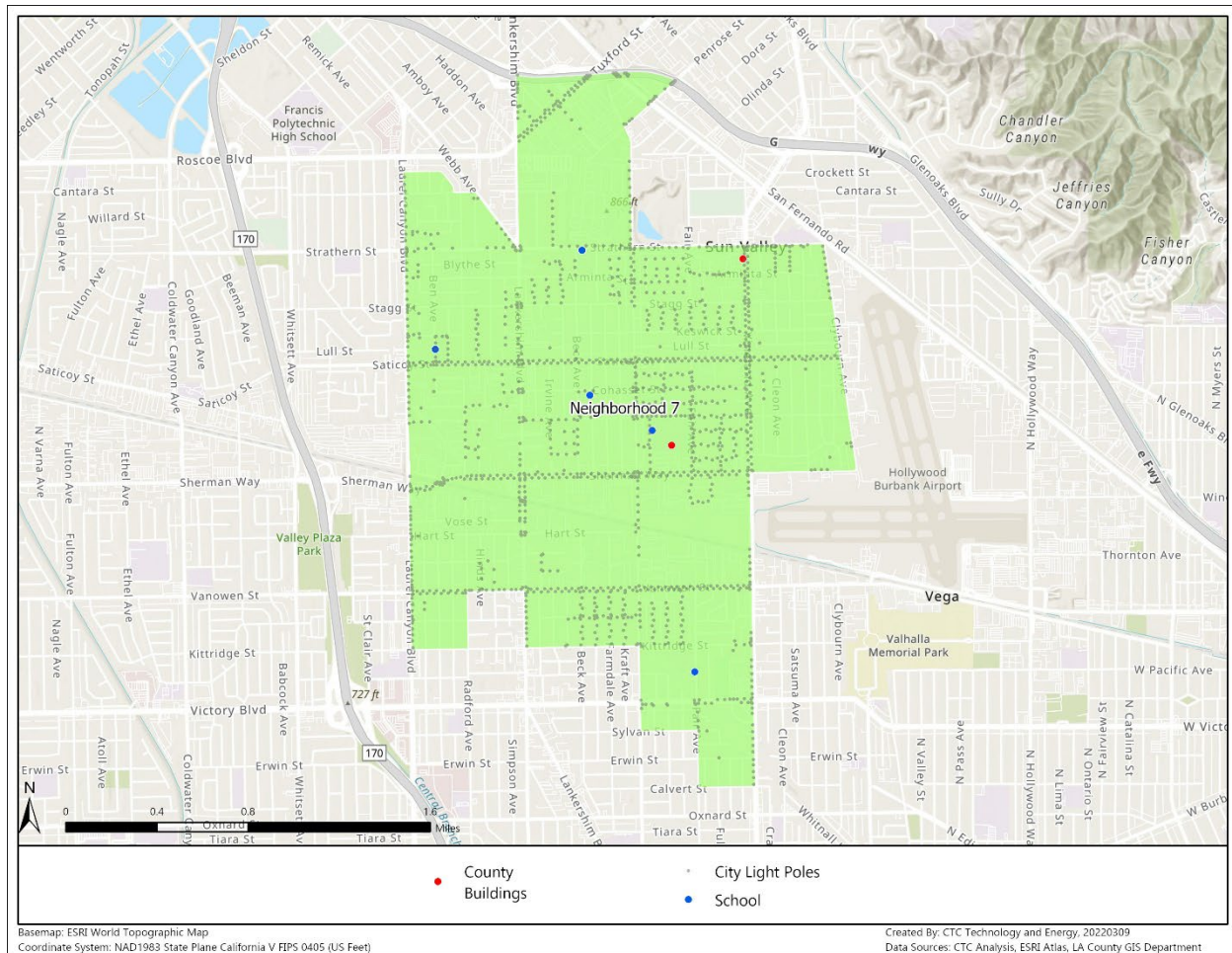
<sup>6</sup> Number of ACP-eligible households estimated using the total number of households with a household income at or below 200% of the Federal Poverty Guidelines as reported by the American Communities Survey 2019 5-year estimates. These estimates do not reflect all ACP eligibility criteria.



## Neighborhood 7 – Sun Valley–North Hollywood (SD 3 & SD 5)

Neighborhood 7 contains a total of 12,850 households, including 6,526 ACP-eligible households.<sup>7</sup> Boundaries and Available Locations are shown in the map in Figure 8. A detailed description is available in Appendix K (Neighborhood and Household Census Data).

**Figure 8a – Service Area for Sun Valley–North Hollywood**



<sup>7</sup> Number of ACP-eligible households estimated using the total number of households with a household income at or below 200% of the Federal Poverty Guidelines as reported by the American Communities Survey 2019 5-year estimates. These estimates do not reflect all ACP eligibility criteria.


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## + Solicitation Detail

<b>Solicitation Number:</b>	ITS-I10602-S		
<b>Title:</b>	COMMUNITY WIRELESS NETWORKS TO DELIVER RESIDENTIAL BROADBAND SERVICES		
<b>Department:</b>	Internal Services Department		
<b>Bid Type:</b>	Commodity / Service	<b>Bid Amount:</b>	N/A
<b>Commodity:</b>	TELECOMMUNICATION SERVICES (NOT OTHERWISE CLASSIFIED)		
<b>Description:</b>	<p>The County of Los Angeles (County), Internal Services Department (ISD) is seeking qualified companies to enter into Master Agreements with the County to provide wireless network infrastructure and broadband services for targeted regions and households of Los Angeles County, as described in Section 1.4 (Service Description/Requirements/Considerations) of this document.</p> <p>Through this RFSQ, the County will competitively solicit and award work orders to deploy broadband networks in the demonstration neighborhoods. This RFSQ will expedite efforts to increase broadband access throughout the County and improve the economic and educational opportunities of Los Angeles County's residents.</p> <p>Services may include, but not be limited to, the following:</p> <ul style="list-style-type: none"> <li>• Architect, design plan, and design a community broadband wireless network</li> <li>• Procure plan and equipment/device list</li> <li>• Installation plan</li> <li>• Implementation plan</li> <li>• Test the entire infrastructure and system operations</li> <li>• Connect and serve residences</li> <li>• Operate, monitor, and manage the network; and</li> <li>• End-user customer support</li> </ul>		
<b>Open Day:</b>	3/21/2022	<b>Close Date:</b>	Continuous
<b>Contact Name:</b>	Neary Ros	<b>Contact Phone:</b>	(562) 940-3089
<b>Contact Email:</b>	CommunityWireless@isd.lacounty.gov		

Less

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3/21/2022 4:48:50 PM

Attachment  
File (7):

Click here to download attachment files.

File Name	Description	Type	Size	Last Update On	
RSFQ_ResidentialBroadbandServices.pdf	RFSQ Residential Broadband Services	.pdf	4792512	03-21-2022	<a href="#">Download</a>
AppendixG_SampleMasterAgreement.pdf	RFSQ Appendix G - Sample Master Agreement and Exhibits	.pdf	1900181	03-21-2022	<a href="#">Download</a>
_RFSQ_AppendicesA_K_RequiredForms.docx	RFSQ Appendices A-K Required Forms	.docx	484182	03-21-2022	<a href="#">Download</a>
AppendixAExhibit4RequestForPreferenceConsideration	RFSQ Appendix A PDF Exhibit 4 Form	.pdf	886850	03-21-2022	<a href="#">Download</a>
AppendixJ_Attachment1_ServiceAreaShapefiles.zip	RFSQ Appendix J Attachment 1 Service Area Shapefiles	.zip	699513	03-21-2022	<a href="#">Download</a>

[Update \(/LACoBids/Admin/UpdateBid/ODA4OTU5IDMyMTIy\)](#)

**PROPOSERS' ORGANIZATION AND CBE INFORMATION**

This information was gathered for statistical purposes only. On final analysis and consideration of award, selection was made without regard to gender, race, creed or color.

FIRM INFORMATION		AT&T	DELOITTE	ICCN	INSIGHT	KAJEET	MOTOROLA	NETSYNC	SMARTWAVE	T-MOBILE
<b>BUSINESS STRUCTURE</b>		Corporation	LLP	Corporation	Corporation	Corporation	Corporation	Corporation	Corporation	Corporation
Cultural/Ethnic Composition		% of Ownership	% of Ownership	% of Ownership	% of Ownership	% of Ownership	% of Ownership	% of Ownership	% of Ownership	% of Ownership
OWNERS/PARTNERS	Black/African American	N/A	5%	48%	N/A	12%	N/A			46%
	Hispanic/Latino	N/A			N/A	10%	N/A	51%		58%
	Asian or Pacific Islander	N/A	11%	10%	N/A	15%	N/A	49%		69%
	American Indian	N/A	5%		N/A	1%	N/A			57%
	Filipino	N/A		6%	N/A		N/A			
	White	N/A	74%	36%	N/A	62%	N/A		100%	64%
	Female (included above)	N/A	53%	26%	N/A	28%	N/A	51%		41%
		Number	Number	Number	Number	Number	Number	Number	Number	Number
MANAGERS	Black/African American	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Hispanic/Latino	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Asian or Pacific Islander	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	American Indian	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Filipino	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	White	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Female (included above)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
STAFF	Black/African American	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Hispanic/Latino	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Asian or Pacific Islander	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	American Indian	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Filipino	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	White	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Female (included above)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL # OF EMPLOYEES IN CALIFORNIA		24,900	2,330	3	18	7	756	6	6	6,739
TOTAL # OF EMPLOYEES		254,000	121,693	4	312	210	18,000	123	27	75,000
<b>COUNTY CERTIFICATION</b>										
CBE		NO	NO	NO	NO	NO	NO	NO	NO	NO
LSBE		NO	NO	NO	NO	NO	NO	NO	NO	NO

\*Information provided by vendors in response to the RFP, and subsequent requests by ISD. On final analysis and consideration of award, vendors were selected without regard to race, creed or color.

## BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	8/31/2022	
<b>BOARD MEETING DATE</b>	9/13/2022	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Internal Services Department (ISD)	
<b>SUBJECT</b>	Recommendation to amend County Code Chapter 5.90 (Vehicle Trip Reduction-Ridesharing), to make technical changes reflecting the transfer of the responsibility for the Employee Commute Reduction Program from the Department of Human Resources to the Internal Services Department.	
<b>PROGRAM</b>	Vehicle Trip Reduction Ridesharing	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>DEADLINES/ TIME CONSTRAINTS</b>	N/A	
<b>COST &amp; FUNDING</b>	Total cost: N/A	Funding source: The recommendation to adopt the amended ordinance will have no new fiscal impact. AQMD grant funds overseen by the Rideshare program were transferred in FY19-20.
	TERMS (if applicable):.	
	Explanation:	
<b>PURPOSE OF REQUEST</b>	Recommendation to amend County Code Chapter 5.90 (Vehicle Trip Reduction-Ridesharing)	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The move of the Rideshare from DHR to ISD was to create better coordination with the Rideshare program that is funded by Air Quality Management District (AQMD) to implement pollution reducing programs, with our transportation sustainability initiatives run by ISD. In particular, with the trend towards EVs in our region, the shift of Rideshare to ISD allowed the team to innovate with EV Rideshare incentives as well as encouraging employees to purchase EVs as a way to reduce regional pollution and improve the Annual Vehicle Ridership Survey scores. This code change is to catch up and reflect a transition that occurred in FY19-20.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: Sustainability Priority and Environmental Justice and Climate Health Priority. This policy leads to improved air quality by reducing traffic congestion and air emissions from vehicles used by employees commuting between home and the worksite promoting increased average vehicle ridership at regulated sites.	
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: Minh Le, General Manager, 562-367-5153, msle@isd.lacounty.gov	



County of Los Angeles  
**INTERNAL SERVICES DEPARTMENT**

1100 North Eastern Avenue  
Los Angeles, California 90063

**SELWYN HOLLINS**  
Director

*"Trusted Partner and Provider of Choice"*

Telephone: (323) 267-2101  
FAX: (323) 264-7135

September 13, 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:

**INTRODUCTION OF AN ORDINANCE AMENDING  
CHAPTER 5.90 (VEHICLE TRIP REDUCTION-RIDESHARING) OF  
CHAPTER 5 (PERSONNEL) OF THE LOS ANGELES COUNTY CODE  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

Recommendation to amend County Code Chapter 5.90 (Vehicle Trip Reduction-Ridesharing), to make technical changes reflecting the transfer of the responsibility for the Employee Commute Reduction Program from the Department of Human Resources to the Internal Services Department.

**IT IS RECOMMENDED THAT THE BOARD:**

Introduce, waive reading, and place on the Board's agenda for adoption an ordinance amending Chapter 5.90 of Title 5 (Personnel) of the Los Angeles County Code to conform to technical changes made resulting from the transfer of the responsibility for the Employee Commute Reduction Program (ECRP) from the Department of Human Resources to the Internal Services Department, becoming operative upon approval by the Board.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

This recommended action is to update the County's Rideshare Ordinance to reflect the transfer of the County Rideshare Program from the Department of Human Resources to the Internal Services Department, and replacing:



- Department of Human Resources with Internal Services Department; and
- DHR with ISD

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

The County Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of processes, structure, and operations to support timely delivery of customer-oriented and efficient public services. The Board's adoption of the ordinance to amend County Code Chapter 5.90 is consistent with this goal.

### **FISCAL IMPACT/FINANCING**

The recommendation to adopt the amended ordinance will have no fiscal impact.

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

County Code Chapter 5.90 states the County's policy with regard to reducing traffic congestion and air emissions from vehicles used by employees commuting between home and the worksite. Our compliance with South Coast Air Quality Management District's (SCAQMD) Rule 2202 includes "good faith" efforts to increase the Average Vehicle Ridership (AVR) at the regulated sites.

The County Code requires department heads which supervise County employees at any County worksite of one hundred or more employees to promote County participation in trip reduction and ridesharing programs. SCAQMD requires regulated sites (those with 250 employees or more) to conduct an annual Rideshare survey and implement an ECRP Plan, commonly known as a Rideshare Plan. Each site administrator must review annually the ECRP Plan which must consist of AVR data and ECRP incentives.

Rule 2202 is a legal mandate and all worksites in the County with 250 or more employees are required to comply with all provisions of the regulation. The Rule provides employers with a menu of options designed to meet ambient air quality standards mandated by the Federal Clean Air Act. Rule 2202 guidelines are provided by SCAQMD, in addition to training and consulting services.

### **ENVIRONMENTAL DOCUMENTATION**

Approval of this recommendation is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

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

Approval of the amended ordinance will enhance the operational effectiveness of the County's Rideshare Ordinance.

**CONCLUSION**

It is requested that the Executive Officer, Board of Supervisors, return two originals of the final adopted amended ordinance to ISD, Environmental Programs, 1100 N. Eastern Avenue, Los Angeles, CA 90063, and make the changes to County Code Chapter 5.90, upon approval by the Board.

Respectfully submitted,

SELWYN HOLLINS  
Director

SH:ML  
EW:JG

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel



COUNTY OF LOS ANGELES  
OFFICE OF THE COUNTY COUNSEL

648 KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET  
LOS ANGELES, CALIFORNIA 90012-2713

RODRIGO A. CASTRO-SILVA  
County Counsel

March 11, 2022

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(213) 972-5731

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(213) 633-0901

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jcarnevale@counsel.lacounty.gov

Selwyn Hollins, Director  
Internal Services Department  
1100 North Eastern Avenue  
Los Angeles, California 90063

**Re: Ordinance Amending Los Angeles County Code  
Chapter 5.90 – Vehicle Trip Reduction – Rideshare**

Dear Mr. Hollins:

Enclosed please find the analysis and ordinance amending Los Angeles County Code Chapter 5.90 – Vehicle Trip Reduction – Rideshare. The ordinance is amended to reflect that the Ridesharing program will now be managed by the Internal Services Department rather than the Department of Human Resources, the previous managing department.

The ordinance and its accompanying analysis may be presented to the Board of Supervisors for consideration.

Very truly yours,

RODRIGO A. CASTRO-SILVA  
County Counsel

By *Jason Carnevale*  
JASON C. CARNEVALE  
Deputy County Counsel  
Government Services Division

APPROVED AND RELEASED:

*Dawyn R. Harrison*  
DAWYN R. HARRISON  
Chief Deputy

JCC:lr

Enclosure

## ANALYSIS

This ordinance amends Chapter 5.90 – Vehicle Trip Reduction – Ridesharing of the Los Angeles County Code, to reflect that the Ridesharing program will now be managed by the Internal Services Department rather than the Department of Human Resources, the previous managing department.

RODRIGO A. CASTRO-SILVA  
County Counsel

By   
JASON CARNEVALE  
Deputy County Counsel  
Government Services Division

JC:bf

Requested: 7/14/20  
Revised: 3/11/22

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Chapter 5.90 – Vehicle Trip Reduction – Ridesharing of the Los Angeles County Code, to reflect that the Ridesharing program will now be managed by the Internal Services Department rather than the Department of Human Resources, the previous managing department.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Section 5.90.020 is hereby amended to read as follows:

**5.90.020 Definitions.**

For the purpose of this chapter, the following definitions apply:

. . .

~~D. "DHR" means the Department of Human Resources of the County of Los Angeles.~~

~~ED.~~ "Department head" means a person formally designated as an acting department head, the employee who has the highest classification in a department which has no regularly appointed department head or designated acting department head, as well as regularly appointed department heads.

~~FE.~~ "Employee" means any person employed by the County.

~~GE.~~ "Employee Transportation Coordinator ("ETC")" means a person who has completed a training program in transportation management approved by the SCAQMD's Trip Reduction Training Coordinator Advisory Committee. The training program must include, but need not be limited to: review of available commuter matching resources and services, detailed explanation of the eligible activities listed in

Section 5.90.030D, explanation of the relationship between transportation management and air quality, and guidance in developing a trip reduction plan. The Internal Services Department will provide a list of training programs developed by the Trip Reduction Training Coordinator Advisory Committee to each department head subject to the ordinance codified in this chapter.

G. "ISD" means the Internal Services Department of the County of Los Angeles.

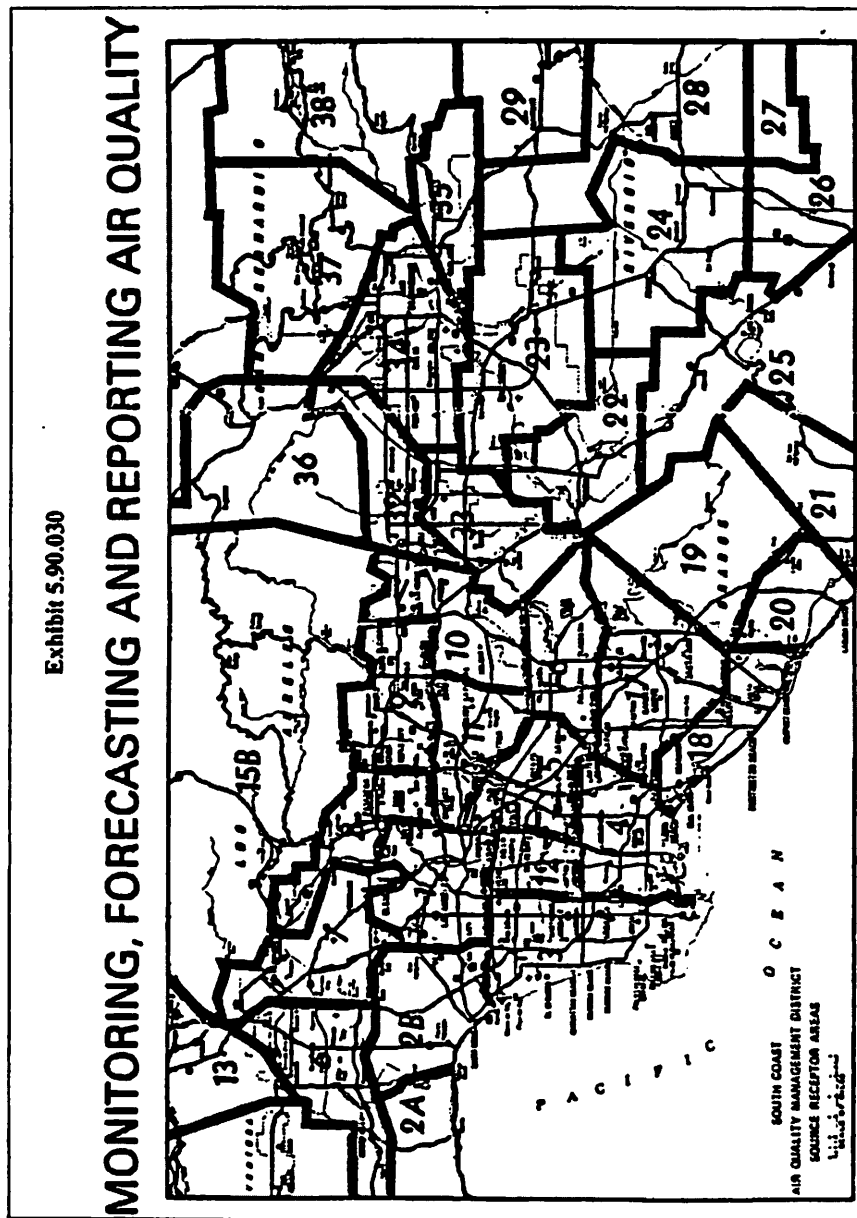
...

**SECTION 2.** Section 5.90.030 is hereby amended to read as follows:

**5.90.030 Increase in Average Vehicle Ridership.**

A. Within ninety (90) days of the effective date of the ordinance codified in this chapter, the ~~DHR~~ISD shall prepare an Employee Commute Reduction Plan ("ECRP") applicable to each department head who supervises employees at a worksite which shall meet the requirements of this chapter.

...



**SECTION 3.** Section 5.90.040 is hereby amended to read as follows:

**5.90.040 Procedural Requirements for ECRP.**

A. The DHRISD must update the ECRP annually based upon each department head's annual review and report.

B. Each department head must, on an annual basis, review its implementation of the ECRP. The review shall focus on ridesharing and trip-reduction incentives offered by the department head. The review shall consist of a report to the DHRISD that:

...

C. The DHRISD may perform follow-up audits on a selective basis. The DHRISD shall notify the department heads of the submittal deadline for the review and update.

...

**SECTION 4.** Section 5.90.050 is hereby amended to read as follows:

**5.90.050 Exemption from SCAQMD Rule 2202.**

A. The DHRISD shall, within ten days of the effective date of the ordinance codified in this chapter, make written application to the Executive Officer of the SCAQMD for exemption from the SCAQMD's Rule 2202, on the basis that the requirements of this chapter are at least as effective as the SCAQMD's Rule 2202 in increasing average vehicle ridership at County worksites.

B. In order to maintain the County's exemption from the SCAQMD's Rule 2202, the DHRISD shall submit an annual report to the Executive Officer of the SCAQMD describing the trip reduction incentives being offered by the County and the annual AVR levels achieved at the County's worksites.

[CH590JCCC]



# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	8/31/2022	
<b>BOARD MEETING DATE</b>	9/13/2022	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Department of Health Services (DHS)	
<b>SUBJECT</b>	Approval of amendment to sole source Proposition A (Prop A) Agreement with 3M Health Information Systems, Inc. (3M) for transcription Information Technology software systems and related medical and radiology reports transcription services	
<b>PROGRAM</b>	N/A	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: It is in the best economic interest to extend the 3M Agreement as they have a comprehensive understanding of DHS's complex needs and has established an excellent working relationship with DHS. Further, if the Agreement is not extended and DHS selects a new contractor through a solicitation, the change in applications would result in an excessive implementation learning curve for the new contractor and DHS/Department of Public Health (DPH) staff, as well as an administrative burden while DHS/DPH continue to contend with the COVID-19 pandemic.	
<b>DEADLINES/ TIME CONSTRAINTS</b>	The current Agreement expires on September 30, 2022.	
<b>COST &amp; FUNDING</b>	Total cost: The estimated annual cost for transcription IT software systems and related medical and radiology reports transcription services is \$661,000. The estimated Total Contract Sum is \$12,982,247 for the period of July 1, 2011 through September 30, 2025.	Funding source: Funding is included in the DHS Fiscal Year 2022-23 Adopted Budget and will be requested in future fiscal years as continuing appropriation. There is no net impact to County cost.
	TERMS (if applicable): October 1, 2022 through September 30, 2025	
	Explanation:	
<b>PURPOSE OF REQUEST</b>	To allow for the continued provision of transcription IT software systems and related medical and radiology reports transcription services, which are of critical use to physicians/radiologists at DHS/DPH facilities to complete patient medical records.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The Agreement was approved on June 14, 2011, for a term of 5 years, including options, through June 30, 2016 after Medquist Transcriptions Ltd. (later known as MModal Services, Ltd. and now known as 3M) was selected by DHS pursuant to a Prop A competitive solicitation. The Agreement allowed DHS to consolidate individual hospital agreements into a comprehensive single agreement, enabling the County to benefit from economies of scale to achieve the best possible pricing for medical and radiology reports transcription services. The Agreement also contemplated a gradual transition from traditional labor-intensive transcription services and aligned with the healthcare industry's accelerated adoption of speech recognition software technology. Via subsequent delegations of authority, the Agreement has been amended periodically to extend the term, expand the statement of work to implement 3M's Fluency Critical Test Results and Fluency Peer Review applications and include a Fluency for Imaging (FFI) interface with the County's Radimetrics System and implement FFI at DPH clinics.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: -Christopher J. Rodriguez, HIM Director, (323) 986-2200, <a href="mailto:chrodriquez@dhs.lacounty.gov">chrodriquez@dhs.lacounty.gov</a> -Rick Nguyen, Enterprise Clinical Imaging, (424) 306-8613, <a href="mailto:rnyuyen@dhs.lacounty.gov">rnyuyen@dhs.lacounty.gov</a> -Kevin Lynch, CIO, (213) 288-8128, <a href="mailto:KLynch@dhs.lacounty.gov">KLynch@dhs.lacounty.gov</a> -Julio Alvarado, Dir. of Cont. Admin. & Mntr., (213) 288-7819, <a href="mailto:jvalvarado@dhs.lacounty.gov">jvalvarado@dhs.lacounty.gov</a> -Truc Moore, Prin. Dep. County Counsel, (213) 972-5719, <a href="mailto:tmoore@counsel.lacounty.gov">tmoore@counsel.lacounty.gov</a>	

September 13, 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:

**APPROVAL OF AMENDMENT NO. 15 TO SOLE SOURCE  
AGREEMENT NO. 77540 WITH 3M HEALTH INFORMATION SYSTEMS, INC.  
FOR TRANSCRIPTION INFORMATION TECHNOLOGY SOFTWARE SYSTEMS  
AND RELATED MEDICAL AND RADIOLOGY REPORTS TRANSCRIPTION  
SERVICES  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X)**

**SUBJECT**

Request approval of Amendment No. 15 to the existing Sole Source Proposition A Agreement No. 77540 with 3M Health Information Systems, Inc. for the continued provision of transcription Information Technology (IT) software systems and related medical and radiology reports transcription services at Department of Health Services facilities and Department of Public Health clinics to extend the term, increase the Agreement Sum, and update Agreement terms and conditions commensurate with the services provided to the County of Los Angeles.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Make a finding pursuant to Los Angeles County Code Section 2.121.420 that medical transcription services, as described herein, can be performed more economically by an independent contractor.
2. Approve and Authorize the Director of Health Services (Director), or designee, to execute Amendment No. 15 (Amendment) to Agreement No. 77540 (Agreement) with 3M Health Information Systems, Inc. (3M), effective upon execution, to: (a) extend the term of the Agreement from October 1, 2022 through September 30, 2025; (b) increase the Agreement Sum by a total annual estimated cost of \$661,000, comprised of \$104,000 for medical transcription service and \$557,000 for the radiology transcription solution, for an estimated Total Contract Sum of \$12,982,247 from July 1, 2011 through September 30, 2025; (c) include Pool Dollars for Optional Work in an amount not to exceed the current maximum amount of \$492,000 that are roll over

funds from the previous term; (d) increase the rates and fees under the Agreement in compliance with the Living Wage Ordinance (LWO) governed by Los Angeles County Code Chapter 2.201; and (e) provide for other changes as set forth herein.

3. Delegate authority to the Director, or designee, to execute future amendments to the Agreement to: (a) add, delete, and/or change certain terms and conditions as mandated by Federal or State law or regulation, County policy, the County Board of Supervisors (Board) and/or Chief Executive Office (CEO); (b) modify the Statement of Work (SOW) to reflect County standards and business needs, including but not limited to business and administrative workflows, protocols and policies, and the addition/removal of County facilities; and (c) reduce scope of services; with all such actions subject to review and approval by County Counsel.
4. Delegate authority to the Director, or designee, to execute: (a) Change Notices to the Agreement for changes that do not incur additional costs or expenses, nor substantially affect any Agreement terms or conditions; and (b) Change Orders or Amendments using up to \$492,000 in Pool Dollars to acquire Optional Work, such as additional software and professional services as requested by County, subject to review and approval by County Counsel.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

### **Background**

3M provides transcription IT software systems and related Proposition A (Prop A) medical and radiology reports transcription services used throughout the Department of Health Services (DHS) facilities, and at the Department of Public Health (DPH) clinics. There is a distinction between the transcription software and the work performed by transcriptionists who abstract the information from the recording dictated by the provider. The current Agreement was approved by the Board on June 14, 2011, for a term of five years, including options, through June 30, 2016 after Medquist Transcriptions Ltd. (Medquist) (later known as MModal Services, Ltd. (MModal) and now known as 3M) was selected by DHS pursuant to a Prop A compliant competitive solicitation process as the recommended contractor. The Agreement allowed DHS to consolidate individual hospital agreements for the aforementioned services into a comprehensive single agreement, enabling the County to benefit from economies of scale to achieve the best possible pricing for both medical and radiology reports transcription services. The Agreement also contemplated a gradual transition from traditional labor-intensive transcription services and aligned with the healthcare industry's accelerated adoption of speech recognition software technology.

Via delegations of authority subsequently approved by the Board, the Agreement has been amended periodically to extend the term, expand the SOW to implement 3M's Fluency Critical Test Results (FCTR) and Fluency Peer Review (FPR) applications and

include a Fluency for Imaging (FFI) interface with the County's Radimetrics System, and implement FFI at DPH clinics. A three-year extension of the Agreement at this juncture will ensure the uninterrupted continuation of transcription IT software systems and related medical and radiology reports transcription services.

DHS believes that it is in the best economic interest of the County to extend the Agreement with 3M, currently slated to expire September 30, 2022, as they have attained a comprehensive understanding of DHS's complex needs and has established an excellent working relationship with DHS. If the Agreement is not extended and DHS was to select a new contractor through a new solicitation to replace the existing applications, the change in applications would result in an excessive implementation learning curve for both the new contractor and DHS/DPH staff who are well acclimated with the current applications, as well as administrative burden while these frontline departments continue to contend with the COVID-19 pandemic.

On February 4, 2022, DHS notified the Board via Attachment A of our intent to commence negotiations with 3M for the sole source Agreement extension in accordance with the revised Board Policy No. 5.100, Sole Source Contracts. The Sole Source checklist is attached as Attachment B in compliance with this Board Policy.

## **Recommendations**

Approval of the first recommendation is necessary to comply with Los Angeles County Code Section 2.121.420. Pursuant to Prop A requirements, DHS determined contracting to be cost-effective for the provision of \$104,000 annually for the medical transcription services of this Agreement based on the Cost Analysis that was conducted by the Contracts and Grants Division. Also, in accordance with the Fiscal Manual Section 12.2.2, further review and approval of the Cost Analysis was not performed by the Auditor-Controller because the estimated annual Agreement amount did not meet the threshold for their review. Attachment C provides the Cost Analysis Summary.

Approval of the second recommendation will allow for the continued provision of critical transcription IT software systems and related medical and radiology reports transcription services, as these applications and services are of critical use to physicians and radiologists at DHS facilities and DPH clinics in order to complete patient medical records.

Approval of the third recommendation will allow the Department to add, delete, and/or change certain terms and conditions, as required under Federal or State law or regulation, County policy, Board and/or CEO, modify the SOW to reflect County standards and business needs, account for additional ongoing fees, such as increases in the projected transcription report volumes and addition or removal of County facilities, subject to available funding, and reduce the Agreement's scope of services, as necessary. All such actions will be subject to County Counsel's review and approval.

Approval of the fourth recommendation will allow the Director, or designee, to execute Change Notices that do not authorize additional costs, nor substantially affect Agreement terms or conditions; and execute Change Orders or Amendments using existing maximum amount of \$492,000 in Pool Dollars to acquire Optional Work during the remaining term of the Agreement, including but not limited to acquisition of new software and professional services and training, upon the County's request. All such actions will be subject to County Counsel's review and approval.

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

The recommended actions support Goal 1 – Make Investments That Transform Lives and Goal 3 – Realize Tomorrow's Government Today.

### **FISCAL IMPACT/FINANCING**

The estimated annual cost for transcription IT software systems and related medical and radiology reports transcription services is \$661,000.

Funding is included in the DHS Fiscal Year 2022-23 Adopted Budget and will be requested in future fiscal years as continuing appropriation. There is no net impact to County cost.

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

County Counsel has approved Exhibit I as to form.

In compliance with Board Policy 6.020 "Chief Information Office Board Letter", the Office of the Chief Information Officer (OCIO) reviewed the IT components of this request and recommends approval of Amendment No. 15. The OCIO determined that this recommended action does not include any new IT items that would necessitate a formal written CIO analysis. The OCIO previously completed a formal written CIO analysis in December 2016, and the scope of services and contract has not materially changed since that time.

The Agreement may be terminated for convenience by the County or 3M upon 120 days prior written notice. The Agreement includes all Board-required provisions, including the most recent provisions – COVID-19 Vaccinations of County Contractor Personnel.

The provision of medical transcription services by the Contractor under the current Agreement is subject to Prop A guidelines, which include the Living Wage Program set forth in Los Angeles County Code Chapter 2.201. The LWO requires contractors to pay employees an hourly rate of no less than \$18.49, effective January 1, 2023.

### **CONTRACTING PROCESS**

DHS released a Prop A compliant Request for Statement of Information (RFSI) in August 2009, to identify the most qualified proposers for the transcription services. Following a comprehensive evaluation and selection process of eleven (11) RFSI responses, DHS began concurrently negotiating with the top three contending respondents, and determined that MModal, formerly known as Medquist, was the best fit for the County's business and technology needs. MModal has since been acquired in 2019 by 3M.

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

Prop A requires that departments assess any potential impact of the recommended Agreement. There is no risk exposure to the County since the Prop A requirements remain the same with the recommended Amendment. The award of this Amendment will not infringe on the role of the County in its relationship to its residents, and the County's ability to respond to emergencies will not be impaired. The Agreement will not result in reduced services, and there is no employee impact as a result of this Agreement since services are currently being provided under an Agreement.

Approval of the recommendations will ensure the continuation of existing transcription IT software systems and related medical and radiology reports transcription services that are essential to patient care provided by physicians and radiologists at DHS facilities and DPH clinics.

Respectfully submitted,

Reviewed by:

Christina R. Ghaly, M.D.  
Director

Peter Loo  
Acting Chief Information Officer

CRG:PL:aa

Enclosures

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



**Health Services**  
LOS ANGELES COUNTY

Attachment A

February 4, 2022

**Los Angeles County  
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

**Christina R. Ghaly, M.D.**  
Director

**Hal F. Yee, Jr., M.D., Ph.D.**  
Chief Deputy Director, Clinical Affairs

**Nina J. Park, M.D.**  
Chief Deputy Director, Population Health

**Elizabeth M. Jacobi, J.D.**  
Administrative Deputy

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 288-8050  
Fax: (213) 481-0503

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

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patients and our  
communities by  
providing extraordinary  
care"*

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TO: Supervisor Holly J. Mitchell, Chair  
Supervisor Hilda L. Solis  
Supervisor Sheila Kuehl  
Supervisor Janice Hahn  
Supervisor Kathryn Barger

FROM: Christina R Ghaly, M.D.   
Director

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO  
NEGOTIATE AN EXTENSION OF SOLE SOURCE  
AGREEMENT NO. 77540 OR A SUCCESSOR  
AGREEMENT, WITH 3M HEALTH INFORMATION  
SYSTEMS, INC. FOR TRANSCRIPTION IT SOFTWARE  
SYSTEMS AND RELATED MEDICAL AND  
RADIOLOGY REPORTS TRANSCRIPTION SERVICES**

This is to advise the Board of Supervisors (Board) that the Department of Health Services (DHS) intends to enter into sole source contract negotiations and if successful, request approval of either a three-year extension to the existing Sole Source Proposition A (Prop A) Agreement No. 77540 (Agreement) with 3M Health Information Systems, Inc. (3M; formerly MModal Services, Ltd.) or a successor agreement with 3M, for the continued provision of transcription IT software systems and related medical and radiology reports transcription services used at DHS medical centers, rehabilitation centers, ambulatory care centers, and Department of Public Health (DPH) clinics. DHS has determined that the continuity of this Agreement is essential to physicians and radiologists at DHS and DPH and in the best economic interest of the Los Angeles County (LA County) to extend the Agreement term or a successor agreement.

Board Policy No. 5.100 requires written notice of a department's intent to enter into sole source negotiations for extension of a Board-approved agreement or a successor agreement at least six months prior to the current Agreement's expiration date. The Agreement will expire on June 30, 2022.

**Background**

The current Prop A Agreement for medical and radiology reports transcription services was approved by the Board on June 14, 2011, for an initial term of July 1, 2011 through June 30, 2014 with two one-year extension options through June 30, 2016 and an estimated cost

\$15,204,110, after Medquist Transcriptions Ltd. (later known as MModal Services, Ltd. and now known as 3M) was selected by DHS as the recommended contractor for such services. The Agreement allowed DHS to consolidate individual hospital agreements for such services into a comprehensive single agreement, enabling LA County to benefit from economies of scale to achieve the best possible pricing for both medical and radiology reports transcription services. The Agreement also contemplated a gradual transition from traditional labor-intensive transcription services. This technology shift is aligned with the healthcare industry's accelerated adoption of speech recognition technology.

The Agreement has been amended various times since it was first approved by the Board to extend the term of the Agreement through June 30, 2022, and increase the ongoing Agreement cost, expand the Statement of Work to implement 3M's Fluency Critical Test Results (FCTR) and Fluency Peer Review (FPR) applications and include a Fluency for Imaging (FFI) interface with LA County's Radimetrics system, and implement FFI at DPH clinics. DHS has now exhausted its delegated authority from the Board to extend the Agreement. Therefore, a three-year extension or a successor Sole Source Prop A Agreement will ensure the uninterrupted continuation of transcription IT software systems and related medical and radiology reports transcription services.

### **Justification**

3M has provided medical and radiology reports transcription services to DHS for over 10 years, and in doing so, it has established itself as a reliable contractor for such services. The medical transcription services that 3M provides are vital to the documentation process of patients' medical history, physical and operative reports, discharge, transfer and death summaries, consultations, and progress and treatment notes. 3M provides transcription IT software systems solutions through its subscription to FFI, FCTR, and FPR systems. 3M's FFI application for DHS's radiology centers provides an advanced clinical documentation solution that uses 3M's speech-understanding technology, which transforms physicians' dictation regarding radiology exams into electronic documents that are structured, clinically encoded, searchable, and shareable. Also, 3M's FCTR application allows radiologists to accurately capture, document, and communicate critical test results to address the requirements of both LA County and the Joint Commission. 3M's FPR application automates the peer review process for radiologists using FFI, which facilitates improved quality of patient care and continuing physician and improvement, in accordance with the American College of Radiology's (ACR's) radiology reporting requirements and accreditation, which mandates provider organizations to participate in a physician peer review program. The peer review process delivers significant workflow efficiencies helping radiologists reduce turnaround time, enabling radiologists to evaluate prior reports while viewing and interpreting images via automated prompting or manual invocation using the ACR standardized four-point rating scale with clinical significance indicators. Therefore, these applications are of critical use to physicians and radiologists at DHS and DPH facilities in order to complete patient medical records.



3M has attained a comprehensive understanding of DHS's complex needs and has established an excellent working relationship with DHS. If the Agreement is not extended or a successor agreement is entered into and DHS were to select a new contractor through a new solicitation to replace the existing FFI, FCTR, and FPR applications, the change in applications would result in an excessive implementation learning curve for both the new contractor and DHS/DPH staff during the middle of a pandemic, who are well acclimated with the current applications, as well as the administrative burden. Therefore, DHS has determined that it is in the best economic interest of LA County to pursue negotiations for a successor Sole Source Prop A Agreement with 3M.

### **Conclusion**

DHS has determined that 3M is uniquely positioned to continue providing transcription IT software systems and related medical and radiology reports transcription services used at DHS medical centers, rehabilitation centers, ambulatory care centers, and DPH clinics. DHS will commence negotiations for the Agreement's extension or a successor agreement no earlier four weeks from date of this notification unless otherwise instructed by the Board.

If you have any questions, you may contact me or your staff may contact Christopher Jay Rodriguez, Enterprise HIM Director, at (323) 986-2200 or at via email at [cjrodriguez@dhs.lacounty.gov](mailto:cjrodriguez@dhs.lacounty.gov).

CRG:aa

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

**SOLE SOURCE CHECKLIST**

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

- ☐ New Sole Source Contract
- ☐ Sole Source Amendment to Existing Contract
- Date Existing Contract First Approved: \_\_\_\_\_

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS</b> Identify applicable justification and provide documentation for each checked item.
	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>“Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist.”</i>
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
	➤ Services provided by other public or County-related entities.
	➤ Services are needed to address an emergent or related time-sensitive need.
	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs and time to replace an existing system or infrastructure, administrative cost and time savings and excessive learning curve for a new service provider, etc.). In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

Erika Bonilla  
Chief Executive Office

\_\_\_\_\_  
Date

**Department of Health Services  
 Proposition A – Medical Transcription Services  
 Annual Cost Analysis Summary**

<b>CONTRACT GROUP</b>				
<b>FACILITIES:</b> Harbor-UCLA Medical Center, Long Beach Comprehensive Health Center (CHC), High Desert RHC, LAC+USC Medical Center, El Monte CHC, H. Claude Hudson CHC, Edward R. Roybal CHC, Martin Luther King, Jr. Outpatient Center, Hubert Humphrey CHC, Olive View-UCLA Medical Center, and Rancho Los Amigos National Rehabilitation Center.				
<b>Annual Total</b>	<b>Minimum Estimated Avoidable Costs</b>	<b>Total Contract Price (Estimated)</b>	<b>Estimated Savings From Contracting</b>	<b>Percentage Savings</b>
	<b>\$357,193.38</b>	<b>\$104,000</b>	<b>\$253,193.38</b>	<b>70.88%</b>

Agreement No.: 77540

**AGREEMENT BY AND BETWEEN COUNTY OF LOS ANGELES  
AND 3M HEALTH INFORMATION SYSTEMS, INC.  
FOR MEDICAL AND RADIOLOGY REPORTS TRANSCRIPTION SERVICES**

Amendment No. 15

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022 ("Amendment No. 15 Effective Date"),

By and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

And

3M HEALTH INFORMATION  
SYSTEMS, INC.

Business Address:

575 West Murray Boulevard  
Murray, UT 84123

WHEREAS, reference is made to that certain document entitled "Agreement by and between County of Los Angeles and MedQuist for Medical and Radiology Reports Transcription Services," dated July 1, 2011, and further identified as Agreement No. 77540, including all amendments and all other modifications thereto (cumulatively hereafter referred to as "Agreement"); and

WHEREAS, on April 20, 2012, pursuant to Amendment No. 1, MedQuist Transcription Ltd. changed its name to MModal Services, Ltd.; and

WHEREAS, on December 16, 2013, pursuant to Amendment No. 2, the parties clarified and further outlined the implementation requirements to address virtualization of servers for the SpeechQ for Radiology platform ("SpeechQ") at no additional cost to County and updated certain terms and conditions to the Agreement; and

WHEREAS, on April 22, 2014, pursuant to Amendment No. 3 to Agreement No. 77540, parties further clarified the pricing terms for SpeechQ by reinserting an Annual Technology Fee that was inadvertently removed in Amendment No. 2; and

WHEREAS, on May 23, 2014, pursuant to Amendment No. 4 to Agreement No. 77540, parties added a Statement of Work for implementation of Fluency for Imaging ("Fluency"), Contractor's identified successor to SpeechQ; and

WHEREAS, on October 22, 2014, pursuant to Amendment No. 5 to Agreement No. 77540, parties added pricing rates for pathology transcription services; and

WHEREAS, on January 29, 2015, pursuant to Amendment No. 6 to Agreement No. 77540, the parties amended the Agreement's Statements of Work for M\*MODAL Transcription Services with DocQment Enterprise Platform and SpeechQ for Radiology to insert additional work provisions for regular and after hours professional services; and

WHEREAS, on May 20, 2015, pursuant to Amendment No. 7 to Agreement No. 77540, the parties extended the Agreement term to five (5) years through June 30, 2016 and provided for limited support services for the SpeechQ for Radiology platform ("SpeechQ") during the extended term; and

WHEREAS, on March 31, 2016, pursuant to Amendment No. 8 to Agreement No. 77540, the parties extended the Agreement term to six (6) years through June 30, 2017, updated certain terms and conditions, and provided for other changes as contained in Amendment No. 8; and

WHEREAS, on December 20, 2016, the Board of Supervisors (Board) delegated authority to the Director of Health Services to execute Amendments to the Agreement to exercise the option to extend the Agreement term; and

WHEREAS, on December 21, 2016, pursuant to Amendment No. 9 to Agreement No. 77540, the parties extended the Agreement term to nine (9) years through June 30, 2020, updated certain terms and conditions, and provided for other changes as contained in Amendment No. 9; and

WHEREAS, on May 2, 2017, pursuant to Amendment No. 10 to Agreement No. 77540, the parties removed the MagView interface and provided for other changes as contained in Amendment No. 10; and

WHEREAS, on September 28, 2017, pursuant to Amendment No. 11 to Agreement No. 77540, the parties implemented Fluency for Imaging (FFI) at the Department of Public Health sites and provided for other changes as contained in Amendment No. 11; and

WHEREAS, on June 29, 2020, pursuant to Amendment No. 12 to Agreement No. 77540, the parties (i) extended the Agreement term to ten (10) years through June 30, 2021 and (ii) clarified and memorialized the Final Acceptance dates for the Fluency for Imaging (FFI) Solution and Fluency Critical Test Results Reporting (CTR) module and the decommission dates of the SpeechQ for Radiology (SpeechQ) Solution following the "Go-Live" of the FFI Solution due to a December 19, 2017 County-issued notice of delay of payment of invoices for MModal Services, Ltd.'s services related to radiology, which resolved invoicing issues and facilitated a reconciliation between the Agreement, the invoices, and the project documentation, which then accurately informed the payments due from or credits due to each County facility served under this Agreement; and

WHEREAS, on June 30, 2021, pursuant to Amendment No. 13 to Agreement No. 77540, the parties extended the term of the Agreement to eleven (11) years through June 30, 2022 and delegated the duties and assigned the rights under the Agreement from MModal Services, Ltd. to 3M Health Information Systems, Inc.; and

WHEREAS, on June 6, 2022, pursuant to Amendment No. 14 to Agreement No. 77549, the parties extended the term of the Agreement to eleven (11) years and three (3) months through September 30, 2022; and

WHEREAS, on September 13, 2022, the Board delegated authority to the Director of Health Services, or authorized designee, to, among other delegations, (i) extend the term of the Agreement for three (3) years, (ii) increase the Agreement Sum, (iii) add, delete, and/or change certain terms and conditions in the Agreement as mandated by Federal or State law or regulation, County policy, Board and/or Chief Executive Office, (iv) align the Agreement with County standards and needs, including but not limited to business and administrative workflows, protocols and policies, and the addition/removal of County facilities, (v) reduce scope of services; with all such actions subject to review and approval by County Counsel; and (vi) execute Change Notices to the Agreement for changes that do not incur additional costs or expenses; Change Orders or Amendments using Pool Dollars to acquire Optional Work, such as additional software and professional services as requested by the County; and

WHEREAS, it is the intent of the parties hereto to (i) to amend the Agreement to extend its term from October 1, 2022 through September 30, 2025, (ii) to increase the Agreement Sum by a total annual estimated cost of \$661,000, including use of Agreement Pool Dollars for Optional Work and for Not-to-Exceed Travel Expenses, not to exceed the existing maximum amount of \$492,000, (iii) to increase the rates and fees under the Agreement in compliance with Living Wage Ordinance (hereafter "LWO") governed by Los Angeles County Code Chapter 2.201, and (iv) to provide for other changes set forth herein; and

WHEREAS, the Agreement, Sub-paragraph 8.1 – Amendments provides that such changes may be made in the form of an Amendment which is formally approved and executed by the parties; and

WHEREAS, the Contractor warrants that it continues to possess the competence, expertise and personnel necessary to provide services consistent with the requirements of this Agreement and consistent with the professional standard of care for these services.

**NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

1. This Amendment shall commence upon execution by all parties.
2. The Agreement is hereby incorporated by reference, and all of its terms and conditions, including capitalized terms defined therein, shall be given full force and effect as if fully set forth herein.
3. **Overriding Clause.** Notwithstanding anything to the contrary contained

within the Agreement (inclusive of any amendments, addendums, exhibits, schedules or statements of work thereto): (i) Contractor is approved to use AQuity Solutions, LLC (AQuity) as an approved Subcontractor under this Agreement; (ii) neither County nor a third-party engaged by the County will be permitted to inspect Contractor's facilities, but County will be permitted to audit the servers where County Information resides or is hosted following consultation of such audit scope with Contractor and the Contractor's hosting provider; and (iii) Contractor does not assign any intellectual property or copyright rights related to software to County.

4. The Agreement, Paragraph 4.0, TERM OF AGREEMENT, is deleted in its entirety and replaced as follows:

**"4.0 TERM OF AGREEMENT**

- 4.1 The term of this Agreement shall be fourteen (14) years and three (3) months commencing after execution by the Director as authorized by the County's Board of Supervisors, with an actual commencement date of July 1, 2011, unless sooner terminated or extended, in whole or in part, as provided in this Agreement. As of the Amendment No. 15 Effective Date, the term of this Agreement shall end on September 30, 2025.

**4.2 Intentionally Omitted**

- 4.3 The County maintains databases that track/monitor Contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise an Agreement term extension option.

- 4.4 The Contractor shall notify DHS when this Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the DHS at the address herein provided in Exhibit E-2 - County's Administration."

5. The Agreement, Paragraph 8.0, STANDARD TERMS AND CONDITIONS, Sub-Paragraph 8.36 INSURANCE COVERAGE LIMITS FOR OCTOBER 1, 2022 THROUGH SEPTEMBER 30, 2025, is deleted in its entirety and replaced as follows:

**"8.36 Insurance Coverage Limits for October 1, 2022 – September 30, 2025**

For the period of this Agreement from October 1, 2022 through September 30, 2025, Contractor shall procure and maintain comprehensive general liability insurance covering itself and all its employees and agents providing services pursuant to this Agreement on an occurrence basis in the

minimum amounts of One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) annual aggregate of all claims, and a Cyber Policy of Five Million Dollars (\$5,000,000). Upon request, Contractor will provide certificates of insurance evidencing the specified minimum coverage is satisfied.”

6. The Agreement is modified to add Paragraph 8.65 – COVID-19 Vaccinations of County Contractor Personnel to read as follows:

**“8.65 COVID-19 VACCINATIONS OF COUNTY CONTRACTOR PERSONNEL**

8.65.1 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. 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 Coronavirus Disease 2019 (“COVID-19”) prior to (i) interacting in person with County employees, interns, volunteers and commissioners (“County workforce members”), (ii) working on County owned or controlled property while performing services under this Agreement, and/or (iii) coming into contact with the public while performing services under this Agreement (collectively, “In-Person Services”).

8.65.2 Contractor Personnel are considered “fully vaccinated” against COVID-19 two (2) weeks or more after they have received the last dose of COVID-19 vaccine required by DHS by policy or otherwise, which at a minimum is (i) the second dose in a 2-dose COVID-19 vaccine series (e.g. Pfizer-BioNTech or Moderna), (ii) a single-dose COVID-19 vaccine (e.g. Johnson & Johnson [J&J]/Janssen), or (iii) the final dose of any COVID-19 vaccine authorized by the World Health Organization (“WHO”).

8.65.3 Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated by confirming that Contractor Personnel is vaccinated through any of the following documentation: (i) 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”); (ii) copy (including a photographic copy) of a Vaccination Record Card; (iii) Documentation of vaccination from a licensed medical provider; (iv) a digital record that



includes a quick response ("QR") code that when scanned by a SMART Health Card 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 (v) 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 Agreement that its Contractor Personnel are in compliance with the requirements of this paragraph. Contractor shall retain such proof of vaccination for the document retention period set forth in this Agreement and must provide such records to the County for audit purposes, when required by County.

8.65.4 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 (i) interacting in person with County workforce members, (ii) working on County owned or controlled property while performing services under this Agreement, and/or (iii) coming into contact with the public while performing services under this Agreement:

- 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 Agreement is for.

8.65.5 In addition to complying with the requirements of this

paragraph, Contractor shall also comply with all other applicable local, departmental, State, and federal laws, regulations and requirements relating to COVID-19.”

7. The Agreement, Exhibit B-1(f), Pricing Schedule, is deleted in its entirety and replaced with Exhibit B-1(g), attached hereto and incorporated herein by reference. All references to Exhibit B-1(f) in the Agreement shall hereafter be replaced by Exhibit B-1(g).
8. The Agreement, Exhibit K-2, Living Wage Rate Annual Adjustments, is deleted in its entirety and replaced with Exhibit K-3, attached hereto and incorporated herein by reference. All references to Exhibit K-2 in the Agreement shall hereafter be replaced by Exhibit K-3.
9. The Agreement, Exhibit P, Information Security Requirements, is deleted in its entirety and replaced with the new Exhibit P-1, attached hereto and incorporated herein by reference. All references to Exhibit P in the Agreement shall hereafter be replaced by Exhibit P-1.
10. Except for the changes set forth hereinabove, the Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by the County's Director of Health Services, or authorized designee, and Contractor has caused this Amendment to be executed on its behalf by its duly authorized officer(s), on the day, month, and year last signed.

COUNTY OF LOS ANGELES

By: \_\_\_\_\_ for  
Christina R. Ghaly, M.D.  
Director of Health Services

CONTRACTOR

3M HEALTH INFORMATION SYSTEMS,  
INC.

By: \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Printed Name  
\_\_\_\_\_  
Title

APPROVED AS TO FORM:  
DAWYN HARRISON  
Acting County Counsel

By: \_\_\_\_\_  
Principal Deputy County Counsel  
Truc Moore

## **EXHIBIT B-1(g)**

### **PRICING SCHEDULE**

Any capitalized term not otherwise defined herein will have the meaning given to it in the Agreement. The prices and rates set forth herein shall not be subject to any increase for the Agreement Term. For the avoidance of doubt, the prices set forth herein are fixed for any extension option exercised by the County pursuant to the Agreement.

## **1.0 TRANSCRIPTION SERVICES**

### **1.1 Medical Transcription**

Medical transcription services shall be invoiced in arrears, based on the County's actual monthly usage of traditional medical transcription services, at the rate set forth in Table 1 below. The Statement of Work for Medical Transcription Services can be found in Exhibits A (Description of Services) and C-1 (Statement of Work – M\*MODAL Transcription Services with DocQment Enterprise Platform).

As used herein, "Visible Black Characters" are visible characters that can be seen with the naked eye within the formatted document, NOT including Microsoft® Word defined headers and footers, which are areas in the top and bottom margins of each page in a document. This unit of measure complies with AHIMA Transcription unit of measure best practices.

**Table 1 (Medical Transcription Services Rate)**

Description	Rate Per Visible Black Character (VBC)
Rate includes: <ul style="list-style-type: none"> <li>• Call-in Dictation via 800 # to 3M Data Center</li> <li>• Project Management, Installation and Training for all locations</li> <li>• Patient Demographic/Results Interfaces</li> <li>• Faxing, Printing</li> <li>• Electronic Signature</li> <li>• Workflow Management Module</li> <li>• Local Customer Care Manager</li> <li>• 24x7 Support via toll free 8XX number</li> </ul>	\$0.00283

### **1.2 Pathology Transcription**

Pathology transcription services shall be invoiced in arrears, based on the County's actual monthly usage of pathology transcription services, at the rate set forth in Table 2 below. The unit of measure is second of dictation (i.e., one second of recorded dictation as measured by the dictation capture system, including silence. Second of dictation does not measure connection time or use of the pause button).

Pathology transcription includes Voice Only (i.e., dictation capture ability, work routing, editor audio player, and workflow manager for voice files dictated into but transcribed outside the System) with transcription on County's platform, utilizing Contractor's available labor resources. To the extent any pathology transcription services are provided by Contractor-utilized systems, software, or technology that is not proprietary to Contractor, County will provide the necessary

licenses and authorizations for Contractor to perform services utilizing such systems, software or technology.

Table 2

	Service	Unit Rate	County Facilities
1.	Pathology Transcription	\$0.02 per second of dictation	Harbor-UCLA Medical Center

## 2.0 RADIOLOGY TRANSCRIPTION SERVICES

### 2.1 SpeechQ and Fluency for Imaging (FFI) Systems

Table 3

		County Facility	Decommission Dates* for:	FFI	FluencyPeer Review	Fluency Critical Test Results Reporting
			SpeechQ			
1.		Harbor-UCLA (H-UCLA MC)	N/A	02/11/2015	05/14/2019	N/A
2.		High Desert Regional Health Center (HD RHC)	08/08/2017	08/08/2017	N/A	08/08/2017
3.		Olive View-UCLA (OV-UCLA MC)	06/19/2017	01/19/2018	N/A	01/19/2018
4.		LAC+USC Medical Center (LAC+USC MC)	04/04/2017	08/03/2017	05/14/2019	08/03/2017
5.		LAC+USC Womens, Pediatrics Radiology	Included under LAC+USC MC	Included under LAC+USC MC	N/A	Included under LAC+USC MC
6.		El Monte CHC Radiology				
7.		Hudson CHC Radiology				
8.		Roybal CHC Radiology				
9.		Martin Luther King, Jr. Outpatient Center (MLK-OC)	06/27/2017	06/27/2017	05/14/2019	06/27/2017
10.		Rancho Los Amigos National Rehabilitation	05/15/2017	08/08/2017	N/A	08/08/2017

		County Facility	Decommission Dates* for:	FFI	Fluency Peer Review	Fluency Critical Test Results Reporting
			SpeechQ			
		Center (RLANRC)				
11.		Hubert Humphrey Comprehensive Health Center (HH CHC)	05/15/2017	06/27/2017	N/A	06/27/2017
12.		Long Beach Comprehensive Health Center (LB CHC)	N/A	02/11/2015	N/A	N/A
13.		Department of Public Health Clinics	N/A	02/08/2018	N/A	N/A

\*Denotes the earliest date of either the final acceptance date for FFI, FFI "Go-Live," or the date of the last report run in SpeechQ subsequent to FFI "Go-Live."

Table 4 below sets forth the Annual Technology Fee for SpeechQ and Fluency for Imaging (FFI) Reporting by County Facility, which shall be invoiced on a monthly basis, and inclusive of all licensing, implementation, training, maintenance and support services. **Contractor shall submit prorated invoices following Final Acceptance at each County Facility as memorialized in Table 3 above, i.e. Contractor can start billing for FFI and other Fluency modules as of the respective Final Acceptance Dates (e.g. For a Final Acceptance Date of August 3, 2017, for the first FFI invoice, Contractor can bill for twenty-nine (29) days of August 2017). County Facilities are only responsible for prorated payment for the Annual Technology Fee for SpeechQ up to and including the Decommission Date memorialized in Table 3 above, i.e. Contractor can only bill through the respective Decommission Dates for SpeechQ (e.g. For a Decommission Date of August 8, 2017, for the last SpeechQ invoice, Contractor can bill for eight (8) days of August 2017 and cannot subsequently bill for SpeechQ following August 8, 2017).**

Table 4

		County Facility	SpeechQ and FFI	Fluency Peer Review	Fluency Critical Test Results Reporting
1.		Harbor-UCLA (H-UCLAMC)	\$54,805*	\$8,726.35*	\$8,726.35
2.		High Desert Regional Health Center (HD RHC)	\$12,055*	\$1,986.49	\$1,986.49*

		County Facility	SpeechQ and FFI	Fluency Peer Review	Fluency Critical Test Results Reporting
3.		Olive View-UCLA (OV-UCLA MC)	\$53,455*	\$8,513.51	\$8,513.51*
4.		LAC+USC Medical Center (LAC+USC MC)	\$161,455*	\$25,540.54*	\$25,540.54*
5.		LAC+USC Womens, Pediatrics Radiology	Included under LAC+USC MC	Included under LAC+USC MC	Included under LAC+USC MC
6.		El Monte CHC Radiology			
7.		Hudson CHC Radiology			
8.		Roybal CHC Radiology			
9.		Martin Luther King, Jr. Outpatient Center (MLK-OC)	\$17,905*	\$2,908.78*	\$2,908.78*
10.		Rancho Los Amigos National Rehabilitation Center (RLANRC)	\$12,055*	\$1,986.49	\$1,986.49*
11.		Hubert Humphrey Comprehensive Health Center (HH CHC)	\$9,355*	\$1,560.81	\$1,560.81
12.		Long Beach Comprehensive Health Center (LB CHC)	\$7,555*	\$1,277.03	\$1,277.03
13.		Department of Public Health Clinics	\$4360*	N/A	N/A
14.		<b>Total Annual Technology Fee</b>	<b>\$333,000</b>	<b>\$52,500.00</b>	<b>\$52,500.00</b>

\* As of Amendment No. 12, July 1, 2020, the County is utilizing the product and will be invoiced accordingly.

Table 5 below identifies the annual volume of FFI Reports to be processed by the County per year ("Base Volume"). The Base Volume is subject to an organic Annual Growth Rate of 5% without additional fees. As used herein, the phrase "FFI Report" shall mean reports completed and finalized as a part of Contractor's Fluency for Imaging application (e.g., If a Radiologist would report three (3) billed CPT exam codes together in one (1) final professional interpretation/report (e.g., Chest I Abdomen I Pelvis), then M\*Modal's Fluency for Imaging would count only one (1) final professional interpretation (or "report")).

Table 5

Fiscal Year	Base Volume
2014-15	1,050,000
2015-16	1,102,500
2016-17	1,157,625
2017-18	1,215,506
2018-19	1,276,282
2019-20	1,340,096
2020-21	1,407,100
2021-22	1,477,455
2022-23	1,551,328
2023-24	1,628,894
2024-25	1,710,339

At the beginning of each Fiscal Year, the Parties will confirm the actual number of FFI Reports processed by the County in the preceding twelve months ("Annual Report Volume") in a Contractor-provided FFI report ("Annual Report Volume Report"). If the Annual FFI Report Volume is greater than five percent (5%) of the Base Volume, an FFI Overage Fee described in Section 3.2 (FFI Overage Fees), for each Report in excess of the Base Volume will be added to the current Annual Technology Fee, in effect resulting in a new Annual Technology Fee for the subsequent Fiscal Year, and the Base Volume will be concurrently adjusted for the following Fiscal Years. For avoidance of doubt, the Overage Fee will be calculated as the Annual Report Volume minus the Base Volume, multiplied by the Overage Fee.

## 2.2 Radimetrics Interface\*

Table 6 below sets forth all applicable one-time costs to interface with the County's Radimetrics system for radiation dosing information, via an HL7/Web Services interface.

Table 6

	County Facility	One-Time Implementation Fee
1.	Harbor-UCLA Medical Center (H-UCLA MC)	\$3,171.89
2.	High Desert Regional Health Center (HD RHC)	\$544.86
3.	Olive View-UCLA Medical Center (OV-UCLA MC)	\$2,335.14
4.	LAC+USC Medical Center (LAC+USC MC)	\$7,005.41
5.	Martin Luther King, Jr. Outpatient Center (MLK OC)	\$797.84
6.	Rancho Los Amigos National Rehabilitation Center (RLANRC)	\$544.86
7.	<b>Total One-Time Implementation Fee</b>	<b>\$14,400</b>

\* As of Amendment No. 12, the Radimetrics Interface has been implemented and paid for, and County is using the interface.

## 2.3 INTENTIONALLY OMITTED

## 2.4 Speech Microphone Maintenance Services

Table 7 below sets forth all applicable ongoing costs to maintain and support the County's speech microphones at an annual rate of \$32 per speech microphone. Unless otherwise indicated below, coverage for maintenance and support services under this Agreement shall begin on the day speech microphones are received by County or as otherwise agreed to by County and Contractor, as set forth in Exhibits A (Description of Services) and Exhibit C-2(a) (Project Scope). **The fees**



*in Table 7 will be invoiced directly to the individual sites.*

**Table 7**

	<b>County Facility</b>	<b>Quantity</b>	<b>Rate Per Microphone</b>	<b>Annual Maintenance &amp; Support Fee</b>
1.	Harbor-UCLA Medical Center (H-UCLA MC)	55	\$32.00	\$1,760
2.	High Desert Regional Health Center (HD RHC)	19	\$32.00	\$608
3.	Olive View-UCLA Medical Center (OV-UCLA MC)	45	\$32.00	\$1,440
4.	LAC+USC Medical Center (LAC+USC MC)	96	\$32.00	\$3,072
5.	LAC+USC Medical Center (LAC+USC MC)*			\$224 <sup>[1]</sup>
6.	Martin Luther King, Jr. Outpatient Center (MLK OC)	16	\$32.00	\$512
7.	Rancho Los Amigos National Rehabilitation Center (RLANRC)	11	\$32.00	\$352
8.	Department of Public Health Clinics	2	\$32.00	\$64
9.	<b>Total Annual Maintenance Fee</b>	<b>244</b>	<b>\$32.00</b>	<b>\$7,808</b>

Footnotes:

[1] Maintenance and support services commences with Effective Date of Amendment No. 9.

### **3.0 OPTIONAL WORK**

This Section 3.0 (Optional Work) sets forth the Optional Work, including but not limited to New Software, FFI Overage Fees, and Professional Services, provided by Contractor in accordance with the Agreement. Unless specifically defined in this Exhibit, capitalized terms shall have the meanings set forth in the Agreement. Payment of Optional Work shall be as set forth in Subparagraph 3.4 (Optional Work) of Exhibit G (Additional Terms and Conditions) and, as to Professional Services, at the Professional Service Rates for Optional Work set forth in Section 3.3 (Professional Services) below.

#### **3.1 Pool Dollars**

The Agreement includes the existing maximum amount of **\$492,000** as Pool Dollars for Optional Work and for Not-to-Exceed Travel Expenses. Pool Dollars may be used for payment of Optional Work. Following acquisition of Optional Work using Pool Dollars, Exhibit B-1(g), Attachment 1 (Pool Dollars) shall be updated by County to reflect the remaining balance of Pool Dollars. The allocation of Pool Dollars by County Facility is set forth in Table 8 below:

**Table 8**

	<b>County Facility</b>	<b>Not-to-Exceed Travel Expenses</b>	<b>Pool Dollars for Optional Work</b>
1.	Harbor-UCLA Medical Center (H-UCLA MC)	\$16,000	\$76,000
2.	LAC+USC Medical Center (LAC+USC MC)	\$36,000	\$125,600
3.	Olive-View UCLA Medical Center (OV-UCLA MC)	\$20,000	\$76,000

4.	Rancho Los Amigos National Rehabilitation Center (RLANRC)	\$4,000	\$50,400
5.	Martin Luther King, Jr. Outpatient Center (MLK OC)	\$6,000	\$40,000
6.	High Desert Regional Health Center (HD RHC)	\$2,000	\$40,000
7.	<b>Total Pool Dollars</b>	<b>\$84,000</b>	<b>\$408,000</b>

### 3.2 FFI Overage Fees

Table 9 below sets forth the FFI Overage Fees.

**Table 9**

	<b>Module</b>	<b>Rate Per Report</b>
1.	FFI	\$0.31
2.	Fluency Peer Review	\$0.05
3.	Fluency Critical Test Results Reporting	\$0.05
4.	<b>FFI Overage Fee Per Report</b>	<b>\$0.41</b>

### 3.3 Professional Services

Table 10 below sets forth the hourly rates for Professional Services, which include, but are not limited to, additional training, development, configuration, macro and template build services.

**Table 10**

	<b>Resource Description</b>	<b>Firm Fixed Rate (all inclusive)</b>
1.	Professional Services (during Normal Business Hours, Monday thru Friday, 7 am to 5 pm)	\$160 per hour
2.	Professional Services (After Hours)	\$240 per hour

## Living Wage Rate Annual Adjustments

The Living Wage Ordinance is applicable to Proposition A and cafeteria services contracts. Employers shall pay employees a Living Wage for their services provided to the county of no less than the hourly rates and effective dates as follows:

Effective Date	Hourly Rate
March 1, 2016	\$13.25
January 1, 2017	\$14.25
January 1, 2018	\$15.00
January 1, 2019	\$15.79
January 1, 2020	\$16.31
January 1, 2021	\$16.62
January 1, 2022	\$17.14
January 1, 2023	\$18.49

Effective January 1, 2020, the Living Wage rate will be adjusted based on the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index (CPI) for the Los Angeles-Long Beach-Anaheim Area for the 12-month period preceding July 1 of each year.

The Chief Executive Office (CEO) will issue a memo advising departments of the CPI to be used when determining the Living Wage rate effective January 1, of each year thereafter.

## **EXHIBIT P-1**

### **INFORMATION SECURITY AND PRIVACY REQUIREMENTS**

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 County's and Contractor's commitment and agreement to fulfill each of their obligations under applicable state and federal laws, rules and 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 Contractor before the Effective Date of the Agreement and maintained throughout the term of the Agreement.

These requirements and procedures are a minimum standard and are in addition to the requirements of the agreement between County and Contractor ("Agreement"), including any Exhibits and other attachments thereto. However, it is 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, non-curable breach of the Agreement by Contractor, entitling County, in addition to the cumulative of all other remedies available to it at law, in equity, or under the Agreement, to immediately terminate the Agreement. To the extent there are conflicts between this Exhibit and the Agreement, this Exhibit shall prevail unless stated otherwise in the Agreement.

#### **1. DEFINITIONS**

Unless otherwise defined in the Agreement, the definitions herein contained are to be used in the Agreement.

- a. **Availability:** the condition of Information being accessible and usable upon demand by an authorized entity.
- 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 provided to Contractor by County; and when referenced in this Exhibit pertains only to the copy of County Information that is within Contractor's possession or control.
- d. **Data:** a subset of Information comprised of qualitative or quantitative values.

- e. **Incident:** a suspected, attempted, successful, or imminent Threat of unauthorized electronic and/or physical access, use, disclosure, breach, modification, or destruction of information; interference with Information Technology operations.
- 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 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 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.

## 2. INFORMATION SECURITY AND PRIVACY PROGRAMS

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

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

Contractor's Information Security Program shall:

- (i) Protect the Confidentiality, Integrity and Availability of County Information in Contractor's possession or control;
  - (ii) Protect against any anticipated Threats or hazards to the Confidentiality, Integrity and Availability of County Information;
  - (iii) Protect against unauthorized or unlawful access, use, disclosure, alteration or destruction of County Information;
  - (iv) Protect against accidental loss or destruction of, or damage to, County Information; and
  - (v) Safeguard County Information in compliance with any applicable laws and regulations which apply to Contractor.
- b. **Privacy Program.** 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. 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 (as necessary based on the agent's role). 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. Contractor's Privacy Program shall perform ongoing monitoring and audits of

operations to identify and mitigate privacy Threats.

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

Contractor's Privacy Program shall include:

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

### **3. PROPERTY RIGHTS TO COUNTY INFORMATION**

All County Information is deemed property of County, and County shall retain exclusive rights and ownership thereto. County Information shall not be used by Contractor for any purpose other than as required under or authorized by the Agreement, nor shall such or any part of such be disclosed, sold, assigned, leased or otherwise disposed of to third parties by Contractor, or commercially exploited or otherwise used by or on behalf of Contractor, its officers, directors, employees or agents. Contractor may assert no lien on or right to withhold from County, any County Information it receives from, receives addressed to or stores on behalf of County. Notwithstanding the foregoing, 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 Contractor, provided that (i) no County Information in such aggregated or compiled pool is identifiable as originating from, or can be traced back to 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**

Contractor may use County Information only as necessary to carry out its obligations under or authorized by the Agreement. Contractor shall collect, maintain or use County Information only for the purposes specified in the Agreement 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, and (ii) any state and federal security breach notification laws, and (iii) as applicable, the rules, regulations and directives of the Federal Trade Commission, as amended from time to time.

### **5. SHARING COUNTY INFORMATION AND DATA**

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.** Contractor agrees that all County Information is Confidential and proprietary to County regardless of whether such Information was disclosed intentionally or unintentionally or marked as "confidential".
- b. **Disclosure of County Information.** Contractor may disclose County Information only as necessary to carry out its obligations under the Agreement, 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 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, Contractor shall notify the County's contract administrator immediately and prior to any such disclosure to provide 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 Agreement, Contractor may encounter County Non-public Information ("NPI") in the course of performing the Agreement, 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. Contractor shall not disclose or publish any County NPI and material received or used in performance of the Agreement. This obligation is perpetual.
- d. **Retention of County Information.** Contractor shall retain County Information in accordance with its data retention policies, which require the deletion of County Information no later than ninety (90) days after termination of the Agreement so long as retention of the County Information is not required by law or for Contractor to justify conclusions made as part of services rendered.

## 7. CONTRACTOR EMPLOYEES

Contractor shall perform background and security investigations and screenings for all employees and subcontractors providing Services pursuant to the Agreement in the manner prescribed in this section, unless the Agreement prescribes procedures for conducting background and security investigations and screenings, which are at least as stringent as the procedures described in this section.

To the extent permitted by applicable law, 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. The fees associated with the background investigation shall be at the expense of Contractor, regardless of whether the member of Contractor's staff passes or fails the background investigation. 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 accesses County Information whose past criminal conduct poses a risk or threat to County Information.

Contractor shall require all employees, and agents to abide by therequirements in this Exhibit, as set forth in the Agreement, and sign an appropriate written Confidentiality/non-disclosure agreement with Contractor.

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 Customer Information:** The proper identification, storage, transfer, archiving, and destruction of customer 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:** Contractor's Privacy Policies and procedures as described in Section 2.b (Privacy Program).

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

## 8. SUBCONTRACTORS AND THIRD PARTIES

County acknowledges that in the course of performing its services, Contractor may desire or require the use of goods, services and/or assistance of subcontractors or other third parties or suppliers. The terms of this Exhibit shall also apply to all subcontractors and third parties providing Services on behalf of Contractor under the Agreement. Contractor or third party shall be subject to the following terms and conditions: (i) each subcontractor and third party must have agreed in writing to comply with terms and conditions at least as onerous as those specified in the Agreement, including this Exhibit; and (ii) 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 Agreement.

## 9. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

- a. **Encryption:** All County Information shall be rendered unusable, unreadable or indecipherable to unauthorized individuals. Without limiting the generality of the foregoing, 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 County's Chief Information Security Officer.

- b. Contractor will encrypt County Information transmitted on networks outside of 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.
- c. **Storage:** In addition, Contractor shall not store County Information in the cloud or in any other online storage provider without written authorization from County's Chief Information Security Officer. 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 County's Chief Information Security Officer.
- d. **Location:** Contractor shall not store and process County Information outside the United States and (ii) that at no time will County Data be transmitted outside the United States in an unencrypted manner.

## 10. RETURN OR DESTRUCTION OF COUNTY INFORMATION

Within ninety (90) days of termination of this Agreement, unless require by law or is necessary to justify conclusions and recommendations made under the Agreement, Contractor will destroy, and render unrecoverable, all County Information, in accordance with the standards enumerated by the National Institute of Standards ("NIST") Guidelines for Media Sanitization (SP800-88, Appendix A). Upon request, Contractor will certify that destruction of County Information Data was performed in accordance with this Section.

## 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 the requirements of this Agreement; 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 necessary to perform under the Agreement; 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 Contractor and approved by County's Chief Information Security Officer in writing. The foregoing requirements shall apply to back-up media stored by Contractor at off-site facilities.

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 (under Contractor's control) 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), and authorization;
- c. Contractor will conduct regular, no less often than 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. Contractor shall record, review and act upon all events in accordance with Incident response policies set forth in Section 13 (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, 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, Contractor shall:

- a. Promptly notify County's Chief Information Security Officer, the Departmental Information Security Officer and County's Chief Privacy Officer of any Incidents involving County Information that is not protected health information under HIPAA within sixty (60) days of detection of the Incident. All Incidents relating to the protected health information is reported pursuant to the Business Associate Agreement between the parties. Notifications shall be sent to the following:

County Chief Information Security Officer and Chief Privacy Officer Email:

[CISO-CPO\\_Notify@lacounty.gov](mailto:CISO-CPO_Notify@lacounty.gov)

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

- b. Notifications should include, to the best of Contractors ability at the time of notification, the following information:
  - 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,
  - 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, and
  - 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 County to investigate the Incident and seek to identify the specific County Information involved in the Incident upon County's written request, without

charge, unless the Incident was caused by the acts or omissions of County. As Information about the Incident is collected or otherwise becomes available to Contractor, and unless prohibited by law, Contractor shall provide Information regarding the nature and consequences of the Incident that are reasonably requested by County to allow County to notify affected individuals, government agencies and/or credit bureaus.

- d. Immediately initiate the appropriate portions of their Business Continuity and/or Disaster Recovery plans in the event of an Incident causing an interference with Information Technology operations.
- e. Assist and cooperate with forensic investigators, County, law firms and and/or law enforcement agencies at the direction of County to help determine the nature, extent and source of any Incident and reasonably assist and cooperate with County on any additional disclosures that County is required to make as a result of the Incident.
- f. Allow County, or its third-part designee, at County's election, to perform audits of the servers where County Information resides or is hosted following consultation of such audit scope with Contractor and the Contractor's hosting provider.

#### 15. GENERAL SECURITY AND PRIVACY PRACTICES.

- a. **General.** The data security and data privacy practices, procedures and standards of Contractor as it relates to County Information will at a minimum leverage the HIPAA Security Rule, including, when applicable, a mapping to NIST 800-53, and maintenance of SOC 2 Type II certificates for select Contractor systems, and any hosting firm utilized by Contractor is required to maintain a SOC 2 Type II certificate. Copies of applicable SOC 2 Type II reports, or other available industry IT certifications, for a Contractor solution are provided upon request, subject to the execution of an additional Contractor prepared confidentiality agreement. Furthermore, Contractor will assist County in obtaining the current applicable SOC 2 Type II report from a hosting firm, subject to any confidentiality agreement that may be required by the hosting firm.
- b. **Self-Audits.** 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 (i) an internal independent audit function, or (ii) a nationally recognized, external, independent auditor.
- c. Contractor shall have a process for correcting control deficiencies that have been identified in the periodic audit, including follow up documentation providing evidence of such corrections. If the Contractor does an audit of its work or systems specific to the County, if any, Contractor shall provide the audit results and any corrective action documentation to County promptly upon its completion.
- d. **County Requested Audits.** County shall have the right, with the help of an independent third-party auditor, to audit the Contractor's infrastructure, security and privacy practices, Data center, services and/or systems storing or processing County Information at least once a year. Upon County's request, Contractor shall complete a questionnaire regarding Contractor's Information Security and/or

program. If the audit reveals material non-compliance with this Exhibit, County may exercise its termination rights under the Agreement.

Contractor warrants that it is and shall remain throughout the term of the Agreement SOC 2 certified. As such, Contractor may fulfill the audit obligations under this section by providing to County information, data and documentation reasonably requested by County in lieu of a physical audit. County's request for the audit will specify the scope and areas (e.g., Administrative, Physical and Technical) that are subject to the audit and may include, but are not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal Vulnerability scans, penetration test results, evidence of code reviews and evidence of system configuration and audit log reviews. It is understood that the results may be filtered to remove the specific Information of other Contractor customers such as IP address, server names, etc. Contractor agrees to comply within reasonable timeframes with all recommendations that result from such inspections, tests, and audits.

When not prohibited by regulation, Contractor will provide to County a summary of: (i) the results of any security audits, security reviews or other relevant audits, conducted by Contractor or a third party; and (ii) corrective actions or modifications, if any, Contractor will implement in response to such audits. County acknowledges that Contractor is unable to provide physical access to Contractor's third-party data processor AWS.

- e. **Audit Certification:** Contractor agrees to conduct an annual System and Organization Controls (SOC 2 type II) audit or equivalent (i.e. The International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC) 27001:2013 certification audit or Health Information Trust Alliance (HITRUST) Common Security Framework certification audit) of its internal controls for security, availability, integrity, confidentiality and privacy. Contractor shall have a process for correcting control deficiencies that have been identified in the audit, including follow up documentation providing evidence of such corrections. The results of the audit and Contractor's plan for addressing or resolving the audit findings shall be shared with DHS within ten (10) business days of Contractor's receipt of the audit results. Contractor agrees to provide County with the current audit certifications upon request.

## 16. PRIVACY AND SECURITY INDEMNIFICATION

Contractor shall indemnify, defend and hold County harmless from any liability in favor of a third party for any damages, cost or expenses actually and finally awarded against County or in a settlement that is caused by or resulting from any third-party claim, action, suit or proceeding based on an Indemnified Claim. County shall give Contractor prompt notice of any Indemnified Claim and provide Contractor with a copy of any pleadings or claim. The selection of counsel, the conduct of the defense of any lawsuit and any money only settlements shall be within the sole control of Contractor. County shall reasonably cooperate with Contractor in Contractor's defense and settlement of an Indemnified Claim. THIS SECTION STATES COUNTY'S REMEDY FOR AN INDEMNIFIED CLAIM AND IS IN LIEU OF ALL REMEDIES IN EQUITY OR LAW.

For purposes of this section, an "Indemnified Claim" means a claim, action, suit or

proceeding based on Contractor's violation of any federal and state laws in connection with its accessing, collecting, processing, storing, disclosing, or otherwise using County Information. Contractor shall not have the right to 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.

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☐ Board Letter

☒ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	8/31/2022	
<b>BOARD MEETING DATE</b>	TBD	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Public Health	
<b>SUBJECT</b>	ADVANCE NOTIFICATION OF INTENT TO EXECUTE A SOLE SOURCE AMENDMENT TO AGREEMENT HA-707157 WITH NETSMART TECHNOLOGIES, INC. FOR THE PROVISION OF A MANAGED CARE INFORMATION SYSTEM TO INCREASE THE MAXIMUM AGREEMENT SUM	
<b>PROGRAM</b>	Substance Abuse Prevention and Control (SAPC)	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: See attached sole source checklist. This is an amendment to an existing IT sole source contract to increase the Maximum Agreement Sum.	
<b>DEADLINES/ TIME CONSTRAINTS</b>	N/A	
<b>COST &amp; FUNDING</b>	Total cost: This action would increase the Maximum Agreement Sum from \$49,161,655 to \$61,161,655	Funding source: Substance Abuse Prevention and Treatment Block Grant (SABG).
	TERMS (if applicable): The term is April 4, 2017, through April 3, 2027.	
	Explanation:	
<b>PURPOSE OF REQUEST</b>	To add Pool Dollars to cover optional work for the continued provision of Help Desk services, application management support services, and fund future work related to Healthcare Interoperability Data Exchange (HIDEX) program to meet State requirements.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	In accordance with Board Policy 5.100, the DPH must provide a four-week Board notification to enter into sole source negotiations. Without additional Pool Dollars, DPH will be unable to continue help desk support services or meet upcoming state requirements for CalAIM initiatives.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: Gary Tsai, Director, Public Health Substance Abuse Prevention and Control, (626) 299-3504 <a href="mailto:GTsai@ph.lacounty.gov">GTsai@ph.lacounty.gov</a> David W. Hindman, EHR Management Branch, Public Health Substance Abuse Prevention and Control, 626-299-3553 <a href="mailto:dhindman@ph.lacounty.gov">dhindman@ph.lacounty.gov</a>	





**BARBARA FERRER, Ph.D., M.P.H., M.Ed.**  
Director

**MUNTU DAVIS, M.D., M.P.H.**  
County Health Officer

**MEGAN McCLAIRE, M.S.P.H.**  
Chief Deputy Director

313 North Figueroa Street, Suite 806  
Los Angeles, CA 90012  
TEL (213) 288-8117 • FAX (213) 975-1273

[www.publichealth.lacounty.gov](http://www.publichealth.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

September XX, 2022

TO: Each Supervisor

FROM: Barbara Ferrer, Ph.D., M.P.H., M.Ed.  
Director

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO EXECUTE A SOLE  
SOURCE AMENDMENT TO AGREEMENT HA-707157 WITH  
NETSMART TECHNOLOGIES, INC. FOR THE PROVISION OF A  
MANAGED CARE INFORMATION SYSTEM TO INCREASE THE  
MAXIMUM AGREEMENT SUM**

This is to notify you that the Department of Public Health intends to request Board approval to add \$12,000,000 in Pool Dollars for Optional Work to sole source contract HA-707157 with Netsmart Technologies, Inc. to increase the Maximum Agreement Sum, and to allow for needed enhancements to the Substance Abuse Prevention and Control Managed Care Information System. This action would increase the Maximum Agreement Sum from \$49,161,655 to \$61,161,655.

This notice is being sent in accordance with Board Policy 5.100, which requires County departments that intend to request Board approval for amendments to an existing sole source contract, when departments do not have delegated authority to execute such amendments, to provide at least a four week advance written notice to your Board.

## **Background**

On April 4, 2017, the Health Agency, through the Department of Health Services (DHS), with your approval, entered into an agreement with Netsmart Technologies, Inc. (Netsmart), for the provision of a Substance Use Disorder (SUD) Managed Care Information System (MCIS or System) as part of the County's implementation of the Drug Medi-Cal Organized Delivery System (DMC-ODS) effective upon execution, for an initial term of ten (10) years, with an option to extend the term of the Agreement for five (5) additional one-year periods. The contract included a \$12.2 million pool dollar allocation for Optional Work and enhancements to the system. The term of this contract is currently April 4, 2017, through April 3, 2027.

On October 24, 2018, the Interim Director of the Health Agency, Fred Leaf, delegated his signature authority for contractual documents initiated by DHS to Dr. Barbara Ferrer, Director of the Department of Public Health (Public Health).

Since the implementation of the MCIS (known as “Sage”), Public Health Substance Abuse Prevention and Control (SAPC) has leveraged these monies to execute change orders to enhance Sage to ensure it continued to meet the needs and requirements of DMC-ODS. These included an extension of the 24/7/365 Help Desk services, including Level 1 (basic) and Level 2 (advanced) functions to assist in identifying and resolving Sage user issues submitted by Public Health-SAPC and its contracted provider network. Additionally, these funds were used to acquire Application Management Services (AMS) to provide needed system management support required for effective system operation. At the time of contract execution, Public Health Information System (PHIS) management explored bringing Level 1 (basic) Help Desk services in-house for Sage. However, due to the expanded priorities that PHIS encountered caused by the COVID-19 pandemic, PHIS is unable to provide the Help Desk Level 1 support services through the County, and Public Health-SAPC continues to require these vital services through Pool Dollars. Pool Dollars were also leveraged to extend key additional management support services offered by Netsmart to help refine and improve the system.

### **Justification**

With this addition of \$12 million dollars, Public Health-SAPC intends to use approximately \$10.4 million of the additional Pool Dollars to continue basic and advanced Help Desk services and application management support services for the next 5 years. The remaining \$1.6 million will be used to fund the Healthcare Interoperability Data Exchange (HIDEX) project that will enable SAPC to meet requirements of the Department of Health Care Services (DHCS) to improve quality of care by developing capabilities for meaningful data exchange among various health systems, as well as the mandated data sharing endeavors specified in the Behavioral Health Quality Improvement Program (BHQIP) of the California Advancing and Innovating Medi-Cal (CalAIM) initiative.

These efforts are State-mandated and will require significant updates and integration work within Sage.

### **Impact to Public Health if Additional Funds are Not Provided**

The range of new substance use disorder (SUD) services that resulted from implementing the DMC-ODS waiver significantly advances the potential for positive patient health outcomes and for producing overall cost savings to the safety net health care delivery system, particularly with greater service coordination and integration with physical and mental health systems. Most importantly, enhanced service quality contributes to the preservation and improvement in the quality of life for patients, their families, and the communities in which they live.

If there is a failure to increase the sole source contract with the funding of Pool Dollars, Public Health-SAPC will be unable to continue to contract for Help Desk support, which is a critical support function provided by Netsmart to the system for Public Health-SAPC and our provider network. Public Health-SAPC cannot operate an electronic health record without Help Desk functions. Additionally, Public Health-SAPC will have a very limited ability to make the significant improvements to Sage that are required by DHCS to meet requirements of the CalAIM initiative and realize its full benefits.

### **Alternative Plan**

Currently, there is no alternative plan that would allow the continuation of Help Desk Levels 1 and 2, AMS services, and enhancements required by Public Health-SAPC that are specified herein.

### **Timeline**

The Board Letter requesting approval to increase the pool dollar funding is projected to be presented to your Board in November 2022. If approved, these services and enhancements will be continued through the term of the contract.

If you have any questions or need additional information, please let me know.

BF:nb  
#06488

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

## SOLE SOURCE CHECKLIST

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

- ☐ New Sole Source Contract
- ☐ Sole Source Amendment to Existing Contract
- Date Existing Contract First Approved: \_\_\_\_\_

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS</b> Identify applicable justification and provide documentation for each checked item.
	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>“Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist.”</i>
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
	➤ Services provided by other public or County-related entities.
	➤ Services are needed to address an emergent or related time-sensitive need.
	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs and time to replace an existing system or infrastructure, administrative cost and time savings and excessive learning curve for a new service provider, etc.). In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

\_\_\_\_\_  
Chief Executive Office

\_\_\_\_\_  
Date

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	8/31/2022								
<b>BOARD MEETING DATE</b>	9/27/2022								
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input checked="" type="checkbox"/> 5 <sup>th</sup>								
<b>DEPARTMENT(S)</b>	Public Social Services								
<b>SUBJECT</b>	Approve a proposed seven-year lease for the continued use of 35,772 square feet of existing office space and 127 on-site parking spaces at 3307 N Glenoaks Boulevard, Burbank, CA 91504								
<b>PROGRAM</b>	IHSS, MAXIMUS/GAIN								
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No								
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:								
<b>DEADLINES/ TIME CONSTRAINTS</b>	Lease has been on month-to-month holdover since March 2009 with no penalty.								
<b>COST &amp; FUNDING</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Total cost: \$9,868,000.00</td> <td style="width: 50%;">Funding source: 81.48% State and Federal funding sources and 18.52% NCC already included in DPSS' existing budget.</td> </tr> <tr> <td colspan="2">TERMS (if applicable): The proposed lease provides for rental increases based on the CPI with a 3% cap per annum. 127 on-site parking spaces are included in the lease.</td> </tr> <tr> <td colspan="2">Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term will be included in the Fiscal Year (FY) 2022-23 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2022-23 Operating Budget to cover the proposed rent for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS.</td> </tr> </table>			Total cost: \$9,868,000.00	Funding source: 81.48% State and Federal funding sources and 18.52% NCC already included in DPSS' existing budget.	TERMS (if applicable): The proposed lease provides for rental increases based on the CPI with a 3% cap per annum. 127 on-site parking spaces are included in the lease.		Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term will be included in the Fiscal Year (FY) 2022-23 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2022-23 Operating Budget to cover the proposed rent for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS.	
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<b>PURPOSE OF REQUEST</b>	The proposed lease will continue to provide a suitable location for the various DPSS programs, which is consistent with the County's Premises Location Policy.								
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The landlord will provide a non-reimbursable tenant improvement allowance of \$536,580 for refurbishment of the Premises including some FF&E, per a mutually agreed upon plan.								
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:								
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:								
<b>DEPARTMENTAL CONTACTS</b>	Michael Navarro CEO- Real Estate División 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

September 27, 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:

**SEVEN-YEAR LEASE  
DEPARTMENT OF PUBLIC SOCIAL SERVICES  
3307 NORTH GLENOAKS BOULEVARD, BURBANK  
(FIFTH DISTRICT) (3 VOTES)**

**SUBJECT**

Approval of a proposed seven-year lease, to replace an existing lease, to provide the Department of Public Social Services (DPSS) continued use of 35,772 square feet of office space and 127 on-site parking spaces for DPSS' In-Home Supportive Services (IHSS) and MAXIMUS, which is contracted by the County to administer its Greater Avenues for Independence (GAIN) program.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the proposed project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with PFK PARTNERS, L.P., a California Limited Partnership (Landlord), for approximately 35,772 square feet of office space and 127 on-site parking spaces located at 3307 North Glenoaks Boulevard, Burbank, CA 91504, for continued occupancy by DPSS. The estimated maximum first year base rental cost is \$1,287,792. The estimated total base rent lease cost paid to Landlord is \$9,868,000 over the seven-year term. The rental costs will be funded by 81.48 percent State and federal funds and 18.52 percent by net County cost (NCC) that is already included in DPSS' existing budget. DPSS will not be requesting additional NCC for this action.

Board of Supervisors  
HILDA L. SOLIS  
First District

HOLLY MITCHELL  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

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

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

DPSS has occupied the premises since 1998 and the Landlord has owned the property throughout the original term. The current lease, as amended, expired on March 21, 2009. DPSS has been in holdover since then with no holdover fee, but the base rent does adjust each year per the Consumer Price Index (CPI) with a 2 percent floor and 6 percent cap. The proposed lease contains more favorable annual CPI increases with no floor and a cap of 3 percent.

This location houses the DPSS' IHSS and MAXIMUS/GAIN programs. DPSS considered relocating and consolidating another program at this location, however, decided against it given the substantial year-over-year growth of the IHSS program housed there, which is growing steadily at approximately 5 percent per year. To provide greater flexibility, the proposed lease contains a termination provision at any time following the 60th month of the term with 60 days' notice. The premises is located near public transportation routes and adjacent to major freeways.

Teleworking is regularly evaluated by DPSS at various locations, but at this time, GAIN is resuming face-to-face meetings which necessitates staff be on-site under this direct-service program. The facility intends to continue housing the IHSS and MAXIMUS/GAIN programs, for which MAXIMUS is contracted by the County to administer the GAIN program.

Approval of the recommended actions will find that the proposed lease is exempt from CEQA and will allow the DPSS to continue to operate at the subject facility.

### **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 lease is also consistent with the Strategic Asset Management Goal – Strengthen connection between service priorities and asset decisions – and Key Objective No. 5. – Fund Highest Priority Needs.

The proposed lease supports the above goals and objective by renewing the use of an existing facility that includes proper accommodations for office and ancillary space in a centrally located facility that is accessible for employees and clients.

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

### **FISCAL IMPACT/FINANCING**

The aggregate cost associated with the proposed lease over the entire term is \$9,868,000, as shown on Enclosure B-1. The rental costs will be funded 81.48 percent by State and federal funds and 18.52 percent by NCC that is already included in DPSS' existing budget. DPSS will not be requesting additional NCC for this action.

Sufficient funding to cover the proposed rent for the first year of the proposed lease term will be included in the Fiscal Year (FY) 2022-23 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2022-23 Operating Budget to cover the proposed rent for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS.

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

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

- Base rent for the premises is \$36 per square foot, per year, and includes 127 parking spaces. It is subject to annual increases based on CPI with a cap of 3 percent per annum.
- A comparison of the existing lease and the new lease is shown on Enclosure B-2.
- The Landlord will ensure that all heating, ventilation, and air-conditioning systems are in good working condition and shall be responsible for any repair and/or replacement necessary throughout the term of the lease. The Landlord will warrant that all existing electrical system(s) and plumbing system(s) are in good operating condition as of the commencement date.
- The Landlord will provide a \$536,580 (\$15/per square foot) base tenant improvement allowance for refurbishment of the premises, including but not limited to carpet, paint, and minor refurbishment of furniture, fixtures, and equipment.



- Landlord, at its cost and expense (exclusive of the tenant improvement allowance), shall also be responsible for the following base building deferred maintenance work described below:
  - A. Replace lighting throughout the premises with new LED lighting.
  - B. Add supplemental heating, ventilation, and air-conditioning systems into the existing information technology room.
  - C. Repair cracks in the concrete slab and/or vinyl composition tile flooring throughout the premises.
  - D. Repair the roof to make sure it is watertight, so no leaks come into the premises.
- The Landlord is responsible for the operating and maintenance cost of the building. The County is not subject to the building's operating expense increases.
- The proposed lease is for seven years, and the County has the right to terminate the proposed lease any time on or after the 60<sup>th</sup> month of the commencement date upon 60 days' notice.
- DPSS shall have the right to holdover, without penalty at lease expiration at the same terms and conditions of the proposed lease.

The proposed lease will be effective upon approval by the Board and full execution of the proposed lease.

The Chief Executive Office (CEO) did not issue a flyer for this requirement given the strong desire to renew this location. The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable office lease in the area is between \$37.20 and \$40.80 per square foot, per year. Thus, the base annual rental rate of \$36 per square foot, per year for the proposed office space represents a rate that is below the range for the area. Due to the costly tenant improvements and moving costs needed, should DPSS relocate to a new space, remaining in the proposed space is the most cost-effective choice. In addition, the San Fernando Valley market is in high demand, creating an extremely tight market with very few large blocks of available office space. We recommend the proposed premises as the most suitable to continue to meet the County's space requirements.

The CEO has communicated with co-working office space companies regarding office space for the applicable programs. In a quote received, the first-year rental costs were approximately 60 percent higher than the proposed renewal and did not include moving costs. Additionally, the standard high-density space configuration does not meet DPSS' program requirements. Co-working office space is not financially viable in this case by comparison to the lower overall rental costs of the proposed lease.

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

The Department of Public Works has inspected the premises and found it suitable for County occupancy. The required notification letter has been sent to the City of Burbank, in accordance with Government Code section 25351.

County Counsel has reviewed the proposed lease and has approved it as to form. The proposed lease is authorized by Government Code section 25351, which allows the County to enter into leases and agreements for the leasing of buildings, as necessary, to carry out the work of the county government. Refurbishment of the premises will be completed in compliance with relevant building and construction laws and regulations, including the Americans with Disabilities Act.

The proposed lease will continue to provide a suitable location for the various DPSS programs, which is consistent with the County's Premises Location Policy, adopted by the Board on July 24, 2012, and as outlined in Enclosure D.

### **ENVIRONMENTAL DOCUMENTATION**

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

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

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

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

**CONCLUSION**

It is requested that the Executive Office, Board of Supervisors, return one certified copy of the Minute Order, and the adopted, stamped copy of this Board letter to the Chief Executive Office, 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:NH:gw

Enclosures

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

**Department of Public Social Services  
3307 N. Glenoaks Blvd., Burbank**

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

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions? <sup>2</sup>	<b>X</b>		
	B	Does lease co-locate with other functions to better serve clients?	<b>X</b>		
	C	Does this lease centralize business support functions? <sup>2</sup>	<b>X</b>		
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup>	<b>X</b>		
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>3.55/1000 ratio. Existing parking has sufficed for DPSS.</b>		<b>X</b>	
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	<b>X</b>		
<b>2.</b>	<b><u>Capital</u></b>				
	A	Is it a substantial net County cost (NCC) program? <b>81.48 percent State and Federal funding, 18.52 percent NCC that is already included in DPSS' existing budget and there will be no request for additional NCC for this action.</b>		<b>X</b>	
	B	Is this a long-term County program?	<b>X</b>		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy? Operating lease		<b>X</b>	
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
	F	Is Building Description Report attached as Attachment C?	<b>X</b>		
	G	Was build-to-suit or capital project considered?			<b>X</b>
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>		
	B	Was the space need justified?	<b>X</b>		
	C	If a renewal lease, was co-location with other County departments considered?	<b>X</b>		
	D	Why was this program not co-located?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <b><u>X</u></b> No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full-service lease?	<b>X</b>		
	F	Has growth projection been considered in space request?	<b>X</b>		
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	<b>X</b>		
	<sup>1</sup> As approved by the Board of Supervisors 11/17/98				
<sup>2</sup> If not, why not?					

## ENCLOSURE B-1

## OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

Department of Public Social Services

3307 Glenoaks, Burbank

## Basic Lease Assumptions

Leased Area (sq. ft.)

35,772

Term (months)

84 months

### Annual Rent Adjustment

3%

### Base Rent

Per RSF  
Per Month (\$)Per RSF  
Per Year (\$)

\$3.00

\$36.00

1<sup>st</sup> Year2<sup>nd</sup> Year3<sup>rd</sup> Year4<sup>th</sup> Year5<sup>th</sup> Year6<sup>th</sup> Year7<sup>th</sup> Year

**Total 7 Year  
Rental Costs**

Annual Base Rent Costs <sup>1</sup>

\$1,287,792

\$1,326,426

\$1,366,219

\$1,407,205

\$1,449,421

\$1,492,904

\$1,537,691

**\$9,868,000**

### Total Annual Lease Costs

\$1,287,792

\$1,326,426

\$1,366,219

\$1,407,205

\$1,449,421

\$1,492,904

\$1,537,691

**\$9,868,000**

## Footnotes

<sup>1</sup> While the Lease provides for the Base Rent Adjustments based upon the CPI capped at 3 percent, this analysis assumes fixed 3 percent increases per annum.

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

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

	<b>Existing Lease:</b> <b>3307 N. Glenoaks Blvd., Burbank</b>	<b>Proposed Lease:</b> <b>3307 N. Glenoaks Blvd., Burbank</b>	<b>Change</b>
Area (Square Feet)	35,772 sq.ft.	35,772 sq.ft.	None
Term (years)	10 years	7 years <sup>(1)</sup>	-3 years
Total Annual Base Rent <sup>(2)</sup> (Base rent includes 127 parking spaces)	\$1,328,767 (\$37.15 per sq. ft. annually)	\$1,287,792 (\$36.00 per sq. ft. annually)	-\$40,975 (\$1.15 psf annually)
Rental rate adjustment	Annual CPI adjustments capped at 6% percent with minimum at 2%.	Annual CPI adjustments capped at 3% percent with no minimum.	-3%, on max increases.

<sup>(1)</sup> Early Termination right anytime following the 5<sup>th</sup> anniversary of the Commencement Date

<sup>(2)</sup> Base Rent is full-service gross.

## Department of Public Social Services

### SPACE SEARCH – EAST SAN FERNANDO VALLEY AND WEST SAN GABRIEL VALLEY

Laco	Name	Address	Gross SF	Net SF	Ownership	VACANT SQFT
A477	ASSESSOR-NORTH DISTRICT OFFICE	13800 BALBOA BLVD, SYLMAR 91342	37,000	33,300	LEASED	NONE
0427	OLIVE VIEW-FINANCE BUILDING	14445 OLIVE VIEW DR, SYLMAR 91342	12,925	11,633	OWNED	NONE
2147	OLIVE VIEW-COTTAGE #1	14445 OLIVE VIEW DR, SYLMAR 91342	6,510	3,825	OWNED	NONE
2148	OLIVE VIEW-COTTAGE #3	14445 OLIVE VIEW DR, SYLMAR 91342	6,000	3,626	OWNED	NONE
2261	OLIVE VIEW-DOCTORS' OFFICE BUILDING	14445 OLIVE VIEW DR, SYLMAR 91342	5,165	2,782	OWNED	NONE
4226	OLIVE VIEW-MECHANICAL OFFICE	14445 OLIVE VIEW DR, SYLMAR 91342	4,607	3,084	OWNED	NONE
T528	OLIVE VIEW-HOSPITAL TRAILER #1	14445 OLIVE VIEW DR, SYLMAR 91342	7,920	6,650	OWNED	NONE
T535	OLIVE VIEW-HOSPITAL TRAILER #2	14445 OLIVE VIEW DR, SYLMAR 91342	12,000	9,650	OWNED	NONE
X254	OLIVE VIEW-NORTH ANNEX BUILDING	14445 OLIVE VIEW DR, SYLMAR 91342	7,920	7,128	OWNED	NONE
Y297	SYLMAR JUV CRTHSE/B J NIDORF ADMIN BLDG-1	16350 FILBERT ST, SYLMAR 91342	36,692	32,008	OWNED	NONE
Y651	BARRY J NIDORF JUV HALL-N AREA SCHOOL OFFIC-4	16350 FILBERT ST, SYLMAR 91342	5,158	4,402	OWNED	NONE
0246	DHS-SAN FERNANDO HEALTH CENTER	1212 PICO ST, SAN FERNANDO 91340	22,144	8,493	OWNED	NONE
A523	PUBLIC LIBRARY-SAN FERNANDO LIBRARY	217 N MACLAY AVE, SAN FERNANDO 91340	8,601	6,881	LEASED	NONE
A386	ALT PUBLIC DEFENDER-SAN FERNANDO OFFICE	303 N MACLAY AVE, SAN FERNANDO 91340	3,040	3,040	LEASED	NONE
Y481	SAN FERNANDO COURTHOUSE	900 3RD ST, SAN FERNANDO 91340	203,225	132,127	FINANCED	NONE
5858	PH-PACOIMA PUBLIC HEALTH CENTER	13300 VAN NUYS BLVD, PACOIMA 91331	5,404	3,098	OWNED	NONE
A239	PROBATION(AB-109)SAN FERNANDO REG OFFICE	13557 VAN NUYS BLVD, PACOIMA 91331	12,189	11,580	LEASED	NONE
X368	PH-SUN VALLEY HEALTH CENTER	7223 N FAIR AVE, SUN VALLEY 91352	10,659	10,245	JPA	NONE
A641	DPSS - GROW OFFICE	9188 GLENOAKS BLVD, SUN VALLEY 91352	24,780	23,541	LEASED	NONE
B356	PH-ENVIRONMENTAL HLTH OFFICE	14500 ROSCOE BLVD, PANORAMA CITY 91402	11,668	11,085	LEASED	NONE
E111	CSS AND PROBATION-JUVENILE DAY REPORTING CTR	6640 VAN NUYS BLVD, VAN NUYS 91405	5,812	5,522	LEASED	NONE
5273	VAN NUYS COUNTY ADMINISTRATIVE CENTER BLDG	14340 W SYLVAN ST, VAN NUYS 91401	9,849	6,087	OWNED	NONE
4400	VAN NUYS COURTHOUSE - WEST	14400 ERWIN ST MALL, VAN NUYS 91401	320,391	172,053	FINANCED	NONE
Y476	VAN NUYS COURTHOUSE-BUILDING E	6280 SYLMAR AVE MALL, VAN NUYS 91401	3,373	1,987	OWNED	NONE
X368	PH-SUN VALLEY HEALTH CENTER	7223 N FAIR AVE, SUN VALLEY 91352	10,659	10,245	JPA	NONE
A641	DPSS - GROW OFFICE	9188 GLENOAKS BLVD, SUN VALLEY 91352	24,780	23,541	LEASED	NONE
X014	PH-BURBANK PUBLIC HEALTH CENTER	1101 W MAGNOLIA BLVD, BURBANK 91502	5,864	3,640	OWNED	NONE
A501	DCSS-BURBANK ADULT PROTECTIVE SERVICES REG I	2501 W BURBANK BLVD, BURBANK 91502	5,702	5,132	LEASED	NONE
3599	BURBANK COURTHOUSE	300 E OLIVE AVE, BURBANK 91502	66,697	48,924	FINANCED	NONE
A481	DPSS-GLENDALE FAMILY SERVICE CENTER	4680 SAN FERNANDO RD, GLENDALE 91204	80,000	70,420	LEASED	NONE
4295	PH-GLENDALE PUBLIC HEALTH CENTER	501 N GLENDALE AVE, GLENDALE 91206	15,217	8,043	OWNED	NONE
A215	ALT PUBLIC DEFENDER-PASADENA OFFICE	221 E WALNUT ST, PASADENA 91101	3,200	2,960	LEASED	NONE
5397	PASADENA COURTHOUSE	300 E WALNUT ST, PASADENA 91101	228,638	126,899	OWNED	NONE
A426	DCFS-PASADENA (SPA 3)	532 E COLORADO BLVD, PASADENA 91101	75,235	70,721	LEASED	NONE
F359	PW FLOOD-EATON YARD OFFICE	2986 E NEW YORK DR, PASADENA 91104	4,130	3,717	OWNED	NONE
D465	DPSS-PASADENA AP DISTRICT OFFICE	955 N LAKE AVE, PASADENA 91104	36,224	25,372	OWNED	NONE
0229	AG COMM/WTS & MEAS HQ/ PROBATION SPECIAL SVCS	12300 LOWER AZUSA RD, ARCADIA 91006	35,878	32,290	OWNED	NONE
A585	DMH-ARCADIA WELLNESS CENTER	301 E FOOTHILL BLVD, ARCADIA 91006	5,793	5,503	LEASED	NONE
A060	PUBLIC LIBRARY-LIVE OAK LIBRARY	4153 E LIVE OAK AVE, ARCADIA 91006	2,891	2,170	LEASED	NONE
4095	REGIONAL FACILITIES CONSTRUCTION DIVISION	1703 S MOUNTAIN AVE, MONROVIA 91016	2,183	1,666	OWNED	NONE
A645	MENTAL HEALTH-ADULT SYSTEMS OF CARE	2620 S CALIFORNIA AVE, MONROVIA 91016	4,500	4,275	LEASED	NONE
3240	MONROVIA COURTHOUSE	300 W MAPLE AVE, MONROVIA 91016	13,802	9,680	STATE	NONE
3562	PH-MONROVIA PUBLIC HEALTH CENTER	330 W MAPLE AVE, MONROVIA 91016	7,786	4,970	OWNED	NONE
A539	MENTAL HEALTH-COURT PROGRAM OFFICES	1499 HUNTINGTON DR, S. PASADENA 91030	4,210	4,000	LEASED	NONE
A469	THE ALHAMBRA COMPLEX - WEST TOWER	1000 S FREMONT AVE, ALHAMBRA 91803	17,107	15,206	LEASED	NONE
A471	THE ALHAMBRA COMPLEX - EAST TOWER	1000 S FREMONT AVE, ALHAMBRA 91803	31,458	27,211	LEASED	NONE
A471	THE ALHAMBRA COMPLEX - EAST TOWER	1000 S FREMONT AVE, ALHAMBRA 91803	15,481	12,201	LEASED	NONE
A471	THE ALHAMBRA COMPLEX - EAST TOWER	1000 S FREMONT AVE, ALHAMBRA 91803	31,299	27,073	LEASED	NONE
A471	THE ALHAMBRA COMPLEX - EAST TOWER	1000 S FREMONT AVE, ALHAMBRA 91803	31,299	27,073	LEASED	NONE
A471	THE ALHAMBRA COMPLEX - EAST TOWER	1000 S FREMONT AVE, ALHAMBRA 91803	31,304	27,078	LEASED	NONE
A471	THE ALHAMBRA COMPLEX - EAST TOWER	1000 S FREMONT AVE, ALHAMBRA 91803	22,002	18,288	LEASED	NONE
A471	THE ALHAMBRA COMPLEX - EAST TOWER	1000 S FREMONT AVE, ALHAMBRA 91803	31,299	27,073	LEASED	NONE
A473	ALHAMBRA COMPLEX	1000 S FREMONT AVE, ALHAMBRA 91803	3,774	3,265	LEASED	NONE
0901	(FORMER) DHS-ALHAMBRA HEALTH CENTER	612 W SHORB ST, ALHAMBRA 91803	25,344	14,292	FINANCED	NONE
0122	THOMAS A TIDEMANSON BUILDING-ANNEX BUILDING	900 S FREMONT AVE, ALHAMBRA 91803	43,500	36,975	FINANCED	NONE
X900	THOMAS A TIDEMANSON PUBLIC WORKS BUILDING	900 S FREMONT AVE, ALHAMBRA 91803	536,168	363,876	FINANCED	NONE
5883	ALHAMBRA COURTHOUSE	150 W COMMONWEALTH AVE, ALHAMBRA	111,727	65,494	FINANCED	NONE
A450	APD - ALHAMBRA OFFICE	1611 S GARFIELD AVE, ALHAMBRA 91801	3,000	2,850	LEASED	NONE
X327	PROBATION-CENTRAL TRANSCRIBING OFFICE	200 W WOODWARD AVE, ALHAMBRA 91801	11,273	7,360	OWNED	NONE
5460	PUBLIC LIBRARY-SAN GABRIEL LIBRARY	500 S DEL MAR AVE, SAN GABRIEL 91776	13,718	11,190	OWNED	NONE
5329	PUBLIC LIBRARY-ROSEMEAD LIBRARY	8800 VALLEY BLVD, ROSEMEAD 91770	29,860	23,394	OWNED	NONE

## **FACILITY LOCATION POLICY ANALYSIS**

**Proposed lease:** Seven-year lease for DPSS – 3307 N. Glenoaks Blvd., Burbank – Fifth District.

**A. Establish Service Function Category –** DPSS' IHSS and MAXIMUS GAIN staff.

**B. Determination of the Service Area –** Serving local community of San Fernando Valley for DPSS. The proposed lease will provide a 7-year lease extension with existing ownership of the facility for the various existing DPSS programs.

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

- Need for proximity to service area and population: Continuing need for existing operation in the San Fernando Valley region in support of the DPSS.
- Need for proximity to existing County facilities: Close to other County departments.
- 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.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available to meet all of the DPSS' needs.
- Compatibility with local land use plans: The City of Burbank has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The initial annual base rent of \$36 i.e., \$3 per square foot, per month, including parking, totals approximately \$1,287,792 over the first year of the lease.



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

The CEO did not issue a flyer for this requirement given the strong desire to renew this location. The CEO, along with Cushman & Wakefield (CW), conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable office lease in the area is between \$37.20 and \$40.80 per square foot, per year on a full-service gross basis. Thus, the base annual rental rate of \$36 per square foot, per year, for the proposed office space represents a rate that is below the range for the area. Due to the costly tenant improvements and moving costs needed should DPSS relocate to a new space, remaining in the proposed space is the most cost-effective choice. In addition, the San Fernando Valley market is in high demand creating an extremely tight market with very few large blocks of available office space. We recommend the proposed premises as the most suitable to continue to meet the County's space requirements.

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

The proposed lease will provide adequate and efficient office space for DPSS employees and clients consistent with the County's Premises Location Policy, adopted by the Board on July 24, 2012. This is the most affordable option available in the area that meets the DPSS' needs.

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES - Tenant**

**PFK PARTNERS L.P. – Landlord**

**3307 North Glenoaks Boulevard**

**Burbank, CALIFORNIA**

## TABLE OF CONTENTS

	Page
1. BASIC LEASE INFORMATION .....	1
1.1 Terms .....	1
1.2 Defined Terms Relating to Landlord's Work Letter .....	3
1.3 Exhibits to Lease.....	4
1.4 Addendum No. 1 .....	4
2. PREMISES.....	4
2.1 Lease of Premises .....	4
2.2 Measurement of Premises .....	4
3. COMMON AREAS.....	4
4. COMMENCEMENT AND EXPIRATION DATES .....	5
4.1 Term .....	5
4.2 Termination Right.....	5
4.3 Early Entry .....	6
4.4 Early Termination.....	6
4.5 Lease Expiration Notice.....	6
5. RENT .....	6
5.1 Base Rent .....	6
6. USES .....	6
7. HOLDOVER .....	7
8. COMPLIANCE WITH LAW .....	7
9. DAMAGE OR DESTRUCTION.....	7
9.1 Damage .....	7
9.2 Tenant Termination Right.....	7
9.3 Damage In Last Year .....	8
9.4 Default By Landlord .....	8
10. REPAIRS AND MAINTENANCE .....	8
10.1 Landlord Representations .....	8
10.2 Landlord Obligations .....	10
10.3 Tenant Obligations.....	11
10.4 Tenant's Right to Repair .....	11
11. SERVICES AND UTILITIES .....	12
11.1 Services.....	12
11.2 Utilities .....	13
12. TAXES .....	14
13. LANDLORD ACCESS .....	14
14. TENANT DEFAULT .....	14
14.1 Default .....	14
14.2 Termination.....	14
14.3 No Effect on Indemnity.....	15
15. LANDLORD DEFAULT .....	15
15.1 Remedies.....	15
15.2 Waiver .....	15
15.3 Emergency.....	15
16. ASSIGNMENT AND SUBLETTING .....	16
16.1 Assignment and Subletting .....	16
16.2 Sale .....	16
17. ALTERATIONS AND ADDITIONS.....	17
17.1 Landlord Consent.....	17

	17.2	End of Term .....	17
18.		CONDEMNATION .....	17
	18.1	Controlling Terms.....	17
	18.2	Total Taking .....	17
	18.3	Partial Taking.....	17
	18.4	Restoration .....	18
	18.5	Award .....	18
	18.6	Waiver of Statute .....	18
19.		INDEMNIFICATION.....	18
	19.1	Landlord's Indemnity .....	18
	19.2	Tenant's Indemnity.....	19
20.		INSURANCE .....	19
	20.1	Waiver .....	19
	20.2	General Insurance Provisions – Landlord Requirements.....	19
	20.3	Insurance Coverage Types And Limits.....	22
	20.4	Landlord Requirements.....	22
21.		PARKING .....	23
	21.1	Tenant's Rights .....	23
	21.2	Remedies.....	23
22.		ENVIRONMENTAL MATTERS.....	24
	22.1	Hazardous Materials .....	24
	22.2	Landlord Indemnity .....	24
23.		ESTOPPEL CERTIFICATES.....	25
24.		TENANT IMPROVEMENTS .....	25
25.		LIENS.....	25
26.		SUBORDINATION AND MORTGAGES .....	25
	26.1	Subordination and Non-Disturbance .....	25
	26.2	Existing Deeds of Trust.....	25
	26.3	Notice of Default .....	25
27.		SURRENDER OF POSSESSION.....	26
28.		SIGNAGE.....	26
29.		QUIET ENJOYMENT .....	26
30.		GENERAL .....	26
	30.1	Headings .....	26
	30.2	Successors and Assigns .....	26
	30.3	Brokers .....	26
	30.4	Entire Agreement.....	27
	30.5	Severability .....	27
	30.6	Notices.....	27
	30.7	Governing Law and Venue.....	27
	30.8	Waivers.....	27
	30.9	Time of Essence .....	27
	30.10	Consent .....	27
	30.11	Community Business Enterprises .....	28
	30.12	Memorandum of Lease .....	28
	30.13	Counterparts .....	28
31.		AUTHORITY.....	28
32.		ACKNOWLEDGEMENT BY LANDLORD .....	28
	32.1	Consideration of GAIN Program Participants .....	28
	32.2	Solicitation of Consideration.....	29
	32.3	Landlord Assignment .....	29

	32.4 Smoking in County Facilities .....	30
33.	IRREVOCABLE OFFER.....	31
34.	COVID-19 VACCINATIONS OF COUNTY CONTRACTOR PERSONNEL.....	33

## **EXHIBITS**

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

## **ADDENDUM NO. 1 – Additional Terms to Lease Agreement**

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2022 between PFK PARTNERS L.P., a California Limited Partnership ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

**1. BASIC LEASE INFORMATION**

**1.1 Terms**

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

(a) Landlord's Address for Notices:	741 Glenvia Street Suite 101 Glendale, CA 91206 Email: pfk.brighton@gmail.com
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate  With a copy to:  County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 35,772 rentable square feet, designated as the entire office Building (defined below), as shown on <u>Exhibit A</u> attached hereto including the parking area containing approximately 127 parking spaces.

(d) Building:	The Building located at 3307 N Glenoaks Boulevard, Burbank, California, which is currently assessed by the County Assessor as APN 2473-013-012 (collectively, the "Property");
(e) Term:	Seven (7) years, commencing upon the first day of the first calendar month following approval of this Lease by the Board of Supervisors' and full execution of this Lease by both Parties (the "Commencement Date"), and terminating at midnight on the day before the seventh (7 <sup>th</sup> ) annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease.
(f) Estimated Commencement Date:	June 1, 2022
(g) Irrevocable Offer Expiration Date: (see Section 33)	June 1, 2022
(h) Base Rent:	\$3.00 per rentable square foot per month  \$107,316.00 per month  \$1,287,792.00 per year
(i) Early Termination (see Section 4.4)	On or after the fifth (5 <sup>th</sup> ) anniversary of the Commencement Date upon Sixty (60) days' notice.
(j) Rentable Square Feet in the Premises:	35,772 rentable square feet
(k) Initial Departmental Use:	Department of Public Social Services, subject to Section 6.
(l) Parking Spaces:	127 exclusive reserved parking spaces in the Building's onsite parking area.
(m) Tenant's Hours of Operation:	6 a.m. to 8 p.m. Monday through Friday, and 9 a.m. to 2 p.m. on Saturdays
(n) Asbestos Report:	A report dated April 30, 2020 prepared by Aurora, a licensed California Asbestos contractor.



(o) Seismic Report	A report dated June 15, 2021 prepared by the Department of Public Works.
(p) Disabled Access Survey	A report dated May 11, 2021 prepared by CASp Experts LLC.

1.2 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprises Form Exhibit H - Memorandum of Lease
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## **2. PREMISES**

### **2.1 Lease of Premises**

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

### **2.2 Measurement of Premises**

Tenant is currently in possession of the Property. Landlord and Tenant stipulate to the rentable square footage set forth in 1.1 (c) above.

## **3. COMMON AREAS**

The "Common Areas" are defined to mean the portions of the Property outside of the Building, all of which are also being leased to Tenant.

## **4. COMMENCEMENT AND EXPIRATION DATES**

### **4.1 Term**

The term of this Lease shall be for a period of Seven (7) years, commencing upon the first day of the first calendar month following approval of this Lease by the Board of Supervisors and full execution of the Lease by both parties, and ending eighty-four (84) months thereafter, unless otherwise terminated by Tenant as provided herein

4.2 Intentionally Omitted

4.3 Intentionally Omitted

4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1, by giving Landlord not less than sixty (60) days prior written notice, executed by Tenant's Chief Executive Officer or his/her designee.

4.5 Intentionally Omitted

**5. RENT**

5.1 Base Rent

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

5.2. Base Rent Adjustments

(a) CPI. From and after the first (1<sup>st</sup>) anniversary of the Commencement Date, on the first day of the first full calendar month thereafter (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted by applying the CPI Formula set forth below. The "Base Index" shall be the Index published for the month the Lease commences.

(b) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Long Beach-Anaheim area, all items, published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent for the first full month after the Commencement Date multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month in which the adjustment is to be effective (the "New Index"), and the denominator being the Base Index. If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.

(c) Illustration of Formula. The formula for determining the new rent shall be as follows:

$$\frac{\text{New Index}}{\text{Base Index}} \times \text{Base Rent at the Commencement Date} = \text{Adjusted Base Rent}$$

(d) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an increase greater than three percent (3%) per year of the Base Rent payable in the month preceding the applicable adjustment. In no event shall the Base Rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable during the previous year of the Lease.

## **6. USES**

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes, or other lawful purposes, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays.

## **7. HOLDOVER**

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

## **8. COMPLIANCE WITH LAW**

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

## **9. DAMAGE OR DESTRUCTION**

### **9.1 Damage**

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than two hundred and ten (210) days, then Landlord shall promptly, at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall

immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within twenty (20) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant.

#### 9.2 Tenant Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than two hundred and ten (210) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages.

#### 9.3 Damage In Last Year

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

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

#### 9.4 Default By Landlord

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

- (a) Declare a default hereunder, or
- (b) Perform or cause to be performed the restoration work and deduct the cost thereof, plus interest thereon at ten percent (10%) per annum, from the next installment(s) of Base Rent due as a charge against the Landlord.

## 10. REPAIRS AND MAINTENANCE

### 10.1 Landlord Representations

- (a) Landlord represents to Tenant that, unless otherwise stated herein, as of the date hereof and on the Commencement Date:
- i. The Premises, the Building, and all Common Areas (including electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in good working order and condition. Notwithstanding the above, Landlord immediately following the execution of this Lease, but in no event later than six (6) months following the Commencement Date, shall complete the recommended ADA work identified in the Disabled Access Survey; The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
  - ii. The Premises, the Building and the Common Areas are free of the presence of Hazardous Materials (as hereinafter defined); and
  - iii. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation.
- (b) Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report (as defined in Section 1.1) that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, as part of its Landlord Work or in connection with any future Alterations, abate, at Landlord's sole cost and expense, all asbestos-containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.
- (c) CASp Inspection:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:  
*[Check the appropriate box]*

☐ Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

☒ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53.

Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☐ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease.

- (d) Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.

## 10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:
  - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
  - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;

- iii. the Common Areas;
  - iv. exterior windows of the Building; and
  - v. elevators serving the Building.
- (b) Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to, or replacements of:
- i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
  - ii. interior partitions;
  - iii. doors, door frames and hardware;
  - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
  - v. signage;
  - vi. emergency exit signage and battery replacement;
  - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
  - viii. Light fixtures, bulbs, tubes and ballasts
  - ix. Parking areas (including resurfacing, restriping, landscaping, sweeping, and provision of adequate lighting as applicable).
- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.
- (d) Landlord shall provide, maintenance, repairs, water, HVAC, and other services to the Premises and common area to a standard similar to other comparable class office buildings in the Burbank area sub-market.

### 10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, and subject to Section 20.4 hereof, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall:

- (a) be made and performed by contractors or mechanics approved by Landlord, which consent shall not be unreasonably withheld, conditioned or delayed;

- (b) be at least equal in quality, value and utility to the original work or installation; and
- (c) be in accordance with all applicable laws.

#### 10.4 Tenant's Right to Repair

- (a) If Tenant provides written notice (or oral notice in the event of an emergency, such as damage or destruction to or of any portion of the Building structure and/or the Building systems, and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and if Landlord fails to provide such action within a reasonable period of time given the circumstances after the giving of such notice, but in any event not later than five (5) days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within thirty (30) days after written notice, then Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 15.
- (b) Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the Chief Executive Office, may request that Landlord perform, supply and administer repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's behalf. Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to Tenant Improvements as defined in Section 24.

### 11. **SERVICES AND UTILITIES**

#### 11.1 Services

- (a) Heating, Ventilation and Air Conditioning (HVAC)

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard



comparable to other similar class buildings and not less than the standard set forth in Exhibit C attached hereto. In addition, Landlord shall furnish HVAC at all times (i.e., twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year) to the mechanical rooms housing Tenant's computer servers and related equipment.

(b) Electricity

Landlord shall furnish to the Premises the amount of electric current of seven (7) watts of electric current (connected load) per square foot of rentable square feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises. If Tenant requires additional telecommunications service, Tenant may arrange it at Tenant's expense. Landlord will cooperate.

(c) Elevators

Landlord shall furnish passenger elevator services to the Premises during Tenant's Hours of Operations. During all other hours, Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as needed basis.

(d) Water

Landlord shall make available in the Premises warm and cold water for normal lavatory and kitchen purposes and potable water for drinking purposes, all of which shall meet applicable government standards.

(e) Janitorial

Landlord, at its sole cost and expense, shall provide janitorial service five (5) nights per week, generally consistent with that furnished in comparable office buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in Exhibit D attached hereto.

(f) Access

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building. Should Landlord require and install an electric access system, then Landlord shall provide access cards or fobs to all Tenant employees for Building entry, elevators, and/or floor access, at Landlord's sole cost and expense. In the event Tenant elects to install its own access system, then Tenant shall be responsible for its access cards or fobs.

(g) Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

11.2 Utilities

Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

12. TAXES

Landlord, at its sole cost and expense, shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against the Premises or the Building during the term of this Lease or any renewal or holdover period thereof.

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency and notify Tenant immediately thereafter.

14. TENANT DEFAULT

14.1 Default

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant ("Default"):

- (a) the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent

an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;

- (b) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (30) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure, within said thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

#### 14.2 Termination

Tenant agrees that if a Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

#### 14.3 No Effect on Indemnity

Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

### 15. LANDLORD DEFAULT

#### 15.1 Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- (a) to remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- (b) to pursue the remedy of specific performance;
- (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or

(d) to terminate this Lease.

15.2 Waiver

Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

15.3 Emergency

Notwithstanding the foregoing cure period, Tenant may cure any default where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition, or materially and adversely affect the operation of Tenant's business in the Premises. In such cases, Tenant may perform the necessary work through its Internal Services Department and or through a licensed contractor and deduct the cost of said work from the Base Rent next due.

**16. ASSIGNMENT AND SUBLETTING**

16.1 Assignment and Subletting

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent; provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16.2 Sale

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations hereunder in writing. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- (a) A written notice from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:

- i. Name and address of new owner or other party to whom Base Rent should be paid
  - ii. Federal tax ID number for new owner
  - iii. Name of contact person and contact information (including phone number) for new owner
  - iv. Proof of insurance
- (c) A W-9 form for new owner.

## **17. ALTERATIONS AND ADDITIONS**

### **17.1 Landlord Consent**

Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If Landlord fails to respond in writing within thirty (30) days after Tenant's request, then Landlord shall be deemed to have approved the requested Alterations. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

- (a) complies with all laws;
- (b) is not visible from the exterior of the Premises or Building;
- (c) will not materially affect the systems or structure of the Building; and
- (d) does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building.

### **17.2 End of Term**

Any Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

## **18. CONDEMNATION**

### **18.1 Controlling Terms**

If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

#### 18.2 Total Taking

If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

#### 18.3 Partial Taking

If any portion, but not all, of the Premises or the Common Areas is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within thirty (30) days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than thirty (30) days nor later than ninety (90) days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the termination date designated by Tenant. If Tenant does not so notify Landlord within thirty (30) days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated in proportion to the degree to which Tenant's use of the Premises and the Common Areas is impaired by such Condemnation.

#### 18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within one hundred and eighty (180) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

#### 18.5 Award

The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises. Tenant shall be entitled to any awards for relocation benefits or goodwill belonging to Tenant.

18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

19. **INDEMNIFICATION**

19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Premises.

19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and other acts and omissions arising from and/or relating to the Tenant's use of the Premises.

20. **INSURANCE**: During the term of this Lease, the following insurance requirements will be in effect:

20.1 Waiver

Both the Tenant and Landlord each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

20.2 General Insurance Provisions – Landlord Requirements

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

(a) Evidence of Coverage and Notice to Tenant

- i. Certificate(s) of insurance coverage ("Certificate") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) has been given insured status under the Landlord's General Liability policy,

shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.

- ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant-required endorsement forms.
- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

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

Landlord also shall promptly notify Tenant of any third party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant and its Agents"), shall be provided additional insured status under Landlord's General Liability policy with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the premises. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions, whether such liability is attributable to the Landlord or to the Tenant. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required



Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(c) Cancellation of or Changes in Insurance

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

(d) Failure to Maintain Insurance

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

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Landlord's Insurance Shall Be Primary

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

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

(h) Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR. The Tenant retains the right to require

Landlord to reduce or eliminate policy deductibles and SIRs as respects the Tenant, or to provide a bond guaranteeing Landlord's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

(i) Claims Made Coverage

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

(j) Application of Excess Liability Coverage

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

(k) Separation of Insureds

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

(l) Tenant Review and Approval of Insurance Requirements

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

### 20.3 Insurance Coverage Types And Limits

(a) Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

- i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

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

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements: During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

- (a) Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 10 million
Products/Completed Operations Aggregate:	\$ 10 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

- (b) Commercial Property Insurance. Such insurance shall:

- i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

## 21. PARKING

### 21.1 Tenant's Rights

Tenant shall have the right to the number of exclusive reserved parking spaces set forth in Section 1.1, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all unreserved parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1, if applicable.

### 21.2 Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receives all of the parking spaces to which it is entitled under this Lease for the entire Term of this Lease and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number of the parking spaces required above are not available to Tenant (in addition to the rights given to Tenant under Section 14 and Sections 9 and 17 in the event of casualty or condemnation), then Tenant may:

- (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter, or
- (b) deduct from the Base Rent thereafter accruing hereunder an amount each month equal to the Base Rent times the percentage of parking spaces not so provided times the number 1.5, but such deduction from Base Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%) of the Base Rent.

## **22. ENVIRONMENTAL MATTERS**

### **22.1 Hazardous Materials**

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

### **22.2 Landlord Indemnity**

Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fines, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of, or in connection with, the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials other than those caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring

or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

## **23. ESTOPPEL CERTIFICATES**

Tenant shall, within 30 business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit F attached hereto (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

## **24. TENANT IMPROVEMENTS**

### **24.1 Landlord Work**

(a) Landlord shall, at its sole cost and expense (exclusive of Landlord's Tenant Improvement (TI) Allowance), be responsible for the following work: (A) Replace lighting throughout the Premises with new LED lighting, (B) Add supplemental HVAC into the existing IT room to meet the County standards, (C) Repair cracks in concrete slab and/or VCT flooring throughout the Premises, (D) Repair the roof to make it watertight so no leaks come into the Premises,

(b) Landlord shall, at its sole cost and expense (exclusive of Landlord's TI Allowance), be responsible for any work to bring the Building or Premises in compliance with applicable City, County, State and Federal building codes, regulations and ordinances required for legal occupancy, including without limitation ADA and fire life safety code requirements and any required work related to asbestos abatement, fire sprinkler system, or conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere. Any work undertaken to meet applicable code requirements necessitated to complete the work described in this Article 24 shall be included as part of the Landlord Work.

### **24.2 Tenant Improvement Work**

(a) Landlord shall provide Tenant a non-reimbursable Landlord TI Allowance of \$15.00 per RSF of the Premise (Landlord's TI Allowance)

(b) Landlord shall complete tenant improvements within the Premises in accordance with an approved space plan and/or detailed scope of work, using Building standard materials and finishes approved by Tenant in writing (Approved Plan). The TI work shall include, but not limited to, new carpet and paint per County specifications (including lifting any furniture systems), and refurbishment of Tenant's furniture, fixtures, and equipment and the cleaning of any and all areas

affected by the TI work (TI Work). Landlord shall obtain preliminary pricing for the TI Work and provided the costs of such TI Work shall not exceed an amount greater than Landlord's TI Allowance pursuant to Section 24.2(a) of the Lease, then Landlord shall be responsible for completing such TI Work (not to exceed Landlord's TI Allowance).

(c) Landlord shall solicit three (3) bids from qualified and licensed contractors, including a schedule, with respect to the TI Work. Landlord and Landlord's contractors shall be required to comply with prevailing wage requirements under California Labor Code Section 1720 et. seq., if applicable.

(d) If the total cost of the TI Work is less than Landlord's TI Allowance, then Tenant may utilize any portion of Landlord's TI Allowance as a credit toward Base Rent next due.

#### 24.3 Completion/Close Out

Landlord shall file for a building permit, if such a permit is required, to construct the Landlord Work and TI Work (the "Work") within sixty (60) days following mutual execution and unconditional delivery of the Lease and receipt of the Approved Plan, including detailed plans (as required), finishes and specifications. The Work shall be coordinated with Tenant's assigned Project Manager ("PM") in advance of Landlord commencing any of the Landlord Work and/or Tenant Improvement Work and the work must be performed after Tenant's Hours of Operation, Monday thru Friday, anytime Saturday & Sunday, unless waived or modified by Tenant's PM in writing to Landlord. Landlord will have regular meetings with Tenant, as needed to ensure proper coordination and to minimize any disruption to Tenant's operations. The parties agree that the estimated time for completion of said Tenant Improvement Work is one hundred and fifty (150) days from the date of issuance of the building permit subject to those Delays as outlined below.

Upon completion of the TI Work, Landlord shall notify Tenant in writing and, within ten (10) calendar days of Tenant's receipt of such notice, Landlord and Tenant shall conduct a "walk-through" inspection of the Premises. During the walk-through inspection, Landlord shall prepare a punch-list of known or apparent deficiencies or incomplete work required to be corrected or completed by Landlord as specified in Paragraph 24.2(b). Landlord, at Landlord's sole cost and expense, shall cause all punch-list items to be repaired or completed as soon as reasonably possible, but in no event later than thirty (30) days following the walk-through inspection.

Upon completion of the Work, Landlord will provide Tenant with a copy of any final as-built plans (as required) and provide Tenant with the total cost of the TI Work along with all supporting documentation and lien release waivers. Tenant shall have the right to audit the cost of TI Work at any time, but in no event later than two (2) years following the Commencement Date. Landlord shall require all contractors and subcontractors to cooperate with said audit of Tenant Improvement Work.

#### 24.4 Delay.

Completion may be delayed day for day by:

- a. Acts or omissions of Tenant or its employees or agents (including any change orders requested by Tenant), or
- b. Any act of God which Landlord could not have reasonably foreseen and provided for, or
- c. Any strikes, boycotts or like obstructive acts by employees or labor organizations which Landlord cannot overcome with reasonable effort and which Landlord could not have reasonably foreseen and provided for, or
- d. Any war or declaration of a state of national emergency, or
- e. The imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the Tenant Improvement Work.

#### 24.5 Change Requests

All Tenant-initiated and approved change requests shall not exceed a total cost of Five Thousand Dollars (\$5,000), and Landlord shall not be required to accept any particular change request if the total cost of prior Tenant-initiated change requests exceeds Five Thousand Dollars (\$5,000). The Chief Executive Officer or his/her designee is hereby authorized to approve change requests on behalf of Tenant. Tenant shall pay for change request costs in a lump sum. Landlord, or Landlord's contractor, shall submit to the Chief Executive Officer or his/her designee with each change request (a) the specific cost of the requested change; (b) the cumulative net total cost of all change requests previously approved; and (c) an estimate of the number of days by which construction time will be increased or shortened if the change request is approved. Each change request must be signed and dated by the Chief Executive Officer or his/her designee in order to be considered approved. Tenant shall have the right to audit the cost of the changes at any time after the Commencement Date. If Tenant requests a rent reduction due to its audit of these costs, Tenant shall provide Landlord with a copy of the audit summary as part of its request.

#### 24.6 Tenant Remedies

If Landlord fails to obtain the building permit, if applicable within the period described above or if the TI Work and Landlord Work have not been completed within one hundred and eighty (180) days from receipt of an approved plan and the building permit, then Tenant shall receive a day-for-day rent abatement for each day of delay, subject to any acceptable Delays described in Section 24.4.

#### 24.7 Notice of Nonresponsibility.

Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant in compliance with California Civil Code Section 8444.

### 25. **LIENS**

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant.

Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

## **26. SUBORDINATION AND MORTGAGES**

### **26.1 Subordination and Non-Disturbance**

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit E attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein.

### **26.2 Existing Deeds of Trust**

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Exhibit E attached hereto, within 30 days after the execution of this Lease.

### **26.3 Notice of Default**

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

## **27. SURRENDER OF POSSESSION**

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition, ordinary wear and tear, damage by earthquake, fire or the elements and other disaster or casualty excepted. Tenant and Landlord agree, Tenant may (but shall not be required to) remove, at its own expense, during or at the expiration or other termination of the term of this Lease, or any termination of any extension or holdover period thereof, as the case may be, all fixtures, furniture (including any modular furniture), equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

## **28. SIGNAGE**

Tenant shall be allowed to keep its existing signage located on the exterior of the Building and elevator lobbies of the floors of the Premises and suite signage. Tenant shall be permitted to install signs at the Premises that conform with any and all applicable laws and ordinances.



## **29. QUIET ENJOYMENT**

So long as Tenant is not in default hereunder, Tenant shall have the right to the peaceful and quiet enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

## **30. GENERAL**

### **30.1 Headings**

Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

### **30.2 Successors and Assigns**

All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

### **30.3 Brokers**

Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than Cushman & Wakefield, Inc. (the "Agent") and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. The terms of any commissions due shall be pursuant to a separate commission agreement between Landlord and Agent.

### **30.4 Entire Agreement**

This Lease (including all exhibits hereto) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

### **30.5 Severability**

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

### **30.6 Notices**

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for

Notice as set forth in Section 1.1. Without limiting the generality of the foregoing, Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1.1(b) hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

30.7 Governing Law and Venue

This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

30.8 Waivers

No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

30.9 Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

30.10 Consent

Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) business days after written request is made therefore, together with all necessary information.

30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit H attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

30.13 Counterparts; Electronic Signatures

This Lease and any other document necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form

of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

### **31. AUTHORITY**

Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Lease, to bind Tenant to the terms included herein. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease, and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Office of the County (the "Chief Executive Office") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an early termination notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

## **32. ACKNOWLEDGEMENT BY LANDLORD**

Landlord acknowledges that it is aware of the following provisions:

### **32.1 Consideration of GAIN Program Participants**

Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

### **32.2 Solicitation of Consideration**

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

### **32.3 Landlord Assignment**

- (a) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- (b) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease, or any portion thereof, as security for the Landlord's obligation to repay any monetary obligation, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a

fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.

- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.
- (f) Landlord shall not furnish any information concerning Tenant or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section 32.3.
- (g) The provisions of this Section 32.3 shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns, whether so expressed or not.

32.4 Smoking in County Facilities. The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and

the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)

**33. IRREVOCABLE OFFER**

In consideration for the time and expense that Tenant will invest in this Lease, including but not limited to preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County, as necessary, in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.

**34. COVID-19 VACCINATIONS OF COUNTY CONTRACTOR PERSONNEL**

34.1. At Landlord's sole cost, Landlord shall comply with Chapter 2.212 (COVID-19 Vaccinations of County Contactor Personnel) of County Code Title 2 - Administration, Division 4. All employees of Landlord and persons working on its behalf, including but not limited to, Subcontractors of any tier (collectively, "Landlord 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 Lease, and/or (3) coming into contact with the public while performing services under this Lease (collectively, "In-Person Services").

34.2. Landlord 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").

- 34.3. Prior to assigning Landlord Personnel to perform In-Person Services, Landlord shall obtain proof that such Landlord Personnel have been fully vaccinated by confirming Landlord 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 Landlord who follow the CDPH vaccination records guidelines and standards. Landlord shall also provide written notice to County before the start of work under this Lease that its Landlord Personnel are in compliance with the requirements of this section. Landlord shall retain such proof of vaccination for the document retention period set forth in this Lease, and must provide such records to the County for audit purposes, when required by County.
- 34.4. Landlord shall evaluate any medical or sincerely held religious exemption request of its Landlord Personnel, as required by law. If Landlord has determined that Landlord Personnel is exempt pursuant to a medical or sincerely held religious reason, the Landlord must also maintain records of the Landlord Personnel's testing results. The Landlord must provide such records to the County for audit purposes, when required by County. The unvaccinated exempt Landlord 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 Lease, and/or (3) coming into contact with the public while performing services under this Lease:
- 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.
  - b. Engage in proper physical distancing, as determined by the applicable County department that the Lease is with.
- 34.5. In addition to complying with the requirements of this section, Landlord shall also comply with all other applicable local, departmental, State, and federal laws, regulations and requirements for COVID-19.





IN WITNESS WHEREOF this Lease has been executed the day and year first set forth above.

LANDLORD:

PFK PARTNERS L.P., a California Limited Partnership

By:   
Name: Linda Fareed  
Its: Manager

By:   
Name: Denise Keck  
Its: Manager

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

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

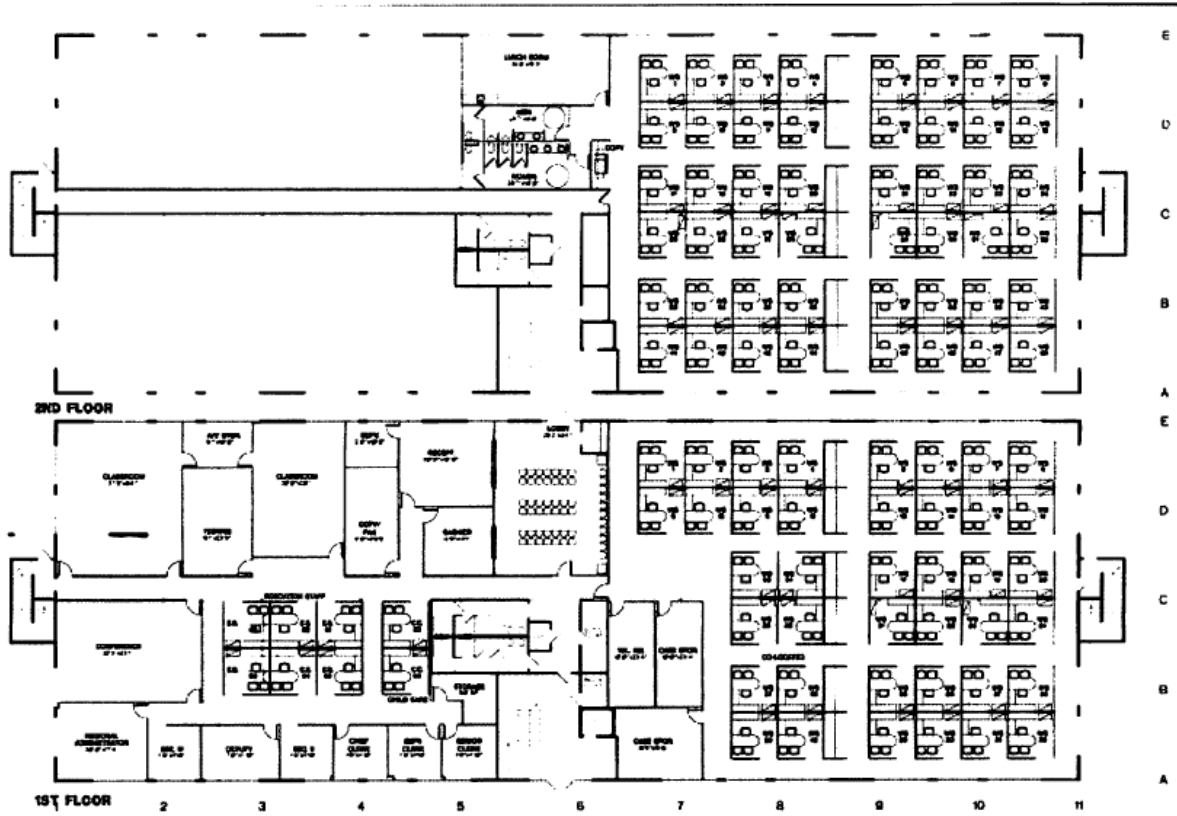
By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON  
Acting County Counsel

By:   
Senior Deputy

**EXHIBIT A**  
**FLOOR PLAN OF PREMISES**



## EXHIBIT B

### COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain Lease Agreement ("Lease") dated \_\_\_\_\_, 20\_\_, between County of Los Angeles, a body corporate and politic ("Tenant"), and PFK PARTNERS L.P., a California Limited Partnership ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located in the entire office Building located at 3307 N Glenoaks Boulevard, Burbank, California ("Premises"), Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on \_\_\_\_\_ ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 4) The Premises contain 35,772 rentable square feet of space; and

For clarification and the purpose of calculating future rental rate adjustments:

- 1) Base Rent per month is \_\_\_\_\_.
- 2) The Base Index month is \_\_\_\_\_.
- 3) The Base Index is \_\_\_\_\_.
- 4) The first New Index month is \_\_\_\_\_.

IN WITNESS WHEREOF, this memorandum is executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Tenant:

COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_

Landlord:

PFK PARTNERS L.P., a California Limited  
Partnership

By: \_\_\_\_\_

Name: Linda Fareed  
Its: Manager

By: \_\_\_\_\_

Name: Denise Keck  
Its: Manager

## **EXHIBIT C**

### **HEATING, VENTILATION AND AIR CONDITIONING**

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Tenant's Hours of Operation established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable/net square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

## **EXHIBIT D**

### **CLEANING AND MAINTENANCE SCHEDULE**

#### **A. DAILY (Monday through Friday)**

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable)
11. Graffiti expunged as needed within two working days after notice by Tenant
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including, but, not limited to, paper supplies and soap.

#### **B. WEEKLY**

14. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
15. Window sills, ledges and wood paneling and molding dusted.

#### **C. MONTHLY**

16. Floors washed and waxed in uncarpeted office area.
17. High-reach areas, door frames and tops of partitions dusted.
18. Upholstered furniture vacuumed, plastic and leather furniture wiped
19. Picture moldings and frames dusted.
20. Wall vents and ceiling vents vacuumed.

21. Carpet professionally spot cleaned as required to remove stains.
22. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

23. Light fixtures cleaned and dusted, but not less frequently than quarterly.
24. Wood furniture polished.
25. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
26. HVAC units serviced for preventative maintenance purposes, all filters changed.

E. SEMI-ANNUALLY

27. Windows washed as required inside and outside but not less frequently than twice annually.
28. All painted wall and door surfaces washed and stains removed.
29. All walls treated with vinyl covering washed and stains removed.

F. ANNUALLY

30. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.
31. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.
32. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. AS NEEDED

33. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
34. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.
35. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

36. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning:

- i. heavy traffic areas cleaned as needed, with a minimum frequency of bi-monthly [six (6) times per year];
- ii. moderate traffic areas cleaned as needed, with a minimum of once every six (6) months [two (2) times per year]; and
- iii. clean light traffic areas a minimum of once per year.

Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

37. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence") except for touch-up paint as provided in Paragraph 6.C. of this Exhibit E. The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.

38. All HVAC ducts cleaned as needed, but no less than every five (5) years.

#### H. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.



**EXHIBIT E**

**SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT**

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street  
7th Floor  
Los Angeles, California 90012

)  
)  
)  
)  
)  
)  
)

Space above for Recorder's Use

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**SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT**

**NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT  
AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF  
LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.**

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated \_\_\_\_\_ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Non-disturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Borrower: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Tenant: County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

TENANT: COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BORROWER: *[Insert name of Landlord]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LENDER: *[Insert name of Lender],*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)

## EXHIBIT F

### TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Re:    Date of Certificate: \_\_\_\_\_  
      Lease Dated: \_\_\_\_\_  
      Current Landlord: \_\_\_\_\_  
      Located at: \_\_\_\_\_  
      Premises: \_\_\_\_\_  
      Commencement Date of Term: \_\_\_\_\_  
      Expiration Date: \_\_\_\_\_  
      Current Rent: \_\_\_\_\_

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

1.     Tenant is the present holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2.     (a)    A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

      (b)    The current Rent is set forth above.

      (c)    The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

      (d)    Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

      (e)    Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3.     (a)    The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended, except as set forth in Exhibit A, and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

[(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.]

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one (1) month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full, and all of Landlord's obligations with respect to tenant improvements have been fully performed, except: \_\_\_\_\_.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# EXHIBIT G

## COMMUNITY BUSINESS ENTERPRISE FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. The final analysis and consideration of the lease will be determined without regard to race, creed, color or gender. *(Categories listed below are based on those described in 49 CFR Section 23.5)*

### I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)

1. Firm Name: _____			3. Contact Person/Telephone Number: _____			
2. Address: _____			_____			
_____			_____			
_____			4. Total number of employees in the firm: _____			
5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

### II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) \_\_\_\_\_

2. Total Number of Ownership/Partners, Etc.: _____			<b>III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION</b>		
3. Provide the percentage of ownership in each	All Employee	Women	Is your firm currently certified as a minority owned business firm by the:		
Black/African American			State of California? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Hispanic/Latin American			City of Los Angeles? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Asian American			Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Portuguese American			<b>Section D. OPTION TO PROVIDE REQUESTED INFORMATION</b>		
American Indian/Alaskan Native			<input type="checkbox"/> We do not wish to provide the information required in this form.		
All Others			Firm Name: _____		
			Signature/Title: _____		
			Date: _____		



## EXHIBIT H

### MEMORANDUM OF LEASE

#### RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

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### MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between \_\_\_\_\_, a \_\_\_\_\_ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic, duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated \_\_\_\_\_, 20\_\_ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on \_\_\_\_\_, 20\_\_, and ending on a date \_\_\_\_\_ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: \_\_\_\_\_, 20\_\_.

LANDLORD:

By: \_\_\_\_\_

Name: Linda Fareed

Its: Manager

By: \_\_\_\_\_

Name: Denise Keck

Its: Manager

9

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Chief Executive Officer

By: \_\_\_\_\_

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: \_\_\_\_\_  
Senior Deputy

A notary public or other officer  
completing this certificate verifies  
only the identity of the individual who  
signed the document to which this  
certificate is attached, and not the

truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me,

Date \_\_\_\_\_ Name And Title Of Officer (e.g. "Jane Doe, Notary Public") \_\_\_\_\_  
personally appeared \_\_\_\_\_.

Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature (Seal)

